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JAPANESE SMB IT MARKET DYNAMICS (2008) & THE IMPACT OF J-SOX

In Partnership with Nork Research

INTRODUCTION

This Springboard Research document analyzes current IT investment trends and dynamics among small and medium size businesses (SMBs) in Japan. Specifically, this report examines general SMB IT spending trends while paying close attention to how these trends are impacted by compliance regulations, J-SOX (Japan's version of Sarbanes-Oxley legislation), and IT governance. Concurrently, this document exposes the new demands and business opportunities these laws and regulations create for IT solutions providers.

While practical and hands-on business needs are often believed to drive SMB IT spending, this bulletin demonstrates that data security, information privacy, IT governance, and "internal control" concerns are increasingly becoming intertwined with SMBs' IT spending patterns. In particular, Springboard demonstrates how compliance and governance concerns are affecting IT asset and infrastructure management in SMBs, and how in turn this affects infrastructure spending. This document further describes how compliance concerns affect spending on IT applications and the dual effect they are having on Software-as-a-Service (SaaS) diffusion/adoption among SMBs.

The insights in this document were gained from a survey of 1,210 CIOs, IT managers and line of business managers from SMBs across Japan, as conducted by our partner, Nork Research. In addition, the methodology leveraged for this report included extensive secondary research and interviews with SMB IT providers in the market.

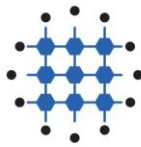
This bulletin is part of a series of reports, released with our Japanese partner Nork Research, which will analyze IT investments from SMBs in Japan.

TABLE OF CONTENTS

INTRODUCTION	1
RESEARCH METHODOLOGY	2
EXECUTIVE SUMMARY	4
SMBS IN JAPAN	5
COMPLIANCE AND SMBS IN JAPAN	7
J-SOX and IT Governance	7
SMB SERVER MARKET	9
Planned Adoption by Server Vendor.....	10
IT Governance and Server Consolidation	14
From Servers to Storage.....	15
IT SOLUTIONS AND COMPLIANCE	15
Core Enterprise Applications.....	16
Customer-focused Applications	17
Data Management Applications.....	18
Communication-Related Applications	19
Summary	21
SAAS AND COMPLIANCE: A NEW APPROACH?	21
CONCLUSION	25

LIST OF FIGURES

- Figure 1: Plans for Server Adoption (% Yes)
- Figure 2: Server Market Share
- Figure 3: Reasons for Adopting Servers (General)
- Figure 4: Reasons for Server Adoption
- Figure 5: Adoption of Core IT Applications
- Figure 6: Adoption of Sales IT Applications
- Figure 7: Adoption of Data Management IT Applications
- Figure 8: Adoption of Communications IT Applications
- Figure 9: SaaS Awareness Among SMBS
- Figure 10: Benefits of SaaS
- Figure 11: Barriers to SaaS Adoption



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