

TMT predictions 2015

The future of technology, media and telecommunications

What are the trends that should inform strategy thinking for companies in the technology, media and telecommunications (TMT) sectors? The Deloitte TMT Predictions Report, researched and prepared annually, identifies the critical issues and how these could be manifest over the next 12-18 months, potentially affecting all industries.

The TMT Predictions Report is based on hundreds of conversations with industry leaders and tens of thousands of consumer interviews around the globe.

Technology

Deloitte predicts that one billion wireless Internet of Things (IoT) devices will ship in 2015. IoT refers to the interconnection of everyday objects via the internet, such as household appliances, smart meters and sensors, leading to smart homes, smart cities and smart highways.

IoT hardware and connectivity revenue is growing at about 10-20% annually, while the apps, analytics and services are growing at 40-50%.

As smartphones and other devices become more powerful, questions are being asked about finding ways to extend battery life. Unfortunately, Deloitte predicts that rechargeable, lithium ion (Li-Ion) battery technology will improve only modestly in 2015.

A trend that is more specific to Europe is the growth in click and collect locations, where online orders are picked up from a physical location rather than delivered to the purchaser's home. Rising ecommerce leads to a predicted half a million such locations in 2015, 20% higher than the previous year.

Media

A notable prediction is that print will survive and account for 80% of book sales worldwide. Ebook sales are faltering, even falling—a trend seen only in the last year. The ability to collect physical books is the predominant reason for them not being replaced by ebooks.

Telecommunications

A headline forecast in the telecommunications field is the increased penetration of smartphones into the market. Deloitte expects a billion smartphones to ship in 2015, generating over \$300 billion in sales.

Massive improvements in smartphone technology will drive huge volumes of handset upgrades in the years ahead. The quantity of smartphones purchased will be greater in units and revenue than the PC, television, tablet and games console sectors combined, making them the most successful consumer device in history.

