Extended Service Warranties

The last piece of the puzzle in the Office Products dealer playbook

Contents

Office Product Dealers and Managed Service Providers Collaboration Strategy:

A Structured Approach for Sustainable Growth

Executive Overview

Office Products (OP) dealers are under increasing pressure to expand beyond transactional selling and offer a more comprehensive service model that meets the evolving needs of modern business customers. Until recently, the inability to offer repair services on key devices—printers, copiers, PCs, and laptops—has been a major obstacle, forcing OP dealers to cede ground to Managed Print Dealers who own the service relationship by employing full-time technicians.

This white paper explores how Extended Service Warranties (ESWs) can change the game. By offering cost-effective device protection and access to a national network of certified technicians, ESWs allow OP dealers to deliver high-quality break/fix support without the overhead of an internal service team. These warranties create new recurring revenue streams, deepen customer relationships, and fill critical gaps in the dealer's overall value proposition.

We also examine how ESWs work in concert with two other strategic programs: Data Capture Agent (DCA) deployment and Managed Service Provider (MSP) partnerships. Without ESWs, both strategies are compromised—DCAs may flag issues, but repairs remain unaddressed; MSPs may manage networks, but hardware support becomes a weak link. Together, these three programs round out a full suite of modern services that reposition OP dealers as long-term, tech-enabled procurement partners capable of retaining and growing their customer base.

Introduction: The Missing Piece in the OP Dealer Playbook

For decades, Office Products dealers have relied on fast delivery, responsive service, and strong customer relationships to defend their territory. But today's customers are more demanding, more distributed, and more reliant on a mix of devices that require ongoing support. Simply selling products and dropping them off no longer satisfies the needs of IT leaders or office managers responsible for keeping teams productive.

Managed Print Dealers gained an advantage by building service teams to handle repairs—but those teams are expensive and often underutilized. Maintaining a fleet of service techs means paying for idle time, long drive times, and uneven workloads. While this overhead is increasingly hard to justify, customers still expect someone to fix their device when it breaks.

This is where Extended Service Warranties come in. By tapping into a nationwide network of certified repair technicians, OP dealers can offer reliable device support without hiring a single service tech. It's a scalable, cost-effective solution that finally puts OP dealers on level ground—or even ahead—when competing for business that includes device support.

Even more importantly, ESWs unlock the full potential of the dealer's broader service ecosystem. They give teeth to DCA monitoring, ensuring that detected issues lead to timely resolution. They strengthen MSP partnerships by eliminating a common blind spot: who fixes the printer or laptop when it fails? And they offer a clear path to monthly recurring revenue—something every dealer needs more of.

This paper outlines why Extended Service Warranties aren't just a nice-to-have—they're essential infrastructure in the next-generation OP dealer playbook.

Chapter 1: Why Service Still Matters in a Remote-First, Digitally-Driven World

The workplace has changed. The rapid shift to hybrid and remote work has transformed how and where employees get their work done, but it hasn't eliminated the need for reliable hardware support. In fact, in this increasingly digital and decentralized environment, dependable service has become even more critical—particularly for small and mid-sized businesses (SMBs) who lack internal IT resources or local service infrastructure.

While the buzz may center on cloud software, cybersecurity, and artificial intelligence, the reality on the ground is that business still depends on the devices sitting on desks: printers, laptops, PCs, scanners, and multifunction copiers. These devices remain the physical enablers of work, especially in industries like legal, healthcare, financial services, education, and logistics. And when they go down, productivity grinds to a halt.

For years, OP dealers have prided themselves on fast delivery and exceptional customer relationships. But the absence of repair services has created a vulnerability. When a device breaks, customers are often left on their own to coordinate service through OEMs, navigate third-party options, or, worse, replace the equipment entirely. This not only frustrates customers—it weakens the dealer's perceived value.

