# Double-Digit Growth Forecast for the Worldwide Big Data and Business Analytics Market Through 2020 Led by Banking and Manufacturing Investments, According to IDC

**FRAMINGHAM, Mass., October 3, 2015** &ndash; According to the latest *Worldwide Semiannual Big Data and Analytics Spending Guide* from International Data Corporation (IDC), worldwide revenues for big data and business analytics (BDA) will grow from $130.1 billion in 2016 to more than $203 billion in 2020. IDC's Spending Guides offer greater insight into key technology markets by providing expanded revenue detail by technology, industry, and geography.

&quot;The availability of data, a new generation of technology, and a cultural shift toward data-driven decision making continue to drive demand for big data and analytics technology and services,&quot; said Dan Vesset, group vice president, Analytics and Information Management. &quot;This market is forecast to grow 11.3% in 2016 after revenues reached $122 billion worldwide in 2015 and is expected to continue at a compound annual growth rate (CAGR) of 11.7% through 2020.&quot;

The industries driving much of this growth include banking, discrete manufacturing, process manufacturing, federal/central government, and professional services. Together, these five industries will account for nearly 50% of worldwide big data and business analytics investments in 2016 and will remain the top five industries through 2020. In addition to being the industry with the largest investment in big data and business analytics solutions (nearly $17.0 billion in 2016), banking will see the fastest spending growth. Telecommunications, utilities, insurance, and transportation will join banking as the industries with the largest CAGRs over the five-year forecast period. However, these industries will not be alone; 16 of the 18 industries covered in IDC's spending guide will experience double-digit CAGRs from 2015-2020.

Figure 1

51.7%

$130.1 B

13.1%

7.4%

7.6%

8.4%  11.9%

● Banking   ● Discrete Manufacturing   ● Process Manufacturing
● Federal/Central Government   ● Professional Services   ● Others

Source: IDC Worldwide Semiannual Big Data and Analytics Spending Guide, 2015H2

&quot;This year and over the life of the forecast, we're expecting to see healthy growth in spending on big data and analytics technologies from nearly all industries, including banking and telecommunications,&quot; said Jessica Goepfert, program director, Customer Insights and Analysis. &quot;In our end-user research, respondents from organizations in these industries are placing a high priority on BDA initiatives over other technology investments. Within banking, many of these efforts are focused on risk management, fraud prevention and compliance related activities. The customer experience is at the heart of the telecommunication industry's BDA investments; for instance, BDA technologies are being deployed in call centers to enable representatives to delight callers with superior service.&quot;

Large and very large companies (those with more than 500 employees) will be the primary driver of the big data and business analytics opportunity, generating revenues of more than $154 billion in 2020. However, small and medium businesses (SMBs) will remain a significant contributor with nearly a quarter of the worldwide revenues coming from companies with fewer than 500 employees.

Technology investments will be led by IT and business services, which together will account for more than half of all big data and business analytics revenue for most of the forecast period. Services-related spending will also experience the strongest growth throughout the forecast, with a five-year CAGR of 14.9%. Software investments will grow to more than $60 billion in 2020, led by purchases of End-User Query, Reporting and Analysis Tools and Data Warehouse Management Tools. Content Analytics Tools and CRM Analytic Applications will see above-

average growth (CAGRs of 18.5% and 10.4% respectively) as companies expand their big data and analytic activities. Hardware investments will grow at a CAGR of 8.7%, reaching $29.9 billion in 2020.

From a geographic perspective, more than half of all big data and business analytics revenues will come from the United States. By 2020, IDC forecasts that the U.S. market for big data and business analytics solutions will reach more than $95 billion. The second largest geographic region will be Western Europe, followed by Asia/Pacific (excluding Japan) and Latin America. The two regions with the fastest growth over the five-year forecast period will be Latin America and the Middle East &amp; Africa.

The *Worldwide Semiannual Big Data and Analytics Spending Guide* is designed to address the needs of organizations assessing the big data and business analytics opportunity by geography, industry, and company size. The Spending Guide provides subscribers with revenue projections for 15 technology and service categories across 19 industries, five company size bands, and 53 countries. Unlike any other research in the industry, the comprehensive Spending Guide was designed to help IT decision makers to clearly understand the industry-specific scope and direction of big data and business analytics opportunity today and 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 spending guides are delivered via pivot table format or custom query tool, allowing the user to easily extract meaningful information about each market by viewing data trends and relationships.

For more information about IDC's Spending Guides, please contact Monika Kumar at mkumar@idc.com.

**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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