PAY NOW SAVE LATER:

The Panasonic Case for Rugged Devices

TOUGHBOOK

IDC
Analyze the Future

METHODOLOGY:

To fully understand the costs of notebook, tablet, and handheld device damage to organisations, IDC performed an IT decision-maker study of 800 organisations, across a broad range of vertical industries. For this survey, smartphones and handheld computers are combined into a single category called handheld devices. Tablets include both detachable and slate tablets.

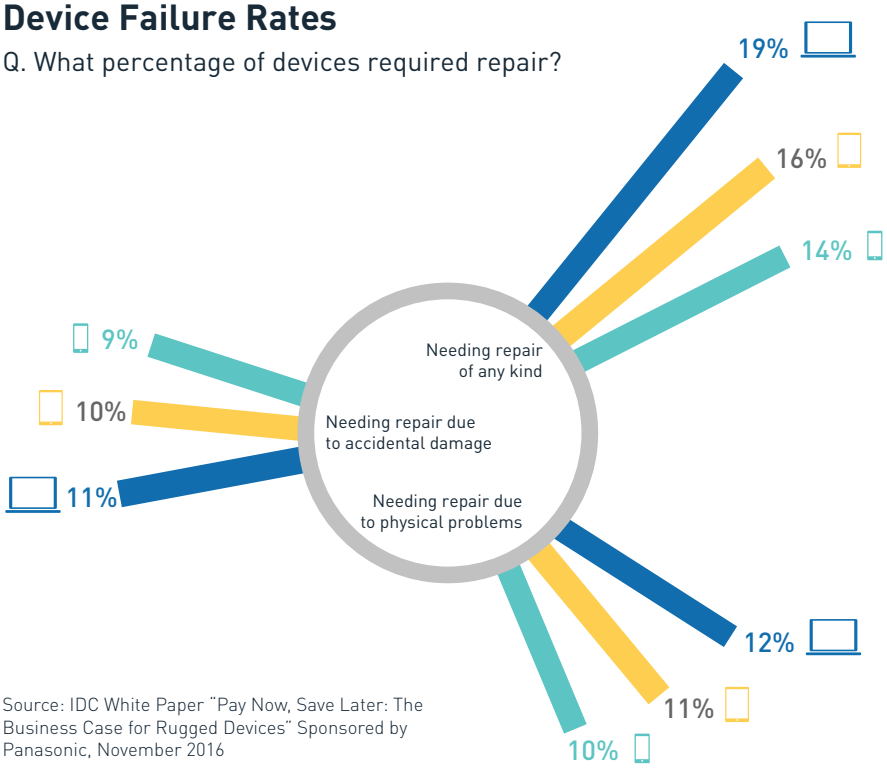
FAILURE RATES:

An average of about 18% of a company's notebooks require repair of some kind during a year. The majority of these repairs are due to accidental damage. The numbers are slightly lower for tablets and handheld devices, but they are still material.

While 11.5% of devices are likely to fail the first year, by year five, the likelihood of failure nearly doubles to 21.3%.

Device Failure Rates

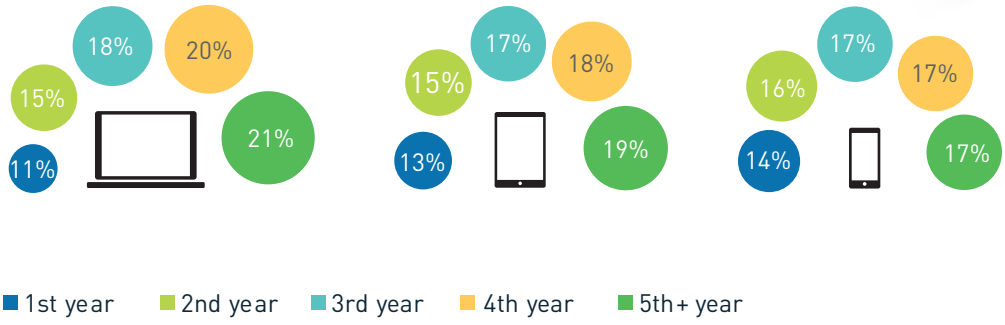
Q. What percentage of devices required repair?