At the same time, Managed Print Dealers have used service as a wedge to build long-term contracts and lock in customer relationships. Their in-house technicians provide scheduled maintenance, emergency repair, and replacement support as part of bundled contracts. While their approach is not without flaws—namely the high cost and low utilization of their service teams—it has set a high bar in the minds of end customers who expect someone to "just take care of it."

So, why does service still matter in a world dominated by cloud tools and digital workflows? Because hardware still fails. Toner still leaks. Fusers still burn out. Power supplies still go dead. And when that happens, especially in the SMB space, there's usually no in-house technician standing by to fix it. The delay creates friction, impacts deadlines, and undermines trust in the vendor.

This is particularly true for remote-first businesses. When an employee's laptop or printer stops working at a home office, the cost of inaction multiplies. There's the lost productivity, of course. But there's also the challenge of coordinating support across locations. How do you get a certified tech to a remote worker's home? Who pays for it? How long will it take? Without a plan in place, these small interruptions become big issues.

That's where Extended Service Warranties (ESWs) step in.

By offering device protection and a built-in national repair network, ESWs solve one of the most pressing pain points for SMBs: reliable, affordable service for essential hardware. Dealers who offer ESWs aren't just selling peace of mind—they're eliminating the chaos that comes with unexpected downtime. This support isn't limited to in-office devices, either. ESWs can cover remote devices, too, giving dealers a way to remain relevant and valuable even when the customer base is geographically dispersed.

And here's the critical part: in this new landscape, offering service is no longer optional. It's expected. The difference today is that OP dealers don't need to build service teams from scratch or invest in expensive logistics. Through ESWs, they can plug into existing national repair networks, enabling rapid response without overhead. That creates a competitive advantage over both traditional competitors and large online retailers who may sell devices but don't support them after the sale.

Moreover, service has become a key differentiator in winning and retaining business. Customers don't want to juggle multiple vendors for procurement, support, and warranties. They want a single partner who can help them choose the right product, deliver it quickly, support it when needed, and replace it when necessary. Dealers who provide that full cycle become stickier, more trusted, and more difficult to displace.

In a digitally-driven world, where most touchpoints are now virtual, the ability to respond to a physical issue quickly and effectively builds enormous brand equity. It shows that the dealer is not just a vendor, but a partner.

This is the new frontier of service for OP dealers. Not white-glove delivery. Not drop-shipping. But a fully integrated support experience that extends beyond the sale and into the daily working lives of customers—no matter where they are.

Service still matters. In fact, it may matter more than ever. And thanks to Extended Service Warranties, OP dealers can finally deliver it—scalably, profitably, and without compromise.

Chapter 2: The Fatal Flaw of the MPS Model – Overbuilt, Underutilized Tech Teams

Managed Print Dealers have long positioned themselves as full-service providers, bundling hardware, consumables, and break/fix support into one predictable monthly payment. For many customers, this has been an appealing model: a single point of accountability, fewer surprises, and fewer vendors to manage. But beneath the surface, this approach has a critical flaw—one that exposes a unique opportunity for OP dealers.

At the heart of the MPS model is the service technician. These in-house tech teams are responsible for everything from routine maintenance and toner replacement to troubleshooting error codes and replacing key parts. In theory, this builds customer loyalty and ensures device uptime. In practice, however, it creates an expensive and inefficient operational structure that becomes increasingly difficult to sustain.

The challenge lies in technician utilization. These skilled employees are rarely working at full capacity. Unlike call center staff or warehouse pickers, techs can't simply move from one task to the next without delay. They spend time driving between customer sites, sitting in traffic, waiting for access, or even showing up to calls that don't require a repair at all. As a result, actual repair time may represent just 40% to 60% of their total paid hours.

This underutilization adds up. Dealers must still pay salaries, benefits, vehicle costs, fuel, insurance, and administrative overhead. To cover these costs, they often inflate the monthly charges embedded in their MPS contracts. In other words, the customer is paying for a bloated support structure—whether they need it or not.

And as print volumes decline, the economics become even harder to justify. Devices are more reliable than ever. Error rates are lower. Predictive software can catch issues early. Yet the fixed costs of the MPS service model remain. That means dealers are left with the worst of both worlds: less service demand but the same labor costs.

