Software Usage and Waste Report 2016

1E's latest analysis of unused software's impact on the modern enterprise. Based on exclusive data gathered over five years, and spanning 149 companies, 16 industries, and 4.6 million machines.

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Introduction

Unused software is inefficient and unsecure. Most of all, however, it is immensely costly. Indeed, a single enterprise of a few thousand seats will likely be wasting millions of dollars on this area of IT. In this new Software Usage and Waste Report, 1E offers greater insight than ever before into how much the average business is squandering on unused software.

The report builds on previous 1E studies into this area by increasing the number of participating devices to 4.6 million (an increase of one million), expanding the study to encompass 149 organizations and 16 different industries in all.

In addition, the Software Usage and Waste Report reveals, for the first time, those applications that are most widely deployed among the survey's participating businesses, the applications most likely to go unused, and those costing businesses the most money, because of high levels of deployment and waste. Due to this wide scope, the report offers a unique and unprecedented insight into today's enterprise desktop.

Last but not least, the Software Usage and Waste Report provides guidance for enterprises looking to seize the financial opportunity implicit in these waste figures – pointing to what the potential savings are, how they can be realized, and where businesses in different sectors should concentrate their reclaim efforts.

First of all, let's take a look at the state of unused software in 2016....

Global Software Waste

Software Waste Benchmark Findings

1E defines software waste as any piece of software that has been deployed to a desktop but is not being run by the user. A title is determined to be 'unused' if it has not been run within the past 90 days and 'rarely used' if it has not been run within the past 30 days. 'Total waste' is the combined sum of both.

30%

8%

38%
Total Waste

- Unused
- Rarely Used
- Used

- Total Waste
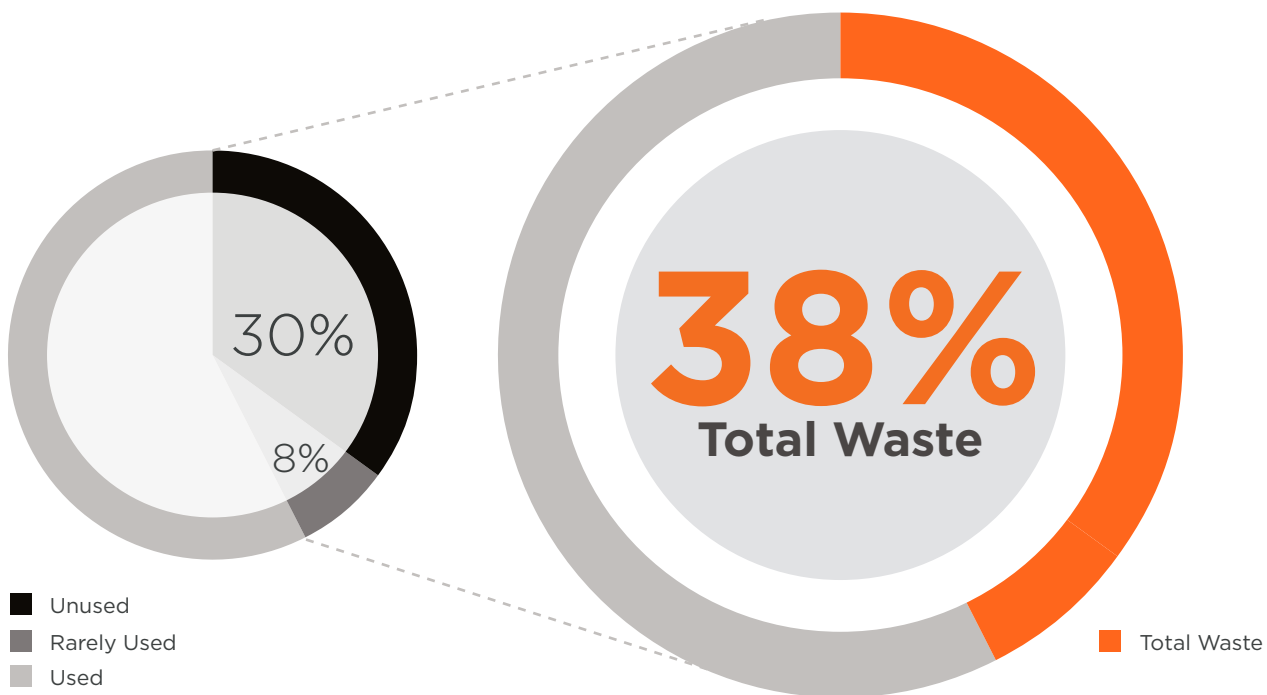
US/UK waste total: $34 billion

