CXO Nexus

InCight® INSIDER

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The Importance of Vendor Spend Categorization

Fellow InCighters,

This month's Insider highlights how a client leverages the automated Categorization of CIO InCight® to track the spend related to moving legacy IT infrastructure to the Cloud. CIO InCight details the amount of Vendor Spend for thirteen (13) industry standard Categories. For the IaaS Cloud migration the Storage, Compute & Data Center Categories were the focus. Users have seamless, real time access to the volume of Vendors in use per Category. Seeing how much was being purchased via resellers and how spend was increasing year over year – by Category and Vendor.

The combined legacy spend detailed in the three Categories was a driver for looking at IaaS as an alternative. As the move is now underway, the client uses InCight® (which automatically refreshes on a monthly basis) as a proxy to track the decrease in spend with the incumbent infrastructure providers, and ensures the new paradigm does in fact meet their expense reduction target. The centralized, intuitive view of Category & Vendor spend is leveraged by leadership spanning IT, Finance, Sourcing and the LOBs to clearly present the change and cost benefits associated with their execution.

CIO InCight provides companies the ability to identify the total spend up to a parent organization by querying their AI & ML based Augmented Data. Even if purchased through a reseller or outside of the technology organization access to the total spend is seamless.

The example below highlights spend in the Compute, Storage and Data Center Categories. Derived from querying the Augmented Data created by the CIO InCight AI & ML engine, the industry standard for automated and repeatable visibility into Vendor spend. No client FTEs are required to process data and our service is compatible with all financial systems.

CXO Nexus — Augmented Data — CIO InCight®

Category | Manufacturer | Description

TBM Category Compute	$ US
Compute	**45,963,448**
Lenovo	**13,108,647**
SR650 servers Intel 3204	13,108,647
Dell EMC	**12,552,620**
PowerEdge R640	8,278,795
Poweredge R840	4,273,825
Amazon	**11,545,832**
Amazon Web Services	11,545,832
Microsoft	**2,634,291**
Microsoft SQL Server Licenses	2,634,291
HPE	**2,185,537**
HP Blade one year support	2,185,537
Scalearc	**1,605,890**
Ignite 3 year renewal	1,605,890
Nutanix	**1,062,865**
Nutanix EOL Server Refresh	549,909
Nutanix Private Cloud Servers	512,956
Red Hat	**786,951**
Red Hat OS - Maint.	786,951
Penguin Computing	**480,815**
Relion XE1112 Servers	480,815
Total	**45,963,448**

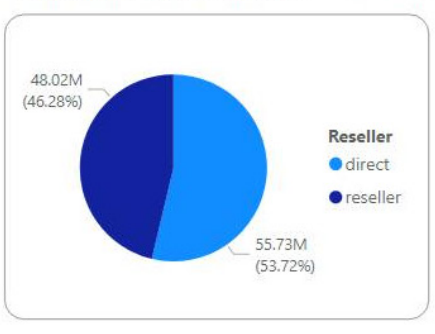
TBM Category Storage	$ US
Storage	**15,285,551**
Hitachi	**5,169,801**
HDS SW Support 36 months, G1000	1,986,691
Virtual Storage HDS G700 G1000	1,294,751
VSP HDS G1000 Hardware Upgrade	1,176,945
ConRes Hitachi storage support renew	711,414
Dell EMC	**2,541,419**
Dell/EMC Storage-1 year support	2,344,596
EMC Switches Support Renewal	196,823
Cohesity	**2,487,628**
Cohesity Data Protect and Archive	2,487,628
IBM	**2,235,664**
IBM DS8886 Storage System Upg	903,396
Flashsystem 7200 control enclosure	682,904
Storwize v7000 hd lff upgrade	519,767
FS5030 64GB, 28 x 7.68TB SAS 5yr warr	129,597
Pure Storage	**2,031,684**
FlashArray //x50 R3	2,031,684
NetApp	**497,011**
Support renewal for NetApp storage	389,707
Controller E2800A JBOD 4U-60	107,304
Veritas	**322,344**
NetBackup Support Renewal	322,344
Total	**15,285,551**

