Gartner | **Press Release**

Gartner Unveils IT Market Clock to Rebalance IT Priorities

Analysts Discuss the Framework for Evaluating and Prioritising IT Investment and Divestment Activities at Gartner Symposium/ITxpo 2009, 2-5 November, in Cannes

Cannes, France, 4 November, 2009 — Gartner, Inc has developed the IT Market Clock, a decision framework to assist IT and business leaders evaluate and prioritise their IT investment and divestment activities throughout the entire asset life cycle.

“IT is no longer a set of emerging capabilities and markets, but a maturing business tool and must be managed as such,” said Brian Gammage, vice president and Gartner fellow. “Every IT product and service has a finite useful life and must eventually be retired or replaced. Correct timing of retirement, replacement and reinvestment is critical.”

Mr Gammage introduces the IT Market Clock and examines how it supports strategic investment and divestment decisions during Gartner Symposium/ITxpo 2009, being held here through 5 November.

The IT Market Clock is complementary to Gartner Hype Cycles. While Gartner Hype Cycles follow the progress of technologies from their first appearance to mainstream maturity, the IT Market Clock highlights the progress of IT products and services from the time they first become viable to deploy and use, to the time when they must be retired. The Gartner Hype Cycle supports “technology hunting” decisions, while the IT Market Clock supports “farming” decisions for assets already in use.

The IT market clock uses a clock-face metaphor to represent relative market time and how technology assets are positioned based on their progress through their market life cycles and commoditisation levels. A symbol used for each asset also demonstrates the time it will take for each asset to transition into the next of the four market life phases:

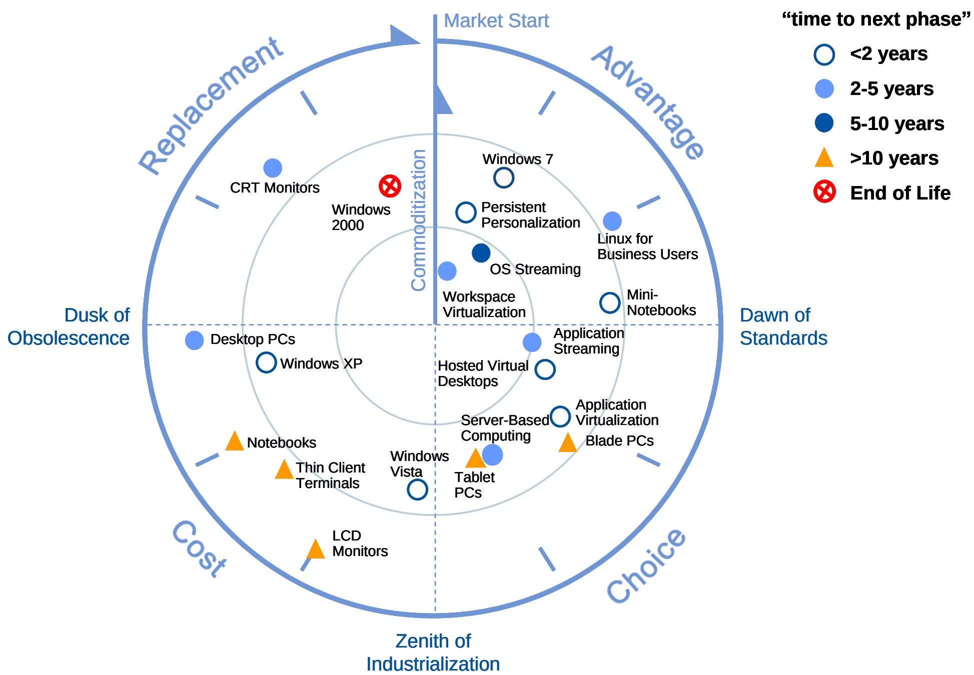
- **Advantage —** From 12:00 to 3:00, during which time the market typically moves from an emerging to adolescent status. Levels of demand and competition are typically low, so the technology is procured for what it delivers, not for its placement in its own market.
- **Choice —** From 3:00 to 6:00, during which time the market typically moves from adolescence to early mainstream. This is the phase of highest demand growth, during which supply options should grow and prices fall at their fastest rate.
- **Cost —** From 6:00 to 9:00, during which time the market moves from early mainstream to mature mainstream. During this phase, commoditisation is at its highest level and costs will be the strongest motivator in most procurement decisions.
- **Replacement —** From 9:00 to 12:00, during which time the market moves from mature mainstream, through legacy and to "market end" (after which, the technology is no longer viable to procure or use). Procurement and operating costs will steadily rise and organisations should seek alternative approaches to fulfilling the business requirement.