Meanwhile, the shift to remote and hybrid work has further complicated the equation. Many employees now work from home, where on-site service is logistically difficult or financially unjustifiable. Managed Print Dealers were built to serve centralized office environments—not dozens or hundreds of dispersed home offices. This creates a service gap that their current model struggles to close.

This is where OP dealers, supported by Extended Service Warranties, can turn the tables.

Rather than building costly in-house service operations, OP dealers can offer device protection through a subscription model tied to a national network of certified technicians. These third-party service providers already have geographic coverage, scheduling systems, and expertise in place. They are dispatched only when needed, and the cost is built into the warranty fee. No idle time. No waste. No overhead.

It's a more flexible, modern approach—one that matches today's distributed work environment. Customers still get the peace of mind they want, but without the burden of subsidizing a dealer's underused workforce.

From the dealer's perspective, this is liberating. There's no need to manage HR issues related to service staff, no ongoing training burden, and no trucks to maintain. Instead, the dealer can focus on selling, onboarding, and supporting customers through smart, automated systems. The warranty program takes care of the rest.

In fact, many dealers may choose to start with a break/fix, time-and-materials approach through the same national network before evolving to a warranty subscription model. This keeps things simple, especially when just beginning to offer service. Either way, the economics are favorable.

Let's not forget that the end customer often has little interest in how the service is delivered—they just want a quick resolution. Whether the tech wears the dealer's uniform or not is immaterial. What matters is that the problem is solved, the downtime is minimal, and there are no surprise bills.

This is the fatal flaw of the MPS model: it was built for a world of high-volume, centralized printing. That world is disappearing. What's emerging in its place is a need for leaner, smarter, and more flexible support options that reflect how and where people work today.

OP dealers who embrace Extended Service Warranties aren't just catching up to MPS providers—they're leapfrogging them. By skipping the high-cost infrastructure and adopting a just-in-time service strategy, they can offer equal (or better) support at a lower cost, while keeping their operations light and scalable.

In the next chapter, we'll explore how this shift enables OP dealers to deliver "MPS-level" support without MPS-level complexity—and how ESWs unlock a new set of capabilities that were once out of reach.

Chapter 3: How ESWs Enable OP Dealers to Offer "MPS-Level" Support Without the Overhead

The ability to provide ongoing service and support has historically been the domain of Managed Print Dealers. Their bundled offerings created the perception of all-inclusive care: toner delivery, routine maintenance, emergency repair, and equipment replacement, all under one monthly fee. For Office Products (OP) dealers, matching this level of service seemed out of reach—until now.

Extended Service Warranties (ESWs) change the equation.

With ESWs, OP dealers can deliver a support experience that rivals, or in many cases exceeds, the MPS model—but without the infrastructure, staffing requirements, or operational burden. This chapter explores how ESWs equip dealers with the tools to offer professional, predictable, and scalable support across a wide array of business-critical devices.

Support That Covers More Than Just Printers

Unlike traditional MPS programs that focus heavily on printers and copiers, ESWs can cover a broader range of equipment, including:

- Desktop and laptop computers
- Servers and workstations
- Scanners and multifunction devices
- Monitors and accessories

This wider scope expands the value proposition for the OP dealer and positions them as a true device management partner—not just a supplier.

Predictable, Affordable Pricing for End Customers

One of the biggest advantages of ESWs is pricing transparency. Customers pay a low, predictable monthly fee that covers all parts and labor for covered repairs. There are no surprise bills, no emergency service charges, and no lengthy contract negotiations. This simplicity makes it easier for OP dealers to position and sell warranties as part of a broader procurement conversation.

It also makes budgeting easier for the end customer. SMBs in particular value fixed-cost protection that eliminates the uncertainty of unexpected device failures.

