Solution Showcase

Dell Technologies On Demand

A unified approach to flexible consumption models across the full, end-to-end Dell Technologies portfolio

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Shift to Consumption-based Model Extends to On-premises

Enterprises are actively modernizing their IT infrastructure to support digital transformation initiatives and drive greater operational efficiencies. ESG research demonstrates that organizations are taking advantage of public cloud services (IaaS & SaaS) and upgrading their on-premises infrastructure to create robust hybrid clouds.[1] Based on experiences with public cloud vendors, many of these organizations are now looking to have an option to shift to a consumption-based or as-a-service-based delivery model for their own data centers, as well as their edge and endpoint environments (see Figure 1).[2]

Figure 1. Growing Adoption of Cloud Services Paves the Way for On-premises Consumption Models
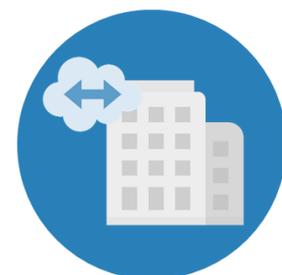

PUBLIC CLOUD

49% report running production apps on public cloud infrastructure

CLOUD-BASED APPS

67% have more than one in five applications delivered by SaaS

HYBRID CLOUD

70% prefer hybrid cloud for new container environments

Source: Enterprise Strategy Group

This transition will enable organizations to drive innovative new technologies into the company despite constrained IT budgets by leveraging vendors' expertise and services while aligning costs to business growth.

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[1] Source: ESG Master Survey Results, *2019 Technology Spending Intentions Survey*, March 2019.
[2] Source: ESG Master Survey Results, *2019 Trends in Container Application Environments,* to be published.

Introducing Dell Technologies On Demand

While the companies within the Dell family have offered the option to consume individual products via pay for use or managed services for years, the company recently launched Dell Technologies On Demand at its Technology Summit in Austin, TX. This program provides customers with a unified approach for flexible consumption options across the full, end-to-end portfolio and can scale from SMBs to the largest enterprise. This comprehensive program lets customers take advantage of Dell Technologies capabilities and expertise and provides greater choice and flexibility in how it is consumed. To be clear, Dell Technologies will still offer traditional CapEx models, but as more organizations look to take advantage of the on-demand economy, this program will ensure consistent operations and customer experience regardless of location or device. As such, it will include solutions from its end-to-end portfolio that incorporates infrastructure, software, and services and spans the cloud, data center, edge, and endpoints. This announcement should be well received by organizations thinking about shifting to a pay-as-you-go or as-a-service consumption model, and it is available from Dell Global Alliances and Solution Providers. To ensure a successful rollout, it will be important for Dell Technologies companies to educate their sales teams and partners on the details of the On Demand program. The key takeaways from this announcement include:

- **Flexible consumption models**. Dell Technologies built this program based on years of experience working with customers and understanding the opportunity to provide a unified approach to deliver flexible consumption models across the full, end-to-end portfolio. Dell Technologies On Demand offers organizations three different consumption models:

  o Pay As You Grow: This model was designed for organizations that have stable workload environments and predictable growth. It enables organizations to structure payments for committed infrastructure as it is deployed over time. This option would be an ideal first step for an organization looking to make its first move to an OpEx model. This model is available across the full portfolio.

  o Flex On Demand: As the name suggests, this option is for organizations with more dynamic environments who want to leverage a metered usage model for specific workloads or environments. In this case, organizations would only pay for what is consumed and take advantage of the ability to scale up or down. This allows organizations to pay by the month for current demands, while Dell assumes the risk to deploy sufficient capacity to accommodate organizations' desired flexibility and future scale.

  o Data Center Utility: This is similar to Flex On Demand, only applied to organizations' entire data center or multiple data centers. It provides a variety of metered pay-for-use models across both client and data center infrastructure environments.

- **Choice of service models**. Services can also be included in each of these models, as well. Dell Technologies On Demand offers a range of support and deployment services (either from channel partners or direct from Dell) to accelerate adoption and maximize uptime in DIY environments, in addition to providing full managed services to deliver the full range of on-premises technologies as-a-service. These include:

  o ProSupport Support Services: These services are designed to optimize productivity and availability by leveraging both Dell Technologies expertise and AI-powered solutions designed to provide deeper insights and enable teams to be more proactive.

  o ProDeploy Deployment Services: As the name suggests, these services are designed to help organizations deploy new technology quickly and efficiently. It also applies to technology refreshes and covers both client and data center infrastructure, ensuring a consistent customer experience for any technology.

o   Client and Infrastructure Managed Services: For organizations that want to have the same public cloud experience in their own data centers or at the edge, this option enables organizations to consume both DC infrastructure and PC environments completely as-a-service.

