

PinkRoccadeUK meets demand for ever-changing capacity without knowing what it will be.

Overview

■ **The Challenge**

PinkRoccadeUK wanted to offer its services in an on demand environment, but needed the right hardware to be successful

■ **The Solution**

IBM @server iSeries® i890 server

■ **Why IBM**

IBM built a server optimized for hosting IT systems and business applications in an on demand environment

■ **The Benefits**

Generates more than US\$1.7 million in revenues and increases iSeries-based services business by over 30 percent in UK—all in the first year of deployment; expects to save customers approximately 20 percent in total cost of ownership for applications delivered on iSeries platform

Outsourcing redefined

Being a managed or shared services specialist isn't what it used to be. A growing number of companies want their outsourced IT systems tied to a business solution to help them control costs and quickly adjust to changing market demands.

"In the traditional outsourcing model, providers sold a specific amount of capacity processing power at a fixed price—but we've changed that," says James Mahoney, product manager of PinkRoccadeUK, a shared services provider. "To help our customers grow and control costs, we've enabled them to keep the amount of processing power and data storage capacity in line with their demand."

Technology in a business model

For PinkRoccadeUK, that break from tradition began in February 2003, in the form of an IBM @server iSeries i890 server—and it arrived just in time.

The company—a subsidiary of outsourcing giant PinkRoccade, one of the largest information and communication providers in the Netherlands—had a strong portfolio of customers in the UK, and was looking to grow the business by responding to customer requirements and differentiating itself in the market.

"Every outsourcing firm provided technology but they weren't focused on helping customers adjust on the fly as market conditions change," Mahoney recalls. "We felt we could differentiate ourselves by helping our customers be more flexible and cost efficient."

"With the iSeries i890 technology, we're helping our customers respond instantly to changes in their business environment, while giving them more predictability and control over costs."

—James Mahoney, product manager, PinkRoccadeUK

Pay as you go

Enter the i890 server. Considered the super-heavyweight of the iSeries server range, the i890 has the potential to nearly double the processing power of its predecessor. But more than raw computing muscle, it makes on demand computing a reality for providers like PinkRoccade.

PinkRoccadeUK's customers rent server power and data storage that can be increased or reduced, as required. "They can turn it on when they need it, turn it off when they don't," Mahoney says. "It's computing capacity delivered just like a utility."

This pay-as-they-go solution gives PinkRoccade's customers more predictability and control over their IT costs. Costs vary with usage and are not fixed. It also adds up to a lower total cost of ownership because they're not wasting computing capacity during down periods.

For instance, a large retail customer of PinkRoccade can "turn on" processing power to handle high volumes of transactions during peak shopping seasons, without having to invest in hardware that goes under-utilized during off-peak times of the year.

Nor do any other customers have to worry about alienating buyers with slow system response times. "If customer demand changes for whatever reason, the i890 technology gives us the ability to scale up at a moment's notice," Mahoney says. "This helps us respond instantly to rapidly changing business requirements."

Cost effective

In early 2003, PinkRoccade became the first managed service provider in the UK to use the iSeries i890 server to sell server space to multiple customers from a single platform.

Because the i890 uses IBM Logical Partition (LPAR) technology, it is able to theoretically support up to 32 customers on one server. This approach is far more cost effective than supporting 32 individual machines for its customers. "By delivering services this way, we're potentially saving our customers as much as 20 percent for services delivered on the iSeries," Mahoney says.

Responsiveness paying dividends

Less than one year after deploying the i890, the UK market has been very receptive to on demand computing, Mahoney says. PinkRoccade has realized a 30 percent increase in business in its iSeries-based services operation. That growth translates to a US\$1.7 million increase in revenues.

"The beauty of the on demand model is that we're fully capable of responding to any sudden changes in the business environment—in our customer's business or in our own. That flexibility is a great advantage in the marketplace," Mahoney says.

For more information

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