



# Tech Spend Trends: Top 3 IT investments in 2015

Heading into the New Year, optimism is high among U.S. businesses, buoyed by a profitable 2014. A recent survey of small to medium business (SMB) owners found that more than 80% experienced revenue growth this past year and even more are forecasting revenue increases for 2015.<sup>1</sup> How do they plan to spend those profits? Technology. IT Executives say they'll increase budgets by 13% on average next year.<sup>2</sup>

## Here are three top technology trends that should see increased investment in 2015:



### 1. Big data will be a big deal.

More companies will be mining customer information for patterns and predictive behaviors that will help them make smarter business decisions. Computerworld found that 38% of IT executives say they will dedicate dollars to analytics in the coming year as a competitive strategy to increase efficiencies and drive sales. According to CEA's Technology Trends to Watch report, companies are finally coming around to just how impactful analytics can be on the bottom line—seeing results from calibrating everything from production calculations to fraud detection to equipment maintenance scheduling



### 2. In-house is out; outsourcing is in.

More companies are moving away from big infrastructure investments and on-premise technology in favor of more flexible, outsourced Cloud options. Not surprising, given that 70% to 80% of IT budgets traditionally go towards maintenance and upkeep of legacy systems.<sup>3</sup> Gartner notes that 38% of all IT budget spend is outside of IT already and, by 2017, more than half of IT budget will be dedicated to third-party solutions that unite internal workflow systems, improve business processes and service customers.



### 3. Cloud will be the clear winner.

Nearly two-thirds of small and medium-sized businesses are currently using some type of cloud-based service and 40% plan to invest more on software as a service (SaaS) and cloud solutions in 2015.<sup>4</sup> Most companies plan to migrate CRM, ecommerce, collaboration and supply chain to the Cloud, but should also consider switching to SaaS solutions for other labor-intensive and costly tasks, such as sale tax compliance. Aberdeen Group found that best-in-class companies saw optimal results when using an outsourced sales tax automation software in conjunction with their accounting or ERP system.<sup>5</sup>

<sup>1</sup> Xero

<sup>2</sup> Computerworld

<sup>3</sup> IDC

<sup>4</sup> Spiceworks, Computerworld

<sup>5</sup> Aberdeen Group



More companies are seeing technology adoption as a strategy—a way to stay competitive in a fast-moving global market. Outsourcing and automation play key roles in this strategy, leveling the playing field for small to mid-sized companies who can now access leading-edge solutions to grow their business.

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