A Business Value White Paper, commissioned by Microsoft

Evaluating the Business Case of Microsoft Surface

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September 2022 | IDC Doc. #US49453722

Navigating This White Paper

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Microsoft Surface: The Business Case

Up to

$9,036
in total 3-year savings and benefits

2.8x
3-year return on investment

3-Year Costs

$3,238
Surface device, Microsoft M365 E3 subscription, accessories, extended warranty and maintenance

3-Year Savings & Benefits

$293
Total direct savings

$5,635
IT Efficiency benefit

$3,108
Employee Experience benefit

Executive Summary

Outfitting your employees with the right tools for the job has never been more critical. As the labor market tightens and companies compete to hire and retain staff in a fast-evolving hybrid world, one of the most effective ways companies are standing out is by investing in premium PCs for their employees. The PC is integral to productivity and collaboration, and today's products offer features and functionality well beyond what was available just a few years ago. Companies have come to realize that buying premium devices can have multiplicative effects on employee productivity versus lower-cost hardware, and the marginally-higher cost of a premium PC device represents a small fraction of the employee's salary. When choosing a premium PC for employees, an increasing number of companies are choosing to buy from the portfolio of Microsoft Surface devices.

IDC conducted extensive research, inclusive of 17 in-depth interviews and a web survey of more than 800 organizations using Microsoft Surface and other PC devices, to understand the business case for organizations of providing their employees with Microsoft Surface devices. IT decision makers provided survey and interview inputs for this Business Value analysis; these decision makers span three continents, 20 private industry verticals, and two public sector verticals. IDC's research demonstrates a broad-based value proposition for investment in Microsoft Surface devices enabled with Microsoft 365 through value realized in lower total cost of ownership, inclusive of direct savings, IT staff time savings, and employee productivity gains.

Overall, IDC's research shows Surface benefits are worth almost three times the investment costs over 3 years due to:

- **Direct savings** through device consolidation, reduced spend on device peripherals, higher residual value, and lower operational costs such as third-party support
- **IT simplicity** from Microsoft Surface devices and Microsoft 365 requiring substantially less IT staff time to deploy, manage, support, and secure
- **Empowering employees** through optimized performance and highly functional features, which result in productivity gains as the result of fewer security- and performance-related issues, enhanced mobility, and deeper employee collaboration

THE COSTS & SAVINGS

Over 3 years, organizations can save an average of $293 per device with Surface (powered by Microsoft 365)

Costs

$1,355	Surface Device* Surface Laptop or 2-in-1
$1,296	Microsoft 365 E3 Subscription $36 per user per month. License cost doesn't change across device manufacturers
$344	Accessories
$243	Extended Warranty & Maintenance
$3,238	**Total Cost per Surface device** (incl. accessories) over 3 years

Savings

$115	Increased Residual Value* 31% higher than other PC devices
$58	Reduced Support 23% lower third-party support & security costs
$120	Accessories Savings Fewer hybrid meeting accessories (Camera, Lights, Headset)
$293	**Total Savings per Surface device** (incl. accessories) over 3 years

"The Surface is a more premium device in our employees' perception. When they see people holding Surface devices, using them, it does help with employee satisfaction and keeping employees around or attracting talent."

IT PROFESSIONAL, GOV. ORGANIZATION, 5000+ EMPLOYEES

ADDITIONAL BENEFITS

IT Efficiency

$3,756	Device Consolidation 44% of organizations consolidated 2.3 devices on avg.
$885	Reduced Helpdesk Support 49% fewer helpdesk incidents
$810	Reduced Ongoing Maintenance 40% reduced IT Staff time spent on maintenance
$126	Reduced Time for Security Incident Response 34% fewer security incidents
$42	Reduced IT Deployment Costs 21% reduced IT Staff time spent on deployment
$18	Reduced IT Staff Time for Ongoing Security 3% reduced IT Staff time spent on ongoing security
-$2	Higher IT Training Costs 6% increased IT Staff time due to Surface training
$5,635	**Total IT Benefit per Surface device** (over 3 years)

Employee Experience

$1,290	Productivity Gains from Increased Mobility +11.6 hours Employee-productivity time per year
$619	Reduced Employee Time Lost to Helpdesk +5.5 hours Employee-productivity time per year
$864	Meeting Time Saved +7.7 hours Employee-productivity time per year
$89	Reduced Employee Time Lost to Security Incidents 30% reduced time waiting for incident resolution
$60	Faster Surface Deployment to Employees 27% reduced Employee time waiting for device
$105	Higher Employee Retention* 4% increased retention of Surface-utilizing employees
$81	Faster Bootup Time 32% faster boot time, 21% fewer reboots with Surface
$3,108	**Total Employee Benefit per Surface device** (over 3 years)

Up to 2.8X ROI with Surface + Microsoft 365
from $8,743 in additional benefits per Surface device

Methodology

IDC's research study was conducted from surveys and interviews between December 2021 and February 2022. All respondents were IT decision makers at large organizations (250–5,000+ employees) representing organizations from the United States, Australia, India, Spain, France, United Kingdom, New Zealand, and Germany. Cost and savings findings are based on average cost and time estimates provided directly by respondents; actual costs and savings may vary based on your specific device mix and deployment.

*Data point derived from 17 in-depth interviews. All other data points derived from 800 survey results (700 Surface organizations with at least 150 Surface Laptops and 2-in-1 Tablets available since 2019, 100 non-Surface organizations). Surface residual value adjusted by IDC to reflect average after 36 months.