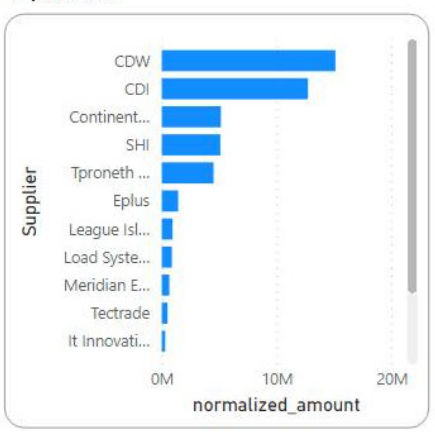
TBM Category Data Center	$ US
Data Center	**42,501,690**
Equinix	**37,671,628**
US1 Data Center Annual Rent	19,134,658
US4 Data Center Annual Rent	14,556,186
US2 Data Center Annual Rent	2,556,186
US3 Data Center Annual Rent	1,424,598
Digiplex	**2,486,278**
Vasby Sweden IT-housing services	2,486,278
Global Switch	**1,156,863**
Global Switch DC Amsterdam	1,156,863
TierPoint	**960,592**
Navy Yard DC Base Rent	960,592
Sydkraft	**226,329**
Cooling in datacenter	226,329
Total	**42,501,690**

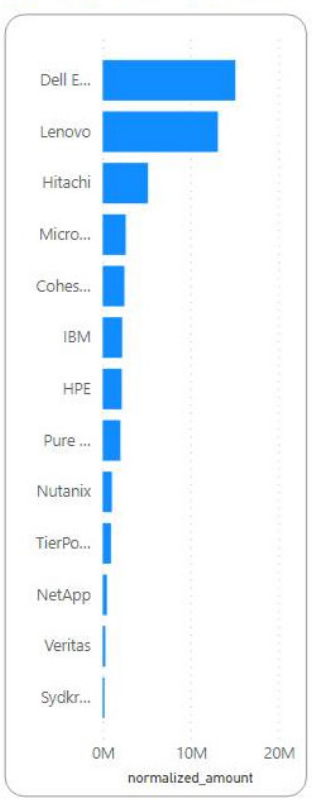
The below TruSpend® identifies how OEM, Software Publisher and Service Provider spend is being purchased both direct and through resellers. By triangulating this with the Category of the spend the client has the tool set to manage the impact of moving legacy gear to an IaaS solution. Prior to CIO InCight, manual point in time exercises to unearth their total spend with a Vendor was the norm, with Categorization an afterthought. Resulting in efforts that did not scale, were error prone and lacked the needed historical data to compare results to.

CXO Nexus — Augmented Data — CIO InCight®

Category OEM Supplier	direct	reseller	Total
Compute	**14,419,488**	**31,543,960**	**45,963,448**
Amazon	11,545,832		**11,545,832**
Dell EMC		12,552,620	**12,552,620**
HPE		2,185,537	**2,185,537**
Lenovo		13,108,647	**13,108,647**
Microsoft		2,634,291	**2,634,291**
Nutanix		1,062,865	**1,062,865**
Penguin Computing	480,815		**480,815**
Red Hat	786,951		**786,951**
Scalearc	1,605,890		**1,605,890**
Data Center	**41,314,769**	**1,186,921**	**42,501,690**
Digiplex	2,486,278		**2,486,278**
Equinix	37,671,628		**37,671,628**
Global Switch	1,156,863		**1,156,863**
Sydkraft		226,329	**226,329**
TierPoint		960,592	**960,592**
Storage		**15,285,551**	**15,285,551**
Cohesity		2,487,628	**2,487,628**
Dell EMC		2,541,419	**2,541,419**
Hitachi		5,169,801	**5,169,801**
IBM		2,235,664	**2,235,664**
NetApp		497,011	**497,011**
Pure Storage		2,031,684	**2,031,684**
Veritas		322,344	**322,344**
Total	**55,734,257**	**48,016,432**	**103,750,689**







Worth noting the client is leveraging the Augmented Data to be the "source of truth" that feeds internal analytics initiatives. We will look to highlight these use cases more in a future InCight Insider.

Use Case:

In this clip, NASDAQ discusses how the "Categorization of Vendor Spend" enabled by CIO InCight simplifies the process of identifying vendor spend redundancies.

View more Nasdaq Use Cases

Have questions?

We can help you in researching specific vendor spend. Send an e-mail to support to request assistance from a Customer Success representative .

Your feedback is welcome on the InCight Insider at support@cxonexus.com.

Visit CIO InCight at: https://app.cxonexus.com/#/signin.

If you have issues signing in contact us at support@cxonexus.com.

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