Backed by a National Network of Certified Repair Technicians

Through ESWs, dealers gain access to a network of vetted, certified repair technicians with national coverage. These technicians are dispatched on demand based on the location and needs of the customer. This eliminates the need for OP dealers to hire, train, and manage an internal service team.

Whether a device needs repair at a corporate office or a remote worker's home, the warranty program facilitates a timely response. Repairs are logged, tracked, and resolved through a centralized support platform—delivering consistency and professionalism with every interaction.

QR Code-Based Ticketing for Simplicity and Speed

Each device under warranty is registered and linked to a specific serial number. A QR code affixed to the device allows users to scan and initiate a support ticket instantly. No lengthy forms. No back-and-forth emails. Just a seamless path from issue to resolution.

This is particularly useful in decentralized environments, where IT departments or purchasing managers may not be physically present to submit support requests on behalf of the user. The result is less friction, faster response times, and higher customer satisfaction.

Ideal for Bundling With Other Services

ESWs are not a standalone upsell—they're a strategic tool that enhances the dealer's overall value proposition. When bundled with supply cabinet management, automated replenishment, DCA software, or even MSP services, warranties provide a natural extension that rounds out a true managed offering.

Dealers can also use ESWs as an entry point for deeper relationships. A customer who begins with a single device under warranty may soon expand coverage to their entire fleet. From there, the dealer can introduce new tools and services over time.

No Need for Complex SLAs or MPS Infrastructure

MPS contracts are often mired in complexity—custom SLAs, device assessments, fleet standardization, and rigid terms that make customers feel trapped. ESWs, by contrast, are flexible and easy to deploy. They scale from a single device to an enterprise-wide deployment without the red tape.

This removes a significant barrier for OP dealers who want to offer MPS-style support but don't want to replicate the administrative burden. It also appeals to customers who value support but are wary of traditional MPS contracts.

A True Leap Forward

ESWs empower OP dealers to transform from product vendors into service providers without hiring service techs, investing in fleet management tools, or building out logistics. They create parity with MPS providers—and in many cases, an advantage—by enabling scalable, just-in-time service that aligns with how business operates today.

The result is a win-win: customers get professional, responsive support; dealers build recurring revenue, increase retention, and deepen relationships without compromising profitability.

In the next chapter, we'll examine how pairing ESWs with DCA deployment creates an end-to-end solution that delivers visibility, actionability, and confidence to both the dealer and the customer.

Chapter 4: Completing the DCA + ESW Loop – Visibility + Protection = Peace of Mind

For OP dealers making the leap into services, the deployment of Data Capture Agent (DCA) software is often the first step. DCA enables real-time visibility into the performance, supply levels, and status of print and imaging devices across an organization. With it, dealers can move from reactive fulfillment to proactive management—monitoring toner levels, identifying underutilized or overused machines, and scheduling supply replenishment or maintenance before problems arise.

But visibility alone isn't enough. Seeing that a device is down or nearing failure is only half the battle. Without a reliable, timely repair mechanism, the dealer is stuck in the same old loop: notify the customer, hope they take action, and wait. That gap between insight and resolution undermines the credibility of the service and frustrates customers who expect more than just data.

This is where Extended Service Warranties (ESWs) close the loop.

When DCA software and ESWs are deployed together, OP dealers can offer a complete, integrated service experience that rivals (and in many ways improves upon) traditional Managed Print programs. The DCA flags the issue. The ESW ensures it gets fixed—quickly, professionally, and without hidden costs.

From Monitoring to Managed Action

Imagine a scenario where the DCA detects a fuser failure on a printer in a customer's marketing department. Instead of simply generating an alert and hoping someone sees it, the system automatically initiates a support request. Thanks to the ESW, a certified technician is dispatched, the repair is completed within 24-48 hours, and the device is back online with minimal disruption.

That's not just service—that's assurance. And it's the kind of assurance customers are willing to pay for.

A Unified Front-End for the Customer

Customers don't want multiple portals, processes, and points of contact. When DCA and ESW are integrated, support becomes seamless. The DCA monitors the fleet; the ESW delivers the fix. And because both programs are managed by the dealer, the customer sees a single point of accountability.

