

Refresh or  
Procrastinate?  
The hidden costs of  
"just one more year"



Insight<sup>®</sup>

# Introduction

No one is excited about getting braces. Kids don't want the hardware; parents don't want the expense — but no one objects when they create a beautiful smile that will last a long time.

Refreshing your computer fleet with new PCs, is very much the same thing: No one likes the up-front costs. But don't let that aversion blind you to the long-term benefits of updates that better meet today's business needs. And don't think procrastination comes free-of-charge. Postponing your PC evolution can result in escalating expenses — maintenance, security, power and productivity issues — that seem invisible until they hit your bottom line.



# What if your business didn't evolve?



## **The costs of "stay" or "go" on refreshing your PCs**

The temptation to "stay" with your PCs for one more year is strong. Many businesses have done just that since 2008 — even though the economy has improved; even though their technology continues to fall further behind.

The decision to upgrade your PC fleet is not an easy one. The up-front costs of "go" are considerable. But consider the alternative.



If Tuesday, April 8 – the day Microsoft ended support for Windows XP – wasn't a red-letter day for you, consider yourself fortunate. 30% of the world's PCs were still running XP as of June. Going it alone means you're exposed to bigger problems.<sup>1</sup>

**Refreshing Your PCs Eases Your Transition to Windows 8.1. With fully-supported software, wrapped in state-of-art hardware, you're ready for the future.**

<sup>1</sup> [www.gs.statcounter.com](http://www.gs.statcounter.com)

# What does “End of Support for Windows XP” mean to you?

## Security Issues

XP users are increasingly vulnerable to viruses and malware

## Support

Telephone and online support are unavailable; other methods increasingly rare and expensive

## Software

Incompatibility Increases as developers no longer work with XP compatibility

## Productivity

Suffers as XP systems become more vulnerable to attack and repairs are harder to initiate

# Other Hidden Costs of “Stay”

## Advantages

- No acquisition costs
- No new deployment costs



## Disadvantages

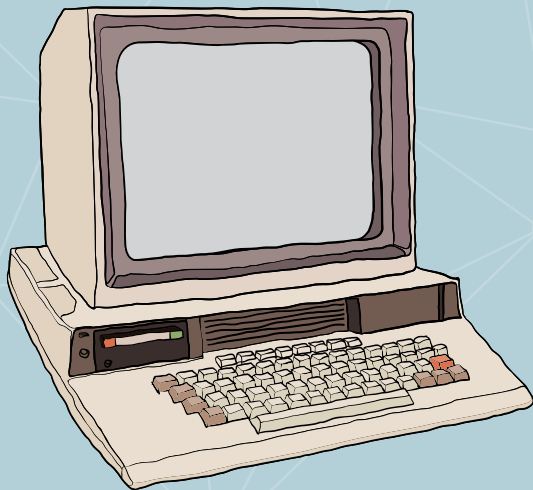
- Deployment costs
- Security patches
- Software upgrades
- hardware & software maintenance
- Managing software licenses
- Ongoing energy requirements



The purchase price of a PC represents **only a portion of the actual cost** over its lifecycle. As a **PC ages, it racks up additional costs** – often at increasing speeds.

# Beware of Hidden Expenses When You Stay with Old PCs ...

- **Frequent Upgrades** – Service packs, updates and other activities needed to keep systems current.
- **Major hardware and software malfunctions** – Help desk calls increase dramatically as PCs age.
- **Security Issues** – Patches and other updates to maintain compliance.

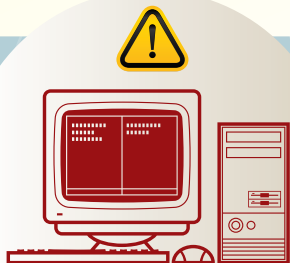


***FACT: Annual support costs for PCs three years or older often exceed the purchase price of a new PC.***

# The Expenses You Aren't Aware of...

**Lost Productivity:** When older units malfunction, their user stops working. Calculate that productivity loss by an hourly rate — especially for knowledge-based workers — and it significantly impacts your bottom line.