- **Optimized for workloads.** Dell Technologies On Demand provides more than just infrastructure and services. It is focused on delivering solutions that can be enhanced to meet the exact specifications for a wide range of workloads. This includes:

  o   Co-engineered solutions with VMware: This includes the Dell Technologies Cloud to enable simplified hybrid cloud environments and Dell Technologies Unified Workspace to provide a modern user experience across all devices. These Dell family solutions can be deployed with structured or metered payments or as a turnkey managed service (for infrastructure).

  o   Engineered workload solutions: These solutions were designed to accelerate the time to value for mission-critical workloads like Microsoft, Oracle, and SAP, as well as data-intensive workloads like analytics, AI, HPC, or VDI. When evaluating these services, organizations should inquire about their specific workload environments to see if they are supported.

- **Comprehensive end-to-end portfolio.** The Dell Technologies On Demand solutions span the data center, cloud, edge, and endpoints. This means that flexible consumption models can be leveraged for enterprise-class servers, networking, and storage, as well as laptops and tablets. The ability to consume solutions across the entire Dell Technologies portfolio provides organizations with a single source for virtually all of their needs.

Figure 2. Dell Technologies On Demand End-to-end Portfolio
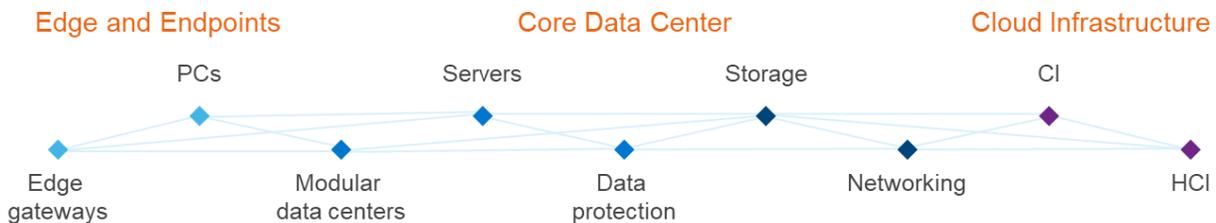
Source: Dell Technologies

The Bigger Truth

As organizations continue to progress their digital transformation efforts and look to build a modern and flexible IT infrastructure to support mission-critical workloads, their ability to consume this technology with consumption-based or as-a-service deployment models could be instrumental in assuring their success. The reasons for this are twofold. First, organizations can accelerate the time to value for deploying new technology, since organizations will not have to immediately invest in new skills or new resources familiar with the technology. Second, these models shift the burden of extracting value from solutions back to the vendors. In traditional CapEx models, the customer purchases the item (equipment, software, etc.) upfront and it is incumbent on them to maximize the value. By moving to a consumption-based or subscription model, organizations will only pay for what they use or need. As a result, vendors will be highly incented to be tightly aligned with their customer's goals.

Dell Technologies companies have been delivering consumption-based offerings for individual products and solutions for a number of years. With the launch of On Demand, Dell Technologies now provides a unified approach to flexible consumption models across the full, end-to-end portfolio, and provides a variety of entry points for organizations to deploy in one area and seamlessly expand into new areas or even leverage different consumption models. The breadth and depth

of the portfolio combined with the consistent operations enable organizations to scale On Demand solutions across the data center, cloud, edge, and endpoints. It also provides the option to utilize flexible consumption and service models to fit the needs of virtually every environment, from do-it-yourself shops that would prefer structured, predictable payments, to organizations looking for as-a-service offerings for workloads, data centers, hybrid cloud environments, or even corporate PCs. This program is well thought-out and dramatically simplifies the process to adopt flexible consumption models across the complete portfolio. It provides substantial value at the time of its launch, and it would be reasonable to expect that the On Demand program will continue to expand to include more co-engineered, workload-focused solutions that include VMware as well as other Dell Technologies companies (besides Dell and Dell EMC), and that those solutions will include hardware, software, and services as needed.

The success of cloud-based services (IaaS & SaaS) has opened the door to consumption-based deployment models for on-premises environments, and many organizations are eager to replicate that model in their own data centers, at the edge, and even in endpoints. Dell Technologies On Demand provides the vehicle to enable organizations to consume as little or as much as they are comfortable with and offers the skills and solutions to accelerate those journeys. Does it work? According to Dell, an early adopter currently in production was able to achieve 50% more compute power with an 8% reduction in costs in a pay-per-use private cloud, and then went on to consume a fully managed storage-as-a-service solution that yielded a 90% reduction in data provisioning times and a 27% reduction in costs. Now that On Demand has launched and its unified approach has proven it can deliver significantly more value than the previous individual programs, Dell Technologies needs to educate all its customers on how these highly flexible and comprehensive consumption-based models can help accelerate time to value, increase operational efficiencies, and optimize customer experiences in their specific environments.

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