

## TECHAISLE Q2 SURVEY SHOWS 28 PERCENT OF SMALL BUSINESSES IN CHINA AND INDIA HAVE PLANNED TO INCREASE THEIR IT BUDGETS

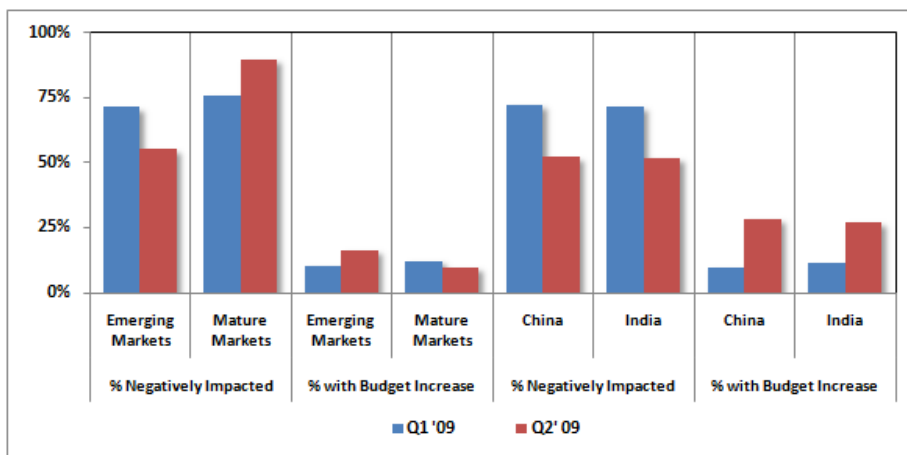
### **Overall 17 percent of SBs in emerging markets of Brazil, Russia, China, India, Turkey are expected to increase their IT budgets**

**San Jose, CA, July 12, 2009:** Techaisle’s Q2 survey conducted across nine countries (US, UK, Germany, Brazil, Russia, India, China, Turkey, Malaysia) shows that small businesses in China and India have been the fastest to recover from negative economic impact when compared with similar survey done in Q1 across same countries.

The Q2 survey shows that 55 percent of Small Businesses in Emerging Markets still feel negatively impacted by the economy; however, this is down from 72 percent in Q1. On the other hand, percent of Small Businesses in Mature Markets that feel negatively impacted has gone up, especially in UK and Germany.

The findings were released today by Techaisle, a market research and consulting company focused on Emerging Markets, Emerging Technologies and Interactive Entertainment.

“Emerging market small businesses are leading the path to recovery. China is spending a higher percentage of its GDP on a stimulus than even the US. India is still a largely unfulfilled market especially in Tier 3 and Tier 4 cities”, says, Anurag Agrawal, Techaisle.



The survey also found that the percent of small businesses in mature markets of US, UK, Germany who have planned to decrease their IT budgets in Q2 has gone up when compared to Q1. However, the average decrease of budget has gone down to 15 percent in Q2 as compared to 21 percent in Q1.

### **IT Purchases most Impacted due to Decrease in IT Budgets**

When the small businesses in mature markets were specifically asked which areas of IT were being most impacted by decrease in IT budgets, the top five that emerged were:

1. Upgrading of line of business software
2. Purchase of new servers
3. Purchase of new notebooks
4. Cutting down on external IT consultant/support services
5. Investigating Managed Services to cut costs

While the small businesses in emerging markets were more optimistic, the top five areas of IT investment that were most impacted included:

1. Upgrade of network hardware
2. Upgrade of security software
3. Purchase of new notebooks
4. Investigating Unified Communications
5. Upgrading of existing servers

### **IT Purchase Priorities for Small Businesses with Increased Budgets**

Within the mature markets of US, UK, Germany there are a small but growing percentage of small businesses that have also increased their IT Budgets in Q2. The top five areas for IT investments include for these small businesses with increased budget are:

1. Purchasing new servers
2. Investigating Netbooks
3. Purchasing new Desktops
4. Upgrading existing servers
5. Upgrading business productivity software

Similarly, within emerging markets where a larger percentage of small businesses have increased their IT budgets, the top 5 areas of IT investments are:

1. Purchasing new servers
2. Purchasing new desktops
3. Investigating Netbooks
4. Purchasing new notebooks
5. Upgrading existing servers

### **IT Purchase Priority for Small Businesses as Country Economy Improves**

Small businesses in both mature and emerging markets were asked about their IT investment priorities once the economy improved. Small businesses in mature markets outlined the following priorities:

1. Purchasing new servers
2. Purchasing new desktops
3. Upgrading existing servers
4. Purchasing new notebooks
5. Upgrading networking hardware

While the small businesses in emerging markets outlined the following priorities:

1. Purchasing new desktops

2. Purchasing new servers
3. Purchasing new notebooks
4. Upgrading business productivity software
5. Purchasing Netbooks

“Emerging markets are providing a bright spot for IT vendors in the current environment” says Abhijeet Rane, Techaisle.

Survey results in the release are available for purchase as reports.

### **About Techaisle**

Techaisle is a market research and consulting company focused on Emerging Markets, Emerging Technologies and Interactive Entertainment. Techaisle provides actionable data delivered as an answer to a specific question. Techaisle’s Market Data-as-a-Service offered through [www.marketviewportal.com](http://www.marketviewportal.com) makes available for purchase just the market sizing data that clients need. Our segmentation algorithms are easily understood, easily deployable and drive actual sales and market understanding. Techaisle's blog is available at <http://techaisle.wordpress.com>

Techaisle offers services in five major areas - Market Sizing; Survey Research of End Users; Survey Research of Distribution Channels; Custom Market Research; and Segmentation.

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