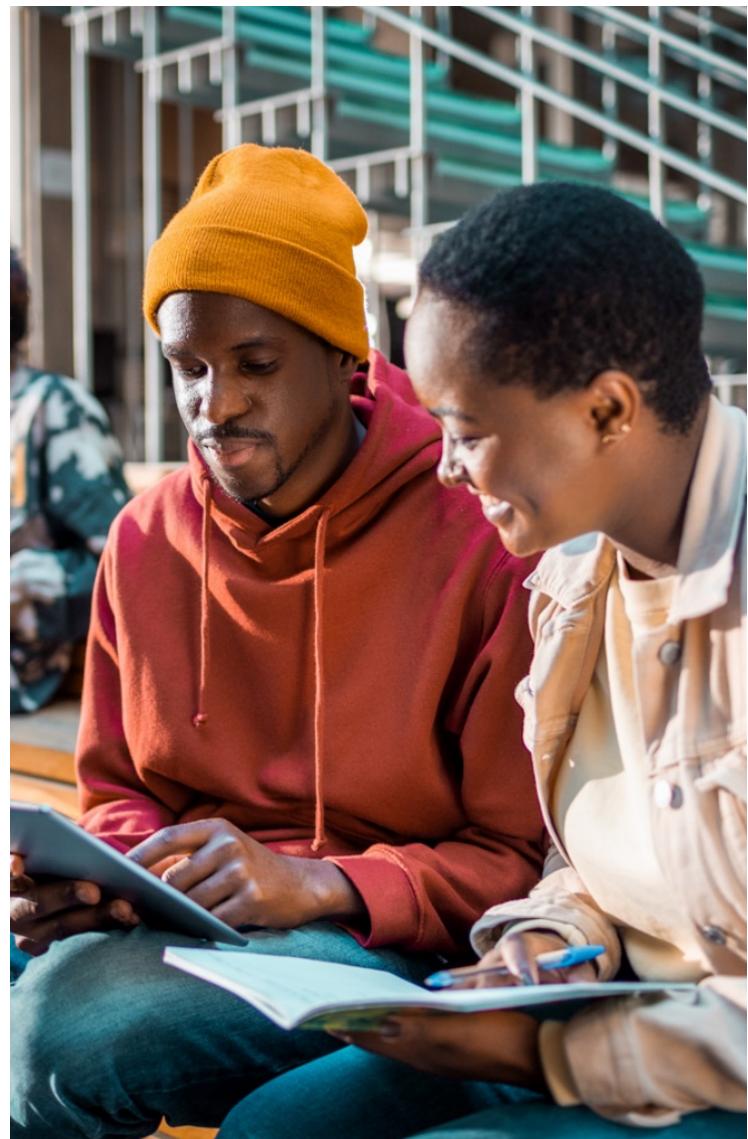


Round 3

BrAINWARS





Case Study: ZenSoft case study (Round 3)

Your meeting with Case Manager Rohan went really well. She praised your ability to identify potential reasons for ZenSoft's underperformance and appreciated the insights you gathered from studying its competitors.

Next, Rohan wants you to pinpoint potential gaps that the client can start addressing to improve their business. Also, Rohan mentioned he's interested in your perspective on how to manage ZenSoft's transition from physical to cloud servers considering the technical and workforce implications. Rohan will review your analysis and select a few recommendations to discuss with the client in the next call.

Rohan also emphasizes the importance of backing up identified gaps with relevant qualitative and quantitative data. To assist with this, he has provided some data that you can use if it proves helpful in your analysis.

Zen Case Study: Mail from Client

Dear Rohan,

I hope this message finds you well!

As discussed in our meeting earlier, ZenSoft has decided to explore cloud-based servers considering their lower cost and faster time to market. We have identified 4 vendors for the servers, and we would like you to recommend the way forward for the company.

Drawing from ZenSoft's industry resources, we have collated competitive landscape details that will be helpful in your analysis:

- § As mentioned earlier, ZenSoft's server storage is 125TB / month, and they would like to increase the storage capacity to at least 140TB / month and opt for faster software upgradations considering they do not want to keep missing out on contract opportunities due to their lack of AI capabilities and storage capacity
- § Rackspace is most well known for its AI integration capabilities, storage capacity, and customer service. Its subscription involves an annual pricing of \$18M for a storage capacity of 140TB/ month. The annual maintenance cost is \$240K. The software update cycle is 20 days for the company and maintenance cycle of 25 days
- § DigitalOcean and UpCloud provide proactive support services, such as monitoring & troubleshooting to resolve server issues promptly and hence both have been jointly awarded the "Best Client Service" award
- § DigitalOcean's monthly pricing stands at \$1.8M for a storage capacity of 145TB/ month with an annual maintenance cost of \$150K, with a maintenance cycle of 30 days and software update cycle of 15 days
- § Upcloud's annual pricing stands at \$20M for a storage capacity of 130TB/ month, maintenance cost of \$15K/ month, maintenance cycle of 20 days, and software update cycle of 10 days. There are no further setup costs involved
- § Digital Reality has recently increased their cloud storage capacity from 130 TB/ month to 155 TB/month to enable more datatypes and advanced data insights and also started providing free onboarding and initial support to gain customers. We do not have a fresh outlook on the revised pricing for them. As per one of our earlier DDs (Project BrAIN), the pricing for Digital Reality for a capacity of 130TB/ month was \$25M annually, with a maintenance cost/ month of \$18K, maintenance cycle of 30 days, and software update cycle of 15 days
- § Additionally, Rackspace has faced litigation issues such as server breaches with a couple of its clients in the recent past. However, they intend to take prompt action on this front and optimize their systems by improving their data encryption, firewalls, intrusion detection systems, and access controls
- § For transitioning to cloud server, Rackspace and DigitalOcean charge one time setup and training cost of ~ \$0.5M & ~\$0.8M respectively. It usually takes ~3 weeks to train the employees to adopt the new vendor
- § A recent employee statistics report published by Glassdoor noted that cloud service employees in the industry are ~30% more cost effective (in terms of wages) as compared to the traditional physical server technicians

Hopefully, you have all the information that is needed for your analysis

Do let me know if I can be of any further help.

Best
Lara