

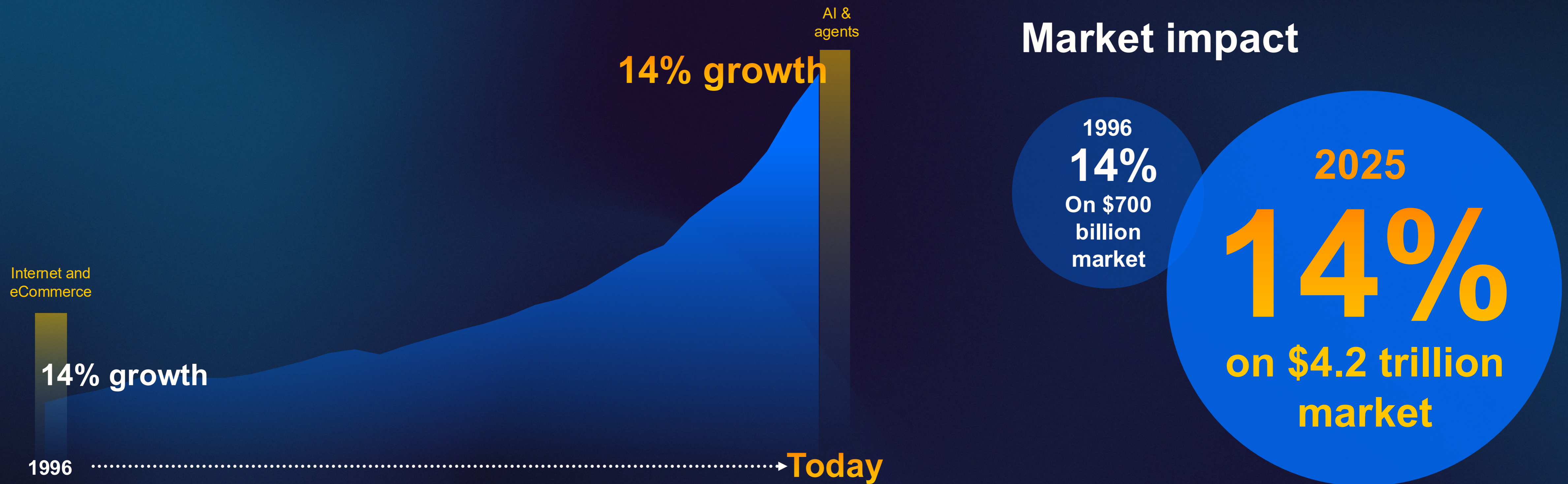


The AI Supercycle: Where the Next Trillion in Tech Value Will Be Created

Meredith Whalen

Chief Product & Research Officer, IDC

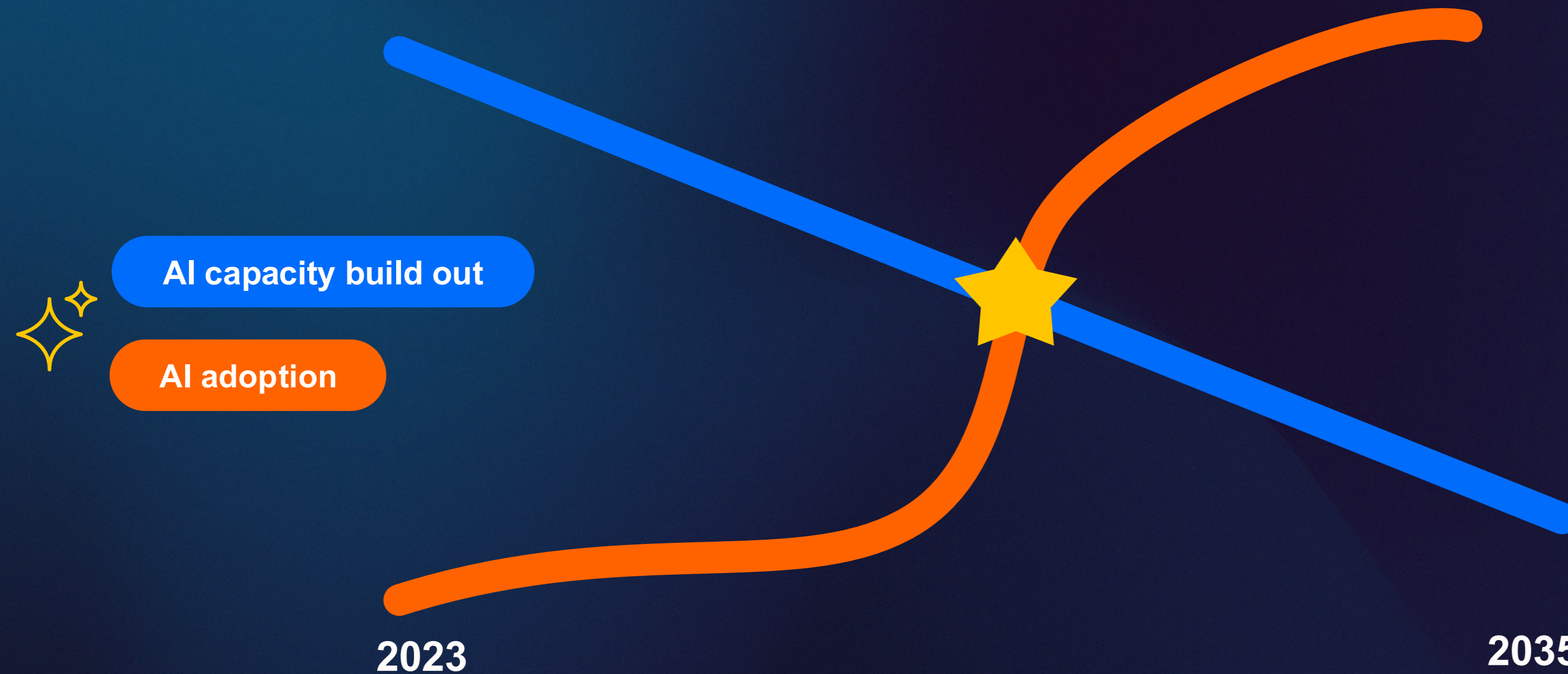
Strongest **IT spend** since 1996



Source: IDC Worldwide Black Book 31-March-2026, Forecast



The **AI supercycle**: Build out => adoption



Market impact

- **Supply:** When is infrastructure ready for inference at scale?
- **Demand:** When do enterprises go from experimentation to production?



What's shaping the **AI** supercycle?

Supply

- When AI infrastructure is ready for inference at scale
