

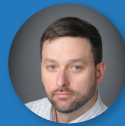


# Lower Costs and Drive Better Outcomes with a Single Vendor for Multiple IT Services

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# Executive Summary

**The last two years have seen IT rise to the challenge of rapidly supporting new ways of working and collaborating, both in-office and remotely. Forward-looking organizations are rethinking how they deploy and optimize IT resources, and a growing percentage are turning to trusted partners for help. New IDC research examines how organizations are moving important PC-related IT functions to trusted service partners to improve their organizations' resiliency, enhance business processes, and improve employee experiences. Moreover, the research shows that organizations that buy multiple services from a single vendor often reap the largest benefits.**

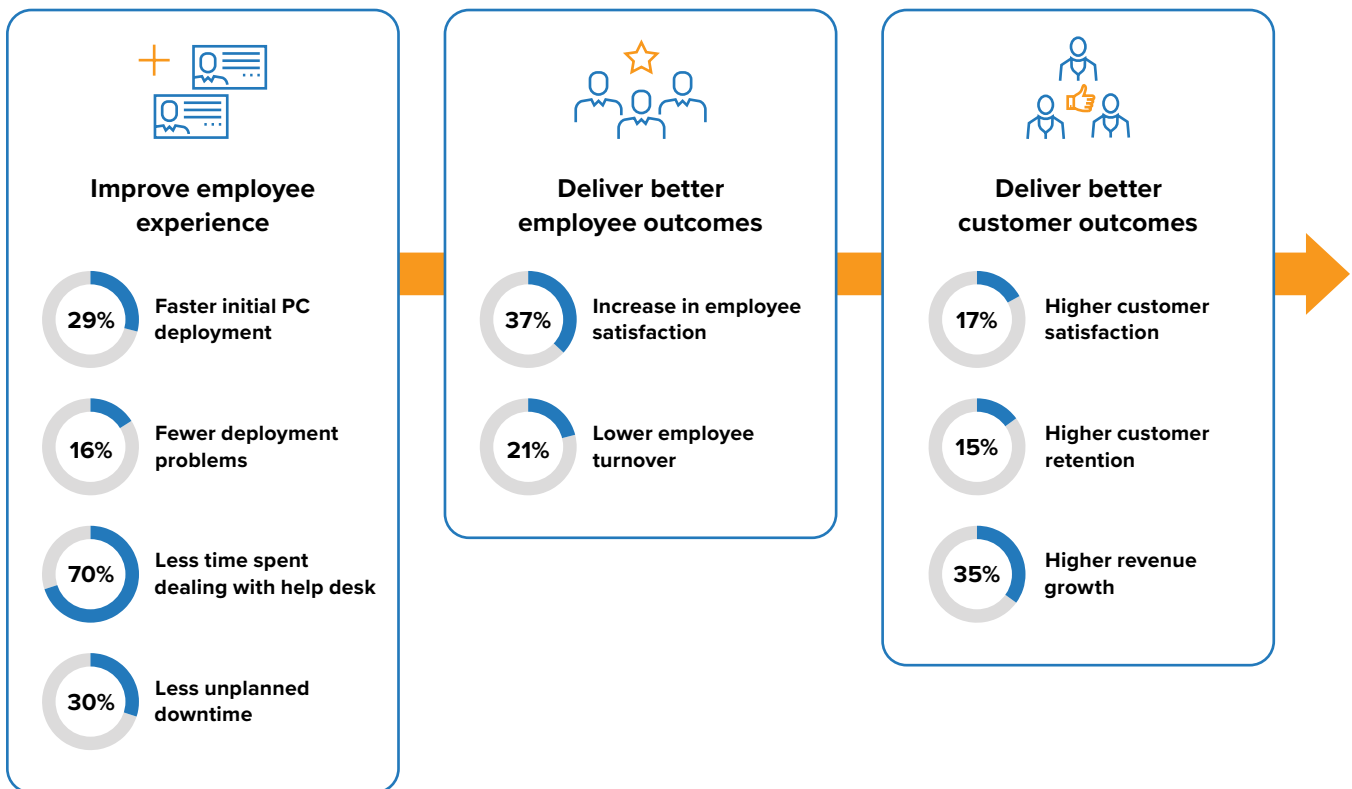
**Based on a multicountry survey and in-depth interviews, key findings from IDC's analysis show that:**

- Companies that purchase and use multiple services from a single vendor gain cost savings of 53% annually, or as much as \$176 per year per device. A primary contributing factor is integration across the "seams," which are the zones between services.
- The more services a company buys, the better the experiences and value it can derive from the devices connected to those services. Those buying the most services are 75% more likely to "leverage benefits" as compared with those purchasing the fewest services. There is virtually no evidence of diminishing returns.

- Companies that use one vendor for multiple PC-related IT services see a 37% increase in employee satisfaction on average. Services include things like: imaging, device deployment and application installation.
- Well-orchestrated PC deployments reduce the impact of unplanned downtime by more than 50%. A single PC services provider saves a company \$176 annually per PC via savings and net revenue benefits.

