



## ThinkVantage Technologies: Saving Dollars and Improving Productivity Through the PC Lifecycle

# Lenovo ThinkVantage Tools Generate Hard Dollar Savings Through Every Stage of the PC Lifecycle

## Executive Summary

### BACKGROUND

Lenovo has made significant investments in creating a portfolio of PC management tools that provides IT managers and end users with the opportunity to save time, reduce costs, improve security and deliver a better experience across every stage of the PC lifecycle, from deployment to disposal. Lenovo has retained TBR to conduct in-depth interviews to help quantify the actual dollar savings and productivity gains that Lenovo customers have experienced through implementing the ThinkVantage Technologies; the end result of those interviews was this white paper. TBR has fine-tuned the methodology for this paper over the past several years, as this is the fourth version that has been created, allowing us to follow customers through various stages of implementation. In completing the paper, TBR followed a three-pronged approach. First, TBR analysts were briefed on each of the ThinkVantage Technologies by Lenovo product managers. Second, TBR conducted interviews with customers using the TVTs to understand the impact to their PC management costs and productivity. As an additional checkpoint, TBR interviewed customers within our own database of users that had switched to Lenovo from another vendor to assess the tools' influence on their decision to change vendors.

### INTRODUCTION

The management of the PC environment is becoming increasingly complex, despite the fact that PC prices continue to fall. Compliance and security issues have become paramount, with the potential for large fines and jail time for IT managers and executives of companies that disclose private customer data. An increasingly mobile workforce adds another layer of complexity in ensuring that end users can easily connect wherever they are, in addition to ensuring data stored on their PCs is secure when it leaves company premises. Traditionally, PC lifecycle cost estimates have indicated an 80%/20% rule, meaning 20% of costs associated with the full PC lifecycle are actually related to hardware costs, while the other 80% are associated with deploying, supporting and disposing of systems throughout their lifecycles. However, lower hardware pricing and increasing PC management complexity indicate that PC lifecycle costs are likely shifting to a 90%/10% model.

In conducting research for this paper, the consistent message from customers and business partners is that Lenovo understands PCs are not a commodity and there is significant room for innovation in PC hardware and through PC management software. Through its ThinkVantage Technologies portfolio, Lenovo provides tools that support and enable image creation and ongoing image management; system migration and deployment; support of PC users and disposal of PCs in a way that protects sensitive company and customer data. Most of these tools are included free with every Lenovo system, although the fact that the tools are free represents only a small portion of the overall savings opportunity. Customers who implement the tools report measureable and significant time savings and productivity improvements in managing their PC environments. In many cases, ThinkVantage Technologies reduced the time associated with a PC management task from 50% to 80% over the client's previous method. Customers experience other business benefits that are even harder to quantify but have a positive impact on the company's bottom line, such as reduced downtime for revenue-generating salespeople and consultants, improved end-user productivity and satisfaction and the ability to avoid reputation-damaging leaks of confidential customer information.

## EXAMPLE: A Large Bottler/Distributor

Coca-Cola Enterprise is the world's largest bottler and distributor of Coca-Cola products with operations in the United States, Canada and Europe. With an installed base of 27,000 PCs, CCE faces the challenge of efficiently managing a large, global IT infrastructure. CCE has been leveraging ThinkVantage tools for several years now with significant cost benefits. In 2006, the tools were a contributing factor to CCE reducing the time spent in PC support activities by over 30%.

- **Image Ultra Builder and Systems Migration Assistant:** CCE has made a significant monetary and training investment in IUB and SMA which has allowed CCE to deploy PCs much faster than before. CCE recently modified its PC refresh strategy and now redeploys PCs more frequently versus systematically replacing PCs based on their age. With IUB and SMA, CCE has reduced the time to deploy a PC from more than 90 minutes to less than 30 minutes. With a savings of at least one hour per PC, CCE would save \$810,000 in refreshing its installed base of 27,000 PCs. IUB and SMA have also supported CCE's strategy to transition to user self-service and self-support versus a fully-assisted deployment process.
- **Rescue and Recovery:** R&R is deployed on all of CCE's PCs and is used as an important backup and recovery tool. R&R provides CCE with a tool with high ease-of-use which supports CCE's user self-service strategy. CCE employees are now able to recover data themselves and are able to restore their systems to a state that is better optimized and closer to the original level of performance.