Market Context and Trends

The last several years have seen dramatic changes in the way companies operate, how employees work, and the ways IT supports the business. Some of the key changes include:

- **Shift to remote or hybrid work:** As a large percentage of knowledge workers either remain in a full-time remote work situation or shift to a hybrid mode that finds them working from both the home and the office, their PC requirements have evolved. Today's devices must support a more robust online collaboration environment (including quality cameras and microphones for virtual/hybrid meetings), excellent mobility (including good connectivity, performance, and battery life), and strong security (including the latest biometric log-in capabilities).
- **Supply chain and demand challenges:** Ongoing supply chain challenges, coupled with strong PC demand, have forced IT departments to get creative as they work to support business operations. Often this means choosing a single device that can replace a traditional two-device (PC and tablet) work environment.
- **Operational efficiency:** As IT has shifted to supporting a more remote/hybrid workforce, it has had to become operationally efficient in terms of procurement, deployment, and management of devices. Forward-thinking IT organizations are looking at ways to speed deployments, shorten maintenance tasks, improve security, and enhance employees' productivity.
- **Cost-cutting measures:** As organizations face a more challenging business environment, many are looking to cut costs. For better or worse, this often means cuts to IT, and IT organizations are then forced to do more with less. When this is the case, smart IT departments focus on finding devices that enable them to cut costs on peripherals and accessories, consolidate multiple devices to one, and lessen reliance on third-party solutions and tools.
- **Enabling the future of work:** Ultimately, the goal of IT should be to empower employees to do their best work. Today's best devices are powerful, portable, and engineered to drive collaboration. Next-generation cameras coupled with outstanding microphones make video calls more productive. High-resolution touchscreens with pen capabilities enable the next generation of productivity. Fast processors, enhanced connectivity options, and innovative form factors drive employee satisfaction.

Introducing Microsoft Surface for Business

Microsoft's Surface portfolio reached its 10-year anniversary in 2022. Over the years, Microsoft has entered the modern workplace hardware market with the Surface for Business portfolio. Microsoft designs its Surface devices for everyday work. Surface devices offer the performance for work, user-engaging displays, front-facing audio and video for collaboration, and pen and touch for creativity, all in a bespoke, user-friendly design. The Surface for Business portfolio offers a variety of form factors to enable work from the office to the front line, from traditional laptops to two-in-one detachable laptops and tablets to desktop PCs.

Microsoft 365: Every Surface device comes with the latest Windows operating system, and a majority of organizations using Surface pair with Microsoft 365 (from the appropriate SMB to enterprise SKU offering). For the purposes of this study, we assume pairing with Microsoft 365 E3 (enterprise SKU) — Microsoft 365 E3 comes with the Microsoft Office suite, Microsoft Teams, and the latest Windows operating system for end users. Additionally, Microsoft 365 E3 simplifies IT operations through its Enterprise Mobility and Security platform, which includes products such as Microsoft Autopilot, Azure ED, and Endpoint Manager.

Our Methodology

IDC conducted an extensive online research survey with more than 700 organizations that have deployed at least 150 Surface Laptops and 2-in-1 Tablets released since 2019 and 100 organizations that are not currently using Surface devices to assess the business case for Microsoft Surface devices. This research included organizations from eight countries, 20 industries, and two public sectors. On average, these organizations had 60% of their workforce using Surface. Additionally, IDC conducted 17 in-depth interviews with senior IT decision makers at Surface-utilizing organizations to obtain a detailed and thorough understanding of the selection criteria, primary use cases, and — most importantly — the cost, staff, and employee experience gains achieved through the use of Microsoft Surface devices. All survey respondents were also IT decision makers at large organizations (250–5,000+ employees). IDC's standard Business Value/ROI methodology was utilized for this project and is based on gathering data from organizations both currently utilizing and not utilizing Microsoft Surface devices as the foundation for the model.

TABLE 1
Microsoft Surface Research Overview

	In-Depth Interviews	Online Survey
Sample description	17 in-depth interviews conducted via phone	700 respondents using Microsoft Surface + 100 non-Surface users, web-based surveys
Geographical reach	United States, Canada, Germany, France, Spain, Australia, India	United States, United Kingdom, Australia, New Zealand, Germany, India
Duration	~ 45–60 minutes	~ 15 minutes
Timing	December 2021–February 2022	January–February 2022
Respondent profile	Senior decision makers familiar with the impact of using Microsoft Surface devices on their organization's device costs, IT operations, and business operations	IT decision makers from IT, line of business, and procurement

Source: IDC Business Value Research, December 2021 to February 2022

Based on interviews with organizations using Surface devices, IDC performed a three-step process to calculate net benefits and ROI:

1. **Gathered quantitative benefit information during the interviews using a before-and-after assessment of the impact of using Microsoft Surface devices compared with either devices replaced or other devices used by study participants.** In this study, the benefits included device-related cost savings, IT staff time savings and efficiencies, and employee productivity gains.

2. **Created a complete investment (3-year total cost analysis) profile based on the interviews.** Investments go beyond the initial and annual costs of deploying and using Microsoft Surface devices and can include additional costs related to migrations, planning, consulting, and staff/user training.

3. **Calculated the ROI.** IDC conducted a depreciated cash flow analysis of the benefits and investments for the organizations' use of Microsoft Surface devices over a 3-year period. ROI is the ratio of the net present value (NPV) and the discounted investment.

IDC bases benefit and ROI calculations on several assumptions, which are summarized as follows:

→ Time values are multiplied by burdened salary (salary + 28% for benefits and overhead) to quantify efficiency and manager productivity savings. For purposes of this analysis, based on the geographic locations of the interviewed organizations, IDC has used assumptions of an average fully loaded salary of $100,000 per year for IT staff members and an average fully loaded salary of $70,000 per year for non-IT staff members. IDC assumes that employees work 1,880 hours per year (47 weeks x 40 hours).

→ The net present value of the 3-year savings is calculated by subtracting the amount that would have been realized by investing the original sum in an instrument yielding a 12% return to allow for the missed opportunity cost. This accounts for both the assumed cost of money and the assumed rate of return.

Demographic information about the respondent organizations interviewed and surveyed can be found in Appendix 1. Cost and savings findings are based on average cost and time estimates provided directly by respondents; actual costs and savings may vary based on your specific device mix and deployment.

Note: All numbers in this document may not be exact due to rounding.

Evaluating the Business Case for Microsoft Surface

When considering a premium device like Microsoft Surface, research participants noted the need to justify their investment. This required that they evaluate the impact of using Surface devices in areas other than direct costs; if they could not demonstrate value greater than any incremental cost associated with purchasing Surface devices, then other PC devices would be considered more seriously. IDC's research reported by respondent organizations shows that Microsoft Surface devices deliver broad-based value to organizations, not only in intangible ways associated with employee satisfaction and working style, but also in terms of direct savings and IT staff time requirements. When combined, these values and benefits achieved by the organizations participating in IDC's research create a distinctive value proposition and generate almost a 3-to-1 return on investment for organizations, while importantly giving employees a capable, functional device they enjoy using.

