

Low-cost devices drive growth in wearable gadgets market

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The wearable technology devices market in the Middle East and Africa (MEA) grew 38.3% in the third quarter of 2016 to about 487,000 units, driven by low-cost devices, according to a report by global research firm International Data Corporation (IDC). Wearable devices include smart watches and fitness devices.



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By the end of 2016 the IDC expects wearables market in MEA to total 1.96-million, representing a increase of 38.4% compared to 2015.

"Buyers for smart wearables are limited as the main application for these devices is fitness, which is an area that basic wearables also cater for at a much lower cost," said Nakul Dogra, a senior research analyst for personal computing, systems and infrastructure solutions at IDC MEA.

Basic wearables continue to experience higher uptake as their already-low prices are declining further still in a bid to drive differentiation, since there is little to separate the offerings in terms of functionality, says Dogra.

The market is tipped to grow a further 22.6% in 2017 to reach 2.4-million units for the year. The uptake of wearables has

been relatively slow in MEA when compared to other regions, so there is still plenty of room for adoption and continued steady growth over the coming years. New product launches in the earwear and clothing categories will also fuel further growth.

"Value-seeking buyers need to trigger the next wave of growth for wearables, and vendors need to come up with innovative products and applications in order to spur purchases of these gadgets," says Dogra.

According to Dogra, the focus of vendors should be on developing new applications and finding new ways to make use of the existing data captured by wearables so as to enable day-to-day tasks to be performed much easier.

"There should also be efforts to create an ecosystem of gadgets so that these devices can interact with each other and freely exchange information."

Source: BDpro

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