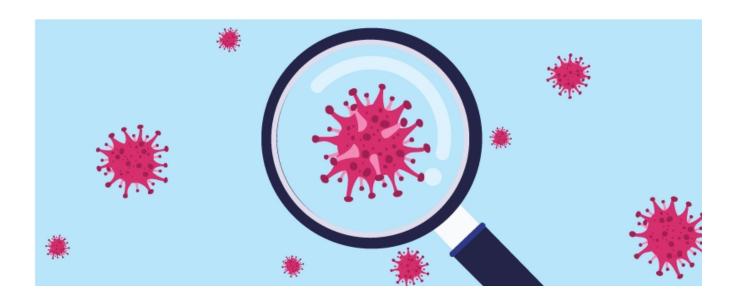
Written by Frederick Douglas 10 April 2020

The enterprise slower has been slower to react to the coronavirus (aka Covid-19) crisis than the PC and AV systems market, Context reports, since resellers were stockpiling products in anticipation of supply disruption as early as February.



However it is possible to see the effects on the enterprise sector on the W. European channel, since the analyst has added the numbers for week 12 of the pandemic. As expected, the UC and collaboration segment (including business communication and collaboration products such as VoIP systems, headsets and cameras) is performing well, boosted by the growing numbers working from home. The gains of week 11 further accelerated in week 12, and the analyst expects the trend to continue into April.

Network management and security (including VPNs, gateways and firewalls) is also on the up, as businesses are updating network infrastructure to enable employees to work from home. Many SMBs are investing in such products, since many did not have the infrastructure in place to allow remote working. Making the change more noticeable is the fact the segment has been in constant decline throughout 2019 and into January 2020. Another segment seeing positive results is enterprise segment, as virtualisation and security are benefiting by the need for more endpoint security licenses, networking security licenses and virtual machines.

On the other side of the story, the reduced demand for infrastructure impacts the sales of

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servers and network switches, as week 12 shows signs of decline. We still need to wait for a few week to confirm whether this is a real trend, since the end of the quarter could bring a few deals to make up the loss. Even so, business closures are leading to a break in infrastructure investment. After all, resellers in S. Europe cannot reach traditional clients who are closing or, at best, refocusing resources into managing the crisis. The same decline can be seen in wireless infrastructure demand, as offices empty and the installation of wireless access point networks is delayed or cancelled.

Looking forward, software and collaboration products are set to continue thriving, and businesses will likewise require more networking equipment to optimise homeworking. Conversely, infrastructure demand will probably slow further, as confinement rules remain at the current levels.

Go Coronavirus: The Enterprise Market is Reacting to the Crisis