IDC’s business value model demonstrates that there are benefits in user experiences and customer experiences as well as significant cost savings to be had from both buying multiple services and buying services from a single source. While the benefits increased when adding more services, a more significant impact was seen by those organizations that relied on a single PC services provider rather than multiple providers (see **Figure 1**).

**FIGURE 1**  
**Benefits of Using Multiple Services from a Single Provider**



Note: Represents organizations that had six or more services compared with companies that had two services and multiple providers. Source: IDC, 2022

# Background and Methodology

The global pandemic has caused organizations to undergo a tectonic shift seemingly overnight, enabling and supporting a remote workforce in short order, and more recently shifting more gradually to a new normal of in-office and remote, otherwise known as hybrid work. The pandemic also launched or accelerated employment trends in distributed workforces, as well as work-at-home/anywhere behavior.

Further, the existing talent crunch intensified over the past two years, as employees left existing positions to seek opportunities that more closely fit their needs and goals. It has required organizations to increase focus on hiring, retention, and making work environments positive for employees.

At the same time, industries continue to modernize through digitalization of their core product and service offerings and redirection of IT from management of existing technologies toward development and experimentation.

The combination of these trends — shifts in where work gets done, a hyper-competitive talent market, and the move to embrace modernization through innovative IT — has led organizations to evaluate what functions might be better accomplished through outsourcing to trusted partners. When it comes to IT, most have engaged service providers to some degree, but few have invested in end-to-end PC life-cycle services, and even fewer have done so with one partner. Conventional wisdom would lead to a belief that “more is better,” but dealing with multiple organizations for services can create gaps in coverage and difficulties in handoffs that can drive the overall quality of service down. IDC suspected there was value to be gained “in the seams” between services and was commissioned to study this supposition in more depth.

Many day-to-day tasks of IT involve servicing and supporting client devices, tasks that can often be transitioned to a trusted service partner. To better understand the value of doing so, IDC conducted new primary research, the resulting highlights of which are presented in this paper. Our analysis was based upon a multicountry survey of more than 500 qualified respondents at medium- to large-sized companies that purchased a variety of PC services.

The IDC survey, complemented by in-depth interviews, asked about services, staffing, deployment, ongoing operations, user experiences, and business outcomes. We examined the results in terms of the number of PCs managed and services purchased and, based upon that analysis, developed a business value model.

## More PCs in an Organization = More Services Purchased

To level set, the first step is to understand how and why organizations purchase services, and if there is a relationship between services and the number of PCs they have.

**Figure 2** (next page) illustrates that most organizations surveyed (57% to 73%, depending on the service) purchased services from external organizations across the device lifecycle. Regardless of service type, companies with 1,000+ PCs were more likely to buy services.

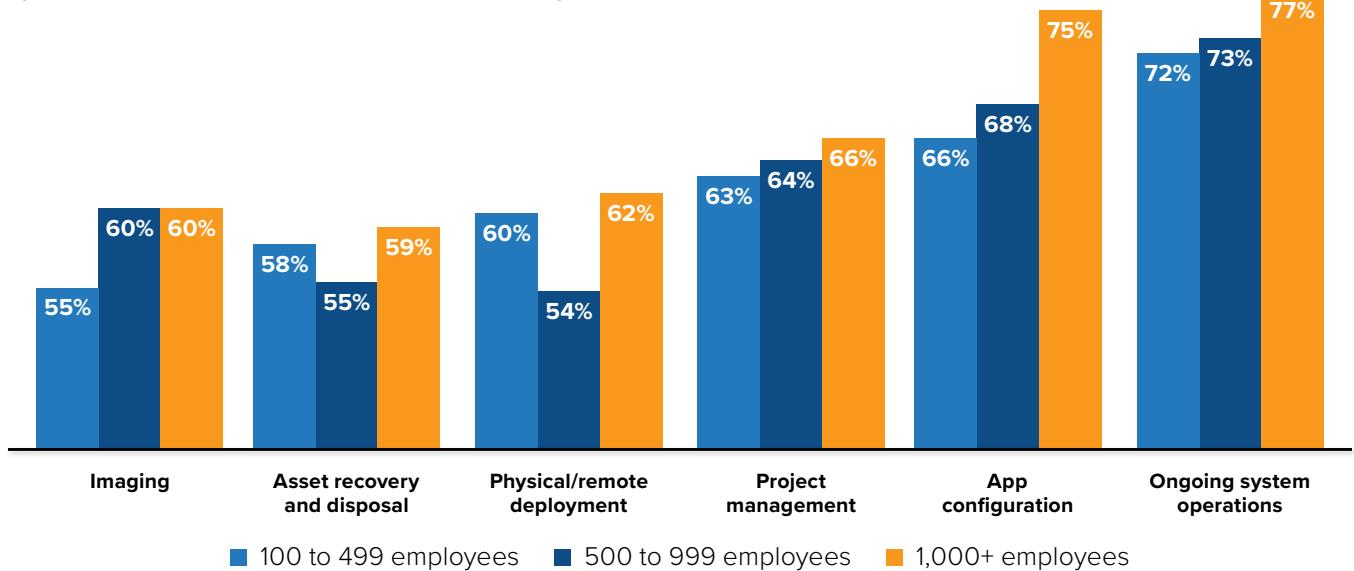
### IDC characterized the services as follows:

