The New Zealand Office Products Market
2nd edition 2006 – 2008

"With low market growth and a tough economic environment, operators need to proactively seek out growth....."
"The future is all about technology, innovation and new products...."

EXTRACT TO INDICATE THE GENERAL NATURE OF THE REPORT

OFFICE PRODUCTS

BIS Shrapnel
BUSINESS RESEARCH AND FORECASTING

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1. INTRODUCTION

This is the second edition of BIS Shrapnel's report on this industry.

Our research indicates growth in the current market is very low. This combined with a dismal economic outlook for New Zealand (at least until late 2007) means operators must proactively 'seek out' growth – in new products, categories and by targeting new customer segments. The most successful operators are innovative companies who are constantly working on their product range – introducing streams of new product and culling or reducing mature ones.

Since our last report in 2001 "office products" has become a broader term than ever, moving beyond the traditional items (stationery, paper, electronic/computer products) to cover almost all the regular items purchased by offices. Coffee, cleaning products, printing services and furniture are just a sub-set of these. This expansion trend is, in our view, an area of great opportunity for dealers.

This report provides further details on these and other insights within the chapters that follow.

Based on 220 interviews – 170 with commercial consumers and 50 with dealers, extensive desk research and consultant interviews, this report provides a detailed analysis of this changing market.

Following the **executive summary** of key findings, Chapter 3 provides a **market overview** – defining the operators, market size, products, local production, imports, market drivers, market trends and growth in online ordering.

Consumers (Chapter 4) runs through each of the seven consumer segments – providing extensive data for each. For each segment this includes size, number of consumers, segment attractiveness, segment outline, characteristics of the orderer and outlook. Within the commercial sector we also provide detailed quantification of the number of office workers and their expenditure.

Products (Chapter 5) presents comprehensive quantitative analysis of the 50 products covered in our survey. There is extensive brand data. For each product we have a three page snapshot of data taken from our consumer survey as well as from our own desk research.

In chapter 6 **distribution** is covered. We map the distribution flows – with values – clarifying the size and flows through each of the channels. We also include diagrams of each main channel (suppliers, wholesalers and dealer) and include the channel share breakdown by type of dealer.

Chapter 7 – **competitive insight** – provides market share tables, a section on industry benchmarks and the survey results relating to the major players (dealers, wholesalers and suppliers) including performance ratings of major dealers and suppliers.

Strategic and marketing issues are presented in Chapter 8. Issues covered include: trends in methods of ordering, the characteristics of the person who orders office products, effectiveness of promotional activities and 'environmental friendliness'.

The concluding section – **outlook to 2008** – covers the economic outlook and forecasts of demand for office products over the two years to 2008. We provide forecasts by products category and customer segment.

Products have been grouped into the industry standard categories for easy reference. The following products are covered in the report.

Writing instruments	
Paper and label products	
Copy / Laser paper	Coloured paper
Photographic paper	Other specialty paper
Computer labels	CD / DVD labels
Computer paper	
Pads, books & envelopes	
Repositionable adhesive notes	Note pads
Note books (not spiral bound)	Spiral bound note books
Diaries/Personal organisers	Envelopes
Computer consumables	
Ink jet cartridges (OEM, Compat & Reman/refilled)	Toner cartridges (OEM, Compatible, Reman)
Blank CDs	Blank DVDs
Computer diskettes 3.5”	Data cartridges
Computer accessories	
Keyboards	Mouses
CD / DVD storage – cases, stands, wallets	
Filing and storage	
Ring binders	Lever arch binders
Manilla folders	Suspension files
Document wallets	Plastic sheet protectors
Dividers / indexes	Repositionable adhesive tabs & flags
Presentation products	
Binding covers	Binding combs
Presentation / display books	Laminating pouches
General office supplies	
Adhesive (office) tape	Packing tape
Document trays	Desk accessories (excl Doc trays)
Staplers / punches	Correction rollers
Glue sticks	Glue rollers
Office machines	
Inkjet printers	Laser printers
Multi-function devices (printer/copiers etc)	Binding machines
Laminating machines	Shredders
Other ‘non-core’ products	
Printing & copying services	Office beverages
Office furniture	Cleaning & janitorial
Personal computers (PCs)	

The surveys were completed during June 2006. They were conducted by qualified interviewers over the telephone.

A copy of the two questionnaires used, are included in the appendices. There is also a full list of respondent companies who completed the surveys in the appendices.

Appendix 3 contains a glossary of terms used.

Respondents who provided their contact details all receive a personal *thank you* letter and a brief summary of survey findings likely to be of interest to them.

Note: All years in this report are financial years, ending 30 June, unless stated otherwise.

End-user respondent sample profile

	Number	*%*
By state		
Upper North Island	84	49
Lower North Island	46	27
South Island	40	24
By size of business		
Micro (1-5 office workers)	66	39
Small (6-19 office workers)	47	28
Medium (20-99 office workers)	37	22
Large (100+ office workers)	20	12
By industry sector		
Manufacturing	27	16
Electricity, gas and water supply	3	2
Construction	6	4
Wholesale trade	7	4
Retail trade	15	9
Accommodation, cafes and restaurants	5	3
Transport	14	8
Communication services	3	2
Finance and insurance	11	6
Property and business services	24	14
Government administration and defence	9	5
Education	24	14
Health and community services	12	7
Cultural and recreational services	2	1
Personal and other services	8	5
By role		
Owner/MD	16	9
Receptionist/ secretary/PA	30	18
Office Manager	29	17
Administrator officer	32	19
Finance manager/accountant	9	5
Purchasing manager/buyer	12	7
Other	42	25
By gender		
Male	48	28
Female	122	72
Total	170	100

Dealer respondent sample profile

	Number	*%*
By position of respondent		
Owner/MD/GM	21	42
Purchasing manager/Buyer	5	10
Marketing/merchandising/sales manager	1	2
Store manager	15	30
Category manager	2	4
Other	6	12
By type of dealer		
Specialist office product retailer	28	56
Other retailer	4	8
Commercial/contract dealer	16	32
Other direct	2	4
Total	50	100

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