Press Releases

IDC Analyst: Enterprises Are Finally Seeing AI Returns, But the Bill for Keeping the Lights on Hasn't Gone Away

New episode of The Savvy CIO podcast tackles the renew, refresh or replace decision, and why $200,000 GPU sleds are reshaping every infrastructure budget conversation

CLEVELAND — Sept. 29, 2026 — Generative AI has crossed the line from experiment to return on investment for roughly half of enterprises, but the infrastructure that runs the rest of the business is still waiting for its budget. That tension is the subject of the newest episode of The Savvy CIO, the podcast from Park Place Technologies, available tomorrow wherever you get your podcasts.

Host Bradd Busick sits down with Rob Brothers, an IDC analyst who has spent nearly four decades on every side of the infrastructure lifecycle market, as a value-added reseller, as a third-party maintainer and now as an analyst covering the space. The conversation is built around a decision nearly every IT leader faces on a fixed calendar: what to do when the OEM warranty expires.

Brothers points to research showing a sharp turn in AI outcomes.

"Forty-five to 50% of enterprises are now beginning to see an ROI on their generative AI initiatives, which is great," Brothers said. Busick notes that the same conversation a year earlier put that figure closer to 10 to 20%.

But the same budget that funds those initiatives has to come from somewhere. "A lot of the studies that we've done recently show that customers are really trying to use budgetary dollars for AI initiatives," Brothers said. "And that doesn't leave a lot for everything else." Meanwhile, the price of the new gear has changed the math entirely.

David Kramer, President of Service Delivery at Park Place Technologies, warns that the sticker price is only the visible part of a refresh. "Your teams have to learn the new technology. You have to pay for installation and configuration of the new technology. You need time to let the new technology bake in and test in your systems and in your environments," he said. He also notes who tends to be driving the urgency: internal campaigns for the latest hardware are "aided and abetted by the salespeople from the OEM itself, because the OEM is incentivized to sell more hardware."

Brothers' guidance for CIOs is to narrow the AI aperture and keep the existing estate supported while they do it. Expect 50 internal use case ideas, he says, cut to about six, and plan on two producing real outcomes, while acknowledging the constraint that outlasts every hype cycle: good quality data. "The data is generally what bogs everybody down," he said. "It's the same thing that bogged us down in AI is the same thing that's bogging us down in gen AI."

Episode 6, "The Renew, Refresh, Replace Dilemma with Rob Brothers," is available on September 30 on Apple Podcasts, Spotify, and Amazon Music.

About Park Place Technologies
Park Place Technologies is a leading global IT infrastructure services firm with $1.2 billion in annual revenue and 3,000+ employees. We help 25,000+ organizations in 180 countries – including half the Fortune 500 – fuel innovation and accelerate AI transformation by dramatically reducing time and money spent on IT infrastructure management, while boosting performance and uptime.

Powered by the world's largest on-the-ground engineering team, a robust group of advanced engineers, and our global Enterprise Operations Centers, Park Place delivers significant cost savings on hardware maintenance, software technical support, hardware procurement, and more. We also streamline IT infrastructure management, freeing internal teams from day-to-day tasks, enabling them to focus on strategic initiatives — including AI acceleration.

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