

SMEs to spend 11% more on networking products

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Indian small and medium enterprises (SMEs, or companies with up to 999 employees) will spend \$1.04 billion (Rs 5,200 crore) on networking products and services this year, up 11 per cent over 2008. According to a new report by AMI Partners, medium enterprises (MEs, or companies with 100 to 999 employees) will generate a major portion of this spending, accounting for nearly 59 per cent of the total SME networking expenditure. The growth in networking spending among small enterprises (SEs, or companies with up to 99 employees) will be spearheaded by wireless networking.

AMI pointed out that the estimated growth level is down during the current economic slowdown, but is still much better than other geographies. The number of LAN-based businesses for the SME sector in India will have a marginal growth of 12 per cent in 2009.

New technologies will impact the vendors and the channels that offer networking equipment.

The market for WAN optimisation is expanding, as businesses deploy more robust infrastructures.