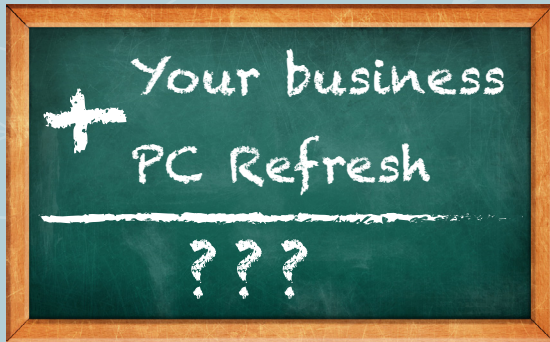
**Power Consumption:** Newer computers are designed to streamline power use. Those with Intel Core vPro platforms are 50% more energy efficient than three-year-old systems.





# Going Over to New PCs: It helps when you know your TCO

Intel's Total Cost of Ownership (TCO) calculator is a tool that lets you see how all these PC investments and expenditures would look in your business.



The calculator projects TCO based on:

- 1 Total number of PCs
- 2 Age of the PCs
- 3 Laptop/Desktop ratio
- 4 IT practices
- 5 IT support and costs
- 6 Energy costs
- 7 Other factors you supply

For more information on these company models, Intel's TCO calculator, or how to use vPro Technology to calculate your TCO, contact your Insight representative at: 1.800.INSIGHT. View our Infographic by clicking [here](#)

# Intel's Total Cost of Ownership Calculator: Scenario #1

Using Intel's TCO Calculator with vPro Technology, we projected cost benefit for two different organization models:

## SalesRep, Inc.

Size: 5,000 employees

60% laptops / 40% desktops

Last computer replacement: 2008

### Estimated Benefits with 3-Year PC Lifecycle (USD)

	Laptop PCs	Desktop PCs	Total PCs
IT Savings	2,531,805	790,948	3,322,753
Power Savings	22,003	72,720	94,724
Productivity Gains	6,148,053	2,234,066	8,382,119
Total Savings and Gains (per Year)	8,701,862	3,097,734	11,799,595

Assuming an average rate of maintenance events, support calls, power usage savings and productivity gains, Intel's PC Total Cost of Ownership calculator estimated SalesRep Inc. nearly:

**\$12 Million Dollars** in Annual Savings by evolving the PC fleet.

# Intel's Total Cost of Ownership Calculator: Scenario #2

Next, Intel's TCO Calculator projected cost/benefit for a more static workforce and a larger company model:

## Western Regional Bank

Size: 6,000 employees

80% laptops / 20% desktops

Last computer replacement: 2008

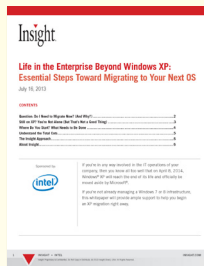
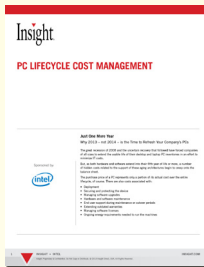
### Estimated Benefits with 3-Year PC Lifecycle (USD)

	Laptop PCs	Desktop PCs	Total PCs
IT Savings	898,169	3,150,094	4,048,263
Power Savings	9,603	183,942	193,545
Productivity Gains	2,177,434	7,485,842	9,663,276
Total Savings and Gains (per Year)	3,085,206	10,819,879	13,905,084

Assuming an average rate of maintenance events, support calls, power usage savings and productivity gains, Intel's PC Total Cost of Ownership calculator estimated SalesRep Inc. nearly:

**14 Million Dollars** in Annual Savings by evolving the PC fleet.

# Resources for Your Next Steps



Visit Insight's **PC Evolve Website** for tools to inform your next step, including:

- Our whitepaper, "PC Lifecycle Cost Management," offers more detail on the company savings projections, and the costs of maintaining older PCs.
- Our whitepaper, "Life in the Enterprise Beyond Windows XP," delves further into the need to migrate systems, the implications of not doing so, and what your business needs to get there.
- An opportunity to use Intel's TCO calculator and get some numbers on the costs — and savings — of evolving your PC fleet.
- An assessment with specifics on what your organization will need to transition to Windows 8.1
- Ideas on specific Windows 8.1-ready laptops, desktops and notebooks that work with your organization and your budget

For more information on the benefits  
of a PC refresh, please visit  
[insight.com/PCRefresh](https://insight.com/PCRefresh) or contact  
your Insight representative at:  
1.800.INSIGHT.

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