Value Proposition

IDC's research demonstrates how organizations can make a compelling business case in which investing in a Microsoft Surface device as a premium device pays for its increased cost through hard cost savings, and additionally provides $2.8 in savings for every $1 in costs when accounting for its benefits through IT efficiencies ("IT Efficiency") and increased employee productivity ("Employee Experience"). **Figure 1** (next page) lays out the benefits for study participants compared with the cost of Microsoft Surface devices.

It shows both the breadth and depth of the Microsoft Surface value proposition across various areas:

Direct device costs: On average, IDC's research shows that respondent organizations incur initial costs of $3,238 per Microsoft Surface device, including the cost of the device itself, a Microsoft 365 E3 subscription, accessories, and extended warranty and maintenance.

Total direct savings: The overall direct savings of a Surface investment is $293 per device and includes:

- **Higher residual value:** Microsoft Surface devices maintain their value better than other devices, resulting in higher average residual value per device.
- **Reduced support:** Respondent organizations reported Surface devices require 23% lower third-party support and security costs.
- **Accessories savings:** Because of the high quality of Surface's virtual meeting capabilities, study participants require fewer cameras, lights, docks, and headsets and need to buy fewer third-party solutions to supplement their device capabilities.

IT Efficiency: Simpler IT operations and IT staff time saved are key benefits of this investment, including:

- **Device consolidation:** 44% of organization respondents found that Microsoft Surface devices replaced multiple other devices (desktop, laptop, tablet, mobile phone, etc.).
- **Reduced helpdesk support:** With a premium device, Surface users have fewer technical issues.
- **Reduced ongoing maintenance, security incident response, deployment, and ongoing security:** Surface devices and the Microsoft 365 ecosystem offer users simplified IT operations, better cybersecurity, and automated daily device management.

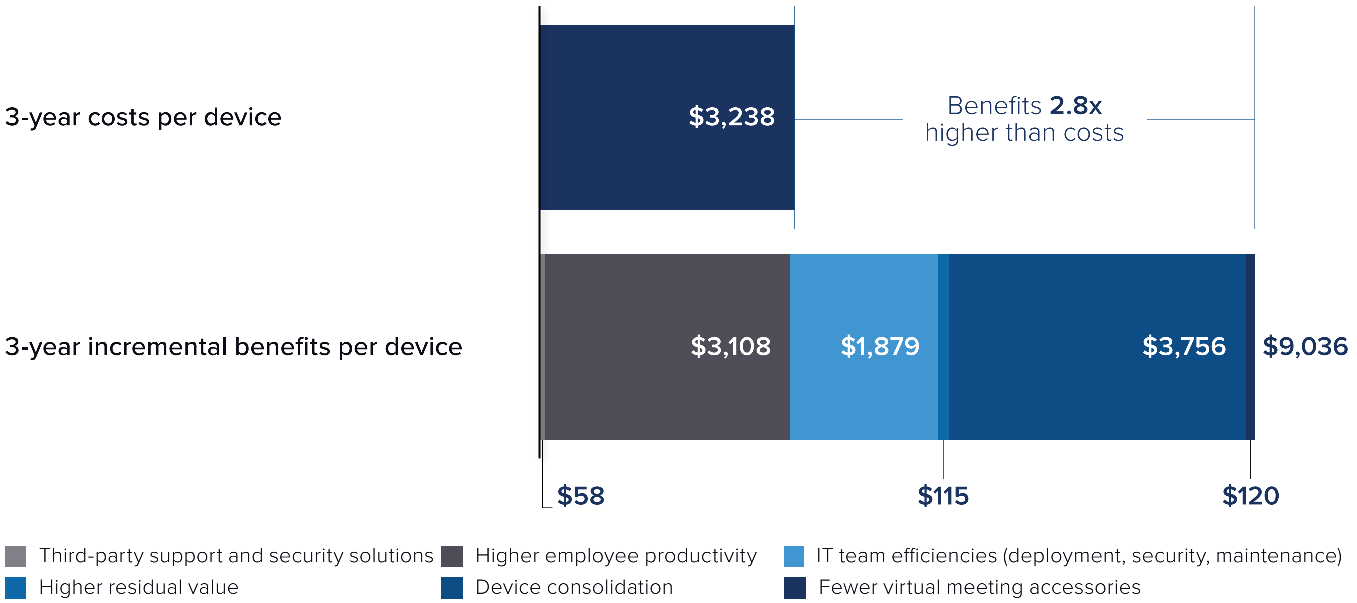
Employee Experience: Employees enjoy using a premium device, resulting in benefits that include:

- **Employee productivity gains:** Respondent organizations reported that Surface device capability, fewer technical issues resolved through the helpdesk, meeting time saved, and faster boot-up time saved accumulate to significant productivity increases.
- **Higher employee retention:** Respondent organizations noted that Surface-utilizing employees have higher employee satisfaction scores and higher retention than employees who use other PC devices.

FIGURE 1

Average 3-Year Costs Versus Incremental Benefits per Microsoft Surface Device

($ per Microsoft Surface device)



Source: IDC Business Value Research, December 2021 to February 2022

Reasons for Choosing Surface

Throughout the in-depth interviews and survey responses, study participants consistently described that they chose Microsoft Surface devices not only to meet the needs of their business users but also to establish more cost-effective and efficient device bases. Based on real-world use, they reported that Surface has met these expectations by delivering a differentiated experience that generates significant value from employee enablement and efficient operations.

Unique capabilities and functionalities — including pen functionality, LTE connectivity, and the tablet capability — enabled these organizations to justify making the investment in Surface devices over other options, even when Surface devices cost more as a premium device over other PC devices. They concluded that employees with a Surface device can generate far more value than the device's incremental cost premium. Additionally, study participants focused on the longer-term cost savings and efficiencies that they expected the Surface devices would create. The combination of anticipated employee experience benefits and device efficiencies produced a compelling justification for providing employees with Surface devices.