Source: IDC White Paper "Pay Now, Save Later: The Business Case for Rugged Devices" Sponsored by Panasonic, November 2016

Device Failure by Year

Q. What percentage of each device has a failure during each year it is used?



1st year 2nd year 3rd year 4th year 5th+ year

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THE RUGGED FACTOR:

As companies look at ways to address the issue of repairs, it's important to understand that not all devices are created equally. Broadly, there are often differences between traditional and commercial notebooks, tablets, and handheld devices. Beyond the normal commercial versus consumer distinction, however, is another level of products known as ruggedized.

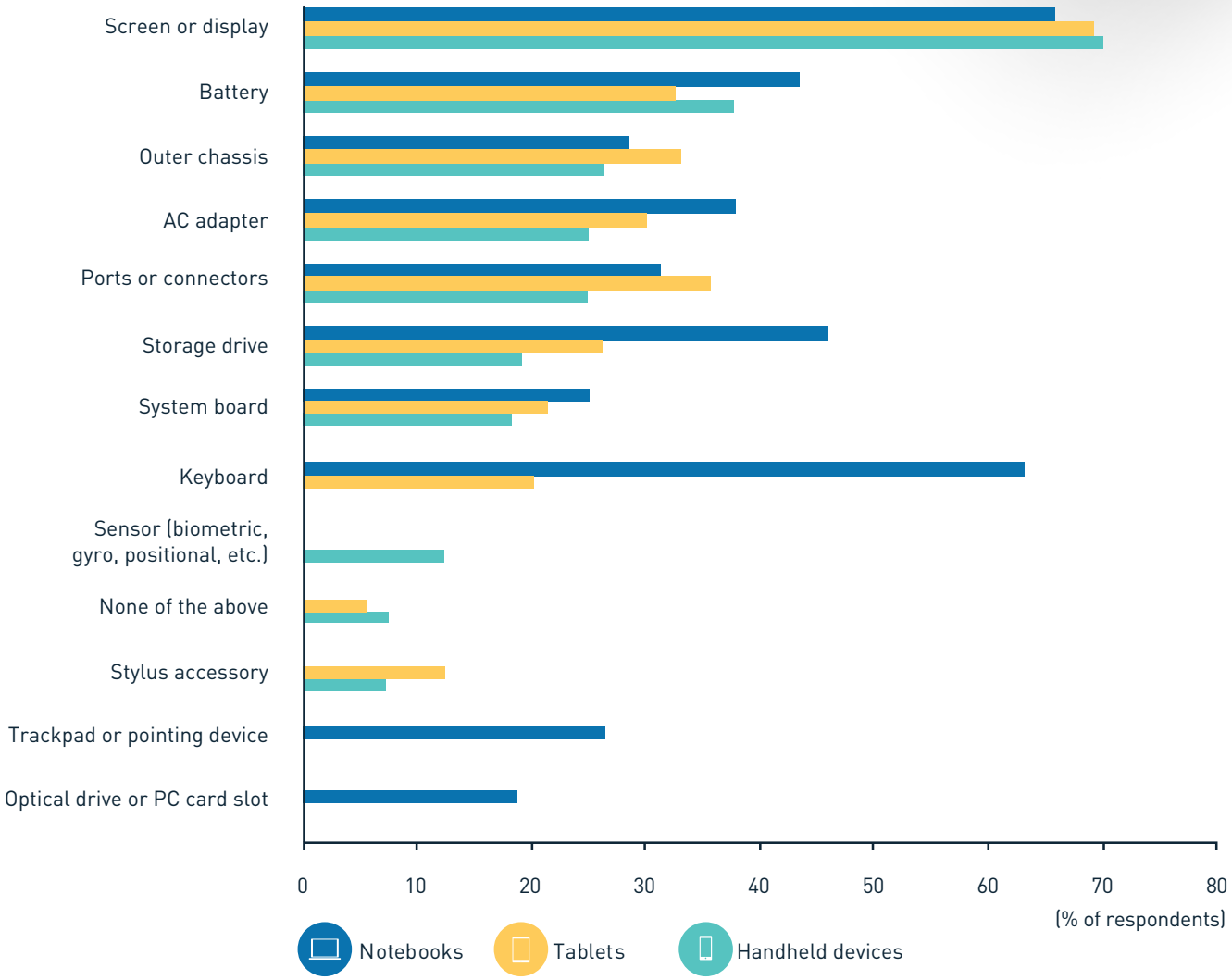
Rugged systems are notebooks, tablets, and handheld devices built to comply with the military standard MIL-STD-810G, which incorporates specific testing parameters for durability, endurance, and strength. While such specifications are a handy benchmark, they tell only part of the story as truly rugged devices must also be highly usable in the conditions where employees need to use them. This includes displays that are highly viewable in bright sunlight, swappable batteries that ensure a device is always powered when needed, and rugged ports and connectors that don't wear out over time.