Average waste per user:
$247

Average waste per business:
$7.4 million

"Software Asset Managers tend to focus on ensuring license compliance. While this is good business, it may result in the organization acquiring more software than is necessary – costing the organization unnecessary expense and diverting resources that could be used elsewhere. Given the data from this report, Software Asset Managers would be well-advised as a matter of policy to review the extent of unused software in their organization. Removing and repurposing unused software will reduce the need to acquire additional licenses during license true-ups with software vendors."

Peter Beruk
Subject Matter Expert, SAM, 1E

Savings from Reclaiming Unused Software

As the cost of unused software is so high, the implementation of a reclaim program can lead to very significant savings. For calculating total waste, we selected 35 applications (out of 1,800) to represent the estimated cost of waste.

Based on these 35 software titles alone, the average 30,000 seat company can look to reap the following savings:

	Total	Per User
Software Waste Total	$ 7,411,205	$ 247
Year 1 Save	$ 2,110,431	$ 70
Year 2 Save	$ 2,126,844	$ 70
Year 3 Save	$ 1,879,984	$ 62
Total Savings Over 3 Years	**$ 6,117,259**	**$ 202**

Of course, if you uninstall an unused piece of software worth $300, the vendor isn't going to come and refund you for it. How, then, are these savings achieved?

1. Cost avoidance by reducing the volume of new license purchases

It's simple. When you reuse – you don't need to buy more. Even at a conservative reclamation rate of 75% of unused software and a minimal purchase rate of 10% annually, purchase avoidance due to reuse of harvested software is estimated to be greater than $182 per user.

2. Maintenance Reduction and Avoidance

The typical rate for software maintenance costs is 20%. As such, companies are paying around $45 per user on maintenance for software that isn't being used.

3. Audit Risk Reduction

Software vendors frequently audit their customers to ensure license compliance. Organizations that reclaim software as part of an established SAM (software asset management) program can ensure they are less likely to be over-deployed or over-licensed, thereby lessening the impact of vendor audits.

The Ten Most Wasted Enterprise Apps

Looking at the type of titles most likely to go wasted suggests that while many organizations may require certain titles for specific project work – some of which are amongst the most expensive on the market – few employees require them on anything like a daily basis. (**Note:** We excluded core products from the Microsoft Office Suite from this analysis as most companies work within an Enterprise License Agreement Program.)
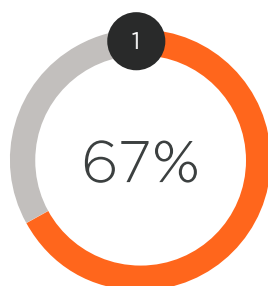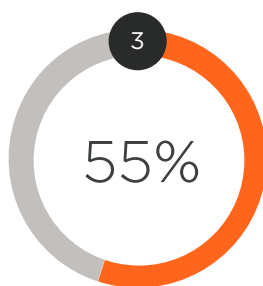
1 — 67%
Camtasia Studio
Are we all filmmakers now... or would we mostly like to think we are?
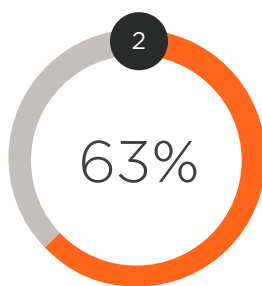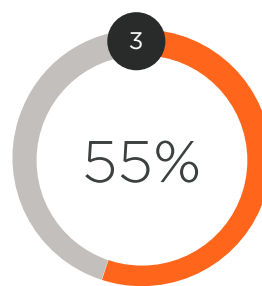
2 — 63%
Crystal Reports
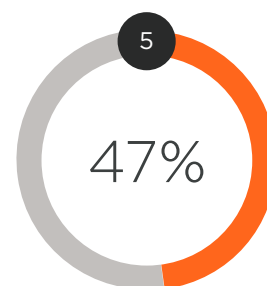High penetration, but also high wastage, for this report software.

