



Business Managers Will Increasingly Fund IT Spending Across European Industries, Says IDC

LONDON, May 24, 2019 — In Europe we are witnessing a shift in technology spending from IT to the line of business (LOB). In a new update to the Worldwide Semiannual IT Spending Guide: Line of Business, International Data Corporation (IDC) forecasts that European technology spending by LOB decision makers will steadily grow and will increase faster than spending funded by IT organizations through 2022.

European companies are forecast to spend \$399 billion on IT (hardware, software, and services) in 2019. More than half of that spending (58.9%) will come from the IT budget, while the remainder (41.1%) will come from the budgets of technology buyers outside of IT. Nonetheless, LOB technology spending will grow at a faster rate than IT spending in the years ahead. The compound annual growth rate (CAGR) for LOB spending over the 2017–2022 forecast period is forecast to be 5.9%, compared with a 2.9% CAGR for IT spending.

In 2019, banking, discrete manufacturing, and process manufacturing will have the largest spend coming from LOBs. Retail, professional services, and discrete manufacturing will have the fastest LOB spending growth over 2018.

"In Europe, business managers are raising their voice in the IT decision-making process," said Andrea Minonne, senior research analyst at IDC Customer Insights & Analysis. "This trend is revolutionizing and disrupting how companies make technology investments, with LOBs more often claiming control over IT budgets. The consumerization of applications, especially those to access content and improve collaboration, together with the more mainstream use of cloud solutions, the uptake of software as a service, and the BYOD area, are driving LOBs to make technology investments independently. This results in a greater tendency to skip IT department approval, which can sometimes take a long time and delay workloads."

The IDC Worldwide Semiannual IT Spending Guide: Line of Business quantifies the purchasing power of the non-IT department technology buyer by detailing enterprise IT spending for 14 technologies and 12 corporate functional areas across 16 enterprise industries in nine regions and 53 countries. The guide provides a granular view of the market for IT spending from a geographic, industry, functional (LOB), and technology perspective. Unlike any other research in the industry, the LOB Spending Guide was designed to help business and IT decision makers

better understand the scope and direction of corporate technology spending over the next five years.

About IDC Spending Guides

IDC's Spending Guides provide a granular view of key technology markets from a regional, vertical industry, use case, buyer, and technology perspective. The guides are delivered via pivot table format or custom query tool, enabling the user to easily extract meaningful information about each market by viewing data trends and relationships.

About IDC

IDC is the premier global provider of market intelligence, advisory services, and events for the information technology and telecommunications industries. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. Over 775 IDC analysts in 50 countries provide global, regional, and local expertise on technology and industry opportunities and trends. For more than 40 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company. You can learn more about IDC by visiting <http://www.idc.com/>.

IDC is a subsidiary of IDG, the world's leading technology media, research, and events company. Additional information can be found at www.idc.com.

All product and company names may be trademarks or registered trademarks of their respective holders.

For more information contact:

Andrea Minonne
aminonne@idc.com
+44 (0) 20 8987 7181