COMPONENTS MOST LIKELY TO SUFFER DAMAGE:

When we surveyed ITDMs about the components most often damaged in their notebooks, the top selection was the screen, followed by the keyboard and then the storage drive (HDD or SSD). For tablets, the most damaged component was the screen, followed by ports or connectors and then the outer chassis. For handhelds, the top component likely to be damaged was the screen, the battery, and the outer chassis.

Most common components in devices that suffer damage

Q. Which of the following components of your organisation's devices have suffered damage or breakage?



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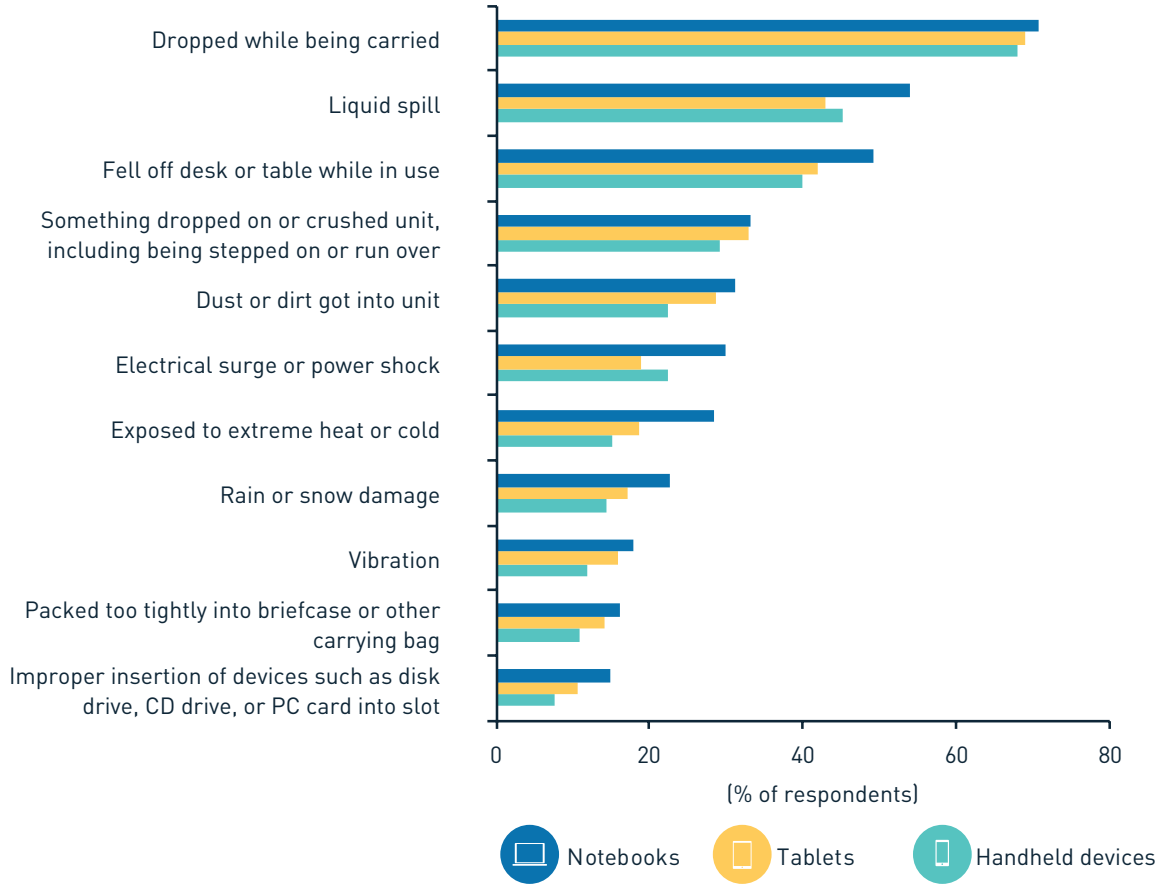
When we asked ITDMs to estimate the top ways employees damage devices in their company, the overwhelming top choice across categories was simply dropping the device. The number 2 issue was spilling liquid on the device, and the number 3 issue was the device falling off a desk. It's important to note that many of the issues outlined here reflect situations where a ruggedized system would continue to work when a standard device would require repair.