3 — 55%
InDesign
Adobe's famous application sitting dormant more than we might expect.
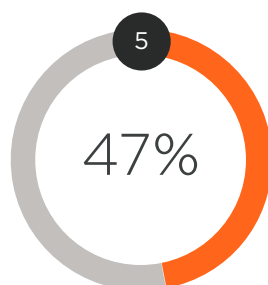
3 — 55%
Dreamweaver
Site build tool going unused over half the time.
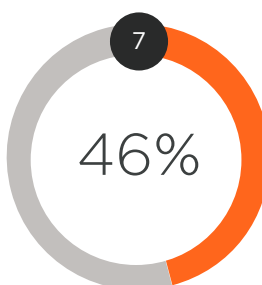
5 — 47%
Visio
Number one in our deployment chart. Usually not licensed in the corporate EA (enterprise agreement).
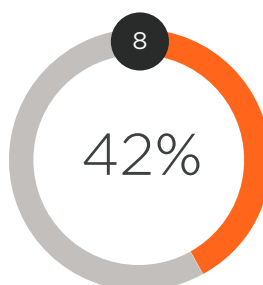
5 — 47%
Illustrator
Eyes bigger than stomachs for would-be illustrators?

7 — 46%
Project Professional
High deployment and wastage rates for Project. Usually not licensed in the corporate EA.

8 — 42%
Photoshop
Adobe make a lot of great tools – many going unused.
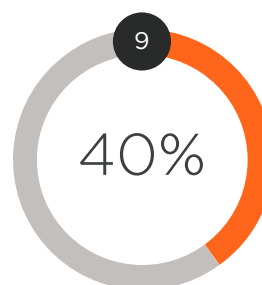
9 — 40%
TextPad
Windows text editor often unused – presumably due to Word.
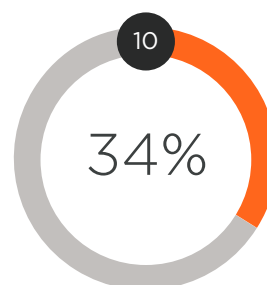
10 — 34%
WinZip
Many free alternatives for this file compression tool.

"1E's research from the 149 enterprises participating in this study indicates a high level of waste from the reported 35 (out of 1,800) software titles. Your organization may not use certain of these Top Ten Most Wasted, but the list will give the SAM manager a road map for those applications most widely unused across the typical enterprise, and a starting point for ensuring installed software is used and compliant"

Peter Beruk
Subject Matter Expert, SAM, 1E

The Top Ten Enterprise Apps (by Deployment)

The following applications are used in some capacity by nearly all of the 149 companies participating in the Software Usage and Waste Report.

Application	%
Project Professional	93%
Acrobat Professional	93%
Visio Professional	93%
Photoshop	92%
Visual Studio	88%
Illustrator	85%
Crystal Reports	83%
InDesign	79%
WinZip	77%
Snagit	74%

Application Drilldown

For those titles with high waste and penetration levels, the cost to businesses can be significant. The following are ten of the costliest applications. (The figures are for an average company of 30,000 machines.) By focusing on these ten titles, 1E's free Software Intelligence tool (see page 11), points companies to those application waste hot spots that can lead to the greatest savings.

	App	Average Waste $
1	Project Standard	$ 562,753
2	Minitab	$ 456,000
3	Project Professional	$ 381,840
4	Visio Professional	$ 236,510
5	Visio Standard	$ 163,520
6	Photoshop	$ 133,644
7	Acrobat Professional	$ 131,340
8	Acrobat Standard	$ 91,211
9	Exceed	$ 83,000
10	AutoCAD LT	$ 69,600