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## KEY WHITE PAPER FINDINGS

TBR looked to several sources of information to understand the benefits to customers in implementing Lenovo's ThinkVantage Technologies. To create a strong background and understanding of the tools, TBR conducted interviews with ThinkVantage product managers. To verify the benefits associated with the tools, and to understand how they are implemented in the real world, TBR spoke with ThinkVantage customers and business partners. Customers were able to provide a view of how ThinkVantage Technologies had improved their PC management experience from cost, time savings and end-user productivity perspectives. At the same time, business partners were able to substantiate these findings with additional customer examples and share their own experiences in leveraging the TVTs for delivering value-add services like image management or deployment services to their own customers. Finally, TBR spoke with customers from our own database of users who had switched to Lenovo PCs from another brand within the past 18 months to understand how the tools impacted their decision to change vendors.

These three components of our research are the basis for the following findings and conclusions :

### 1. True Dollar Savings

Customers generate savings through implementing ThinkVantage Technologies in a variety of ways. Customers save money based on the elimination of PC management tools, purchases and services from third parties, as the majority of TVTs are offered at no charge. However, through TBR's interviews with TVT customers, it is apparent that more significant savings occur through the improvements in efficiency driven by using the tools. This has reduced the need for customers to add new resources to manage an expanding installed base and has created

the opportunity for the IT team to focus on other strategic projects.

### 2. A Unique Integrated Hardware and Software PC Management Solution

Lenovo has created a combination of software- and hardware-based PC management features that is unique in the market. Hardware features include the Hard Drive Active Protection System, the ThinkVantage "blue button" for support and recovery and the Trusted Platform Module (TPM) embedded security chip. In the software area, Lenovo's ThinkVantage PC management tools cover the entire PC lifecycle including deployment and migration tools, support tools, backup and recovery and the secure removal of hard drive data when systems are disposed of. No other vendor can deliver all of these functions with a single point of contact and accountability.

### 3. Leading Partnerships

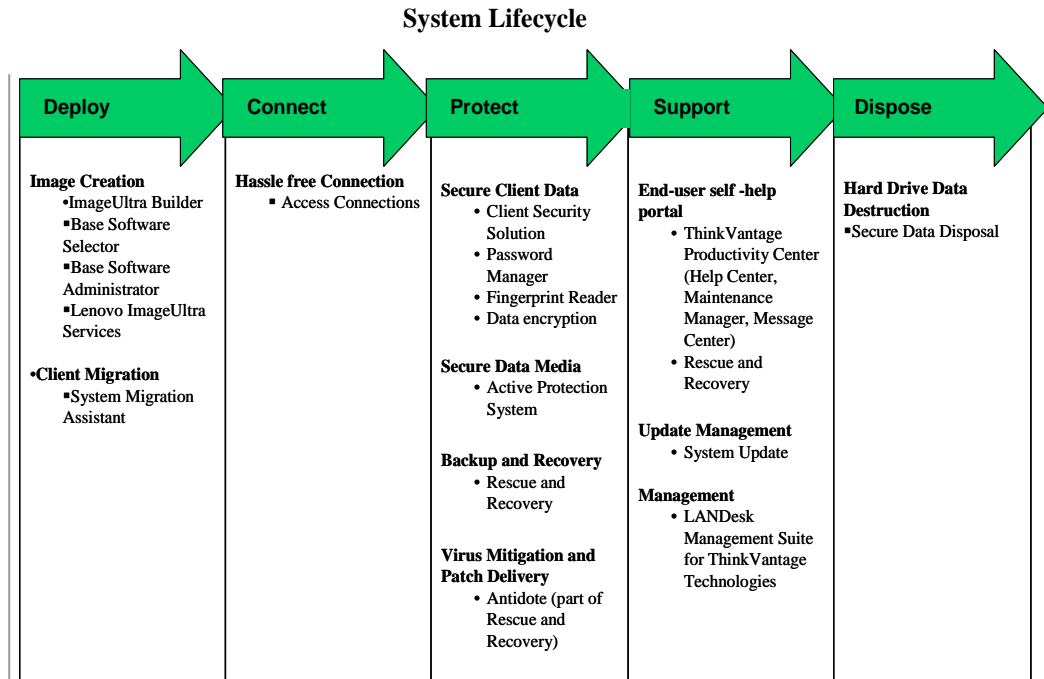
While Lenovo is the only vendor to offer an integrated hardware and software PC management solution, the company realizes partnerships with third parties are also an important piece of the overall solution, particularly in the security space. Lenovo has partnered with security leaders such as Utimaco, Absolute Software and Softex to ensure that solutions from these leading security vendors work in conjunction with the TVTs.