- **Project management:** Pre-deployment readiness assessment, scheduling and planning, shipping and logistics, documentation
- **Physical/remote deployment:** Physical device deployment and setup, including unpacking of the PC and monitor, asset tagging
- **Imaging:** Preparing and installing images including drivers, operating system, security, and common applications, at factory or onsite (using tools such as SCCM, AutoPilot, Workspace ONE, etc.)
- **Application configuration and installation:** Includes departmental applications and user-specific applications (application install may be manual or automated through tools such as SCCM.)
- **Ongoing system operations:** Call management and handling, physical break fix, system management (patching, troubleshooting, optimization), or all of these in a managed support contract
- **Asset recovery and disposal:** Including proper handling and disposal of equipment at end of life

**FIGURE 2**  
**Companies with More PCs More Likely to Buy Multiple Services**

(% of respondents)

**Types of services purchased from external organizations**



n = 500, Source: IDC Dell Custom Survey: Understanding Value, 2021

As shown, the two most purchased types of services either extended through the device’s lifecycle or were for application installation. Early- and later-stage services (including imaging and asset recovery/disposal) were less prevalent.

## More Services Purchased by an Organization = Higher Satisfaction with Service Provider

**Figure 3** (next page) shows that organizations that purchased a greater number of services tended to rate their external providers’ efficiency and effectiveness best. That’s not surprising — and may confuse cause and effect — but IDC’s analysis showed that the highest average ratings did not necessarily coincide with the most purchased services (nor did purchase sync one-to-one with internal IT shortcomings).

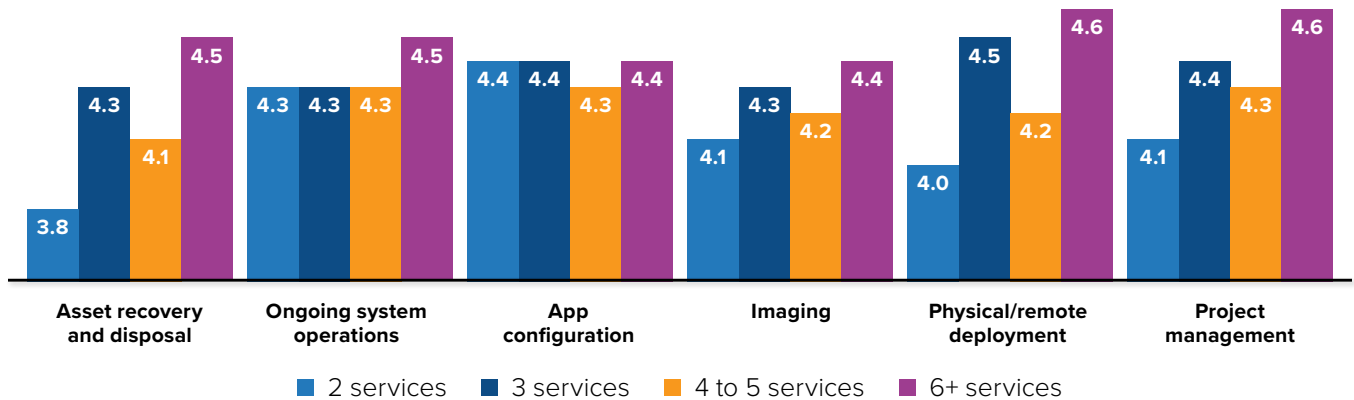
Project management and physical deployment rated well, as did the most popular ongoing system operations. This suggests that some services may be underutilized for their value and cost savings. These external services also enhanced users’ perception of their own internal IT, an extremely important metric to instill confidence in the user experiences with IT.

**FIGURE 3**

**The More Services Purchased from One Provider, the Higher the Service Provider Rating**

Based on 5 point scale where 1 = performs poorly and 5 = performs very well/highly efficient

**Provider Efficiency/Effectiveness Rating**



n = 500, Source: IDC Dell Custom Survey: Understanding Value, 2021

## Multiple Single-Sourced Services = Better User Experiences

IDC’s analysis of the survey data showed that organizations that purchase more external services tend to deliver better employee experiences and business outcomes. There’s no evidence from the respondents that they see diminishing returns in adding services. And many respondents seek to leverage the benefits of a single provider — including integration, device and application expertise, and support across device lifecycles — for multiple services.

In fact, when IDC asked those surveyed what they believed were the benefits of buying two or more services from the same company that sold them their devices, the two responses cited most often were “to leverage benefits of acquiring from one source” and “to get a better experience with the device.” Each reason was cited by more than four in 10 (42%) of all respondents, a few percentage points higher than “gaining cost benefits” (39%) or “streamlining procurement and deployment” (38%), the third and fourth most popular reasons.

“Purchasing multiple services is really done to increase the user’s satisfaction. Even if I pay a little more than what I’d pay someone else, I’m getting a better experience, and that’s what really matters to us. I’d also say it increases user productivity because you don’t want users waiting six hours for something to be fixed.”

