

Report Synopsis

After the dotcom bubble burst in 2000, there was a worldwide cut back in corporate spend on technology. The Software Products and Information Technology Services Industry has since made a good recovery, and was worth USD1.13 trillion in 2005, with a year on year growth of 11.37%. Increasing reliance on internet based technology and shifts in the industry's business model have contributed to change and growth within the industry as a whole.

The market was dominated in 2005 by the US and the EU, which together accounted for over 60% of the global market, with the US alone making up 41% of the industry.

The Software Products and Information Technology Services Industry remains highly fragmented, with the top six companies constituting only 13% of the market. However there was a marked increase in M&A levels, with around 3000 deals in 2005. Microsoft, IBM and EDS were the market leaders in 2003 in terms of revenue.

The industry has appeared more uncertain and unpredictable than many other global industries over recent years, although its future is assured. Breakthroughs can and do appear from anywhere, often creating large scale change and causing the industry to branch out in unexpected directions.

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