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WHITE PAPER

Modernize and Thrive

with Device as a Service

Improving End-User Experience Through Modernization

Supporting work from anywhere. Addressing evolving security threats. Lowering IT spend. These are the types of challenges that are top of mind for IT professionals today. Modernization offers a solution.

But what does modernization really mean, and how can embracing the resulting changes move your organization forward and help IT meet its goals?

For starters, modernization is about shifting from simply providing and supporting technology to delivering business outcomes for the organization. Success is often measured from the employee point of view:

- Does technology make it easier or harder to get work done?

- Does it minimize interruptions and preserve critical data?

- Do employees have the technology and connectivity they need to be most efficient and work from anywhere?

- Does the technology create a positive impression — one that aligns with your organization's brand essence?

The fact is, end-user experience is becoming a progressively more important metric for IT departments. Intensifying your focus on this measure requires adopting newer, more contemporary approaches to end-user computing while continuing to improve overall IT efficiency. To reduce the impact on resources and staff, many organizations are turning to "best of breed" providers to design and implement their modernization strategy.

Increasingly, Device as a Service (DaaS) is providing a direct path for organizations to modernize IT.

How do you know what "modern" is when it comes to IT? Here are four factors to consider when evaluating technologies and processes for your organization.

1. **It makes IT-delivered capabilities more robust.** Instead of focusing strictly on technology, modernization shifts the focus to outcomes, which are delivered through technology and process. Notably, core activities are strengthened — for instance, compliance can be more easily cascaded through an organization and interconnected in a more modernized way.

2. **It reduces human effort.** Modernizing makes delivering specific outcomes easier by saving on human effort, which frees up resources for more important tasks.

3. **It simplifies processes.** Evaluating and streamlining processes improves consistency and repeatability.

4. **It reduces the failure points** and the need to constantly monitor for potential issues. Things just work.

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A Compelling Value Proposition

Device as a Service simplifies PC management by combining hardware, software, lifecycle services and financing into one solution (see the appendix for a more detailed description). It provides a direct and relatively simple path for organizations to quickly adopt modern end-user computing without making a heavy upfront investment.

HARDWARE ⊕ **SOFTWARE** ⊕ **LIFECYCLE SERVICES** ⊕ **FINANCING**

DaaS and other "as a Service" models are transforming how business is continually modernizing, driving IT efficiencies while reducing costs. In a survey by marketing intelligence firm International Data Corporation (IDC) released in May 2020, 43% of respondents said they expected demand for as a Service models to increase significantly.[1]

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Adopters of DaaS are reporting benefits including an enhanced end-user experience, better IT resource utilization and lower, more predictable IT costs. Increasingly, organizations are coming to appreciate the appeal of this service model. In fact, in a Dell survey released in July 2021, 72% of respondents found DaaS somewhat to very compelling.[2]

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Why DaaS is becoming a go-to service model?

The explosive growth of DaaS is yet another sign of the broader as a Service consumption trend revolutionizing the tech industry, reinforcing the criticality of end-user experience. DaaS is quickly establishing itself as a go-to service model for organizations of all sizes.

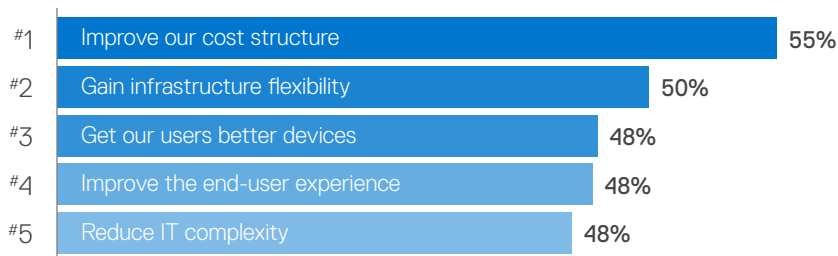The following are highlights of an IDC Multi-Client Study, 2021 Device as a Service.[3]

(See appendix for study details)

