



This Cheap Tech Stock Could Get a Big Boost After Partnering With Microsoft (NASDAQ:MSFT)

Description

If you're looking for a [good tech stock](#) to invest in on the TSX that could produce some great returns, then you should consider buying shares of **Sierra Wireless** ([TSX:SW](#)) ([NASDAQ:SWIR](#)). The stock has had a rough year, dropping more than 20% in value and currently trading around its book value. However, a recent agreement with **Microsoft** could change that and could give the company an opportunity to grow its sales significantly.

Sierra operates in the Internet of Things (IoT) industry, which has a lot of potential, as consumers nowadays expect just about everything to be connected to the cloud and have some internet connectivity. And while Sierra has grown its top line by 15% last year and 45% since 2014, in its most recent quarter, sales were down 7% from a year ago.

The problem is that Sierra's customers have found the products and services to be too complicated. Working with Microsoft and utilizing the company's Azure platform and cloud services will not only help simplify the process but improve efficiency as well. Using the Azure IoT Central, customers will be able to develop IoT applications "in hours without cloud computing experience or specialized skills." Sierra sees this drastically improving the turnaround time for customers, going from months of development to merely days.

It's easy to see how that could translate into a better product for consumers and drive more sales, especially for customers that might have lacked the technical capabilities in the past or simply not wanted to use up so many resources to do so.

One of Sierra's executives involved with corporate strategy, René Link, stated that this is a problem that has not been new for the company: "We've consistently heard from customers about how complex it is to integrate IoT technology, which takes time and focus away from their core business. This collaboration creates a category-of-one IoT solution that will accelerate edge data into the cloud, allowing enterprises across the globe to monetize IoT."

By offering more attractive solutions for customers, it will undoubtedly help Sierra win over new

businesses.

Why that makes the stock a hot buy today

This announcement is a significant one for Sierra, as it helps pave the way for a lot of potential growth for the company. And with a need to grow its sales, partnering with Microsoft is a great way to accomplish that. One thing Microsoft has done well over the years has been creating systems that have been easy to use for consumers, and that's what Sierra looks to be lacking today.

It'll be an exciting opportunity for Sierra that could unlock tremendous [growth](#) for the company and help it soar to new heights. With no earnings and lacklustre growth recently, it's no wonder that the stock has struggled, but that could make it a great opportunity for investors to invest today, before the company realizes the benefits from the results of this new agreement with Microsoft.

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