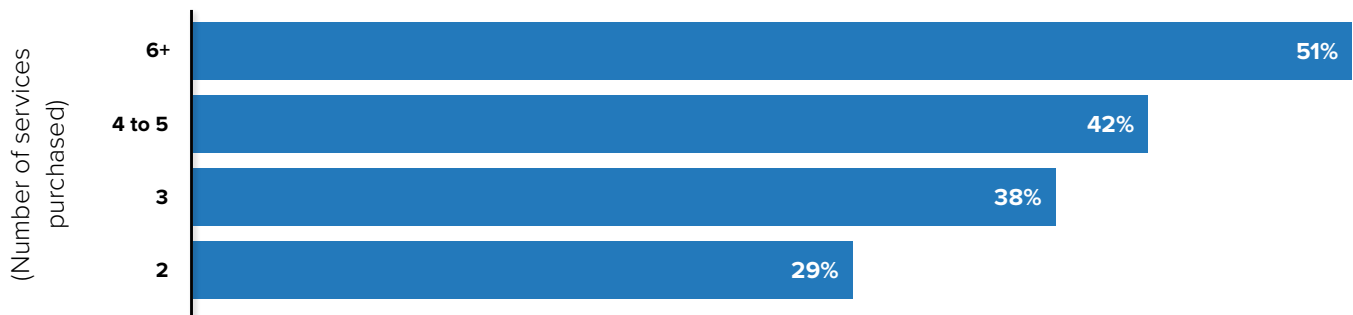


Companies buying the greatest number of services were 75% more likely to cite “to leverage benefits” than those purchasing the fewest, as shown in **Figure 4**. Clearly, the former group sees the value in the integration across the seams between services that the PC supplier can provide.

**FIGURE 4**  
**Companies Buy More Services from a PC Vendor to Leverage Benefits of a Single Source**

(% share of group agreement with statement)

**To leverage benefits of acquiring hardware, software, and services from one source**



n = 500, Source: IDC *Dell Custom Survey: Understanding Value*, 2021

40% of companies that use a single vendor for PC-related IT services cite ‘better device experience’ as a primary reason they use one vendor. While that was a smaller percentage than those buying four to five services (47%), it still ranked as their second most popular reason, right alongside having one organization responsible.

On nearly all of the business outcome questions IDC asked, **purchasing more services correlated with more positive results**. For example, organizations with the most services said they had the fewest users of newly deployed PCs reporting lost data, settings, or other problems after deployment. The share of their employees reporting problems was 13% lower than the average, and over 20% lower than that of those purchasing the fewest.

## Highly Collaborative Organizations Buy More Services

Besides reducing the number of problems, organizations that bought more services reported that their technology enables a high degree of collaboration across any location and device type, as shown in **Figure 5** (next page).

**FIGURE 5****Companies with More Services Support High Collaboration**

(% share of group agreement with statement)

**My organization's technology enables a high degree of collaboration with internal or external teams from any place, at any time, on any type of device**n = 500, Source: IDC Dell Custom Survey: *Understanding Value*, 2021

Multiple-service buyers delivered effective remote and distributed operations in addition to collaboration. Half of the respondents that bought the most services said they could support a highly diversified and distributed workforce as well as securely deliver apps and devices to any location. Nearly as many (49%) said they could secure connectivity and manage devices regardless of physical location. Those figures were about 20% to 50% higher than average.

Just over half (55%) of the companies IDC surveyed said that, looking back, they were sufficiently or exceptionally prepared to adopt new ways of working in response to the pandemic. Those with more services led the pack. Likewise, those that purchased the most services were the most likely to say that their organization is more resilient due to investments in work-from-home initiatives. Nearly half (47%) said so, one fifth higher than average.

## Technology Makes the Workplace More Attractive

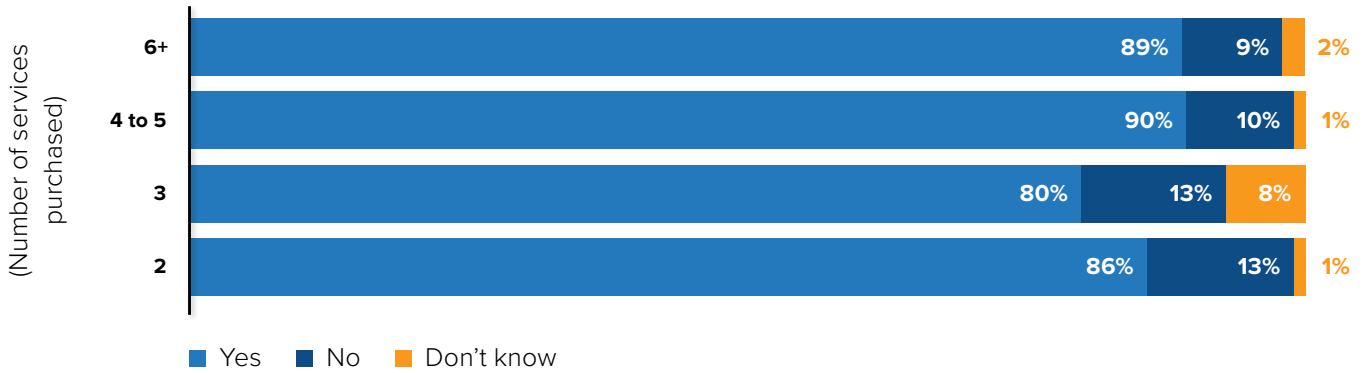
Contributing to the talent crunch, the pandemic has spawned a high number of employee resignations across many industries. Nearly nine out of 10 organizations believe that the technology they provide to their employees impacts their ability to attract and retain talent. Companies that use one vendor for four or more PC-related IT services were 20% more likely to say, “they felt prepared for the work from anywhere in the world the pandemic necessitated”.