This unified experience builds trust. The dealer is no longer just a product supplier or consumables provider—they're a partner in uptime.

Reducing Downtime, Increasing Satisfaction

Downtime is expensive. It disrupts workflows, delays deliverables, and generates end-user frustration. By combining DCA's predictive insights with ESW-backed repair capabilities, OP dealers can significantly reduce the mean time to resolution (MTTR) for device issues.

This responsiveness is particularly valuable in industries where output is time-sensitive—such as legal, healthcare, education, and logistics. Every hour saved matters.

Making the Case for Subscription-Based Support

The combination of DCA and ESWs also strengthens the dealer's ability to position subscription-based support services. Rather than selling DCA as a standalone monitoring tool or ESW as an optional add-on, dealers can package them together as part of a "Smart Fleet Protection" program.

This bundled approach simplifies the buying decision for customers and makes the value proposition crystal clear: "We'll monitor every device and fix any issue that arises. All for one low monthly fee."

Expanding Coverage Across the Device Landscape

While DCA is traditionally associated with printers and MFPs, ESWs extend protection to a broader set of devices, including:

- Desktop and laptop PCs
- Servers and workstations
- Monitors and accessories
- Scanners and fax machines

By deploying both solutions in parallel, OP dealers can offer end-to-end coverage for a customer's entire device fleet. This elevates their role in the account and creates multiple entry points for deeper engagement.

Turning Data Into Differentiation

Big-box retailers and ecommerce platforms may sell devices at competitive prices, but they can't turn data into action. Nor can they guarantee repair services within a defined SLA. This is where OP dealers, empowered by DCA and ESWs, gain a defensible competitive edge.

With real-time performance data and a built-in resolution path, dealers can differentiate themselves not just on price or product, but on value. And value is what drives long-term retention.

Operational Simplicity for the Dealer

Critically, this model doesn't burden the dealer with complexity. DCA software runs quietly in the background. ESW claims are handled through a streamlined platform. Service techs are dispatched automatically from a national network. The dealer stays focused on account management and customer success—not logistics or service queues.

Conclusion: The Power of Closing the Loop

Individually, DCA and ESWs are powerful. But together, they create a closed-loop service model that transforms how OP dealers support their customers. Visibility becomes action. Monitoring becomes management. And product sales become service relationships.

In the next chapter, we'll look at how ESWs also enhance the value of MSP partnerships—filling a critical gap in IT service coverage that most MSPs are not currently equipped to solve.

Chapter 5: Empowering MSP Partnerships – Plugging a Critical Gap in IT Hardware Support

Managed Service Providers (MSPs) have become vital partners for small and mid-sized businesses (SMBs), handling a wide range of IT functions from cybersecurity and data backup to network management and remote monitoring. But despite their strength in software and infrastructure, most MSPs struggle to address one stubborn blind spot: hardware service and repair.

When a printer fails, a laptop crashes, or a desktop stops booting, many MSPs are left scrambling. They may be able to diagnose the problem remotely, but they often lack the physical resources to fix it. And unlike the software world, hardware failures typically require someone to be on-site with the tools, parts, and training to complete the job.

This service gap creates frustration for MSPs and their clients alike. For the MSP, it means the customer still needs to juggle separate relationships with vendors, warranty providers, or local repair shops. For the end user, it means delays, extra costs, and more coordination just to get a device back online.

This is where OP dealers, equipped with Extended Service Warranties (ESWs), can step in as indispensable allies.

Filling the Hardware Gap Without Adding Overhead

ESWs give OP dealers a turnkey solution to support the hardware repair needs of MSP clients. By tapping into a national network of certified repair technicians, dealers can offer on-demand service for covered devices—whether it's a networked printer in an office or a remote employee's malfunctioning laptop.

This allows the OP dealer to become the go-to resource for device protection, without needing to build a service team or invest in logistics. And for the MSP, it means they can deliver end-to-end support without overextending their capabilities.