IDC projected year-end DaaS seats will increase at 16% CAGR from 2020 to 2025

Millions

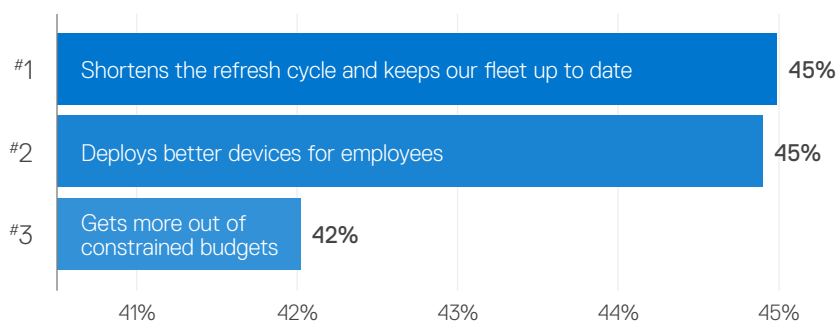| Year	Value
2020	56
2021	70
2022	85
2023	98
2024	107
2025	115
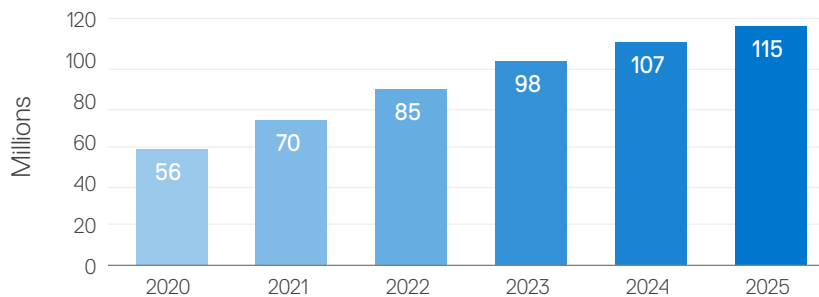
Why are organizations turning to DaaS? Two of the big-picture motivations are modernizing the end-user experience through the deployment of newer devices and making IT more cost-efficient and nimbler.

The top 5 reasons for DaaS adoption

Rank	Reason	Percent
#1	Improve our cost structure	55%
#2	Gain infrastructure flexibility	50%
#3	Get our users better devices	48%
#4	Improve the end-user experience	48%
#5	Reduce IT complexity	48%

What pain points does DaaS help organizations address? The top responses reflected the reasons for DaaS adoption, specifically with regard to updating devices and realizing cost savings.

The top 3 pain points identified by respondents

Rank	Pain point	Percent
#1	Shortens the refresh cycle and keeps our fleet up to date	45%
#2	Deploys better devices for employees	45%
#3	Gets more out of constrained budgets	42%

IDC found that DaaS has fulfilled the expectation of shortening the time between device refreshes. End users and organizations are benefiting from having faster, higher-performing devices that have the latest security and software and are less likely to break down.

IDC, 2021 Device as a Service MCS, August 2021. Results based on a global survey of 2,700 IT decision makers. Consult study owner for more information.

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As compared with traditional refresh intervals, DaaS accelerates refresh rates for both PCs and tablets
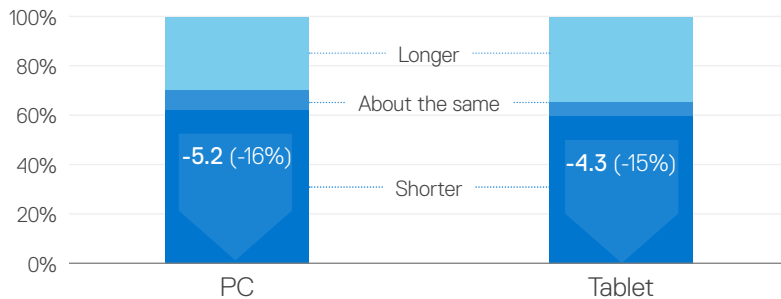
Several vendors have already carved out a significant niche in the DaaS market, with Dell placing first for PCs in DaaS agreements. As DaaS continues to gain momentum, this space will only get more competitive.

Respondents generally were pleased with their current DaaS enrollment.

95% of current adopters were satisfied with their DaaS programs, with an average satisfaction score of 8.3 *(on a 10-point scale)*

Moving end users to any aaS model requires extensive planning, strong communication and other hallmarks of effective change management initiatives. Despite being happy with the overall DaaS experience, most respondents said the transition to the new service model was difficult.

Organizations gave their transition to DaaS an average score of 6.3 *(with 10 being the most challenging)*
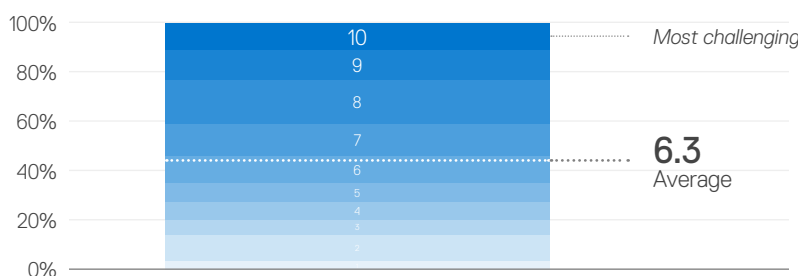
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An All-Encompassing Solution for PC Lifecycle Management

Dell PC as a Service (PCaaS) enables organizations to realize the many advantages of the DaaS model. Through this offering, Dell Technologies provides end-to-end PC services — including deployment, support and asset recovery as well as transitions to new devices — and addresses all end-user needs along the way.