Types of Device Accidents

Q. Which of the following types of accidents have caused damage to your organisation's notebook PCs/tablets/handheld devices?



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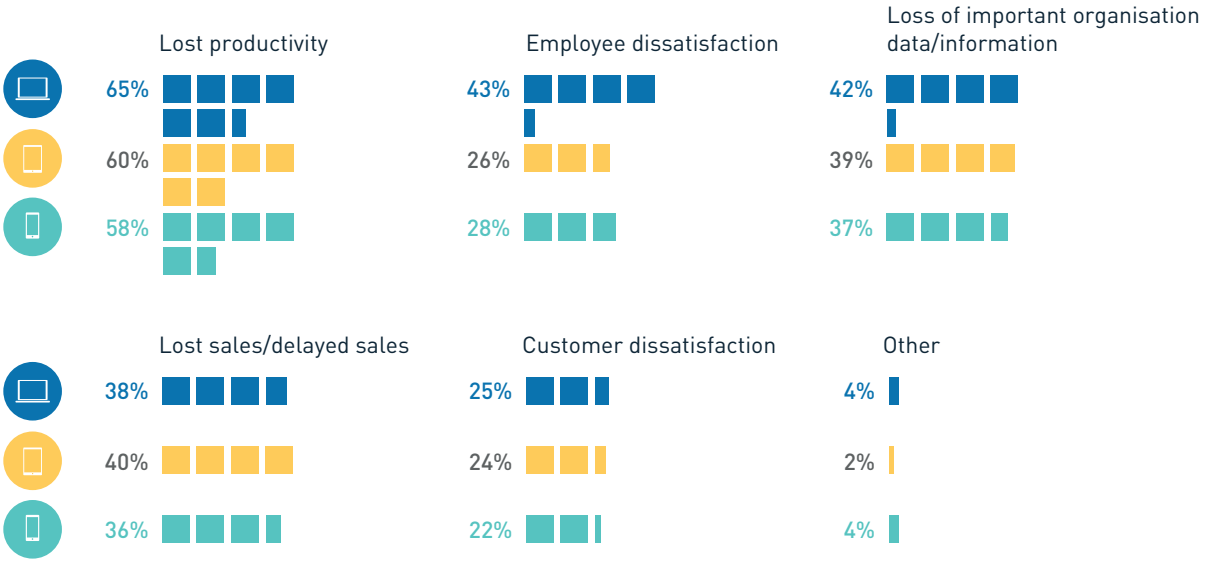
THE COSTS OF DOWNTIME:

Nobody is happy when a device goes down. But among most respondents, the biggest problem is lost productivity, followed by employee dissatisfaction and then lost data.