Unused Software by Company Size

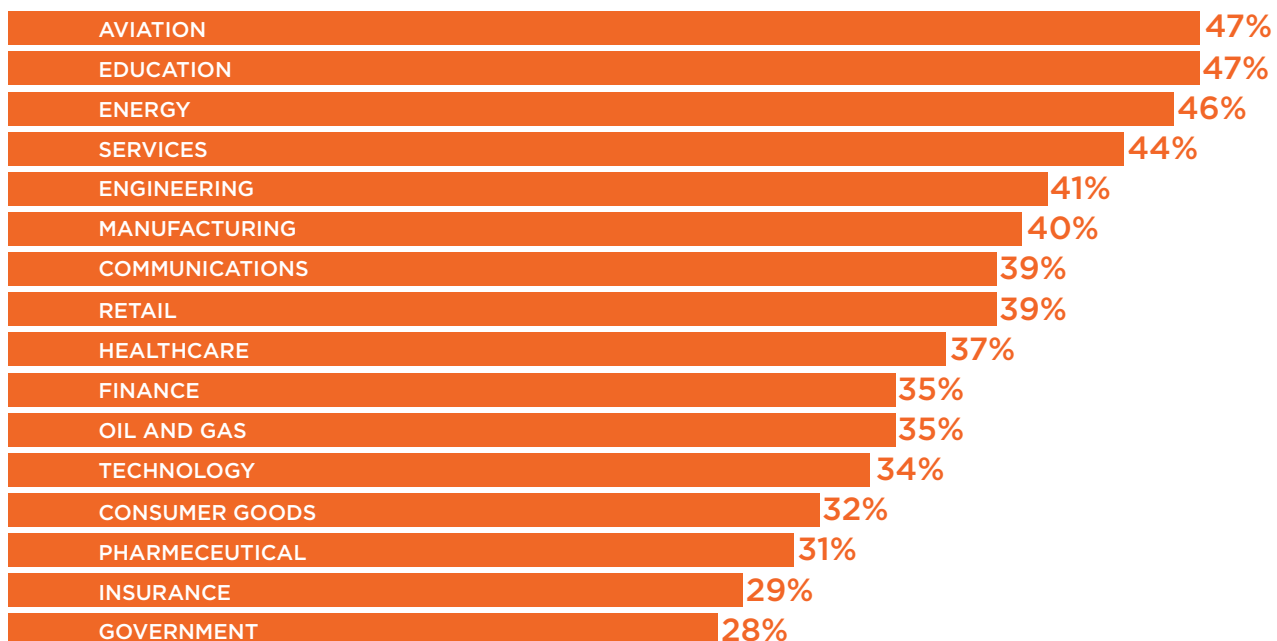Usage data shows that smaller companies have larger waste. As a company reaches a size of 20,000 users, they begin implementing software asset management and waste starts declining. As a company grows past 50,000 users, the waste levels out.

Company Size >>	Software Waste >>
>100,000	37%
100,000	35%
50,000	34%
20,000	40%
10,000	36%
5,000	36%
2,000	41%
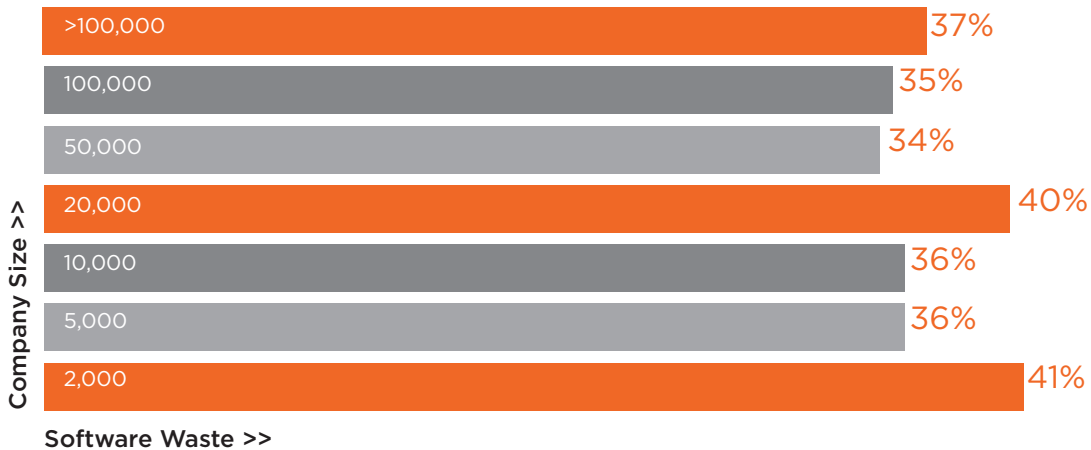
Unused Software by Industry

Of the 149 companies included in our study, we found variation by industry. While the majority reported 35-39% total waste, aviation and education topped the list at 47%.