A More Complete MSP Offering

When OP dealers and MSPs collaborate, the result is a more comprehensive service stack:

- **MSP**: Covers software, security, network, and endpoint monitoring.
- **OP Dealer + ESW**: Covers physical devices and provides on-site repair services.

Together, they deliver a solution that addresses 100% of the end user's IT environment. This strengthens the MSP's value proposition, improves customer satisfaction, and opens the door to deeper strategic partnerships.

Creating New Entry Points and Cross-Selling Opportunities

The introduction of ESWs can also serve as a door-opener for OP dealers seeking to build MSP partnerships. It provides a reason to reach out to IT decision-makers at customer accounts—offering something MSPs may not currently have a solution for.

For example, a dealer might start the conversation with, "We know your MSP is managing your network—but who supports your printers, laptops, and desktops when they fail?"

From there, the conversation can lead to bundled offerings, co-managed accounts, or even referrals in both directions. MSPs looking to deepen their customer relationships may gladly partner with OP dealers who can fill this gap reliably and professionally.

Reducing Friction for the End Customer

End customers don’t care about organizational boundaries or who "owns" which part of the tech stack. They just want fast, effective support when something breaks. ESWs simplify the customer experience by reducing the number of vendors they need to contact and manage.

When an OP dealer and MSP work together to deliver seamless service—enabled by proactive monitoring, predictive analytics, and warranty-backed repairs—the result is a stronger, more unified customer experience.

An Opportunity for Recurring Revenue on Both Sides

Extended Service Warranties generate recurring revenue for OP dealers and strengthen customer retention. But they can also be positioned as value-adds within an MSP's managed services agreement. In some cases, the MSP may even choose to bundle ESWs into their offering, white-labeled or in partnership with the dealer.

This creates alignment between the two partners. The MSP gains a more comprehensive support capability, while the dealer gains recurring revenue and deeper account penetration. Both parties benefit from reduced churn and increased stickiness.

Building a Modern IT Support Ecosystem

The future of SMB technology support isn’t about silos. It’s about ecosystems. MSPs and OP dealers that work together—each bringing their respective strengths—can offer a more complete, resilient, and scalable solution than either could provide alone.

ESWs make that collaboration possible. They provide the connective tissue that bridges the gap between network management and physical device support. They turn OP dealers into relevant partners in the IT conversation, and they give MSPs the confidence to extend their service promise all the way down to the last device.

In the next chapter, we’ll explore the economics behind ESWs—and how they deliver new revenue streams without adding operational complexity for OP dealers.

Chapter 6: A New Revenue Stream, Not a Cost Center

For years, many OP dealers have viewed service as a burden—a cost center that requires skilled labor, expensive infrastructure, and unpredictable scheduling. While Managed Print Dealers were willing to accept those burdens in exchange for long-term contracts, most Office Products dealers stayed focused on transactional sales: low risk, fast turnover, and minimal overhead.

But the rules are changing. Customers now expect more than just product delivery—they want reliability, continuity, and accountability. And OP dealers need new ways to build recurring revenue if they hope to grow in a contracting marketplace. Extended Service Warranties (ESWs) offer a powerful solution to both challenges.

Rather than functioning as a traditional cost center, ESWs are structured as a **revenue-generating program**. They introduce predictable, margin-friendly, recurring income for the dealer without adding operational complexity. This model shifts the entire economics of service, making it a profitable line of business rather than an administrative headache.

How the Revenue Model Works

At its core, an ESW is a subscription. The customer pays a fixed monthly fee for coverage on a specific device. This fee includes all parts, labor, technician dispatch, and support logistics. The dealer receives a portion of that subscription as profit.

The best part? There are no trucks to maintain, no techs to manage, and no service tickets to personally oversee. The warranty provider handles the repair logistics through a national network. The dealer simply facilitates the sale, manages the relationship, and earns the recurring revenue.

Scalable Without Staffing Up

One of the major barriers to launching a service program has always been scalability. How can a dealer grow service revenue without hiring a service team?

