

## New BusinessWeek Research Predicts Surge of Infrastructure Spending

Upgrading their information technology infrastructures is uppermost in the minds of C level executives these days, according to a new survey by BusinessWeek Research Services. Vendors of servers, desktops, enterprise applications, networking devices and other key hardware and software products should be aware that senior managers are interested in a number of technology areas.

As you can see from the charts below, improving network security and general hardware and software upgrades are among the highest IT spending priorities for the 12-month period beginning March 2004, say the 350 CEOs, CFOs, COOs, presidents and other C-level officials responding to an email poll conducted in March. Note that 69% of the respondents are from companies with \$1 billion or more in annual revenues. Also note that 47% were either CEOs or presidents.

In addition to network security and upgrading their systems, other infrastructure-related spending remain high priorities. Increasing network bandwidth, adding business intelligence and other applications also rank higher on C level shopping lists this year than last year.

Poll respondents said increased IT spending plans were based on the following high-priority business goals (in descending order of priority):

1. Better manage budgets
2. Improve customer service and retention
3. Increase sales growth
4. Reach new customers
5. Show return on investment

Note that ROI is ranked number five, a significant decline from prior years. As the economic recovery continues, it is obvious that C-level executives are not abandoning their quest to show a return on IT investments, but taking a more balanced approach after many years of caution.

### **What to do?**

Recently the director of marketing of a large software company told me that his sales team needed aircover. The sales team had found a more receptive IT audience for its products, but the rest of the executive team was unaware of the vendor, its products or their value. Our upcoming special ad section, *The New Infrastructure Imperative*, to be published in *BusinessWeek* September 13, can provide your sales teams the aircover they need to make the deal.

For more information about the special ad section, or our white paper, case study or other content programs, give me a call or send me an email.

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