

REGION FOCUS: WORLDWIDE

Executive Summary:

The Business Value of Red Hat Solutions Versus Non-Paid Open Source Alternatives



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Linux has over time become the de facto choice of developers and IT departments around the world. This is not something that happened by accident, however. Over the past decade particularly, Linux has made great gains in the mindshare of everyday practitioners through careful cultivation via a vibrant and diverse open source community. In turn, Linux has rapidly expanded beyond traditional data center use cases and has grown to include the cloud as well as the edge for those in pursuit of deploying next-generation IT.

Commercial Linux vendors such as Red Hat have taken this a step further, building upon this paradigm and creating a vast ecosystem of hardened software and services. Enterprise customers engaging with these vendors have benefited as a result and have derived significant business value while streamlining their capex and opex investments – resulting in impressive returns on investment (ROIs), which IDC research measures and highlights in this business value (BV) study.

IDC spoke with organizations using Red Hat Enterprise Linux (RHEL), Red Hat Insights, and Red Hat Satellite to understand the value of paying for supported Red Hat solutions instead of using non-paid open source alternatives with self support. Study participants reported that Red Hat solutions provide the features, performance, and confidence they need to drive their development activities and business operations across their on-premises and cloud IT environments.

Business Value Highlights

- ↑ **540%** three-year ROI
- ↑ **20%** development team productivity gain
- ↑ **75%** more new features
- ↑ **23%** faster development lifecycle, new applications
- ↑ **52%** faster security updates
- ↓ **72%** less unplanned downtime
- ↑ **\$17.31M** higher revenue per year
- ↑ **32%** more efficient IT infrastructure teams
- ↑ **38%** higher virtualization density

Further, they explained that they benefit from cost and operational efficiencies by establishing more cost-effective and streamlined IT infrastructures.

Based on interviews, IDC calculates that these Red Hat customers will achieve benefits worth an annual average of \$27,300 per 100 users (\$9.38 million per organization) by:

- **Empowering development teams** to meet business demand for highly functional new applications and features
- **Ensuring security and performance** of key applications and workloads, thereby limiting risk and risk-related business costs
- **Achieving better business results** by having the ability to confidently address business opportunities and better serve existing customers
- **Making IT operations more cost effective** by optimizing use of compute and other IT resources and freeing up IT teams from more repetitive day-to-day tasks

[Read the full white paper](#)

