

34 MILLION NETBOOKS TO BE PURCHASED GLOBALLY BY BUSINESSES AND CONSUMERS in 2010, SAYS TECHAISLE

San Jose, CA, August 2, 2010: Techaisle is re-iterating its forecast of Netbooks, initially released in mid-2009 that 34 million netbooks will be purchased by businesses and consumers in 2010, a growth rate of 9 percent from 2009. While marketing momentum was created to uphold a view for a much larger netbook market with forecasts of ballooned shipments, we at Techaisle presented a more accurate but subdued picture, reflecting the insight, breadth and depth of our global research.

Techaisle research shows that in 2010 the business netbook penetration will be 5.3 percent and consumer netbook penetration will be 1.8 percent. In 2010 there will be a short and transient shift of netbook purchases among consumers from some mature markets into a few newly emerging markets. At the same time European businesses will continue to adopt netbooks in decent numbers. Techaisle finds that netbooks are especially popular in Europe among very small retail shop booth owners. From 2011 onwards netbook market will show a damped growth curve until 2013 and 2014. However, it will be important for vendors to understand which countries will show growth.

In 2009, netbooks were able to create a market by attracting new buyers and addressing latent mobility needs (need for small, lightweight device), Techaisle believes that market expansion is limited by the “value proposition differential” - the subjective and objective differences in user experience between various form factors.

“We firmly believe the netbook device is developing into an interesting but niche product segment” – says Anurag Agrawal of Techaisle, adding “only those vendors who will quickly understand the boundaries of such niche will truly be able to maximize on the ROI and capitalize on its opportunities”.

Techaisle research findings have always ascertained that appetite for netbooks is found not just as consumer play but increasingly as business tool – where we believe lays its strongest value proposition, not as a replacement but as an additional purchase. If the market has to be expanded, it would be good for netbook vendors to begin pursuing users with a “business oriented value proposition”.

Netbooks are good for students on the move, households at first introduction, shop owners who have no IT equipment but want to navigate throughout the day and traditional businesses for a light weight device.

“The answer for which netbook market is found if we look at netbook usage rather than the channels / method of purchasing and the vendors re-positioning, such as Vodafone”, says Paolo Puppoli of Techaisle.

About Techaisle

Techaisle is an actionable data driven market research company based in San Jose with global coverage. Techaisle's premise is that Go-to-Market strategies require actionable data delivery based on aggregation, focused analytics and dynamic segmentation. Techaisle provides five major services: Worldwide IT Market and Channel Partner Sizing, Syndicated Research, Custom Consulting, Segmentation, and Social Media Tracking. For more information on Techaisle or its global products/services, please visit www.techaisle.com or call 408-914-2989.