FORRESTER®

**Employees use devices
2 years newer
on average**

**20%
reduction in device lifecycle service costs**

**+12%
ROI over three years**

In an analysis commissioned by Dell Technologies and Intel, Forrester Consulting measured the total economic impact of Dell PCaaS.[4] The December 2020 study outlined the following key benefits:

A modern end-user experience

Forrester found that organizations traditionally refresh devices approximately every five years. In contrast, Dell PCaaS users' devices are on average at least two years newer than those of non-PCaaS users. More frequent technology refreshes backed by responsive support improves the end-user experience and decreases downtime, boosting productivity and employee retention.

Enhanced IT efficiency

According to Forrester, having one partner handle the daily burden of PC lifecycle management accelerates device provision. Forrester added that this also reduces deployment time, lowers the number of support calls, allows for security automation and more. These efficiencies cut overall PC lifecycle costs by 20%. They also save 5.26 hours of IT support labor per device, freeing up IT personnel to focus on more strategic initiatives.

Predictable monthly pricing and cost savings

With Dell PCaaS, no upfront investment is required, and having cost certainty each month allows for better budget planning/utilization and cash flow management. Forrester noted overall cost savings as well, calculating an ROI of 12% over three years as the result of reduced PC hardware and lifecycle costs, greater IT labor savings and improved productivity.

"

"We had realistically been refreshing our devices every seven years. It's great now having newer devices, fewer issues and some standardization across devices and applications."
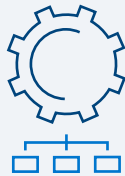
— **Senior operations lead**, *museum*

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Easing the Transition to DaaS

DaaS requires organizations to think differently about how they procure, support and retire devices. Here are four steps you can take to make adopting DaaS a smoother process.
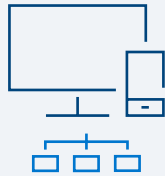
1

Evaluate your business and end-user computing strategy

Define what you want to accomplish (e.g., business/employee experience imperatives, procurement requirements and your desired business outcomes) so you'll know how to measure success.
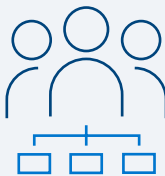
2

Evaluate your current environment, devices and processes

Make sure you understand all these factors so you can reduce friction, frustration and employee downtime — and transition with minimal disruption.

3

Establish the business case for employee experience modernization through DaaS

Armed with your Client Deployment Assessment from Dell Technologies, you can populate the "total economic impact" calculator with the exact values for your business, such as your number of devices, worker profiles and leasing status.

4

Engage with Dell Sales to design PCaaS for you

Dell PCaaS combines everything you need for end-to-end PC lifecycle services, all customized to your business and user requirements. Best of all, the entire PC lifecycle can be managed through a single point of contact, simplifying the entire process.

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The Gold Standard in DaaS

With experience gained via thousands of customer engagements worldwide, Dell Technologies is an established leader in the DaaS market. Our innovative, end-to-end portfolio coupled with industry-leading PCs and peripherals helps organizations transform to realize the benefits of modernization.

For more information, visit **DellTechnologies.com/PCaaS** or contact your Dell Technologies Sales Representative today.

Dell Technologies helps organizations and individuals build their digital future and transform how they work, live and play. The company provides customers with the industry's broadest and most innovative technology and services portfolio for the data era. With approximately 158,000 team members, including more than 35,000 full-time services and support employees, Dell Technologies operates in 180 countries and serves 99% of Fortune 500 companies.

Learn more at **www.delltechnologies.com**.

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APPENDIX

IDC 2021

Device as a Service MCS Study

IDC conducted a study assessing the impact that DaaS is having on organizations today as well as the future of this model. The 2,700 respondents spanned six countries, a variety of industries and organizations ranging from fewer than 25 to more than 10,000 employees. Dell Technologies was one of the sponsors of this multi-client study.

Organization Type	Definition
Micro Business	<25 employees
Small Business	25 to <100 employees
Small & Medium Enterprise	100 to <1,000 employees
Large Enterprise	1,000+ employees
Government/Education	Education or public administration

According to IDC, DaaS features the following components:

- A device (e.g., notebook, desktop, tablet) owned by the provider
- Lifecycle management services and software
- Periodic, predictable billing
- Ability to scale up or down as needed
- No significant setup fees

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