Industry	Waste
AVIATION	47%
EDUCATION	47%
ENERGY	46%
SERVICES	44%
ENGINEERING	41%
MANUFACTURING	40%
COMMUNICATIONS	39%
RETAIL	39%
HEALTHCARE	37%
FINANCE	35%
OIL AND GAS	35%
TECHNOLOGY	34%
CONSUMER GOODS	32%
PHARMECEUTICAL	31%
INSURANCE	29%
GOVERNMENT	28%

Unused Software: Industry Drilldown

(Note: percentages denote waste)

Finance

68% Crystal Reports
66% Camtasia Studio
59% Visual Studio Premier Partner
53% InDesign
50% AutoCAD
48% Project Standard
47% Dreamweaver
43% Visio Professional
41% Project Professional
41% Visio Standard

Consumer Goods

80% Camtasia Studio
73% Visual Studio Professional
64% Visual Studio Premier Partner
63% InDesign
60% Crystal Reports
55% Dreamweaver
53% Visio Professional
51% Visio Standard
44% TextPad
44% Project Standard

Services

75% Visual Studio Premier Partner
73% InDesign
71% Dreamweaver
67% Camtasia Studio
63% Crystal Reports
57% AutoCAD
57% Visual Studio Professional
55% Illustrator
50% Project Professional
46% Photoshop

Government

79% InDesign
68% Camtasia Studio
68% Visual Studio Professional
58% Project Standard
56% Crystal Reports
56% Dreamweaver
52% Project Professional
44% AutoCAD
39% TextPad
36% Snagit

Retail

64% Visual Studio Premier Partner
60% Camtasia Studio
57% Visual Studio Professional
57% Project Standard
55% Visio Standard
49% Dreamweaver
47% AutoCAD
46% Visio Professional
43% Project Professional
41% Photoshop

"All industries have a need for specialized software. An accounting firm will have the need for accounting software, while an engineering firm will have a greater need for CAD software. The Industry Drilldown will enable some readers to get a quick snapshot of those unused applications particular to their industry. While there will be common applications across all industries, this snapshot will allow the SAM manager to recognize those applications most unused within their business immediately."

Peter Beruk
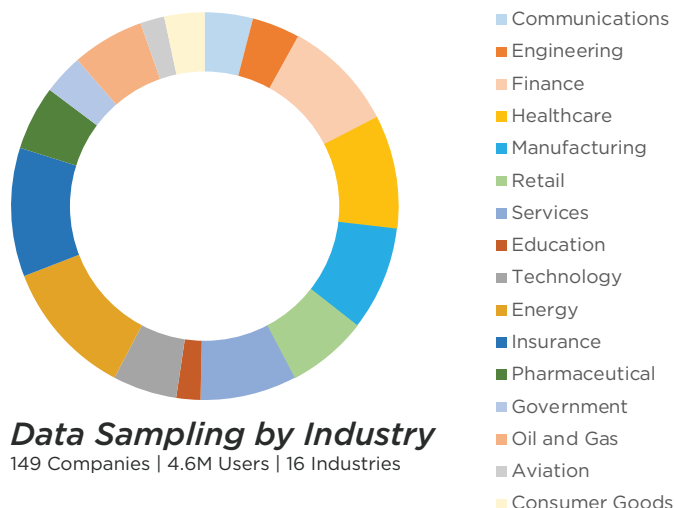Subject Matter Expert, SAM, 1E

Report Methodology

Data Sampling by Industry

The 1E Software Usage Benchmark database contains data from companies representing 16 unique industry categories. Although the Manufacturing, Finance and Healthcare industries have the largest sampling, the chart is here to show there is an even distribution among all 16 industries.

Data Sampling by Company Size

The 1E Software Usage Benchmark database contains data from companies of all sizes. Company size is determined by the number of devices reporting usage. Company size ranges from 700 to 350,000 users.