Interviewed organizations explained that Microsoft Surface devices are particularly impactful for groups of employees who need powerful and highly functional yet portable devices. The employees using Surface devices differed by organization,

Teams that both are mobile and require the highest levels of device functionality were often named as Surface users, with executives, sales teams, and customer- and patient-facing employees named most frequently. Study participants cited the two-in-one functionality of the Surface tablets, the highly portable and usable nature of devices across the product line, and the ability to adapt to employee needs, especially those who travel and interact directly with customers and prospects.

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Specifically, respondents highlighted specific employee end-user benefits yielded from their Microsoft Surface devices:

→ **Lightweight device with increased capability, mobility, and functionality:**
"Surface devices are also ultra-lightweight, can be quickly turned into a tablet, and support whiteboarding using the stylus. They are really good for our consulting staff as they hop on and off flights and get into taxis."

→ **Powerful travel device:**
"We use Surface Pro devices for staff who travel extensively. For traveling, they are perfect because they are small, and they are light. They have enough oomph, you don't need a lot of power to run them, and they have good battery life."

→ **Practical, tactile device:**
"We use Surface devices as a tactile tablet in our shops to welcome people entering the shops. We also use it for events or shows or fairs or things we were organizing … and for our telco technicians going into the field or visiting customers. … Our execs and leaders who don't want to have several handsets also use Surface devices because they can show up in meetings and write on it and touch with the screen."

→ **Supports creative work:**
"Our creative teams benefit from the fact that they are able to be anywhere and draw with the pen. … For us, there's some overlap with mobility to be creative with Surface devices."

Several organizations also cited the benefit of a Microsoft-manufactured device in terms of running and procuring broader Microsoft ecosystems that drive their businesses:

→ **Surface seamlessly works with Microsoft 365 and Azure:**
"The Microsoft Surface tablet can replace a laptop because it has the full power of the latest Microsoft Office 365. … Windows also stays up-to-date, so we don't have to really do a pre-installation of anything. … It also has an interoperability with the Azure cloud because Office 365 is configured there."

→ **Empowers Microsoft ecosystem further:**
"Microsoft has made the whole ecosystem better, whether it's Office 365 and Windows and Surface, better together. That's my biggest thing we've seen from our customers. We've been using Office 365 since 2015. But recently, we've seen the shift in Surface. It's more of an ecosystem with Windows and Office together."

Operational and Cost Advantages for Surface

As a premium device, Surface offers features and functionalities appreciated by the employees who use them and the enterprises that run and support them. Study participants cited several advantages of their Microsoft Surface devices that deliver both tangible and intangible benefits to their organizations.

The most frequently mentioned advantages of Surface devices were:

- → **Strong performance and capability** that enable a more continuous work experience with reduced downtime
- → **Features such as stylus pens and robust two-in-one functionality** that enable flexible, creative, and collaborative work
- → **The sleek design and perceived "cool" factor** that contribute to employee morale and satisfaction
- → **Seamless functionality with the Microsoft ecosystem (Microsoft 365)** that ensures strong functionality for employees and a strong user experience
- → **Automated patching and updating** to minimize cybersecurity-related risk
- → **Fewer third-party software requirements and faster deployments** that simplify IT operations

These benefits of Surface devices create a more unified, streamlined, and captivating experience, which yields benefits for device users, teams providing support, and their organizations-at-large.

For employees, Microsoft Surface devices help them do their jobs better by not only enabling greater flexibility and capabilities but also providing an unquantifiable benefit: They truly enjoy their Surface devices. Study participants consistently spoke to the value of having high-performing, light, two-in-one devices that travel well, and they additionally praised Surface devices for seamless functionality with Microsoft ecosystems and high-quality built-ins such as cameras and pens. Even though 52% of Surface users were office workers, interviewed organizations described Surface as the optimized device for the work-from-anywhere workforce. Specifically, one organization spoke highly about the mobility included with Surface devices:

> *"If end users are sitting on a plane, it matters because it's just a bit smaller. You can use it without a keyboard, and you can just touch on the glass; that makes it a lot easier. If you just want to read through a longer report and work, you use it as a tablet. If you need to make minor corrections, you can do it on the glass. If you want to highlight something, use the pen. For traveling, there's nothing better than that. But as soon as they sit down in the hotel room or at a desk at an office, it's just like having any other laptop."*

IDC's research reveals that respondent organizations with Microsoft Surface devices have the ability to reduce the overall costs of deploying and running devices, which justifies the potential additional cost of the premium product. These cost benefits reflect the fact that buying, deploying, and supporting devices require organizations to take on a much broader array of costs than just the cost of the device itself. These benefits resonate most clearly with corporate teams responsible for purchasing and supporting devices, including IT, procurement, finance, and heads of other departments. IDC's research demonstrates that the premium engineering, design, and features of Microsoft Surface create a higher-quality and more efficient device that retains its value better than other PC devices.

For study participants, this generates IT-related cost savings in two key areas:

1. **Device and infrastructure costs:** Surface devices often cost more than other devices organizations consider, but IDC's research shows that the incremental additional costs to respondent organizations are quickly overcome by savings from reduced peripheral costs, device consolidation, and reduced need for third-party solutions and tools.

2. **Staff time costs for deployment, management, and support:** Respondent organizations reported that when paired with Microsoft 365, Surface devices require less IT staff time along every step of the device lifecycle, from deployment to management to support from its Enterprise Mobility and Security Products, such as Endpoint Manager and AutoPilot. These efficiencies, which are driven by built-in automation and stronger overall performance, deliver substantial time savings, which organizations leverage to free up highly skilled IT teams to focus on other projects and activities and to lower the total cost of running devices.

Costs

$1,355	Surface Device* Surface Laptop or 2-in-1
$1,296	Microsoft 365 E3 Subscription $36 per user per month. License cost doesn't change across device manufacturers
$344	Accessories
$243	Extended Warranty & Maintenance
$3,238	**Total Cost per Surface device** (incl. accessories) over 3 years

Savings

$115	Increased Residual Value* 31% higher than other PC devices
$58	Reduced Support 23% lower third-party support & security costs
$120	Accessories Savings Fewer hybrid meeting accessories (Camera, Lights, Headset)
$293	**Total Savings per Surface device** (incl. accessories) over 3 years

*Data point derived from 17 in-depth interviews. All other data points derived from 800 survey results (700 Surface organizations with at least 150 Surface Laptop and 2-in-1 Tablets available since 2019, 100 non-Surface organizations). Surface Residual Value adjusted by IDC to reflect average after 36 months.

