

New devices drive global IT spending

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Tablets are displayed in a cell phone shop on November 14, 2012 in Johannesburg, South Africa

Global spending on information technology is expected to reach \$3.8 trillion in 2014, driven by growth in connected devices ranging from jewelry to refrigerators, researchers said Monday.

A report by the research firm Gartner said IT [spending](#) is expected to increase 3.6 percent from 2013.

The vast expansion of digital devices affects just about every industry in what is described as the Digital Industrial Economy, according to Gartner researcher Peter Sondergaard.

Sondergaard said this means every company is becoming a technology in an era of the "Internet of Things."

"Digitalization exposes every part of your business and its operations to these forces," he said. "It is how you reach customers and constituents, how you run your physical plant and how you generate revenue or deliver services.

"Enterprises doing this today are setting themselves apart and will collectively lead the new Digital Industrial Economy."

Gartner said that in 2009, there were 2.5 billion connected devices with unique IP addresses to the Internet, most of them cell phones and computers.

In 2020, there will be up to 30 billion devices with unique IP addresses, most of which will be products.

Gartner predicts that the total economic value add for the Internet of Things will be \$1.9 trillion dollars in 2020, benefitting a wide range of industries, such as healthcare, retail and transportation.

"Computing power will be cheap and covert. We won't know it is there. It will be in our jewelry and in our clothing," Sondergaard said.

"We will throw more computers into our laundry in a week than we've used in our lifetimes so far."

Gartner said that by 2017, new [device](#) categories such as mobile phones,

tablets, and ultra-mobile PCs, will represent more than 80 percent of device spending, and that tablets will comprise nearly half of first-time computer purchases.

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