“The relative commoditisation determines the distance from the centre of the IT Market Clock and the assets further from the centre are more commoditised. For most asset classes, relative commoditisation levels begin low, increasing steadily as the market matures and then decreasing again towards the end of life,” said Mr Gammage.

As a working example of the model, Gartner has applied the IT Market Clock to the client computing sector (see Figure 1). It positioned 20 classes of technology assets according to where they lie within their market life cycles and their relative commoditisation levels.

-more-

Figure 1. IT Market Clock for Client Computing, 2009



Source: Gartner (October 2009)

"The client computing market is undergoing significant changes and organisations must make critical investment and divestment decisions; the IT Market Clock for client computing helps IT and business leaders make those choices," said Mr Gammage. "In particular, the IT Market Clock can help IT and business leaders create business cases for replacing assets that are approaching 'end of life' such as desktop PCs, and we recommend that organisations plan to selectively replace them with thin client terminals or notebooks. It also assists IT and business leaders to establish divestment and re-investment plans for key assets such as the Microsoft Windows operating system and to determine when to renegotiate sourcing contracts for assets like hosted virtual desktops, for which costs will fall as the technology matures and market volumes grow."

The IT Market Clock for client computing shows that nine technologies require attention and resources within the next 12 months. Among them are Windows 7, which organisations must decide by the first quarter of 2010 when and how they plan to deploy, and application virtualisation, potentially of high value during Window 7 migrations and for which organisations should also establish deployment plans by the first quarter of 2010. It also found that cathode-ray tube (CRT) monitors will reach the end of their life in the next two to five years and Gartner recommends that organisations plan to remove them from their portfolio by the first quarter of 2013.

"With this holistic decision framework, organisations will be able to proactively manage their portfolio of assets and determine the right time to adopt and deploy emerging or adolescent technology options, establish road map plans for replacement and upgrade of existing technology assets, and perform reviews with suppliers for best saving opportunities," said Mr Gammage. "Although this framework is focused on technology assets, the same approach could be applied to any class of business assets."

Follow Gartner
Follow news, photos and video coming from Gartner Symposium/ITxpo on Facebook at http://www.facebook.com/home.php#/Gartner?ref=ts. FriendFeed at http://friendfeed.com/rooms/gartner,

on Twitter at http://twitter.com/Gartner_inc using #GartnerSym, on Flickr at http://www.flickr.com/photos/27772229@N07/ and on YouTube at http://www.youtube.com/gartnervideo.

About Gartner Symposium/ITxpo
Gartner Symposium/ITxpo is the industry's largest and most important annual gathering of CIOs and senior IT executives. This event delivers independent and objective content with the authority and weight of the world's leading IT research and advisory organization, and provides access to the latest solutions from key technology providers. Gartner's annual Symposium/ITxpo events are key components of attendees' annual planning efforts. They rely on Gartner Symposium/ITxpo to gain insight into how their organizations can use IT to address business challenges and improve operational efficiency. For more information, please visit www.gartner.com/eu/symposium

About Gartner
Gartner, Inc. (NYSE: IT) is the world's leading information technology research and advisory company. Gartner delivers the technology-related insight necessary for its clients to make the right decisions, every day. From CIOs and senior IT leaders in corporations and government agencies, to business leaders in high-tech and telecom enterprises and professional services firms, to technology investors, Gartner is the indispensable partner to 60,000 clients in 10,000 distinct organizations. Through the resources of Gartner Research, Gartner Executive Programs, Gartner Consulting and Gartner Events, Gartner works with every client to research, analyze and interpret the business of IT within the context of their individual role. Founded in 1979, Gartner is headquartered in Stamford, Connecticut, U.S.A., and has 4,000 associates, including 1,200 research analysts and consultants in 80 countries. For more information, visit www.gartner.com.

# # #