Device and Infrastructure Cost Savings

1. Device Consolidation Cost Savings

IDC's research from respondent organizations shows that one of the most significant cost advantages of Surface comes from organizations' ability to consolidate devices, with the two-in-one functionality especially replacing the need for separate laptop and tablet devices. Study participants take advantage of Surface devices' form-factor flexibility, portability, and strong performance to move employees from two or more devices onto a single Microsoft Surface device. One study participant commented, *"We made desktops obsolete with Surface devices. Probably 80% of our Surface users had desktops as well as laptops."*

As shown in **Table 2** (next page), IDC's research shows 44% of organizations surveyed reported that each Surface device consolidated an average of 2.32 devices. In fact, 26% of those organizations reported that they had consolidated three or more devices for each Surface device purchased. These device-use efficiencies add up to significant cost savings across an enterprise that has hundreds or thousands of devices.

TABLE 2
Device Consolidation Benefits with Microsoft Surface

	Impact of Surface Devices
Percentage of organizations consolidating devices with Microsoft Surface	44%
Of organizations consolidating:	
Two devices into one device	74%
Three devices into one device	20%
Four devices into one device	6%
Average devices replaced by Surface for organizations consolidating	**2.32**

Source: IDC Business Value Research, December 2021 to February 2022

2. Increased Residual Value

IDC's research from respondent organizations shows that Microsoft Surface devices hold their value better than other devices. This means that when organizations retire devices, they can offset more of the cost of new devices when they relinquish their used Surface devices. On average, IDC's research shows that respondent organizations realized a higher residual value of $492 per Surface device, compared with $376 per other PC device.
This equates to a 31% higher residual value on average, or $115 per Surface device.

3. Reduced Third-Party Support

Surface users were able to reduce the costs of third-party support for deployment and annual management services. In addition, 25% retired/avoided burying any security solution(s) and/or third-party service, saving a total of $58 per Surface device over 3 years.

TABLE 3
Reduced Third-Party Support and Security Costs with Microsoft Surface

Reduced Third-Party Software Benefit	Average Cost Savings per Surface device
One-time Deployment-related third-party support	$2
Annual third-party ongoing management	$5
Annual security solution(s) and/or third-party services	$14
Total 3-year cost savings per device	**$58**

Source: IDC Business Value Research, December 2021 to February 2022

4. Accessories Savings

One of the first cost savings for organizations using Microsoft Surface devices is the reduced need to purchase additional peripherals. The high-quality built-in Surface cameras, speakers, and microphones can mitigate the need to purchase these items separately. Overall, 63% of organizations have avoided the purchase of peripheral devices with Surface; as shown in **Table 4**, more than half of the organizations avoiding peripheral purchases reported no longer separately purchasing cameras (79% at $127 per camera), lights (65% at $50 per light), or headsets (50% at $115 per headset). One study participant explained, *"Before Surface devices, we bought a webcam for every single desktop user at like $80 each, so with 1,000 desktops, we saved $80,000 last year."* At an average cost of between $50 and $127 per peripheral, these avoided costs often quickly make up for any additional cost of Surface devices.

TABLE 4
Accessories Savings (65% of organizations avoided purchasing one or more peripheral)

Peripheral Device	% No Longer Purchased for Surface Users	Cost per Peripheral	Average Cost Savings per Surface Device
Camera	79%	$127	$63
Light	65%	$50	$20
Headset	50%	$115	$37
Total cost savings per device			**$120**

Source: IDC Business Value Research, December 2021 to February 2022

IT Efficiency

Beyond direct cost savings, IDC's research also shows that respondent organizations benefited significantly from IT staff time savings and efficiencies with Surface devices paired with Microsoft 365. This is an important gain because IT staff time spent on activities such as deployment, management, support, and security not only carries a time cost but also represents staff resources not otherwise available to support other IT and business initiatives.

IDC's research found five core areas in which organizations reported time savings with Surface devices and Microsoft 365 once they had completed training efforts:

- **Device deployment:** Study participants leverage zero-touch deployment powered by Microsoft AutoPilot and other automation tools to deliver new laptops to employees faster and reduce the amount of staff time required on a per-device basis.
- **Maintenance:** Organizations take advantage of automated patching and other updates through Intune Management to reduce the amount of staff time required to manage and administer employee devices on a day-to-day basis.
- **Security:** Study participants reduce the risk of cybersecurity attacks and lower staff time spent monitoring and assessing risks through features such as Secure Boot and automated firmware updates.
- **Helpdesk/support:** Organizations can devote less IT staff time responding to and supporting employees with Surface device–related problems compared with that of other PC devices.
- **Security incident response:** Study participants incur fewer impactful security breaches and events with Surface devices, thus not only lessening the IT staff time necessary to handle these types of incidents but also reducing operational interruption risks.

Interviewed organizations provided examples of how Surface devices compare favorably with other devices in terms of IT staff time required:

- **Faster deployment:**
  "Surface devices get imaged faster because everything is on the cloud … so you don't have to transfer data. The employee will pick it up from there, so it definitely saves time."

- **Seamless Microsoft 365 functionality:**
  "It's easier to maintain Surface devices because they fit with the whole Microsoft ecosystem, so it's easy to patch for our applications and tools."

- **Premium engineering:**
  "Device support is a lot easier for us with Surface devices because all the units are the same. … It also goes back to the better construction of the device so we're running into fewer issues — we're spending around two hours a month now because someone dropped their device compared with 10–15 hours per month previously."

Table 5 shows the extent to which organizations reduce the amount of IT staff time required for these device-related activities. Benefits are most pronounced for ongoing maintenance and support, for which Surface devices require 40% and 44% less staff time, respectively, than other PC devices. Security incident response (29%) and deployment (21%) are also significant benefits, adding to the cross-lifecycle efficiencies of Surface devices reported. Overall, IDC calculates the Surface devices of respondent organizations require 35% less staff time than other devices, which equates to time savings of an average of almost 12 hours per device per year and a value of $1,879 in staff efficiencies per device over 3 years, based on an assumed average fully burdened IT salary of $53 per hour.