### 4. Flexibility to Customize and Increased Manageability

The ability to customize the tools within the ThinkVantage portfolio is a key theme for Lenovo. IT managers have the flexibility to manage the content, level of access, and scheduling of TVT features. Lenovo has also partnered with LANDesk for the creation of a specific LANDesk Management Suite for the ThinkVantage Technologies console to enable centralized management of the TVTs. Additionally, Lenovo has ensured that the tools are compatible and integrated with

## Coca-Cola Enterprise cont.

- Access Connections:** AC has proven to be an important tool for CCE in rolling out a home connectivity program for its employees as well as an initiative to arm a group of 3,500 sales people with a new Lenovo T60 or T61 laptop and wireless connectivity card. With AC, the CCE sales team can seamlessly connect at home before they begin their day, on the road and back home to finish the day. For the home connectivity program, AC has allowed CCE to create a program that drives employee satisfaction and is easy to support: Employees purchase a standard router, which CCE configures, and then through AC employees can seamlessly transition from the office to home.
- Secure Data Disposal:** SDD provides CCE with a flexible tool to choose how to dispose of assets. CCE uses the services of a third party for some of its disposal requirements; however, SDD has allowed the company to efficiently bring some of those processes in-house for a savings of \$24 to \$34 per PC that is sent out. As a result, CCE received a \$68,000 rebate from its supplier last year for services it was able to complete in-house.



SOURCE: TBR AND LENOVO.

Active Directory and new PC management capabilities announced as part of Microsoft Vista.

### 5. Improved user productivity and high end-user satisfaction

End users are happiest when they can avoid a call to the helpdesk. Lenovo customers report high levels of end-user satisfaction, as the tools allow IT managers to preemptively address common problems before they occur. For example, Access Connections helps to avoid calls regarding wireless connectivity, while the Password Manager helps to avoid support requests for password resets. For users needing technical assistance, the Productivity Center provides an end-user self-help solution. End users also benefit from the increased uptime that avoiding a technical support call can deliver. For an online college, Rescue and Recovery allowed students to restore their own systems, when the previous method would have required sending in their laptop and being without it for three days, leading to missed classes and homework assignments.

For customers with mobile sales forces, increased PC uptime typically equates to higher revenue generation.

### 6. Continued commitment to leading R&D

Lenovo has absolutely committed to maintaining ThinkVantage Technologies as the leader in PC management tools and functionality. Lenovo continues to substantiate this commitment with new versions of the tools, adding functionality and improvements in the ease of use. One of the consistent comments TBR hears from ThinkVantage customers is that Lenovo is very focused on taking customer feedback regarding the tools and implementing changes based on these suggestions.

### CONCLUSION

TBR believes the ThinkVantage Technologies are a true differentiator for Lenovo and offer a unique value proposition. No other PC hardware vendor has developed a full portfolio of PC management lifecycle tools. And Lenovo has also been able to develop unique hardware features that integrate and complement the ThinkVantage Technologies,

## EXAMPLE: Lenovo Business Partner

MCPc is a large Cleveland-based Lenovo business partner with 325 employees, 22 offices and over \$200 million in revenue. Lenovo's ThinkVantage Technologies play an important role in MCPc's delivery of Lifecycle Management services to its customers, allowing MCPc to focus more on the delivery of value-added services. By leveraging the TVTs, MCPc has found that it is able to deliver customers a real savings of \$50 to \$200 per PC depending on how many tools are implemented.

• **Systems Migration Assistant:** For one of its midmarket accounts, MCPc has been able to significantly reduce the time and complexity of deploying new systems. Where new system deployment previously required an on-site technician visit, MCPc has been able to reduce the cost by sending out a PC pre-loaded with the customer image and System Migration Assistant which allows the end user to easily migrate their system settings and data to the new system.