- Communications
- Engineering
- Finance
- Healthcare
- Manufacturing
- Retail
- Services
- Education
- Technology
- Energy
- Insurance
- Pharmaceutical
- Government
- Oil and Gas
- Aviation
- Consumer Goods

Data Sampling by Industry
149 Companies | 4.6M Users | 16 Industries

Software Usage and Waste Report FAQ

Where does the data come from?

The data for this study comes from 149 enterprises who have confidentially shared their Systems Center Configuration Management (SCCM) data with 1E. To ensure the confidentiality of participants, 1E has anonymized the data.

### Why conduct this study? What makes it relevant?

When 1E was formed back in 1997, its founders saw a need to reduce the cost of managing Windows PCs and Servers. Software is a significant expense to any organization, and must be properly managed. This study demonstrates our continued commitment to helping organizations save money through understanding the costs and risks surrounding unused software on their devices.

Why do you only count the top 35 applications?

1E has found that, on average, the typical organization has 1,800 software titles. This benchmarking study takes a conservative approach and only uses the top 35 titles for study calculation purposes.

- 0-2K
- 2-5K
- 5-10K
- 10-20K
- 20-50K
- 50-100K
- >100K

Data Sampling by Company Size
149 Companies | 4.6M Users | 16 Industries

Who is 1E?

Founded in 1997, 1E's mission is simple: enable our customers to automate the software lifecycle. 1E's Software Asset Management solution and AppClarity product are part of the Software Lifecycle Automation suite.
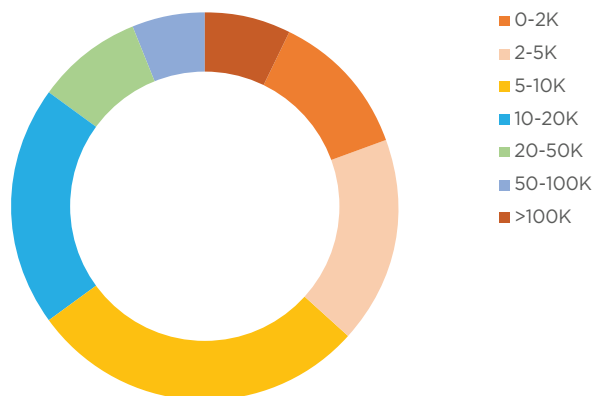
HOW MUCH IS UNUSED SOFTWARE COSTING YOU?

Find out with our free Software Intelligence tool

- How many desktop applications do you currently have installed in your organization?
- How many of the ten most costly unused applications do you have installed, and how many are being used?
- What potential savings could you make on these applications, and others in your estate?

Software Intelligence runs from your local machine to keep data under your complete control, using information within your SCCM environment to assess software usage across your organization, including:

- Analysis of the number of unique software titles in your estate
- Analysis of the total number of desktop applications installed
- Evaluation of the 10 most costly unused software titles to identify potential savings
- Estimation of additional savings that could be made across your software estate
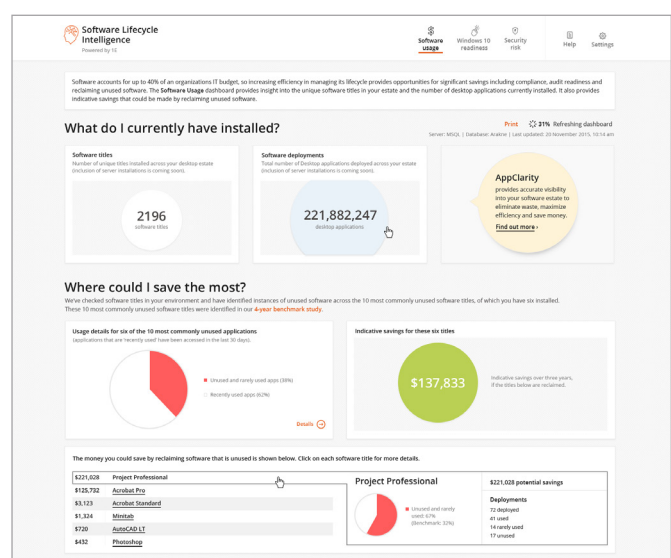
To download Software Intelligence from 1E, visit 1e.com/softwareusageintelligence