TABLE 5
IT Staff Time Savings

	Other Devices (Hours)	Microsoft Surface Devices (Hours)	Difference (Hours)	3-Year Benefit ($)	Percentage Efficiency
Reduced helpdesk support (annual)	12.7	7.2	5.5	$885	34%
Reduced ongoing maintenance (annual)	12.6	7.5	5.1	$810	40%
Reduced time for security incident response (annual)	2.8	2.0	0.8	$126	29%
Reduced IT deployment costs (one-time)	4.5	3.7	0.8	$42	17%
Reduced IT staff time for ongoing security (annual)	3.8	3.7	0.1	$18	3%
Higher IT training costs (one-time)	$32	$34	–	($2)	-6%
Total 3-year IT staff time savings benefit per device	–	–	–	**$1,879**	**35%**

Source: IDC Business Value Research, December 2021 to February 2022

Reduced Helpdesk Support Benefits

Table 6 shows how respondent organizations see fewer helpdesk incidents generated by Microsoft Surface devices when compared with other PC devices. On average, Surface devices generate 49% fewer helpdesk tickets, reducing the IT staff time related to resolving helpdesk incidents – both in helpdesk calls and deskside support – by 44%.

TABLE 6
Benefits from Reduced Helpdesk Incident Support

Helpdesk/Service Desk Response	Other Devices	Microsoft Surface Devices	Difference	Percentage Efficiency
Incidents per device per month	0.45	0.23	0.22	49%
Time for call and resolution (hours)	0.88	0.94	-0.06	-9%
Lost time due to helpdesk calls per year (hours)	4.76	2.59	2.16	46%
Lost time in deskside support per year (hours)	7.98	4.61	3.37	42%
Total annual IT staff time saved due to fewer helpdesk incidents per device (hours)	**12.74**	**7.2**	**5.54**	**44%**

Source: IDC Business Value Research, December 2021 to February 2022

Improved Device Security Benefits

Security breaches count among the most feared occurrences organizations face because of the major costs they can incur, whether in terms of stolen personal information, reputational damage, or business interruption. Recent years have provided numerous examples of the significant damage that security-related events such as customer data loss or ransomware attacks can have on a company's business activities and reputation. IDC's research shows that study participants link the reduced frequency and business impact of security incidents to their use of Microsoft Surface devices. One interviewed organization commented, *"Security and simplicity for management is the biggest benefit of Surface devices."*

> "Security and simplicity for management is the biggest benefit of Surface devices."

As shown in **Table 7** (next page), strong built-in security functionalities and consistent, automated firmware updates help organizations reduce the frequency of impactful security events affecting devices by an average of 34%. This in turn means that employees face less lost time due to malicious security events that require an average of more than 40 hours to fully address, saving each employee an average of 0.8 hours per year with Surface and Microsoft 365, a 30% reduction in lost productivity due to security incidents.

TABLE 7
Impact on Security Incidents

	Other Devices	Microsoft Surface Devices	Difference	Percentage Efficiency
Incidents per year per device	0.16	0.11	0.05	34%
Average time to resolve a security breach (hours)	42.2	45.2	(3.0)	-7%
Average % of users impacted per security breach	41%	41%	–	–
Total annual IT staff time saved due to fewer security incidents per device (hours)	**2.76**	**1.95**	**0.82**	**30%**

Source: IDC Business Value Research, December 2021 to February 2022

Employee Experience Benefits

IDC's research from respondent organizations also demonstrates that Microsoft Surface devices generate substantial value through employee engagement benefits that lead to higher productivity and ultimately better business results. These benefits, which relate to improved device use, performance, and security, could be classified as "softer" in nature, but such classification would be misleading. Interviewed organizations stated clearly that they view these benefits that maximize the end-user employee experience, productivity, and capability as an essential element of the value proposition of Surface devices. For organizations, these employee engagement benefits result in happier and more motivated employees, better use of time on a day-to-day basis, improved communication and collaboration, and greater synergy between employees' devices and what employees set out to accomplish for their organizations daily. In-depth interview participants reported that Surface device users have an average turnover rate of 4% less than employees who use other PC devices. Given the current challenges and increasing costs of making new hires, employers benefit from both increased business continuity and hiring-related cost avoidance when they retain more of their best employees.

Interviewed organizations stated clearly that they view these benefits as an essential element of the value proposition of Surface devices.

Direct End-User Productivity Gains

IDC's research shows that employees of respondent organizations are more productive with a Surface device over another PC device because of Surface's better capability and its functionality with Microsoft 365. In particular, the quality of Surface devices means employees have more time to be productive, since they experience fewer device-related outages and problems that require IT intervention. These employee time savings may appear small on a case-by-case basis over the short term, but they add up across weeks, months, and years and accumulate to significant time savings.

IDC's research shows respondent organizations realized direct end-user productivity gains with Surface devices and Microsoft 365 related to several factors:

- **Increased mobility:** Study participants noted mobility benefits derived from Surface devices being lightweight in terms of design and having LTE capabilities.
- **Reduced device troubleshooting:** This results in fewer helpdesk tickets and reduced overall helpdesk resolution time for Surface devices compared with other PC devices.
- **Faster device deployment:** Using Surface devices, AutoPilot, and Zero Touch Deployment, employees can begin working at full productivity sooner than with other PC devices.
- **Improved device security:** Devices and IT networks are less vulnerable and employees face less risk of malware or other cyberattacks that could result in unusable devices or, worse, company-wide technology issues. Forty-four percent of organizations cited improved security as a business outcome benefit of Surface.
- **Faster device deployment:** Study participants reported that it takes less time to deploy a Surface device and get it ready for use.
- **Faster and more responsive devices:** Faster device start-ups and fewer reboots allow employees to begin working with immediacy, a critical asset for a highly mobile device.

