How to Navigate Rising IT Support Costs

5 IT trends of the last 12 months and beyond

What will IT leaders be focusing on and how will this help business continuity during high inflation?

The last 2+ years have seen a monumental shift in the way employees work and collaborate.

This has impacted all areas of business and accelerated their digital transformation.

But this transition to an ever-increasingly digital world, and an even more dispersed workforce, has meant IT budgets have had to remain flexible and adaptable to changing business requirements.

This has always been the case but has become more critical as inflation adopts a vice-like grip on the budgets of IT leaders.

> ***IT spending is expected to increase by 5.5% from 2021 to $4.5trillion – the largest year over year jump in 10 years.***
>
> *- Gartner 2022 forecast.*

With inflation bringing additional pressures and business uncertainty, an even larger magnifying glass will be put on where the IT budget is going and how the wider business is benefiting.

The 5 fastest growing market segments where budgets are being spent *(Gartner 2022 forecast)*:

- Enterprise Software
- IT Services
- Data Centre Systems
- Devices
- Communication Services

Top 5 Trends

1. Proactive Budgeting

For the last two years, many CIO's IT investments have been preoccupied with reactive investment to combat the changes the global pandemic is forcing onto organisations.

Many IT leaders are now being tasked with a proactive approach to help shape their organisation's future digital strategy.

This same proactive approach must also be taken with their budget, with rising inflation causing many to think about the value they're receiving from their fixed costs (Oracle & SAP support).

This is especially pressing when organisations are shelling out more for support without seeing any improvements in the service.

At the very least, third-party support can be used as a negotiating tool against the vendor (*learn how here*).

IT leaders will have to scrutinise where each penny is being spent and the true value and ROI of what's being brought back into the business as a result.

2. Total Experience (TX)

CIOs will look to employ a bottom-up/ inside-out approach to 'total experience' - the sum of an organisations' experiences - combining: multi-experience (MX) customer experience (CX), user experience (UX), and employee experience (EX).

Employees must be equipped with the appropriate tools to help keep up with customers' ever-changing needs.

If employees don't have the tools to keep pace with the evolving digital world, how are they going to offer a quality service to the customer? This is particularly important when rising inflation will mean customers are looking at cheaper, alternative options. Quality = Stickiness.

Implementing solid employee experience solutions can help unite a hybrid workforce and tie IT priorities and budgets to wider business strategies.

3. AI & Analysis

CIOs are focusing more on value-based technology investments, prioritizing cost-management initiatives to establish which technologies are giving them a true ROI and are not just a 'nice to have'.

'Nice to haves' are a luxury inflation can quickly nullify, so organisations will look to utilise this next stage of AI maturity to gain more and more detailed insights to form a better understanding of customer trends, new product research, and streamlining processes to reduce surplus costs.

4. Automation

Automation will become even more business critical as organisations look to further optimise processes, getting the most out of their technology and employees' time.

One of the highest inflation costs over the last two years has been wages.

If staff are spending more time on menial tasks, this is lowering the ROI on their wages. Adopting automation for simpler business functions can help bring multiple teams under fewer and more streamlined processes, while saving costs.

5. Security & Compliance

Cybersecurity is always a top priority for CIOs and IT leaders, with any breaches being extremely costly to organisations; this is especially undesirable with inflation increasing costs already.

Evermore rigorous tools will be required to identify risks quickly, while allowing employees to access assets and information, no matter where they are located, all while remaining compliant with local data handling policy.

This all needs to be done through a lens of strict privacy where they can securely contain the data, process it across all functions of the business, and transform that data as required.

Which IT trend is your organisation's prime focus this year?

- Automation
- Cloud
- Cost Reduction
- Cybersecurity
- Hybrid Working Enablement
- AI & Analytics
- Retaining & Hiring
- Compliance & Governance

Post answer

Support Revolution

How to significantly reduce IT spend

Addressing rising business costs and how you can make much needed IT savings.

Organisations want to remain flexible to changing business needs and evolving national and global circumstances.

Fixed costs make this more of a challenge, tying organisations into contracts with very little room for manoeuvre.

Ways organisations may typically reduce fixed costs:

- Moving to less expensive premises
- Reducing staff numbers
- Reducing utility costs (water, electricity etc.)
- Changing suppliers

These may be proven ways of reducing fixed costs, but they're incredibly disruptive. Laying off staff, in particular, is certainly a last resort option and something organisations will want to avoid at all costs.

Cash is King

In periods of high inflation, uncertainty spreads like a wildfire.

And when uncertainty is the overriding sentiment, businesses are less likely to invest and take risks.

During this period, the adage "cash is king" takes on an even more important role. Organisations that are holding cash can take advantage of opportunities that others may not be in the position to take.

Cash is a quantifiable certainty; a verifiable asset that helps business leaders insure themselves against unexpected expenses.

