

Discovery QRENT Case study

Background

Qrent approached Discovery about two years ago with what they called their “Alternative Desktop”. The desktop, a Dell GX 755 which was three years old, was believed to be a reliable machine that would not break down and that offers a cost-effective and efficient alternative for organisations.

Testing the alternative desktop solution in the Discovery environment

We were unsure about this concept as we did not believe three-year old desktops could be used effectively and reliably in our environment. However, we decided to explore the idea and test the desktops in the demanding Discovery environment. We requested Qrent to deliver two demo desktops for us to test. We gave these machines to our IT hardware test team who put these machines through the motions for the next four weeks.

Technical Outcome

After loading the relevant software and testing the machines in the various environments, we were pleasantly surprised by the positive results. There was no distinct performance difference between the brand new desktops we had been buying and the Qrent refurbished desktops. The Qrent machines had passed the technical test.

Financial Savings

We had been paying approximately R7,500 per brand new desktop at the time. Qrent presented a compelling financial cost saving alternative. They priced their desktop at about 50% of the price of a new desktop, delivering a bottom line saving of 50% on our desktop acquisition price. Furthermore, Qrent did not require the purchase price upfront, but offered a payment plan over 36 months which made a huge difference to our cash flow position. It also meant that Qrent had a vested interest in the performance of the equipment for a long-term period – an added benefit for Discovery.

Warranty

Once the machines had passed our technical test and the financial savings presented obvious, we interrogated the model further. What could go wrong? We asked Qrent what would happen if the machines broke down. Qrent advised us that they took on all hardware failure risk. They essentially gave us a full proof three-year warranty without changing the price they had quoted us. The fact that Qrent were prepared to back up their product to this extent gave us further comfort. Discovery was not at risk of hidden financial costs.

Supply Consistency

As a large organisation, our consumption of IT hardware is significant. Standardisation as well as security of supply is key to us. We could not afford to change our strategy and opt for the Qrent offering if we could not get standardised equipment in large quantities. Qrent gave us the assurances that we needed and that box was ticked.

Quality

As a listed company with a recognisable brand and significant infrastructure requirements the quality of equipment is critical for 8 000 Discovery employees to perform their jobs effectively. A concern was that we required good quality demo machines that would be unsustainable if we ordered large quantities. We opted to order 200 units to see how the quality would be impacted with such a large order. Once again, we were impressed by the quality of machines we received. We were proud to deploy them in our environment and our employees were equally impressed.

Deployment

In less than two years, we have deployed about 3000 Qrent machines in our environment and this number is still growing. The performance has been great with less than 50 machines being replaced for hardware failure. Qrent has kept up their warranty promise by speedily replacing any broken machines – in fact, we have found their turn around on faulty machines much quicker than the turn around on new equipment under warranty. This is because they have left us spare units on site at no additional charge. If we have a problem with a deployed machine, we simply swop it with a spare unit and Qrent then collects and replaces the unit resulting in very little down time.

Our financial savings using the Qrent model

Had we carried on purchasing new desktops at an average cost of R7500 per unit, we would have spent to date about R22.5m cash on 3 000 units. Using the Qrent model, our total expenditure over three years comes to about R12.5m for the 3000 units. On our desktop hardware line item alone, we have saved R10m. This saving will continue to grow as we deploy more Qrent machines in the future. This saving has been achieved without comprising on performance, reliability and service.

Conclusion

The Qrent Alternative desktop has been a revelation for us. We are extremely satisfied with the product offering as the benefits have been tangible and material. We will continue to source the Alternative desktop from Qrent into the foreseeable future. I will recommend the Qrent product to any company looking at smarter ways of acquiring hardware and saving real money.



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27th March 2013