Table 8 (next page) presents IDC's findings about the impact of Surface devices on these areas of direct employee productivity. As shown, IDC finds that employees of respondent organizations who utilize Surface devices yield direct productivity gains of almost 28 hours per device per year, which represents a 39% efficiency in these areas compared with other devices. Over 3 years, this generates additional value through increased end-user productivity ($3,003 on average per device), demonstrating the substantial impact that Surface devices have on how employees work.

> Surface devices give our staff a lot more flexibility. They are not tethered or tied to their office. … They are able to interact with customers and internal stakeholders more effectively because they are able to be mobile.

> Surface devices are faster because when you enter somebody's home or visit a customer, you have the tablet in your hand, and then you just open it and it's instantaneous. … The way they move between specific applications that have been developed for them and maybe more generic applications is very good.

TABLE 8
Productivity Benefits for End-User Employees

	Other Devices (Hours)	Microsoft Surface Devices (Hours)	Difference (Hours)	3-Year Benefit ($)	Percentage Efficiency
Productivity gains from increased mobility (annual)	–	11.6	11.6	$1,290	–
Reduced employee time lost to helpdesk (annual)	12.7	7.2	5.5	$619	43%
Meeting time saved (annual)	118	110	7.7	$864	7%
Reduced employee time lost to security incidents (annual)	2.8	2.0	0.8	$89	29%
Faster Surface deployment to employees (one-time)	6.1	4.5	1.6	$60	26%
Faster boot-up time (annual)	1.9	1.2	0.7	$81	37%
Total 3-year employee efficiency benefit per device	–	–	27.9	**$3,003**	–

Source: IDC Business Value Research, December 2021 to February 2022

Note: Increased mobility benefit derived from the absolute productivity increases of Surface from respondent organizations. All other increased-productivity calculations derived comparatively from time spent on Surface versus another PC device.

Employee Engagement and Retention

Many interviewed organizations reported that their employees simply enjoy working with Surface devices more. A number of them attributed this to the indefinable “cool” factor, which, although hard to quantify, certainly matters, given that employees spend most of their time with these devices on a day-in-day-out basis. As stated by one organization, *“Microsoft Surface devices are just cooler. End users feel better about using them, and as a result, they are more productive.”* Another interviewed organization commented, *“Our employees like Surface devices. They look nice, are lighter, and come up faster from standby. So, all around, we get pretty positive feedback.”*

> “The Surface is a more premium device in our employees’ perception. When they see people holding Surface devices, using them, it does help with employee satisfaction and keeping employees around or attracting talent.”

TABLE 9
Higher Employee Retention Cost Savings

	Other Devices	Microsoft Surface Devices	Difference	Percentage Benefit
Employee turnover, FTE	219	211	8	4%
Average cost to onboard new employee	$25,270	$25,270	–	–
Costs associated with employee turnover per year	$5,528,350	$5,329,390	$198,960	4%
Total 3-year higher employee retention benefit per device	**$979**	**$944**	**$105**	**4%**

Source: IDC Business Value Research, December 2021 to February 2022

Enabling Business Outcomes

IDC's survey research also asked organizations about the business outcomes supported and generated by Surface devices. When asked which business outcomes Microsoft Surface devices have improved, surveyed organizations consistently specified five outcomes; more than one third of organizations reported that Surface devices have had a beneficial impact in one or more of these core business and operational areas.

These results, while not quantified directly for this study, reflect the broad impact of Surface devices on employee productivity and satisfaction, operational risk, and business outcomes:

- **Improved security:** 44% of surveyed organizations reported that Surface devices have improved their security profiles.
- **Improved customer satisfaction:** 38% of surveyed organizations linked their use of Surface devices to higher customer satisfaction, which is typically a core measure of business success and reflects sales and other frontline workers' improved ability to communicate and serve customers.
- **Increased business resilience:** 36% of surveyed organizations attributed increased business resilience to their use of Surface, linking their ability to maintain consistent and uninterrupted business operations to Surface.
- **Improved profit margins:** 35% of surveyed organizations reported that Surface devices have helped their organizations increase profit margins by generating new revenue streams and optimizing device-related operational costs as discussed in this study.
- **Employee retention:** 35% of surveyed organizations connected higher employee retention with the use of Surface devices, building on IDC's findings in in-depth interviews that Surface users have a 4% lower turnover rate than non-Surface users.

Challenges and Opportunity

IT leaders today face a market-wide challenge to do more with less – cut operational and capital expenses while driving Future of Work digital ambitions. As a result, procuring devices with the most cost-effective performance per dollar is top of mind for every IT department while investing in employee experience with Future of Work digital ambitions.

In addition, IT leaders across the world, from infrastructure as a service (IaaS) to software as a service (SaaS), are looking to the cloud to shift capital expense into operational expense. For the hardware conversation, one aspect that was clear in our research was that IT leaders who have succeeded in this challenge to deliver more with less are ones who have invested in a cloud-based device management architecture.

Ultimately, while cloud-based device management is a new way of doing things, it's not actually more complex. Rather, it's simpler, cheaper, more secure, and, above all, easier. To be successful in this market, vendors, including Microsoft, need to recognize the challenges organizations face and emphasize the overall value proposition of cloud-based device management. Cloud-based device management is a prime example of a "do/deliver more with less" with less opportunity: a better employee experience overall, with devices that "just work" out of the box, while significantly enabling IT efficiency in provisioning, updating, and managing, thus reducing administration costs.

Conclusion

Organizations increasingly see the need to provide their employees with top-quality tools to do their jobs, including PCs, both to enhance productivity in a hybrid world and to improve employee satisfaction. The PC remains the most important productivity tool for the majority of employees, and features and functionalities have made significant advancements in recent years. Because the productivity and effectiveness of employees ultimately drives business results, organizations increasingly cannot afford to be "penny-wise and pound-foolish" when it comes to the PCs they provide to employees. Thus, many organizations are considering premium PCs, since premium devices can be a catalyst that enables multiplicative benefits on employee productivity and IT operations when compared with other PC devices. For its capabilities, design, and functionality, Microsoft Surface easily captures value that far outstrips its marginally higher premium device cost over an alternative PC device.

