

# Why Flexible Consumption Models Are Elevating IT Leaders from Support Roles to Strategic Advisors

## Digital Transformation (DX) Fuels IT Spending...



IDC estimates digital transformation (DX)-related spending will grow to

**\$1.97 TRILLION**  
BY 2022

The demand for **AI, IoT and Big Data** is disrupting today's workplace.

Championing these technologies can empower IT executives to shift from support roles to driving business growth.

## ...But Significant Customer Challenges Remain Across Their Existing Environments

**The need for new** and better technology and capacity

**Shrinking budgets** and major investments in older IT infrastructures



**Legacy infrastructure** ill-suited to new workloads like AI, IoT, and Big Data

**Overburdened IT staff** can't focus on strategic business imperatives

## The Solution: A New Way of Acquiring IT Capacity—Pay for What you Use

Built on the same premise as subscription-based usage models in consumer markets, flexible consumption models enable customers to overcome three big hurdles:

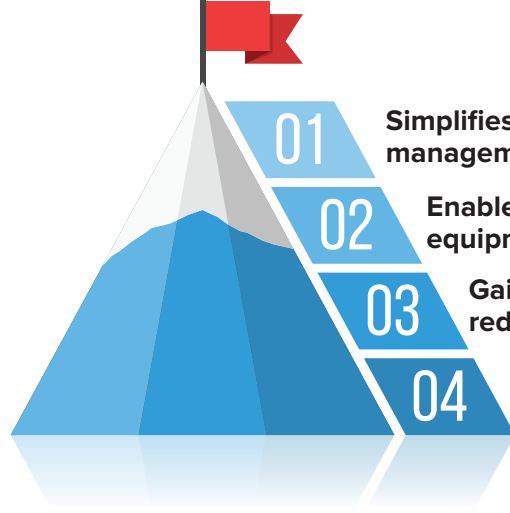


**Pay only for what is used, with options to scale up and down as needed**

IDC forecasts that subscription models will grow by

**64% CAGR**  
THROUGH 2022

## Top 4 Drivers of As-a-Service Models



**01** Simplifies device management: **56%**

**02** Enables faster refresh of IT equipment/devices: **48%**

**03** Gained procurement efficiencies and reduced IT staff workload: **48%**

**04** A simple, predictable cost model: **43%**

FOR EXAMPLE

**35%**

of customers want to consume converged/hyperconverged systems on-premises as a service.

## Top Benefits of Flexible IT Consumption



In an IDC survey,

**75% OF RESPONDENTS**

were using or planning to use a flexible consumption model.

**OVER 80%**  
stated that they wanted to work with an OEM

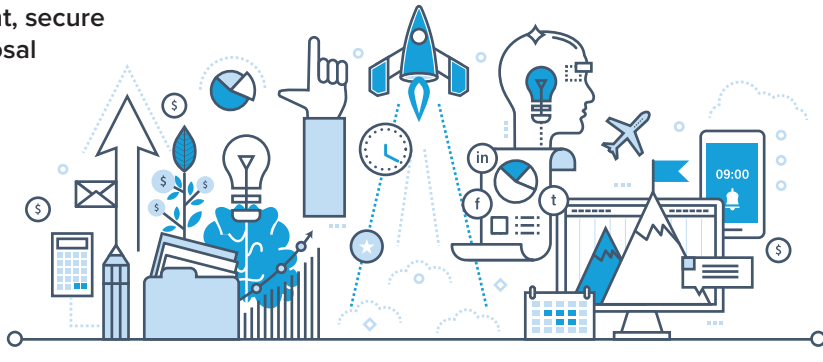
The top reason respondents wanted to work with an existing partner—the partner understood their business and existing infrastructure.

### Other reasons:

- Offers help with all aspects of asset life cycle—deployment, hardware moves, adds & changes all the way to retirement, secure & regulated asset disposal
- Frees IT staff to focus on projects that generate revenue
- Strong service and support options

- Focuses on opex, not capex, budgeting—improves spending flexibility and planning

- Option to increase or reduce capacity and pay for only what it used—avoid paying for IT infrastructure that's underutilized
- Aligns usage with budgets; improves spending predictability



## As-a-Service Models Offer Flexibility, Transparency, Agility, and Reduced Financial Risk to Accelerate Digital Transformation

### Cloud-like abilities on-premises:

It's not just about automation, fast provisioning, and scaling of resources, but also about the ability to produce positive outcomes for the customer.

### Single point of contact:

Consumption-based models give datacenter managers an easier and more efficient method to contact and work with the vendor because of the vendor's intimate knowledge of the systems, on-premises.

**Data velocity:** Some applications and data cannot be separated by distance due to latency. These solutions still allow cloud features and the high-speed connectivity needed for time-sensitive data.

**Data sovereignty:** Many countries' and businesses' regulations prohibit data from leaving a country or a datacenter. A consumable model gives enterprises the same cloud abilities in their datacenter, as well as the ability to stay compliant.

**System optimization: 57% of customers chose ongoing optimization of their systems as a top service feature.**

## Essential Guidance

**Flexible consumption models** deliver the simplicity, transparency and flexibility that customers want today and will need tomorrow.

Adopters find that these models enable their businesses to be more agile and respond quickly to business growth—all delivered with the services and security the business requires.

**These new offers reduce the burden on over-worked IT staff** and stretched IT budgets because their trusted partner is managing the IT infrastructure

For companies challenged with significant growth targets, shrinking budgets, and older IT infrastructures, a **flexible consumption model** may be the solution.

Look for providers with robust portfolios that let you add incremental services best tailored for your environment.

## MESSAGE FROM THE SPONSOR

To thrive in today's competitive market environment, intelligent data center transformation is the best way to leap ahead of ever-increasing IT challenges that inhibit your ability to move as fast as you need to.

Lenovo TruScale Infrastructure Services is a pay-for-what-you-use option that gives you the freedom to control your budget and strategic priorities, combined with peace of mind knowing you're getting the latest and most efficient hardware environments tailored to your specific business needs.

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Learn more now at [www.Lenovo.com/TruScale](http://www.Lenovo.com/TruScale)