**FIGURE 6**

**High Number of Services Correlates with Talent Attraction and Retention**

(% of respondents)

**Q. Do you believe that the technology that your organization provides its employees impacts its ability to attract and/or retain top talent?**



n = 500, Source: IDC Dell Custom Survey: Understanding Value, 2021

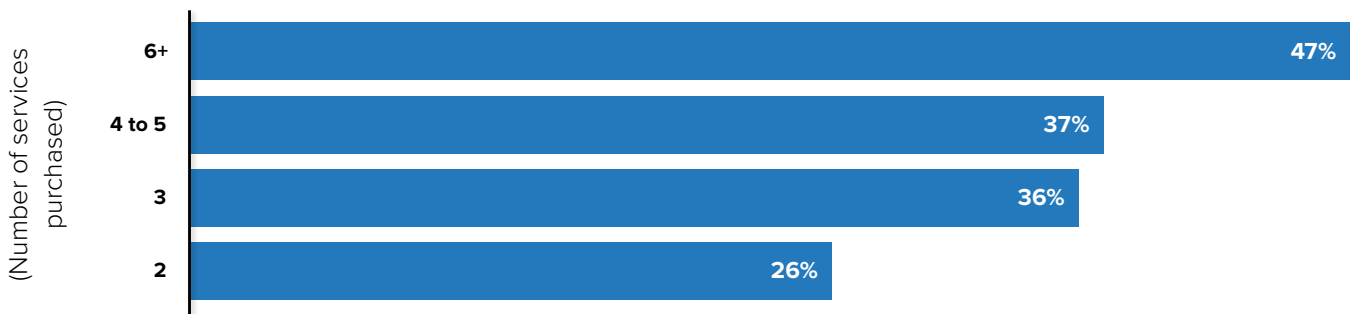
Services help a company show vision and a sophisticated approach to technology. The more services bought, the more likely a company is to believe that its tech makes it an appealing place to work, as shown in **Figure 7**. Companies that use one vendor for four or more PC-related IT services see employee satisfaction ratings that are nearly one third better than companies with fewer services.

**FIGURE 7**

**Organizations with the Most Services Are Most Likely An Appealing Place to Work Based on Vision and Tech Approach**

(% share of group agreement with statement)

**My organization's vision and approach to technology make it an appealing place to work for younger as well as older employees**



n = 500, Source: IDC Dell Custom Survey: Understanding Value, 2021

## Better Customer Experiences from More External Services

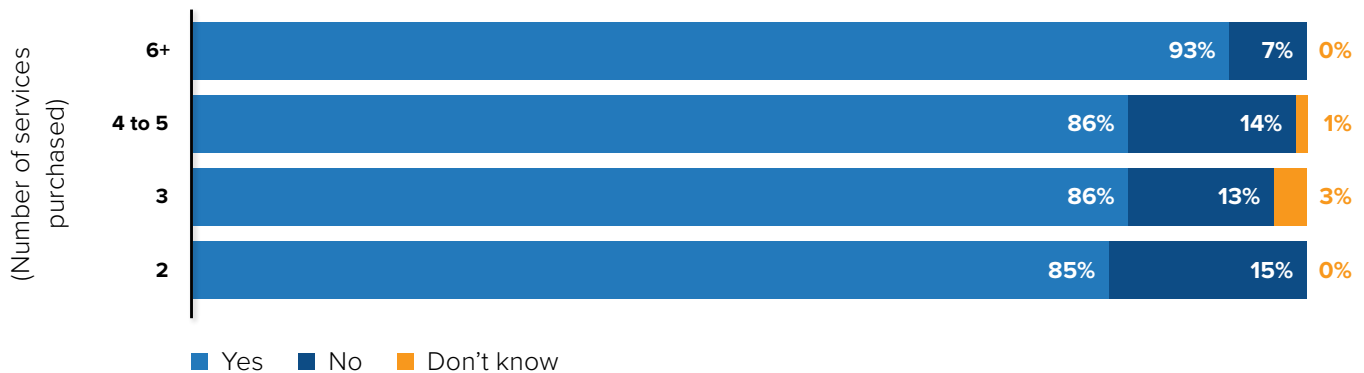
It's not just an organization's employees who get better experiences from outsourced services; its customers do as well. Those positive customer experiences lead to positive business results in terms of customer happiness and retention. The pattern of more services purchased equating better results held true when applied to customers as well.