Significant problems caused by device damage or failure

Q. In the past 12 months, which of the following problems has your organisation experienced due to incidents caused by physical damage to a notebook/tablet/handheld device?



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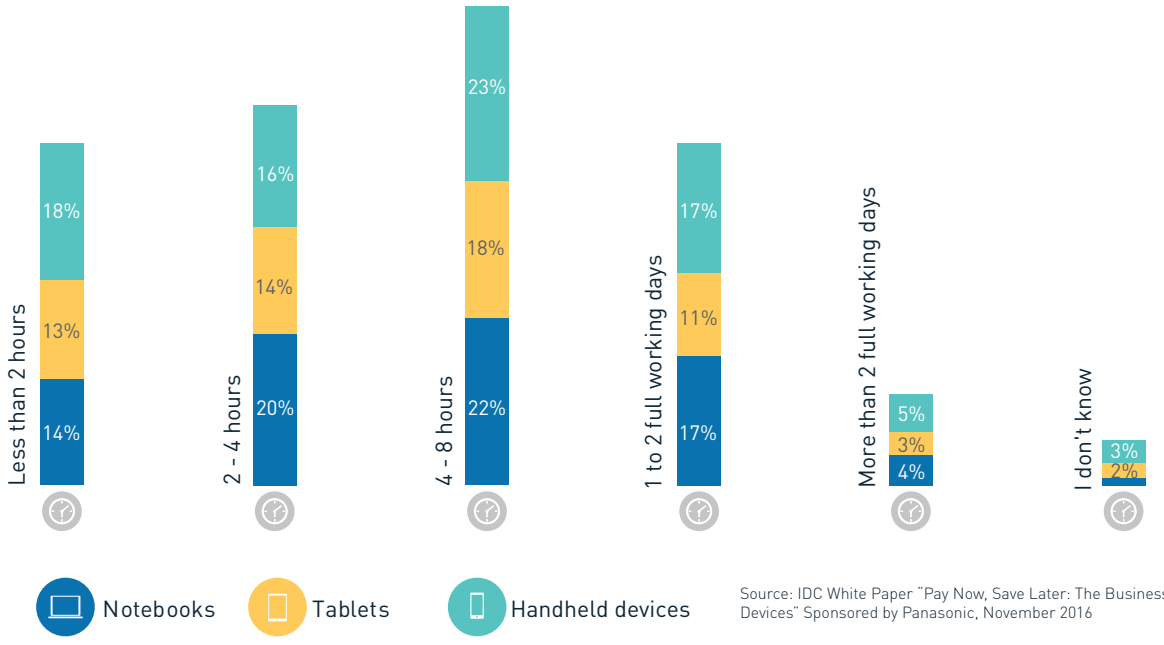
Employee downtime due to device repair

Q. In your organisation, how long is a user typically without a notebook/tablet/handheld device after he or she reports the need for repair?



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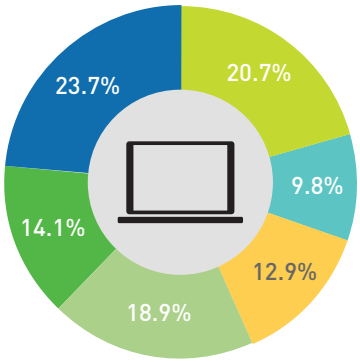
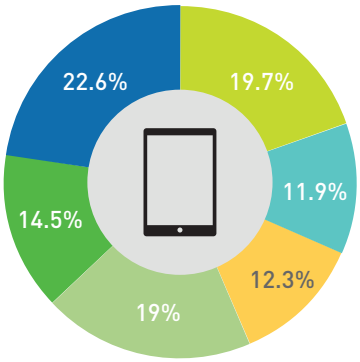
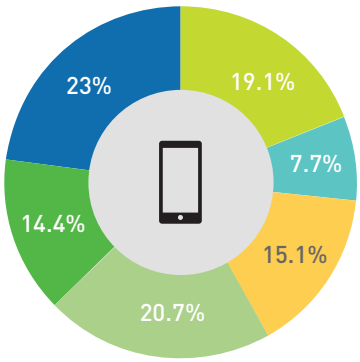
Notebooks



Tablets



Handheld devices



Annual break/fix support costs

Out-of-pocket costs

Lost end-user productivity time

IT time to fix the incident

End user time to replace data

IT time to replace data

On average, workers lost about 5.8 working hours for notebook repairs, 4.2 hours for tablet repairs, and 6.0 hours for smartphone repairs — so at best, half a working day; at worst, three-quarters of a working day.