Of course, sitting on strong cash reserves is not going to grow business. But being able to deploy reserves into new ventures and technologies, while others are forced to hold off, or even make cuts, is going to put organisations on the front foot after the fog of uncertainty has cleared.

> **4 in 10 businesses in the U.K reported having less than three months or no cash reserves.**
>
> - Office for National Statistics (ONS)

What's your greatest concern as a business leader?

- A lack of cash reserves
- Rising business costs
- Lack of funding
- Losing/ retaining talent
- Pressure to raise prices

Post answer

A perfect storm

With many organisations running on cash strapped fumes, there's very little wiggle room for when inflation really builds up steam and causes costs to rise.

While inflation pulls organisations' budgets from one end, difficult questions will be asked about how to manage the increased costs and whether to pass these onto customers and partners at the other end: a perfect storm of uncertainty.

A recent survey by the Office for National Statistics (ONS) revealed that over **4 in 10 (43%)** organisations had decided to absorb rising costs, while over **2 in 10 (26%)** had to pass price increases onto customers.

That's nearly **7 in 10 (69%)** that have made significant financial decisions that could affect incoming business, and/ or profit margins for the foreseeable future.

And that's before taking into account a further **17%** who have either reduced staff working hours, had to change suppliers, or discontinued lines of sale.

Steps that could help organisations navigate inflation concerns

1. Divorce from convention

Don't be afraid to look elsewhere away from big vendor names that won't give any room for negotiation.

Now is a good time to look to alternative vendors and partners that can address cost concerns.

2. Controlled price rises

Turning to products and services, if an organisation has no option but to raise prices, do so strategically.

If possible, try to raise prices in modest increments rather than sudden across-the-board hikes. Think about which products and services can justify higher prices; customers will struggle to justify staying with you, or buying again, if the quality of the product or service doesn't stay in line with the new price.

3. More streamlined processes

Stop paying premium prices for IT legacy support and services.

Find a partner that can help you determine what you do and don't need and provide an honest, cheaper, and more reliable support service.

How Support Revolution can help organisations navigate inflation concerns

1. Cost-effective support

Rising inflation means prices are climbing across the board.

Support Revolution can help mitigate these rises by cutting Oracle & SAP support costs by 50%... at least!

When third-party support is a feasible alternative, the significant software maintenance and support cost reduction opportunity can be a "quick win."

- Gartner Market Guide Sep. 22

2. Devolving the workload

Alongside everything else, labour costs are also on the ascendancy.

Support Revolution's managed services mean we take over the entire Oracle/ SAP support service process on your behalf, bringing down the cost of hiring teams to do this in-house.

3. A personal touch

Large ERP vendors are notorious for providing sub-par support services with long response and resolution wait times. And that's if they're willing to help at all if you're not upgraded to the level they want you on.

Support Revolution guarantee a maximum 15-minute response and 2-hour resolution SLA for priority 1 incidents.

Not only that, but you'll also have a dedicated Account Manager for any queries you have during the process. No faceless, robotic service here!

Support Revolution

The third-party difference.

Save at least 50% on support costs and free up much needed cash while other costs rise.

Our offering to you...

At least **50% off** your Oracle and SAP support fees.

24/7 global support for Oracle and SAP software.

No forced upgrades. Take back control of your roadmap.

No more de-support dates. We'll support legacy systems indefinitely and all customisations.

Guaranteed **response and resolution SLAs** with real-time reporting, reviews and account management meetings.

How is this possible...?

Firstly, we take your support and maintenance figure and cut it in half as standard.

This is your initial quote.

We are able to do this as we don't invest your money into expensive R&D or acquisitions and new product launches.

We can even go one step further.

We'll review your software support and maintenance needs with you and assess which products and licenses you are *actually* using. We only charge you for what you need, removing charges for the shelfware. Which can see your savings rise above 50%!

How do we guarantee support?

Because support is our main business focus, we pride ourselves on providing you with a better quality of service than you will have received from Oracle or SAP. In fact, we guarantee it.

The third-party difference

Switch and save in 6 easy steps.

1. We create a transition plan with clear roles & responsibilities and a defined timeline.
2. We will identify all patches and the latest versions of software you're running, and download these or assist you to do this and store in an archive.
3. We review all open incidents that you have with your vendor, and agree a plan of which will be dealt with us.
4. We establish access to your test systems, although we can work without this if access will not be possible.
5. We load incidents onto our RemedyForce Service Desk system, and give your team training on how to use it.
6. Finally, we agree a formal go-live date and begin to roll out our full support service.

Start your revolt against high support costs today. **<<Get in touch>>** and have a chat with one of our team.

Support Revolution

Want to find out more?

Contact us...

...and have a chat with one our friendly team about how your organisation can save at least 50% on your Oracle & SAP support costs.

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