**“We got remote workers back to supporting clients faster and productivity went up.”**

Overall, nearly nine out of 10 multiple service-buying companies believed using external services delivers a better experience for their customers. As shown in **Figure 8**, 93% of the ones buying the largest number of services agree with the statement.

**FIGURE 8**  
**External Services Help Companies Deliver Better Customer Experience**  
 (% of respondents)

**Q. By using external services, do you feel your customers get a better**



n = 500, Source: IDC Dell Custom Survey: Understanding Value, 2021

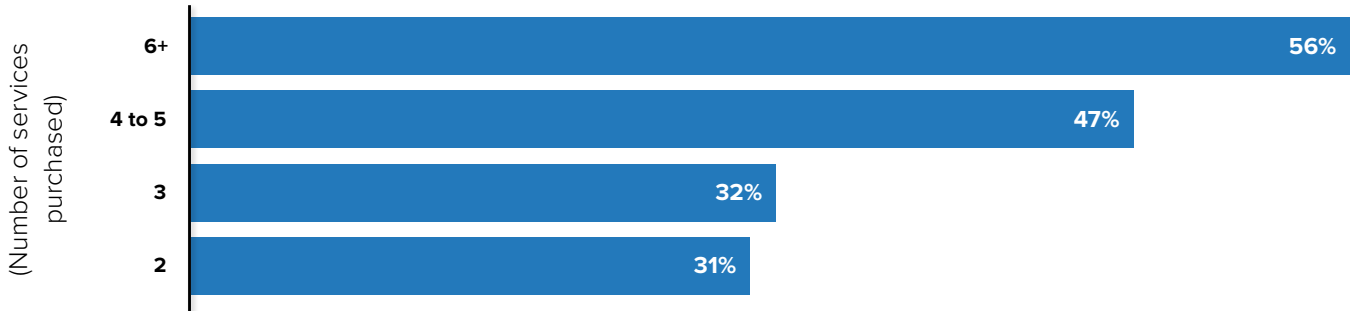
## Multi-Service Buyers Feel Better Prepared About Data Security

The number of services a company purchases correlates with belief in its preparedness to secure customer, company, and employee data — a key factor in keeping customers happy. Companies that use one vendor for six or more PC-related IT services are 25% more likely to say, “they feel well prepared to secure company, customer and employee data” compared to those with just two services from a single vendor.” (see **Figure 9**, next page).

**FIGURE 9**  
**Multi-Service Buyers Feel Better About Data Security**

(% share of group agreement with statement)

**My organization's technology is well prepared to secure company, customer, and employee data**



n = 500, Source: IDC Dell Custom Survey: Understanding Value, 2021

## Multi-Service Buyers Improve Customer Experience, Satisfaction, and Loyalty

Organizations that bought four or more services were the most likely to have improved customer experience, satisfaction, and loyalty. **Figure 10** shows that both groups, tier 1 and tier 2, improved their metrics by over one fifth. Likewise, those buying six or more services were above average in improving customer retention (improved metrics by 19%).

**FIGURE 10**  
**Improved Customer Satisfaction Results from External PC Services**

(% improvement)

**Q. By how much have you improved customer satisfaction/loyalty/experience as a result of using external resources for PC services?**



n = 500, Source: IDC Dell Custom Survey: Understanding Value, 2021

## Multiple Services Lower IT Costs

Better experiences outweigh cost benefits for most organizations, but savings were the benefits cited third-most often by all respondents across the seven options the IDC survey offered. IDC's business value model demonstrates that there are significant cost savings to be had both from buying multiple services and from buying them from a single source.

Organizations with the most services lose the least user time (1.5 hours) when there are problems after a PC deployment, according to the survey and illustrated in **Figure 11**. Survey respondents estimated that the business cost per hour associated with installation challenges around PCs, lost data, and/or device issues was over \$2,400.

**FIGURE 11**  
**Organizations with More PC Services Experience Less Lost Employee Productivity During Deployment**

(mean number of hours)

**Q. How much time does a typical user lose when there are problems, lost data, or settings after PC deployment?**



n = 500, Source: IDC Dell Custom Survey: *Understanding Value*, 2021

Given the importance of PCs to everyday work and the resources devoted to ongoing service, it's critically important to make deployments efficient, timely, and seamless.

**IDC analyzed the data from two points of comparison:**

- The value of using multiple services — “value across the seams”
- The value of relying on a single service provider

