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Business Value Highlights

- 19%**
lower five-year cost of operations
- 28%**
improved capacity
- 26%**
more cost-effective hardware
- 12%**
more cost-effective IBM Z enterprise platform licensing
- 27%**
more cost-effective other application licensing
- 16%**
more efficient IBM Z enterprise platform management teams

The Business Value of IBM Z Enterprise Platform Upgrades

IDC OPINION

In the past decade, IBM has been increasingly successful with launching new IBM Z enterprise platform generations that provide so much additional value that customers have upgraded to each new generation in increasing numbers (see IDC data in the Situation Overview section), in part because they upgrade more frequently and earlier. In September 2019, IBM launched the z15, 2.5 years after the z14 and nearly 6 years after the z13. Each of these launches has delivered an accumulation of important new capabilities to IBM Z in order for the platform to not just participate in but also drive businesses' digital transformation. Very common today on IBM Z are Java, mobile enablement, APIs, and web enablement. Halfway on the adoption curve, meaning that adoption is strong, are Linux on the IBM Z enterprise platform, DevOps and Agile processes, hybrid cloud, and microservices. Emerging are artificial intelligence (AI) and mainframe as a service (where the platform is managed in a truly cloudlike fashion, with self-provisioning, billing, etc.).

As the research in this white paper shows, new generations of IBM Z can also lower cost of operations, improve capacity to scale and drive new workloads, and make the platform more cost efficient while delivering increased security and resilience. To understand the benefits for organizations of upgrading their IBM Z enterprise platforms, IDC interviewed a sample of IBM customers about their experiences in moving to the z14 mainframe platform. These study participants explained that their IBM Z enterprise platform upgrades have provided their businesses with a more cost-effective, secure, and high-performing platform on which to run business-critical applications and transactions. They linked the following benefits to their mainframe upgrades:

- **Lower the cost of running workloads and transactions** by an average of 19% over five years through more efficient use of hardware, licensing, and staff time
- **Ensure more secure and robust IBM Z enterprise platform operations** through integrated security functionality, enhanced resilience, and improved performance
- **Serve as a competitive differentiator for their businesses** through improved security, availability, performance, and agility

These conclusions are based on interviews with organizations that upgraded to IBM z14 mainframes from an older generation. That said, IDC believes that — apart from various brand-new features that the just-launched z15 offers, which are discussed qualitatively — these quantitative and qualitative results are indicative of how businesses can benefit from the decision to upgrade their mainframe environments in general.