• **Rescue and Recovery:** MCPc works with a larger charter school focused on online education. Students are provided with a new Lenovo desktop. When students experienced a problem under the previous model, the student would ship out the desktop to be reimaged. However, with the Lenovo solution the help desk can direct the student to use R&R to restore the system, allowing the customer to avoid the cost of shipping the PC and several hours of technical support resources to reimage the system, which could range from \$150 to \$175 in total for each incident. Additionally, students benefit as they are able to continue their schooling without a three-day interruption due to the loss of their PC.

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including an embedded security chip, a fingerprint reader, the Active Protection hard drive protection system and the "blue button" which is included on Lenovo PCs and provides the user with immediate support and back-up and recovery features. While other PC vendors may partner for some PC management functionality, no other vendor offers the breadth of offering or hardware integration available through Lenovo.

Through interviews, it has become clear that customers understand Lenovo does not view the PC as a commodity. Customers often mention Lenovo's focus on innovation as a key strength of the vendor and TBR believes the ThinkVantage portfolio is a natural result of that focus.

As PC hardware prices continue to fall and PC lifecycles extend for some customers, the cost of managing a PC through its lifecycle becomes a larger piece of the overall lifecycle cost model. IT managers who understand this equation place more value on the reliability and ability to efficiently manage the PC versus the initial acquisition price. The real opportunity for savings lies in the costs associated with building image loads, deploying systems, managing a variety of wireless environments for mobile users, protecting PCs from viruses, security threats and the risks of lost or stolen laptops as well as the damage due to laptop drops, supporting and managing PCs and PC helpdesks – and finally, ensuring data is destroyed before the company disposes of hard drives.

Lenovo understands these challenges and has developed the ThinkVantage Technologies portfolio to specifically address each pain point across the full PC lifecycle. No other hardware or software vendor can offer the level of integration between PC management hardware and software features that are available through Lenovo. And furthermore, the vast majority of ThinkVantage Technologies are bundled with the PC at no cost. And customers benefit

significantly by having a single point of contact for their PC management support, rather than dealing with integration problems between a separate hardware and software vendor.

Through interviews it is clear that no two customers are alike in terms of their PC environment or PC management requirements. TBR has spoken with a variety of customers of all different sizes and different vertical markets as well as Lenovo business partners who both help customers implement the tools as well as leverage the tools in their own internal operations. However, what we consistently heard from these ThinkVantage customers were examples of:

- Hard dollar savings
- Time savings associated with PC management tasks
- Improved user satisfaction
- Improved user productivity
- Improved security and protection of critical company data

The message from ThinkVantage customers is clear: Through ThinkVantage Technologies Lenovo provides customers with a portfolio of tools that create flexibility in managing the overall IT environment. Cost savings that are created through the implementation of ThinkVantage Technologies can be funneled to the company's bottom line or leveraged to invest in other strategic IT initiatives. And that does not take into account the broader business benefits associated with increased end-user productivity which in turn presents the company as a whole with potential for improved profitability.

With the ThinkVantage Technologies portfolio, Lenovo is providing tools for IT managers to do their jobs more efficiently with greater end-user satisfaction. For IT managers and purchasing managers, the potential savings and real business benefits associated with

## EXAMPLE: MCPc cont.

• **ImageUltra Builder:** With IUB, MCPc can replace the typical static customer image management system which requires an updated image for any technical changes or new models. IUB provides a dynamic provisioning solution with one single repository for all of its hardware platforms, applications and OS versions where new models can be easily rolled into the repository. Under a static provisioning image model, it could typically take a customer two to three weeks to develop, test and roll out the new image, while MCPc can accomplish this in a matter of a few days with IUB.

implementing the tools should shift the PC buying decision away from one that is focused on price alone - and most of the ThinkVantage Technologies are offered at no cost. TBR believes responsible IT managers and PC purchasers will investigate the potential cost savings and benefits that

Lenovo's integrated approach to leveraging both hardware and software PC management features could deliver to their IT organization and their company's bottom line.

### ABOUT TECHNOLOGY BUSINESS RESEARCH

Technology Business Research, Inc. (TBR), headquartered in Hampton, N.H., is recognized as one of the leading high-tech market research and consulting firms specializing in analyses of computer, networking, software and professional services companies in the information technology market. Servicing an international clientele of high-technology manufacturers, service providers, IT professionals and end users, the company has continually distinguished itself in the marketplace by providing timely, accurate, high-quality information and market research in a format that is uniquely responsive and tailored to clients' needs.