



More predictions as set out by Peter in June 2013;

### **DEVICE COSTS**

A device that today costs, say, £500 is expected to cost around £100 by 2018 and be far more powerful, able to store more information and be easier to use. And be just about everywhere.

Devices tend initially to be costly. Those who want to be at the cutting edge are prepared to pay. The cost holds as the market expands until there is a struggle for new customers. Competition then drives technical development forward and costs downwards to the buyers' advantage.

The market is kept going by improved value for money. The factors that decide value are personal to the individual: affordability; capability of the device; ease of use; convenience provided by the device and perhaps even peer pressure or fashion.

Mobile phones score highly on improving capability and convenience and will remain expensive until the market demands cheaper ones. (Note: Recently i-phones have been launched in two flavours at different prices.)

For less glamorous items like USB memory sticks the factors are different. People will be happy to own several of them and yet they are also getting cheaper and more convenient. In 2008 an 8GB USB2 flash drive cost £5.63/GB. Now a similar drive will cost 87p/GB – and it will be USB3 which is TEN TIMES faster than USB2 and a mere one sixth of the price.

Other devices can maintain their price only by increasing their value for money by better design and performance. Products that fail to make progress will fail and vanish.

### **THE INTERNET OF THINGS**

This term is new enough that it is not yet a settled title (even so it has been abbreviated to “IoT”).

It is the extension of automatic communications as the ability to communicate spreads. Your mobile phone keeps in touch with your network the whole time it is switched on. If lost or stolen it can be located.

Everything can be ‘chipped’ for identification purposes and the technology exists for the chips to communicate to a network. Pets, pacemakers, cattle, roads, containers, cars – the sensors are spreading. Your mobile phone can remotely switch on your central heating and your freezer can keep track of its contents.

The interaction of all this information is already being used to target advertising and enable better stock control and keep prices down. The ability to handle masses of data has enabled better weather forecasting (really). New ways to use the information will improve our lives: health monitoring to give early warnings possibly, or identification tags that will be cheap enough to use on everything.

Whilst the good guys are making the improvements, a parallel effort must be made to prevent the bad guys from doing harm. Let's hope that has even more success.