

SMB IT SPEND GROWTH TO BE 5.2 PERCENT IN 2010, SAYS TECHAISLE

San Jose, CA, August 19, 2010: SMBs are expected to spend US\$444 Billion globally on IT Products and Services in 2010 exhibiting a growth rate of 5.2 percent from 2009. Small and Medium businesses are widely considered to be a growth engine for IT vendors. However, the looming possibility of a double dip in the US and other economies seems to be putting the skids on this growth market.

Within the SMBs, 50-99 employee size category will grow the fastest at 7.9 percent while the biggest spenders will be the 100-249 employee size category at US\$100 billion.

The silver lining is the emerging market countries where IT Spend by SMBs will show a growth rate of 8.2 percent in 2010 over 2009. Among the emerging market countries, BRIC country SMBs will spend \$45 billion on IT in 2010. Besides Brazil, Russia, India and China other emerging market countries with relatively higher SMB spend will be Mexico, South Africa, Poland, Malaysia, Argentina, Turkey, Indonesia, Czech Republic, Thailand and Philippines.

Interesting point to note is that Computing Hardware among emerging market SMBs will form a whopping 56 percent of the share of IT Spend as SMBs are still at an early stage of adopting IT and are the lowest rung of IT building blocks. At a global level, share of computing hardware is expected to be 34 percent while software will be at 19 percent.

Traditional IT spending among SMBs is slowing in mature markets. With already a heavy adoption of basic technology completed, growth areas would be cloud computing but spend levels will be low. Whereas the emerging market SMBs are still at an early stage of adopting basic computing technologies.

The above data was released today by Techaisle and will be available for pay-per-download from its MarketViewPortal by 1st September 2010. However, the deliverable is available via Excel pivot tables.

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.