With ESWs, scalability is built-in. Whether the dealer sells ten warranties or a thousand, the service infrastructure remains the same. It is the warranty provider's responsibility to manage service delivery, giving OP dealers a way to grow without increasing headcount or carrying liability.

This is especially important for smaller dealers looking to expand their offerings without taking on more fixed costs.

Positioned for Upsell and Cross-Sell

Because ESWs are simple to explain and easy to implement, they serve as a natural upsell in any hardware or device transaction. Whether a customer is ordering a printer, a laptop, or a desktop PC, the dealer can offer warranty coverage at the point of sale or in follow-up.

Additionally, ESWs can be layered into more comprehensive service programs. Dealers who offer supply cabinet management, DCA software, or managed IT services can bundle warranties as part of a full protection plan, increasing the total monthly value of each customer relationship.

Improves Customer Stickiness

ESWs don't just generate revenue—they improve retention. When a customer has multiple devices under warranty, they are far less likely to switch vendors. Why? Because they now depend on the dealer not just for products, but for continuity of operations.

This stickiness makes ESWs a powerful strategic tool. They give OP dealers more leverage to protect accounts, negotiate renewals, and defend margins in competitive bids.

Low Barrier to Entry, High ROI

Unlike launching a new product line or investing in a warehouse expansion, rolling out an ESW program requires minimal upfront investment. Dealers can be up and running in a matter of days, with marketing materials, onboarding support, and training provided by the warranty provider.

This creates a compelling return on investment. Dealers gain a high-margin, low-touch revenue stream that complements their existing product sales and enhances their brand promise.

A Program That Grows With the Dealer

As dealers build confidence and develop sales motion around ESWs, the program can scale across the entire customer base. Starting with a handful of high-value accounts, dealers can test pricing strategies, positioning, and bundling options.

Over time, they can standardize warranty offerings across product categories, include them in procurement proposals, or even offer incentives for early adoption.

Conclusion: Service That Pays You Back

OP dealers have long been boxed out of the service game because the economics didn't make sense. But Extended Service Warranties flip the script. They transform service from a cost center into a growth engine—creating new revenue, increasing retention, and requiring none of the traditional overhead.

This is the new model of profitable service. In the next chapter, we'll explore how ESWs not only retain customers, but deepen relationships by increasing dealer relevance and reducing procurement friction.

Chapter 7: From Cost Avoidance to Customer Stickiness

In the traditional OP dealer model, much of the sales strategy has been focused on pricing. Dealers win or lose accounts based on who can offer the lowest unit cost for toner, paper, or breakroom supplies. But price-driven relationships are inherently fragile. A better deal from a competitor—or even an online marketplace—can cause a customer to churn overnight.

Extended Service Warranties (ESWs) offer dealers a way out of this race to the bottom. By transitioning the conversation from price to value, dealers can build deeper, more resilient relationships with their customers. When you provide protection, peace of mind, and performance—not just products—you become more than a vendor. You become essential.

The Value of Continuity Over Cost

In business, downtime is costly. Whether it's a printer that stops working before a deadline or a laptop that crashes during a client call, device failure has ripple effects. Customers who experience these moments of disruption become acutely aware of the difference between a "cheap supplier" and a reliable partner.

With ESWs, dealers are positioned to be that reliable partner. Instead of asking the customer to source repairs, file claims, or replace equipment at their own expense, the dealer offers a solution that guarantees continuity. Devices are fixed fast. Costs are predictable. And users stay productive.

Stickiness Through Dependency

When a customer depends on you not just to deliver a product, but to ensure that product continues working, the relationship deepens. It's no longer a one-time transaction—it's an ongoing reliance.

This dependency is powerful. The more devices a customer has under warranty, the more they rely on the dealer to keep their business running smoothly. Every new device added to the program increases the switching cost—both financially and operationally.

Bridging Procurement and IT

Traditionally, OP dealers have dealt with purchasing managers focused on cost containment. But ESWs allow dealers to bridge the gap between procurement and IT.

