

- *“Lack of pricing competition”* is another reasonable concern which really points to how well functioning the market is. Do we have single or multiple vendors? What are the switching costs?
- *“Loss of strategic control”* is usually wrapped up with fears of letting go and in the cloud space led to the idea of *“server huggers”*. However, there are some valid aspects to the concern around buyer vs supplier power relationship. Most of this can be overcome with strategic planning and examination of different scenarios i.e. what should we do if the supplier rapidly increases price etc.
- *“Declining unit value”* is usually a business concern related to a desire to maintain the past. The only way to counter is through awareness of evolution and how markets aren’t static. You need to look at alternatives opportunities, think Charles Handy’s 2nd curve and try to avoid the spiral of death.
- *“Data for past success counteracts”*, an extremely common form of inertia particularly if the company has been successful. Most companies build up a significant stock of data that informs them how successful the past was. This will often be used to argue that the future will be more of the same. You need to take a leaf out of portfolio management and realise that your portfolio will change over time. Options analysis and risk management