This IDC study considers the business case for organizations of using Microsoft Surface devices based on extensive in-depth interviews and web survey research. IDC's research shows various benefits, both hard and soft in nature, that combine to create far more value than the additional costs of buying Surface devices. IDC's analysis shows that study participants benefit from several main areas of value of Surface devices, including:

→ **Lower overall total cost of ownership** from device consolidation, higher residual value, and reduced spend on peripherals and support

→ **IT staff time savings and efficiencies** resulting from Surface devices and Microsoft 365 requiring less staff time to deploy, manage, support, and secure

→ **Direct user productivity gains** linked to the increased availability and reduced downtime of Surface devices

→ **Other user productivity gains** related to improved device performance and usability that can be more challenging to quantify but deliver potentially significant value to Surface device users

Overall, IDC's analysis shows that Surface devices enabled with Microsoft 365 have a total cost of ownership that costs 63% less to purchase and manage than other PC devices and generate almost $2.8 in benefits for every $1 in investment over 3 years.

Appendix 1

Research Overview and Firmographics

IDC used and synthesized two types of research to inform this study's findings:

- **In-depth interviews** with decision makers at 17 organizations that are using Microsoft Surface devices, with interviews focused on understanding the differences in costs, staff time requirements, performance, and user experience of Microsoft Surface devices compared with other PCs and devices
- **Web-based survey research** with individuals at 700 organizations using Microsoft Surface devices, as well as with individuals at 100 organizations not using Microsoft Surface devices, about key metrics about the use of Microsoft Surface and other devices

Table 10 provides additional details about the research IDC conducted through in-depth interviews. As noted, IDC spoke with individuals at 17 organizations around the world who are highly knowledgeable about the impact of using Surface devices compared with other types of devices in terms of device costs, staff time requirements, device performance, and employee experience. Study participants had a large enterprise profile on aggregate, with an average of 51,500 employees and annual revenue of $18.6 billion (with median values of 10,000 employees and $1.4 billion in revenue). These organizations have provided an average of 5,650 Surface devices to their employees and are increasing their Surface fleets by an average of 11% per year. In-depth interview research provided the perspectives of organizations from around the world (United States, Australia, India, Spain, France, United Kingdom, New Zealand, and Germany) and offered perspectives about use by numerous industry verticals, including manufacturing, healthcare, finance, insurance, government, professional services, education, transportation, retail, telecommunications, and nonprofit.

TABLE 10
Firmographics

	Average	Median
Number of employees	51,500	10,000
Number of IT staff	1,350	365
Total organizational revenue	$18.6B	$1.4B
Total number of Surface devices	5,650	1,625
Surface device growth rate	11%	8%
Countries	United States (8), Canada, Germany (2), France, Spain, Australia, India (3)	
Industries	Manufacturing (3), healthcare (3), finance (3), insurance, government, professional services, education, transportation, retail, telecommunications, nonprofit	

n = 17, Source: IDC Business Value In-Depth Interviews, December 2021 to February 2022

IDC also completed web-based survey research designed to provide additional information about the impact of using Surface devices for organizations. In total, this survey provided the experiences of 800 organizations, 700 of which are using Surface devices. The organizations using Surface devices had deployed at least 150 Surface devices. The survey was designed to take about 15 minutes to complete and included IT decision-maker, line-of-business, and procurement respondents.

Other relevant information about the survey-based research:

- **Industry:** Organizations from more than 10 industries provided their experiences with Surface and other devices, with retail (13%), banking (12%), construction (12%), healthcare (11%), telecommunications (9%), and process manufacturing (9%) having the most representation.
- **Geography:** Organizations from five regions/countries participated in the survey, including the United States (43%), Australia/New Zealand (15%), India (14%), Germany (14%), and the United Kingdom (14%).
- **Organization size:** The survey provided the experiences of diverse organizations in terms of size, with 11% having more than 20,000 employees, 28% having 5,000 to 19,999 employees, 43% having 1,000 to 4,999 employees, and 19% having fewer than 1,000 employees.
- **Surface device mix:** Organizations that qualified for this IDC study needed to utilize at least 150 Surface devices, inclusive of the following models: Surface Pro 6, Surface Pro 7, Surface Pro 7+, Surface Pro 8, Surface Pro X, Surface Book 2, Surface Book 3, Surface Laptop 3, Surface Laptop 4, Surface Laptop Go, and Surface Laptop Studio.

Whenever possible, IDC used the survey data to quantify the costs and benefits of Surface. Values were compared with the in-depth interviews (IDIs) to ensure agreement.

The IDIs were chosen for the following data points:

- **Device costs:** The interview approach of the IDIs resulted in more detailed and consistent cost data for the device, accessories, and extended warranty and maintenance.
- **Reduced meeting time benefits:** This was not covered in the survey.
- **Employee retention:** The IDIs covered in detail the costs to replace employees and the high retention benefits of Microsoft Surface.
- **Other:** Residual value adjusted by IDC to reflect average after 36 months.

TABLE 11
Source of Metrics for Analysis

Metric	Source
Device-Related Costs	
Average cost per device	IDIs
Device accessories	IDIs
Device docks	IDIs
Annual Microsoft 365 licensing costs	IDIs
Extended warranty and maintenance	IDIs
Peripheral devices	Survey
Device consolidation	Survey
Residual value	Survey
Annual power savings	Survey
IT Efficiency	
Deployment	Survey
Ongoing device management	Survey
Security	Survey
Helpdesk	Survey
Third-party support	Survey
Employee Experience	
Deployment	Survey
Daily operations	Survey
Meeting time	IDIs
Helpdesk	Survey
Security incidents	Survey
Employee retention	IDIs

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Megan Szurley is a senior research analyst for the Business Value Strategy Practice, responsible for creating custom business value research that determines return on investment (ROI) and cost savings for enterprise technology products. Megan's research focuses on the financial and operational impact of these products for organizations once deployed and in production.

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Randy Perry is vice president of the Sales Enablement Practice at IDC WW Custom Solutions. He is responsible for helping IT providers sell their products and services to C-level decision makers through tying technology initiatives to improved business outcomes. He is currently working on multiple projects linking IT initiatives (cloud, mobility, AI, social, and IoT) to improving business outcomes such as increasing agility, improving customer experience, and becoming more innovative; and quantifying the financial impact in terms of business metrics (revenue growth and lower operational costs).

More about Randy Perry

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