By offering device protection that speaks to IT priorities—uptime, response time, asset utilization—the dealer gains access to new stakeholders and strengthens their position within the account. This cross-functional relevance makes it harder for competitors to displace the dealer with a price cut.

Reducing Procurement Friction

ESWs also streamline procurement. With coverage in place, customers no longer need to initiate separate service calls, research repair options, or manage reimbursement processes. The warranty eliminates complexity, reduces paperwork, and accelerates resolution.

From a procurement standpoint, this simplicity is valuable. It reduces the number of vendors involved, cuts down on administrative tasks, and supports the organization's broader goals of efficiency and cost control.

Strengthening the Quarterly Business Review (QBR)

Dealers that conduct QBRs with their customers can use ESW data to demonstrate performance and justify expansion. Metrics such as device uptime, average time to repair, and warranty utilization provide tangible proof of value delivered.

These conversations shift the narrative from "here's what you bought" to "here's what we protected, maintained, and improved." That's a much stronger position for renewals and expansions.

Becoming the Default Partner for New Devices

When a dealer manages warranty coverage across a customer's device fleet, they are often the first to know when a device reaches end-of-life or requires replacement. This gives them a built-in advantage when it comes time to recommend or sell new equipment.

Because the relationship is already service-based, the customer sees the dealer not just as a supplier, but as an advisor. That trust opens the door for higher-margin sales and longer-term planning.

Moving Beyond Cost Avoidance

While the immediate benefit of ESWs is cost avoidance for the customer, the long-term benefit for the dealer is strategic entrenchment. You become indispensable. You reduce the risk of churn. You elevate the conversation from price to performance.

Conclusion: Loyalty Through Reliability

In a competitive market, price can win the first order. But reliability wins the renewal. With Extended Service Warranties, OP dealers can shift their value proposition from commodity pricing to essential support. That shift creates loyalty, improves retention, and makes the dealer far more difficult to replace.

In the final chapter, we'll wrap up with a summary of how ESWs round out the full suite of services dealers need to compete—and win—in today's evolving business environment.

Conclusion: Rounding Out the Full Suite of Services

Office Products dealers have long had the relationships, the trust, and the local presence to serve their business customers well. But in a market rapidly shifting toward managed, subscription-based services, relationships alone are no longer enough. To remain relevant and competitive, dealers must evolve their value proposition—from transactional selling to ongoing service and support.

Extended Service Warranties (ESWs) make that evolution possible.

With no need to build internal service teams or manage logistics, ESWs allow OP dealers to offer professional, scalable repair services across a wide range of business-critical devices. They eliminate a long-standing disadvantage versus Managed Print Dealers and, in many cases, create a new competitive edge. More importantly, they integrate seamlessly with other key initiatives—like DCA software and MSP partnerships—to form a complete service ecosystem.

This is about more than just fixing devices. It's about:

- Delivering peace of mind to customers
- Generating new sources of recurring revenue

- Improving customer retention and reducing churn
- Strengthening strategic positioning within customer accounts
- Empowering cross-functional conversations across procurement and IT

Together, these outcomes position OP dealers as true technology partners—not just suppliers.

ESWs shift the economic model, turning service from a cost center into a profit center. They unlock upsell and cross-sell opportunities. They provide entry points for deeper relationships and co-managed engagements with MSPs. And they allow OP dealers to scale support capabilities without the burden of additional staff or infrastructure.

In a world where even a single device failure can halt productivity, customers are hungry for simple, dependable solutions. By offering warranties that combine proactive monitoring (via DCA) with reliable repair (via national service networks), dealers can meet those needs head-on.

The bottom line: Extended Service Warranties aren't just an add-on. They're a foundational piece of a modern, managed offering that keeps OP dealers in the game—and positions them to win.

The service opportunity is here. The tools are available. And the market is ready.

It's time for OP dealers to round out their full suite of services—and claim their place in the future of business technology support.