



IDC Custom Solutions Business Value Practice Case Study

Global IT Firm gains \$24M in business from IDC asset

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What was the Challenge?

- A global international IT firm requested IDC's assistance in creating a whitepaper that demonstrated the value of their integration services offering.

What was the Solution?


- 3 IDC-developed business value sales and marketing assets that outlined the ROI, increase in efficiency, and cost savings that clients experiences when implementing the vendor's cloud integration services.
 - 17 page white paper
 - 1 page Executive Summary
 - 1 page "Business Value Snapshot" data visualization of product value

What were the Measurable Results?

- 2,205 responses of interest to the vendor's marketing campaign that leveraged these IDC assets
- 409 validated leads (influenced)
- \$23.5 M win revenue

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IDC White Paper | ROI Study: The Case for SAP ASE Database Solutions



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ROI Study: The Case for SAP ASE Database Solutions

EXECUTIVE SUMMARY

A combination of computer technology breakthroughs and dropping unit prices for compute and storage capacity has made possible a wide range of new functionality in such areas as smart, handheld systems (including smartphones and tablets), sensor-enabled devices (including sensors and controls) networked together, the integration of things (IoT), and cloud computing, with its ability to scale, integrate, and deliver application configuration capability, and deliver the capability to manage a large amount of data. The result is a functional combination that we call the 3rd Platform. This platform enables intelligent systems to harness the capabilities of factories, power plants, and other applications that form the core of custom engineering and industrial forms of social data management and analysis. The move to the 3rd Platform enables enterprises to take advantage of the 3rd Platform is what IDC calls the 3rd Platform.

As enterprises plan for their own digital transformations, they must choose technologies that will enable them to deal with exploding volumes of fast-moving data, processing the data quickly and reliably and leveraging it for competitive advantage both on-premise and, eventually, in the cloud. At the same time, they need to upgrade and modernize their existing applications and workloads without sacrificing transaction speed, consistency, and durability.

It is natural in this case that enterprises look first at their existing relational database management systems (RDBMS). The fear of teaching that existing RDBMS may come from the sorts of risks that attend changes in technology. Many enterprises are, also, quite frankly, unaware of other options that may perform as well as or better than their current technology, that cost less to adopt and maintain, and that may be better poised for the challenges of the digital transformation.



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IDC White Paper | Enabling the Business Through Cost-Effective Scalability with Amazon EC2 Spot Instances

"We've reduced our compute resource costs by 30-65% with Spot Instances, but the ultimate value for us is not having to worry about scaling. We don't have to worry about code being perfect initially; we can make three points to the market and figure out how we're going because Spot instances make this possible with their cost." — Interviewee

Enabling the Business with Scalable, Cost-Effective Compute Resources

Study participants emphasized that their use of Spot Instances was beneficial more than to play; they have also been able to leverage significant server-side compute resources to enable their business operations. One interviewee described how much lower costs actually became more scalable, allowing the firm to reduce our compute resource costs by 30-65% with Spot Instances. The ultimate value for us is not having to worry about code being perfect initially; we can make three points to the market and figure out how we're going because Spot instances make this possible with their cost." — Interviewee


Table 2, interviewed organizations are improving their business results and capturing an average of \$3.31 million in additional revenue per year and creating operational efficiencies in the form of higher productivity as a result of this scalability.

TABLE 2
Business and User Impact of Amazon EC2 Spot Instances

	Per Organization	Per Application
Revenue Impact		
Additional revenue per year	\$3.31 million	\$22,533
Assumed operating margin	15%	15%
Increase in recognized revenue (operating margin)	\$496,300	\$3,380
User productivity impact		
Number of users impacted	144	1
Average productivity gain	5%	5%
FTE Impact per year	7.3	0.5

Source: IDC, 2017

The sections that follow describe three ways that interviewed organizations have enabled their business with Spot instances, changing the economics of provisioning compute resources in carrying out business operations, substantially removing cost as a potential roadblock or bottleneck to development efforts, and leveraging much lower compute costs as a direct competitive advantage in setting the price of their services and/or products.



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IDC White Paper | The Economic Value of Chromebooks for Educational Institutions

IDC calculates that, over three years, the TCO of Chromebooks will be 61% lower on average than the TCO of these alternative devices because Chromebooks are cost effective, require less staff time to deploy and manage, and suffer fewer outages and other problems that take time to remedy.

TABLE 4
Reliability KPIs - Chromebooks for Education

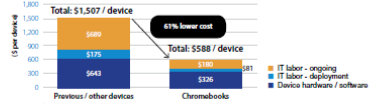
	Previous/Other Devices	Chromebooks	Change (%)
<i>Frequency per device per year</i>			
Reboots	135.14	12.86	90.4
File losses	6.10	0.83	86.4
Reimaging	2.66	0.01	99.6
Hardware failures	0.09	0.07	27.0

Source: IDC, 2015

Total Cost of Ownership of Chromebooks for Education


The TCO of Chromebooks is much lower than the TCO of the devices that the school systems replaced or otherwise would have purchased. IDC calculates that, over three years, the TCO of Chromebooks will be 61% lower on average than the TCO of these alternative devices because Chromebooks are cost effective, require less staff time to deploy and manage, and suffer fewer outages and other problems that take time to remedy. For interviewee school systems, reducing device-related TCO from a three-year average of \$1,507 to \$588 create cost and staff efficiencies that can be reinvested in providing more devices to support teaching and learning (see Figure 2).

FIGURE 4
Three-Year TCO Comparison — Chromebooks Versus Other Devices for Education



	Previous / Other Devices (\$)	Chromebooks (\$)	Cost Savings / Avoidance (\$)	Cost Savings / Avoidance (%)
Device cost	643	326	317	49.2
Deployment cost	175	81	91	52.0
Device management and support cost	689	509	180	26.1
Total	1,507	588	919	61.0

Source: IDC, 2015



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ILLUSTRATIVE EXAMPLE

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Business Value Snapshot Data Visualization


ILLUSTRATIVE EXAMPLE

 5 Year ROI
220%

 5 Year Business Benefit Per Organization
\$8.58M

 Payback Period
3 MONTHS

Key Performance Indicators

Lower Compute Cost
 **64%**

Faster Application Delivery
 **13%**

Application Developer Productivity Gain
 **8%**

Business Value Benefits – Average Annual Benefits per Application

Business Productivity
\$6,871

IT Staff Productivity
\$18,539

Infrastructure Cost Reduction
\$33,046