



IngramMicro | **Financial  
Solutions** IngramMicro**Cloud**

# Financial Pathway to the cloud

An Ingram Micro Financial Solutions (IMFS) guide on the financial pathway of migrating off owned infrastructure and into the cloud.

This whitepaper demonstrates how partners can work with their customers to create financial support for cloud adoption.





# Successful cloud migration adoption

Despite the rapid adoption of cloud across the globe, many businesses struggle to migrate to the cloud. There are a variety of reasons why but the one most often overlooked is not a technology decision but rather a financial one. For example, here are several commonly asked customer questions that come up after a customer has decided that a migration to the cloud in any form might be a good idea:

- Will I need to run legacy IT for a period of time and what are the costs?
- Can I lower the costs to support existing IT in the interim?
- What do I do with my legacy IT after the migration?
- Do I have end-of-life compliance requirements accounted for?

Let's assume that as a partner, perhaps with the help of Ingram Micro, you can address these questions and provide solutions to get them past these hurdles. In fact, let's assume that a robust financial analysis and a detailed migration plan has been developed and presented to the customer with these questions addressed, and they like what they hear. As the proposal provider, the chances are that your sales team will start increasing the close probability above 80% in their CRM. Unfortunately, the deal is not done. At the intersection of great technology proposals and signed agreements sits the accounting police waiting to give everyone a speeding ticket.

This white paper demonstrates how your end customer's concerns about cloud migrations must be addressed at both at the solutions level AND the financial level. IMFS addresses and covers both solution gaps and financial gaps. Gaps that must be closed for any customer to finalize a decision.



# Why take the Financial Pathway?

Ingram Micro Financial Solutions has designed solutions to create a final path which versus to help customers justify making their cloud migration now versus later. This path opens new business opportunities for our channel partners and their customers alike.

For partners to demonstrate the power of this financial pathway, a few key insights are required to build the picture of the benefits it brings:

1. Buying into the Cloud.  
Will I need to run legacy IT for a period of time and what are the costs
2. IMFS solutions suite
3. Legacy asset capital creation & compliance
4. Total solution financing
5. A cost efficient strategy to manage off legacy assets
6. Customer accounting perspectives

Partners primed with how these areas create new opportunities will shorten sales cycles and increase services revenue opportunities. Their customers will gain assurance that the full lifecycle of the migrations has been considered and done so in a financially feasible way.



# Buying into the Cloud

Will I need to run legacy IT for a period of time and what are the costs

Ingram Micro partners are excellent at helping customers identify "what to buy" and IMFS has developed a cloud migration solution suite that addresses the question of "how to buy" to make them even better. In an "as a Service" world financial solutions need to cover the full lifecycle of the cloud migration solution and encompass all hardware, software, and services components involved, old and new.

## IMFS Financial Solution Suite

IMFS understands that to truly provide the best financial solution to get the job done. The financial solution provider must have two main attributes. First, the financial solution must have the widest array of financial tools available to cover every unique situation, and migrations to the cloud have the potential to use them all. Second, the financial solution provider must not have an agenda that is not in the best interest of either the partner or their customer. IMFS has one agenda. To help our partners sell more and more often. We have no specific manufacturer we need to push nor any desire to take over your customer relationship. To ensure our partners can ease the burden of migrating to the cloud, we have developed a full-lifecycle of financial offerings: including purchase lease backs solution financing, managed services and private label programmes. Having the full suite of financial offerings is good but a great financial solution requires the people that can architect finance solutions to specifically address customer needs. IMFS business development and solutions architects act as the voice our partners need to ensure those needs are met.

Find out more on our website:[uk.ingrammicro.eu/financial-solutions/home](http://uk.ingrammicro.eu/financial-solutions/home)





# Legacy Asset Capital Creation & Compliance

Most customers who own IT assets (hardware or software) write down the value of their assets over time. Often, migrating applications to the cloud means those assets become obsolete. Obsolete assets serve no purpose. They must either be sold or disposed of. This is where accounting issues can trump technology or operational purchase decisions. If the obsolete assets can only be sold for less than their accounting book value, then there is a problem. In simple terms, there is an accounting book loss when this happens. Customers do not like this. Partners that do not solve for a potential book loss often do not have a deal.

IMFS and the Ingram ITAD group can help. IMFS can purchase obsolete assets, at book value, and rent them back to the customer with terms that match depreciation schedules and/or the migration timeline. Ingram ITAD can handle proper disposition of assets with no value, including all compliance requirements worldwide.





# Total Solution Financing

A migration to the cloud does not necessarily mean that technology hardware or software assets will no longer be necessary. Partners more often than not, provide hardware, software, and services as part of the migration strategy. How to handle the financial ramifications has been discussed but that is not the end of the story. The cost of the total solution is what your customer needs resolved. IMFS specializes in financing the total solution with few, if any, restrictions on the ratio of hardware, software, or services involved. We encourage our partners to explore financing the full lifecycle of the migration, regardless of what is involved.

Payment should be architected in a structure that matches the customers return on their investment. Stated differently, do no harm. Migrating to the cloud can have substantial financial and operational benefits. IMFS can solution the costs to get there in alignment with that value, regardless of what is involved in the solution.





# A Cost-efficient strategy to manage off legacy systems

Customers can be cost conscious. Most would not be considering migrating to the cloud if they did not see the cloud as an option to reduce costs or improve efficiencies. However, the shift to the cloud in any form is new and there will be constituents in the decision-making process that want to know specific ways you can reduce exposure to cost overruns. One way to do this is to reduce the cost of maintenance and support for assets that are destined for obsolescence.

If certain IT assets in the migration will not be used in 3-months, 6-months, or 9-months (the time can vary) it simply does not make sense to renew a 1-year or 2-year support contract. Ingram Micro's Comms-care offering provides a solution. Affordable short-term support contracts can be put in place to fill the need, for the time you need. All of which can be integrated into the cloud migration total solution financing as needed by your customer to make the migration more financially feasible.