**IDC's analysis considered the following in evaluating the cost to organizations of deploying PCs:**

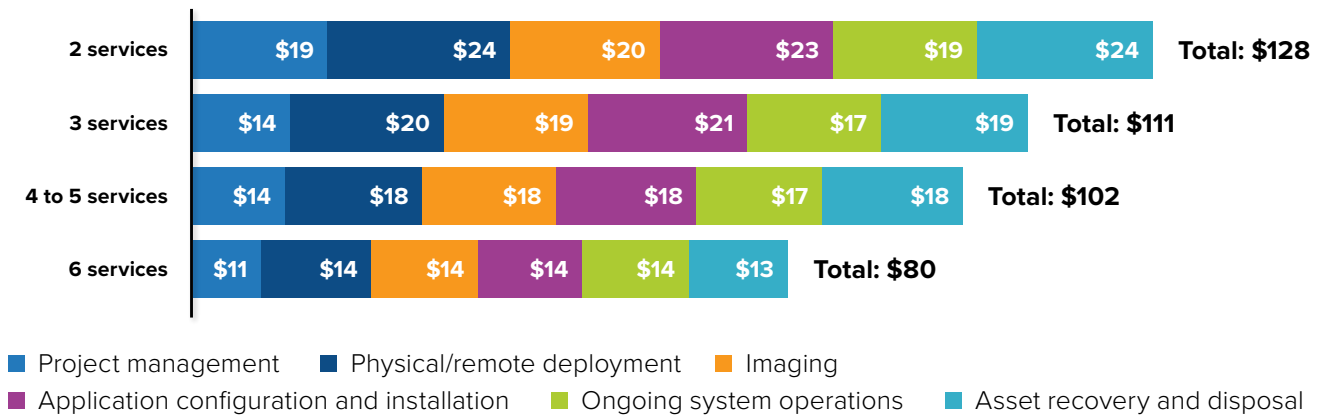
- IT labor staff time costs involved in life-cycle activities
- User productivity costs calculated based on time that a user cannot use the PC because of life-cycle activities, including deployment-related problems and changes required
- Benefits to the business

Companies with the most services saved \$48 per PC in IT staffing for deployment, as illustrated in **Figure 12** from IDC's model. They saved \$7 per PC in lost user productivity during deployment. Annual support cost savings in IT staffing, lost user productivity, and revenue lost from downtime were notable (see **Figure 13**).

**FIGURE 12**  
**Adding PC Services Enabled Organizations to Reduce Their IT Staff Costs for Deployment**

(average cost of IT staff for deployment per PC)

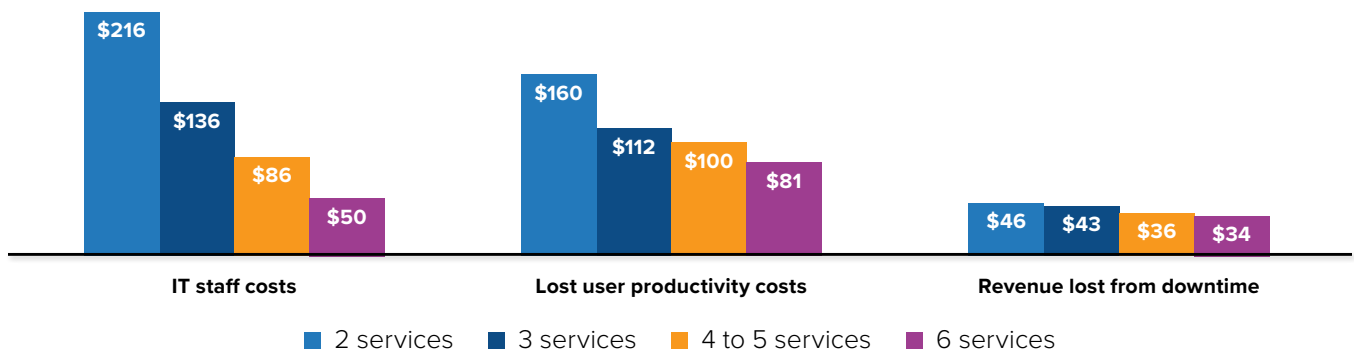
**Organizations with six services saved \$48 per server (32%) compared with organizations with two services**



n = 500, Source: IDC Dell Custom Survey: Understanding Value, 2021

**FIGURE 13**  
**Positive Impact Across Benefit and Costs for Multiple-Service Organizations**

(annual cost and benefits per PC)



n = 500, Source: IDC Dell Custom Survey: Understanding Value, 2021

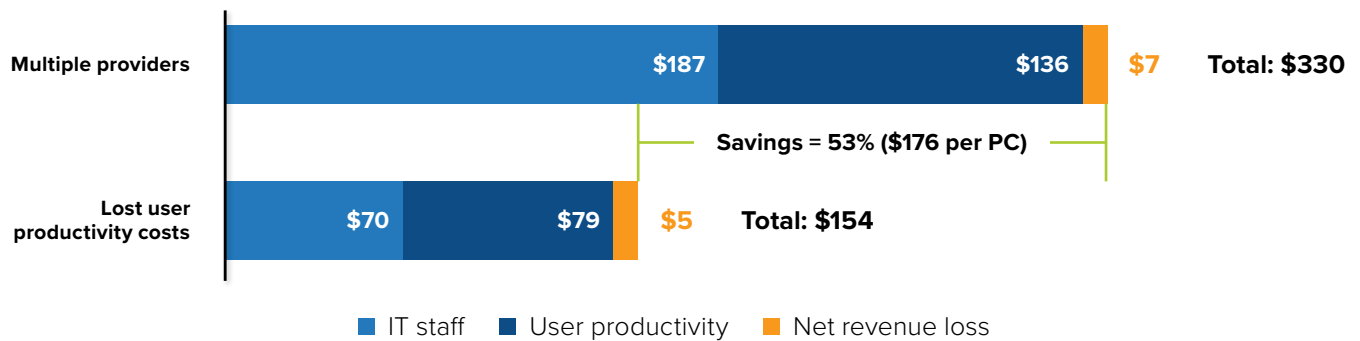
While the benefits increased when adding additional services, a more significant impact was seen by those organizations that relied on a single PC services provider rather than multiple providers. Starting with PC deployment, organizations that leverage a single provider for PC services save time and money on every system that is provisioned, resulting in \$31 savings per PC.