IDC estimates that the average cost associated with a notebook repair is £2,775, a tablet is £2,003, and a handheld device is £2,512.

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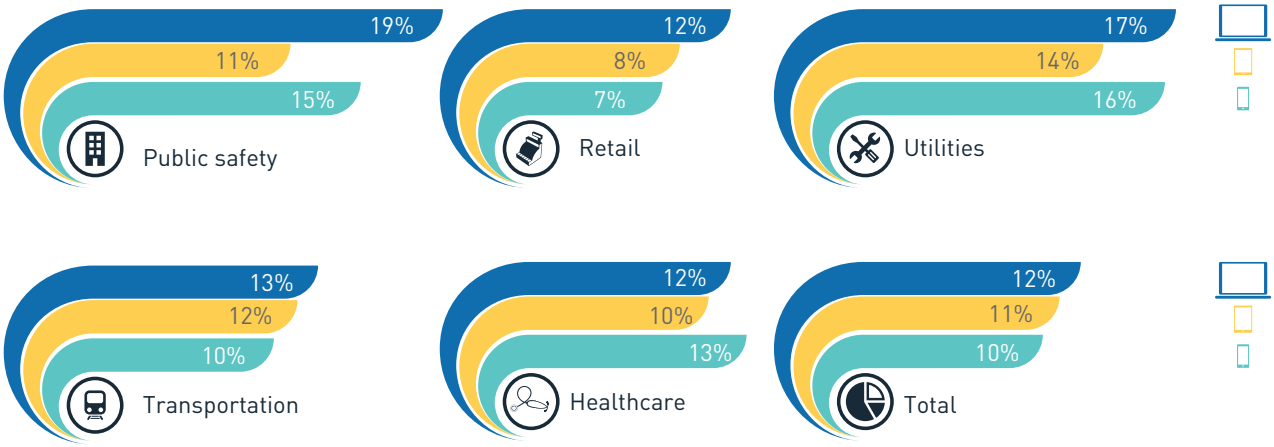
INDUSTRIES THAT BENEFIT FROM RUGGED

Industries with highly mobile workforces or where the workplace includes harsh environments are likely to experience a greater benefit from the deployment of rugged devices to their mobile workforce.

In these key industries, we typically see that users experience issues with their devices that require repair at higher rates than the market as a whole. This is especially the case for public safety and utilities. In the retail industry, we see rates somewhat below the market; however, as POS devices move from traditional standalone devices to mobile devices on the sales floor, we'd expect to see these rates increase, especially for tablets and handheld devices.

Device failure rate by industry

Q. In the past 12 months, what percentage of your notebook/tablet/handheld device users had a unit that required repair or replacement because of a physical problem such as a cracked screen, failed home button, and so forth, whether by accident or through normal wear and tear?



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CONCLUSION

Smart companies have utilised rugged notebooks for many years, and an increasing number are beginning to explore obtaining the same benefits from rugged tablets and smartphones. In some verticals, such as retail, rugged devices are bringing increased functionality and durability into settings where they have until now not played a large role.

Rugged devices do cost more to purchase up-front, but based on the amount of money saved in terms of employee downtime, IT servicing time, and other related costs, the investment in a high-quality rugged device could pay dividends for years. And the latest crop of devices are sleek, fast, and well suited to the needs and desires of today's mobile workforce.

IT organisations looking to maximise their hardware investments would do well to take a long hard look at rugged devices the next time a hardware refresh is in due.

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