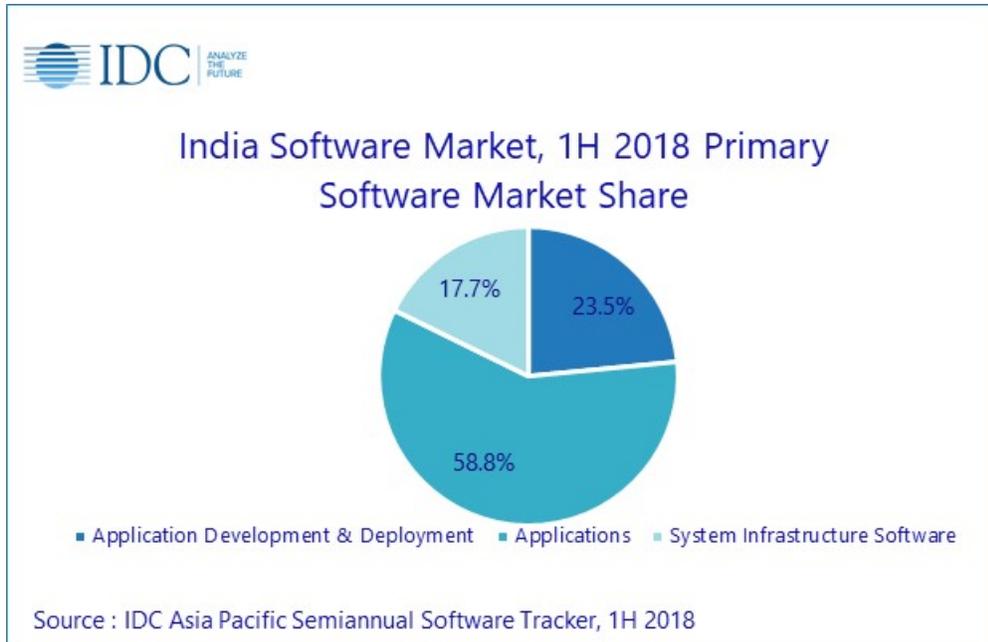![IDC - Analyze the Future]

India software market set for accelerated growth in 2019 riding on Digital Transformation (DX) initiatives: IDC India Reports

New Delhi, 14th December 2018 - A year-on-year (y-o-y) growth of 14.1% is expected to be achieved by India software market by the end of year 2018, as per (*International Data Corporation*) IDC's latest Asia Pacific (excluding Japan) Semiannual Software Tracker, 1H 2018. The market is poised to be valued as USD 5.7 billion in 2018.

Today, India stands among the top 3 contributors in the APeJ region's software market share; accounting 12.6% of the overall market. Also, the country is estimated to achieve a CAGR of 14.4% between 2017 and 2022- this is the highest growth rate anticipated amongst the APeJ countries for the above-mentioned period. "Sustained growth in digital technology investments by Indian organizations to accomplish priorities such as modernization of legacy infrastructure and achieving operational excellence are driving the growth story of India software market," said **Ranganath Sadasiva** **, Director Enterprise Solutions, IDC India.**

IDC classifies the Software market into three primary categories: Applications, Application Development and Deployment (AD&D), and System Infrastructure (SI) Software. Applications contributed the bulk of the spending with a 58.8% share, followed by AD&D and SI software with shares of 23.5% and 17.7%, respectively, in 1H 2018.

Figure 1

India Software Market, 1H 2018 Primary Software Market Share

Source : IDC Asia Pacific Semiannual Software Tracker, 1H 2018

High Growth Software Segments:

For the forecast period, 2017-2022, IDC predicts Collaborative Applications, Enterprise Resource Management (ERM) Applications and Content Workflow & Management Applications and Customer Relationship Management (CRM) to be the top opportunity areas for the vendor community (please refer table below):

Figure 2

Hight Growth Secondary Software Markets in India, Compound Growth Rate (%), 1H2018

Secondary Software Markets	CAGR (2017-2022)
Collaborative Applications	36.7%
Enterprise Resource Management (ERM) Applications	19.1%
Content Workflow and Management Applications	18.3%
Customer Relationship Management (CRM) Applications	17.3%

Source: IDC Asia Pacific Semiannual Software Tracker, 1H 2018

"The high growth markets clearly indicate the emphasis India organizations are placing toward the implementation enterprise applications for business processes efficiency. There is tremendous business potential for collaborative, ERM, content management, and CRM applications in the

next 3-5 years", said **Sandeep Kumar Sharma** , **Associate Research Manager, Software and Services, IDC India.**

According to IDC's estimate Application Development and Deployment account for 23.5% of the total India software market. "DevOps is amongst the top infrastructure related priorities for majority of larger organizations in India currently. This is being led by their need for agility, nimbleness to market, and better user experience.", said **Mohsin Baig** , **Market Analyst, Enterprise Software, IDC India.**

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,100 analysts worldwide, IDC offers global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a subsidiary of IDG, the world's leading technology media, research, and events company. To learn more about IDC, please visit www.idc.com. Follow IDC on Twitter at @IDC.

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For more information contact:

Shabi Hussain
sshussain@idc.com
9951545511