

Introduction

Providing a Full Life Cycle View of Technology Assets

The useful life of every technology product or service has an end, beyond which it will be more cost-effective to retire and replace the asset than to continue maintaining it. Gartner IT Market Clocks are decision frameworks that provide a full life cycle view of technology assets - whether capabilities, products or services. They help you better evaluate the technology assets you are responsible for, so you can prioritize IT investments and build technology road maps that support business plans

<http://www.gartner.com/technology/research/methodologies/it-market-clock.jsp>

How Do You Use IT Market Clocks?

The way an organization invests in, deploys, manages and approaches technology assets should change during the asset's useful life. IT and business leader clients use IT Market Clocks as decision frameworks to help them evaluate and prioritize their IT investments.

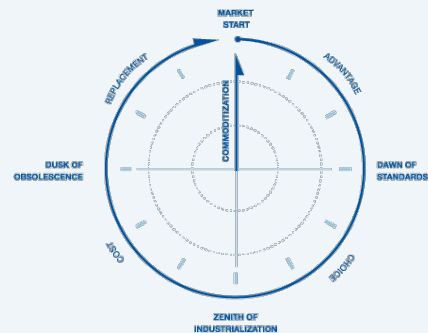
Understanding how each asset is progressing through its useful life allows you to make informed investment decisions. IT Market Clocks are complementary to Gartner Hype Cycles. In essence, Hype Cycles support technology "huting" decisions, while IT Market Clocks support "farming" decisions for assets already in use.

Designed to support multiple IT roles and functions, the IT Market Clock provides a consolidated view of IT assets within a specific portfolio and can assist with portfolio balancing, project prioritization and the development of business cases for investment/divestment.

Examples:

- >Development of business cases to replace aging infrastructure
- >The establishment of principles for bringing outsourced support services back in-house as underlying technology enters its replacement phase

Market Clock



How Do IT Market Clocks Work?

IT Market Clocks use a clock-face metaphor to represent relative market time. Each point on the clock represents an IT asset or asset class. An asset is positioned on the clock using two parameters. Where it currently lies within its useful market life. Each clock begins at 0 (the "Market Start") and moves clockwise around to 12.

Its relative level of commoditization. This determines the distance from the center of the clock—assets further from center are more commoditized.

The clock is divided into quarters, each representing one of the market phases of an asset's useful life. The quarters are named to highlight the general approach recommended for assets passing through that phase:

Advantage-assets in the customized phase, which provide differentiated technology, service or capability

Choice-assets in the mass-customized phase, subject to increasing levels of standardization and growing supply options

Cost-assets in the commoditized phase, where differentiation between alternative sources is at its minimum level and competition centers on price

Replacement-assets in the disfavored phase, usually legacy technologies, services or capabilities

A Market Clock Recommendation Summary provides a tabular summary of the positions and expected trajectory for each IT asset or asset class, as well as specific recommendations.