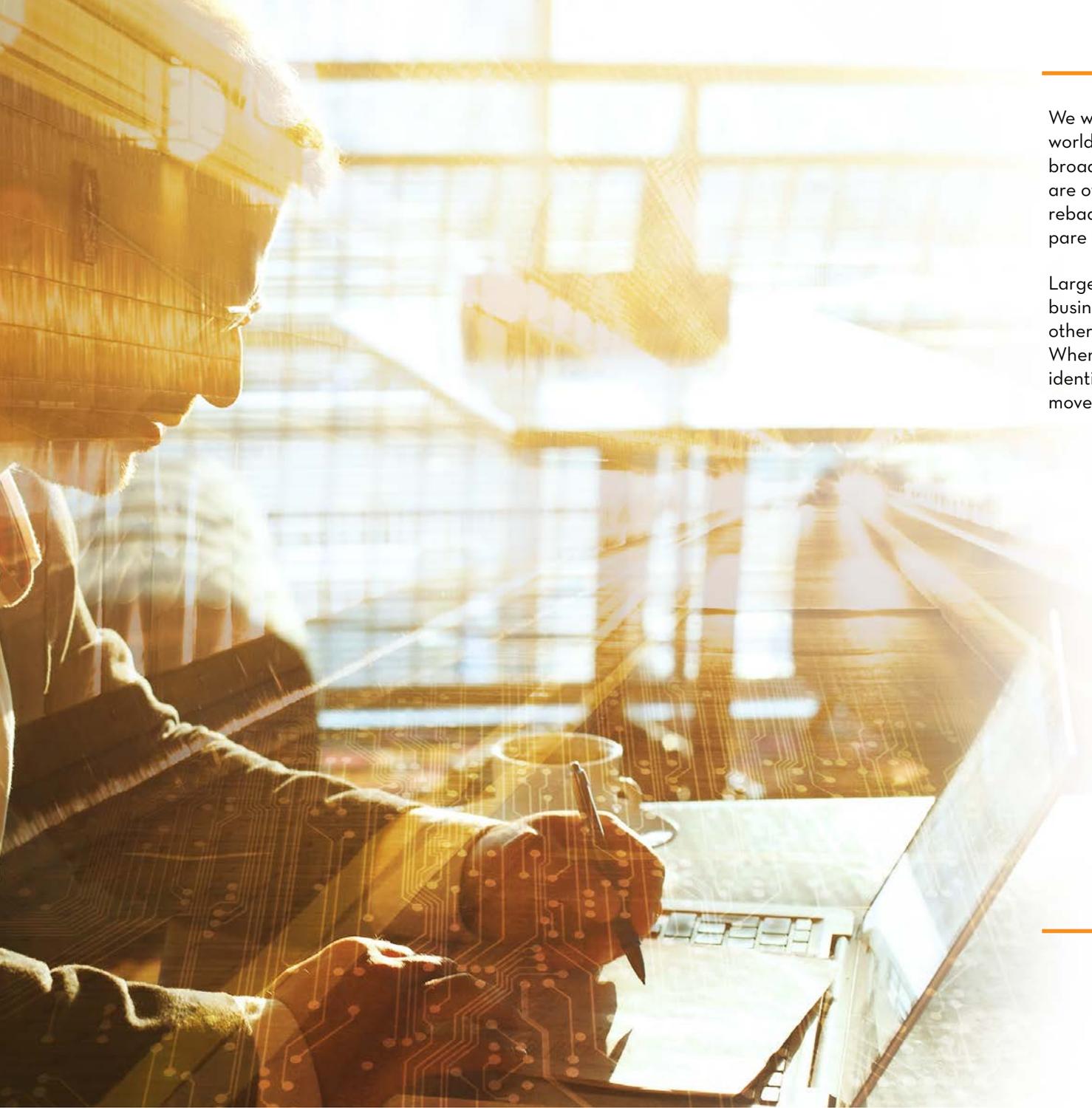


WHO IS THE GOLD STANDARD?

How do you choose hardware vendors and service providers in times of great volatility?



