

The Supply Chain Broke. Here's What It Means For You

A measured, advisory briefing on how geopolitical tensions and supply chain fragility are reshaping technology investment, and how New Zealand organisations can mitigate the impact today.

SCOPE**Global Supply Chain****FOCUS****Storage Manufacturing****READ TIME****15 minutes**

You're Not Directly Exposed, But Still at Risk

01

A Shifting Global Landscape

Geopolitical tensions, particularly South China Sea dynamics and risks to the Strait of Hormuz are reshaping technology costs, availability, and investment cycles worldwide. These are not distant risks.

New Zealand is currently impacted by hardware pricing and lead times.

02

Real Impacts, Local and Now

New Zealand organisations face rising infrastructure costs, currency headwinds, tighter board scrutiny on ROI, and delayed procurement decisions. Even without direct supply chain exposure.

The effects are indirect but consequential.

03

Resilience Is a Choice To Make Today

Organisations that act strategically now to optimise operations, lock in efficiencies, and build flexible delivery models will emerge stronger when global conditions stabilise.

The impact will compound over the next two years: act now, at lower cost.

One Island. One Strait. 90% of Our **Advanced Chips**

>90%

of leading-edge chips from Taiwan

Chip Concentration

Taiwan Semiconductor Manufacturing Company (TSMC) alone produces the world's most advanced chips. Taiwan accounts for over 60% of global foundry revenue. Any disruption, geopolitical or energy-driven, flows directly into global technology supply.

[Semiconductor Industry Association, 2024](#)

20%

of global oil & LNG exports transit the Strait

Strait of Hormuz

The Strait of Hormuz carries LNG, helium, petrochemicals, and advanced electronics materials. Rerouting around the Cape of Good Hope adds 2–3 weeks to transit times and sharply increases freight and insurance costs.

[U.S. Energy Information Administration](#)

1/3

of global helium produced by Qatar via LNG

Energy for Production

Chip factories in Taiwan, South Korea, and Japan run 24/7 and depend on imported LNG. Qatar processes one-third of global helium as an LNG by-product, exported through the Strait. Helium is essential for EUV (Extreme Ultraviolet) lithography tools used to make leading-edge chips.

[IEA – Electricity 2024 Report](#)

How a Shipping Delay Becomes a **12-Month** Wait for Hardware

01

Geopolitical Pressure

China-Taiwan; Ukraine, Strait of Hormuz risk

02

Energy Disruption

LNG price spikes; helium scarcity

03

Fabrication Shutdowns

Chip factories halt or reduce output

04

Component Shortages

GPU, memory & logic device scarcity (DRAM, SSD and RAM)

05

Price Spikes & Delays

Longer lead times; higher tech costs, shorter quote validity.

Why it affects us in NZ

Short disruptions cause companies to hoard inventory, triggering price spikes and multi-month backlogs. The 2021–2023 chip shortage showed how a relatively modest initial shortfall cascaded into 12–24 month lead times for some components. The outcome? Billions in lost production and delayed infrastructure projects globally.

Six Ways the Global Disruption Is **Already Hitting**

01

Cashflow

Aged debtors and customer defaults are rising as businesses absorb higher costs. Tighter credit conditions compress working capital across supply chains.

02

ROI Under the Microscope

Boards are demanding shorter payback periods and harder ROI justification. Technology investments that once passed on strategic merit now face cost scrutiny.

03

Infrastructure Cost Creep

Energy-driven inflation is pushing up data centre, cloud, and physical infrastructure costs. Hardware procurement is slower and more expensive.

04

Talent Loss

Hiring freezes and budget pressure are pushing organisations toward outsourced and managed models. In-house capability is harder to accommodate and retain.

05

FX Volatility

A weaker NZD reduces purchasing power for offshore suppliers, SaaS platforms, and imported hardware, adding unbudgeted cost to technology strategies.

06

Slow Decisions Increase Costs

Platform upgrades and transformation projects are being deferred. To delay means falling behind competitors who push investments and pull ahead in the recovery.

From \$3,700 in January to \$5,500 Today

>>

**32% increase on
a standard issue
laptop**

From \$2300 in November
to \$3100 today

>>

**20% increase on
standard desktops**

From \$2500 in November
to \$3000 today

>>

**48% increase on
high performance
laptops**

From \$3700 in November
to \$5500 today

>>

**45% increase on
high performance
desktops**

From \$4500 in November
to \$6500 today

AI data centers will consume 70% of memory chips made in 2026. For organisations, the long term effects will impact infrastructure, devices and storage through to 2028.

Dell raised prices 15–20% from mid-December 2025. Lenovo notified clients that pricing guidelines would be obsolete from January 1, 2026. HP will see further rises mid 2026. Memory chips now make up 15–18% of a typical PC's cost.

New Zealand is Still One of the Safest Bets on the Map

New Zealand is a stable, reliable delivery location in a volatile world. That stability is itself a competitive advantage.

Organisations that use our position wisely will emerge from this period ahead of those that wait.

Political Stability = Predictable Investment

New Zealand's regulatory and political environment remains one of the most predictable in Asia-Pacific. Technology investments made here carry less sovereign risk than almost anywhere else.

Our meaningful advantage when global uncertainty is elevated.

Early Movers Capture the Recovery

In every previous economic disruption, from the GFC to COVID-19—organisations that continued to invest in capability during the downturn captured increased gains in the recovery.

The window to build at lower cost is now open.

Outcomes Shaped by Energy Inflation

Two forces will most determine the pace of recovery: global energy price stabilisation, and the trajectory of Asia-Pacific economic growth.

New Zealand is well-positioned to benefit from both as a stable, trade-linked economy in a high-growth region.

Most Organisations Are Sitting on 10–20% in Hidden Cost. **We Find It**

01

Operational Efficiency

Identify the processes, platforms, or workflows creating cost drag, and build a prioritised plan to address them. Measurable savings within your current budget.

02

Cost Roadmap

Map your existing technology spend, identify duplication or underuse, and consolidate your data. Many organisations see 10–20% cost recovery before any new investment.

03

Risk Advisory

Expose offshore technology contracts and identify where local alternatives, multi-year pricing, or contract restructuring can reduce currency risk.

04

Resilience Planning

Sequence technology investments to deliver early value and reduce payback periods, giving your board the shorter ROI windows they are asking for.

05

Procurement Intelligence

Get market insight on hardware availability, lead times, and pricing trends. Stay ahead of competitors for timing purchases and protect your capital budget from unexpected cost blowouts.

| MOVE THROUGH

The Window to Act at Low Cost Is Open

Three clear next steps

Protect your organisation and build advantage during global uncertainty.

Ready to start the conversation?

softsource.co.nz

01 BOOK A RESILIENCE REVIEW

A focused 90-minute session with your leadership team to map your current exposure across the six pressure points outlined in this document. No cost, no commitment.

02 REQUEST A COST OPTIMISATION ASSESSMENT

We'll review your current technology spend and identify specific savings opportunities, typically deliverable within 4 weeks and actionable within a single financial quarter.

03 JOIN OUR ADVISORY BRIEFINGS

Quarterly updates on global supply chain conditions, semiconductor market movements, and what they mean for NZ technology investment delivered to your inbox.