The out-of-the-box user experience was better for those using a single provider as well, with those organizations deploying new PCs 22% faster and with 14% fewer problems, resulting in 20% less lost user productivity costs and an estimated 44% lower business cost during PC deployment.

## Bottom Line: Single-Source Service Delivers Better Device Experiences and More Cost Savings

Well-orchestrated PC deployments lead to lower ongoing support costs for help desk operations and reduce the impact of unplanned downtime. A single PC services provider saves a company \$176 a year via savings and net revenue benefits, as shown in **Figure 14**. Because those services are integrated, the benefits occur in every life-cycle phase. The most significant benefit is in help desk operations, where IT staffing costs are reduced by two thirds for a \$100 savings per PC. And lost user productivity costs are reduced by over 50%.

**FIGURE 14**  
**Organizations that Use a Single PC Services Provider Have 53% Lower Annual Costs**  
 (average annual cost per PC)



Source: IDC Analysis, 2022



IDC's survey and interview analysis confirmed that leveraging a trusted partner — particularly a single provider — is a viable and cost-effective way to deliver better employee and customer experiences and business outcomes. Over one third of the survey respondents saw offloading IT tasks to an external provider as a benefit, but even more believed in the leverage gained by integration and the resulting better device experience and cost savings.

**“The value for us is all about our management allowing us to subcontract, so we can free up IT for other projects the business needs. That’s how IT contributes to our business goals because we can support more projects and that is what the business requires from us. That is a very clear and important business benefit.”**

IDC's analysis and value modeling confirmed those beliefs about leveraging a trusted partner. Companies that purchased multiple external services delivered better employee and customer experiences and business objectives with minimal diminishing returns from adding more services. To get the most benefit from a relationship with a service provider, companies must perform due diligence. Companies should evaluate the effectiveness of their own internal IT and create a maturity matrix of what they do extremely well and where they need assistance. Doing this will help align priorities and develop a sound strategy on how to engage with the services company.

# About the Analysts



## **Rob Brothers**

**Program Vice President, Datacenter and Support Services, IDC**

Rob is a program vice president for IDC's Datacenter and Support Services program, as well as a regular contributor to the Infrastructure Services and Financial Strategies programs. He focuses on worldwide support and deployment services for hardware and software and provides expert insight and intelligence on how enterprises should be addressing key areas for datacenter transformation and edge deployment and management strategies. IT hardware services covered include IoT devices, converged infrastructures, storage, servers, client devices, networking equipment, and peripherals. Software covered includes software-defined infrastructures, cloud support, operating systems, databases, applications, and system software. He also has expertise in the latest consumption models, which include as-a-service models such as device-as-a-service.

[More about Rob Brothers](#)



## **Tom Mainelli**

**Group Vice President, Device & Consumer Research, IDC**

Tom manages the Device & Consumer Research Group, which covers a broad range of hardware categories, inclusive of both home and enterprise markets, as well as IDC's growing consumer research practice. The device research includes PCs, tablets, smartphones, wearables, smart home products, thin clients, displays, and virtual and augmented reality headsets. He also manages IDC's supply-side research team that tracks display and ODM production across a wide range of products. IDC's consumer practice, built upon its Consumer Technology Strategy Service, tracks numerous consumer-focused metrics utilizing frequent surveys and IDC-branded indexes. The consumer research also includes in-depth services focused on gaming and video. In his role as group vice president, he works closely with company representatives, industry contacts, and other IDC analysts to provide in-depth insight and analysis across a wide range of both commercial and consumer topics. He also oversees the collection of historical shipment data and the forecasting of shipment trends in cooperation with IDC's Tracker organization. A frequent public speaker, he travels often and enjoys the opportunity to work with colleagues and clients all over the world.

[More about Tom Mainelli](#)



## **Randy Perry**

**Vice President, Sales Enablement Practice, IDC**

Randy is vice president of the Sales Enablement Practice at IDC Worldwide Custom Solutions. He is responsible for helping IT providers sell their products and services to C-level decision makers through tying technology initiatives to improved business outcomes. He is currently working on multiple projects linking IT initiatives (cloud, mobility, AI, social, and IoT) to improving business outcomes such as increasing agility, improving customer experience, and becoming more innovative; and quantifying the financial impact in terms of business metrics (revenue growth and lower operational costs). In his previous role, he developed and led IDC's Business Value Strategy Practice for over 20 years. As IDC's thought leader in promoting the financial benefits of IT, he has pioneered return-on-investment and cost-of-ownership methodologies and business value sales tools development and sales training, completing more than 1,000 studies.

[More about Randy Perry](#)

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