Strength in IT solutions



We work in volatile times. Start ups appear, promising the world but fizzle out as they struggle to move from idea to broad commercial realisation. Those that are successful are often bought out by larger companies who either rebadge the product or close down production and pare back support.

Larger companies aren't immune. Multi-billion dollar businesses that are a couple of decades old purchase other large companies creating further uncertainty. When financial markets change quickly, savvy players identify this as a period of increased risk and look to move to their investments to safe options such as gold.

So what's the gold standard for technology?

How do you choose hardware vendors and service providers in times of great volatility?



THE WORLD IS CHANGING

The enterprise hardware market is constantly changing. New entrants trying to force their way into the mindshare and budgets of corporate customers are benefitting significantly from the innovation and investment led mindset of today's start up culture.

Investors are constantly on the lookout for innovative entrepreneurs with solutions that either solve existing problems or anticipate new market opportunities. Those start-ups either establish themselves as challengers that muscle in on markets dominated by large players - this has been especially noticeable in the storage and security industries - or their technology and expertise is purchased by one of the incumbent players and integrated into their offerings.

Over recent years, enterprise buyers have faced a number of major mergers, divestments and acquisitions. Even since HP purchased Compaq in 2002, we've seen IBM focus

However, customers are being squeezed from both sides.

on enterprise markets by selling the ThinkPad brand to Lenovo, Microsoft buying and then effectively mothballing Nokia as they attempted to regain their ascendancy in enterprise mobility and Dell's recent shift from public to private ownership and their purchase of EMC Corporation.

In particular, when companies with overlapping portfolios come together, customers are left wondering if the products they rely on will be deprecated, merged with other products or sold to yet another party.

WHERE'S THE STABILITY?

In all of this, customers are the investors looking for safe harbour and options that will ensure their money produces a return. What is available to those searching for the stability needed to plan and make strategic decisions from data centre hardware all the way up to service partnerships for their business?

So, when companies look to move their enterprise IT investment to a stable platform with proven reliability, where should they go?

When looking for stable platforms in times of consolidation and change, the decision on where to invest can be complex.

There are two criteria that are crucial.

- 1** Does the company have a long-term track record of solid profits over many years?
- 2** Does the company continue to invest in innovation by supporting smaller companies with innovative ideas and by actively engaging in its own research and development?

If you can find that sort of partner, you've found the technology industry's equivalent of gold - a secure, longer investment that can survive the peaks and troughs of a volatile business world.



NOT JUST “SLAPPED ON INNOVATION”

Many companies acquire new technology either to shut down rising competitors or to add new products to their portfolio. Some new ideas are squashed. But often you end up with a *“platformstein”* - a bunch of almost-integrated technologies that don't quite work, much like Doctor Frankenstein's monster.

Similarly, you don't want so-called *“best of breed”* solutions shoehorned into your business if they're not the right fit. That means finding a system integrator who will take the time to understand your business and a hardware partner that delivers the right balance of stability and innovation to match your needs.

IBM has been the most consistent performer in enterprise technology over the last four decades. They have evolved to meet the changing needs of businesses as we moved through the mainframe, client-server and into the cloud era while consistently investing in new technology by supporting smaller companies and developing its own in-house solutions.

IBM has succeeded over such a long time by focussing on investments that have made it the *“go to”* partner when looking for stability. It used to be said that

“no one ever got fired for choosing IBM”

That remains true as they continue to deliver stability, reliability and innovation.

Businesses don't rely on any one technology or platform. That's why having the right partners is important. In certain situations, your need won't be met by even the gold standard, and for certain projects where the risk appetite and tolerance for failure is high, experimenting with a silver or even a bronze option may be the best move. The point to note is that a trusted partner will always point you in the direction of the right option for your business, and that doesn't mean selection or recommendation based on the highest margin or commission sale for them.

Investors all follow Grandma's advice to not put all your eggs in one basket, and they also know how to read the winds of change in the market. Volatility and uncertainty represents a call to action on rock solid options. The same holds true with technology and the trust you place in your partners to build a great value portfolio of systems.



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