- The pressure AI-driven memory demand puts on the IT market

Demand

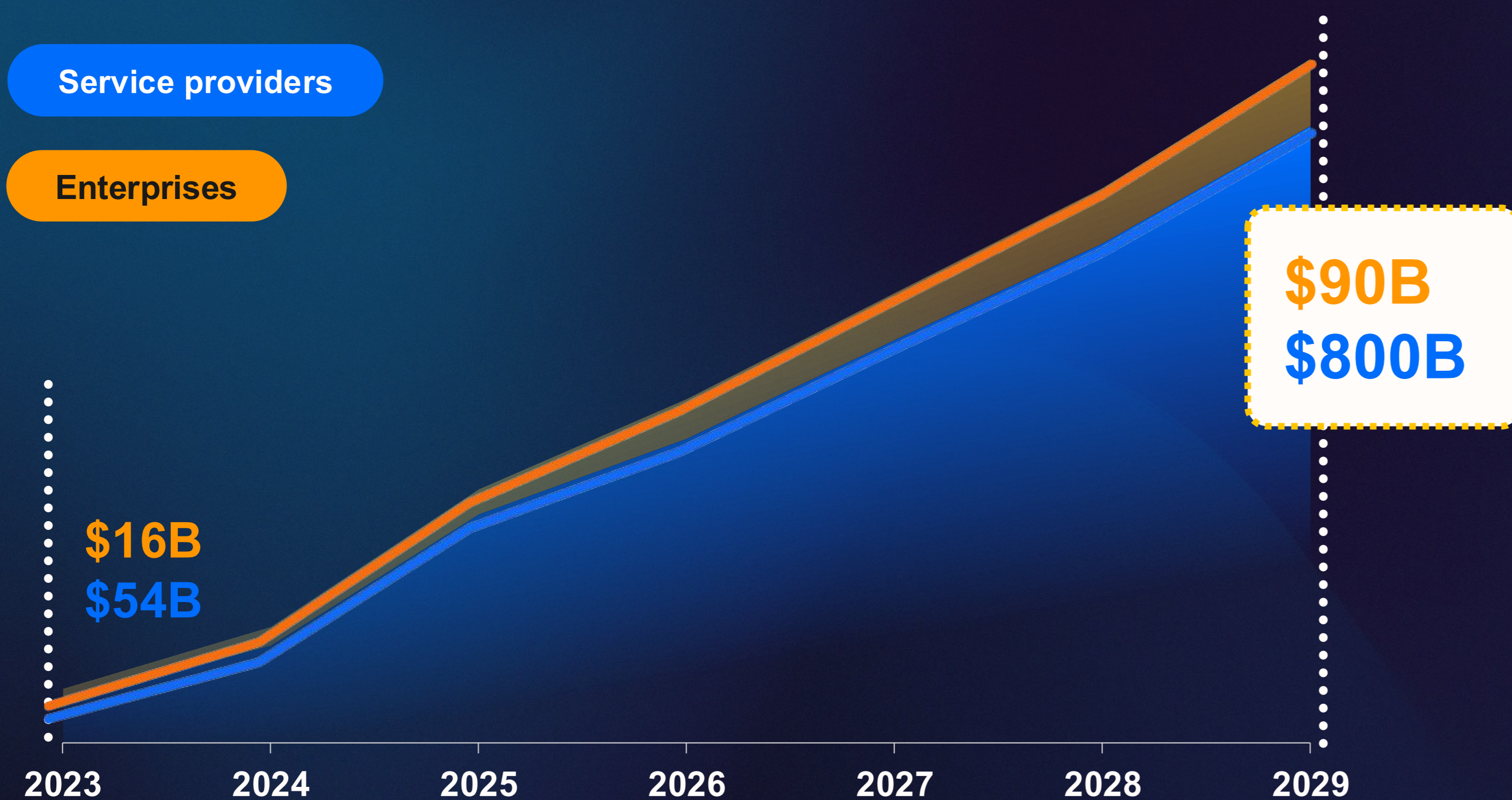
- When enterprises move from experimentation to production
- Where value shifts in an agent-first world
- Who controls agent-driven workflows across enterprise

Supply and demand

- How geopolitics reshape the super cycle



The AI capacity build out drives ~\$1T in infra spending by 2029



Market impact

15x growth in service provider spend

2029 inference tipping point

5x growth in enterprise spend

Source: IDC Quarterly Artificial Intelligence Infrastructure Tracker, 2026



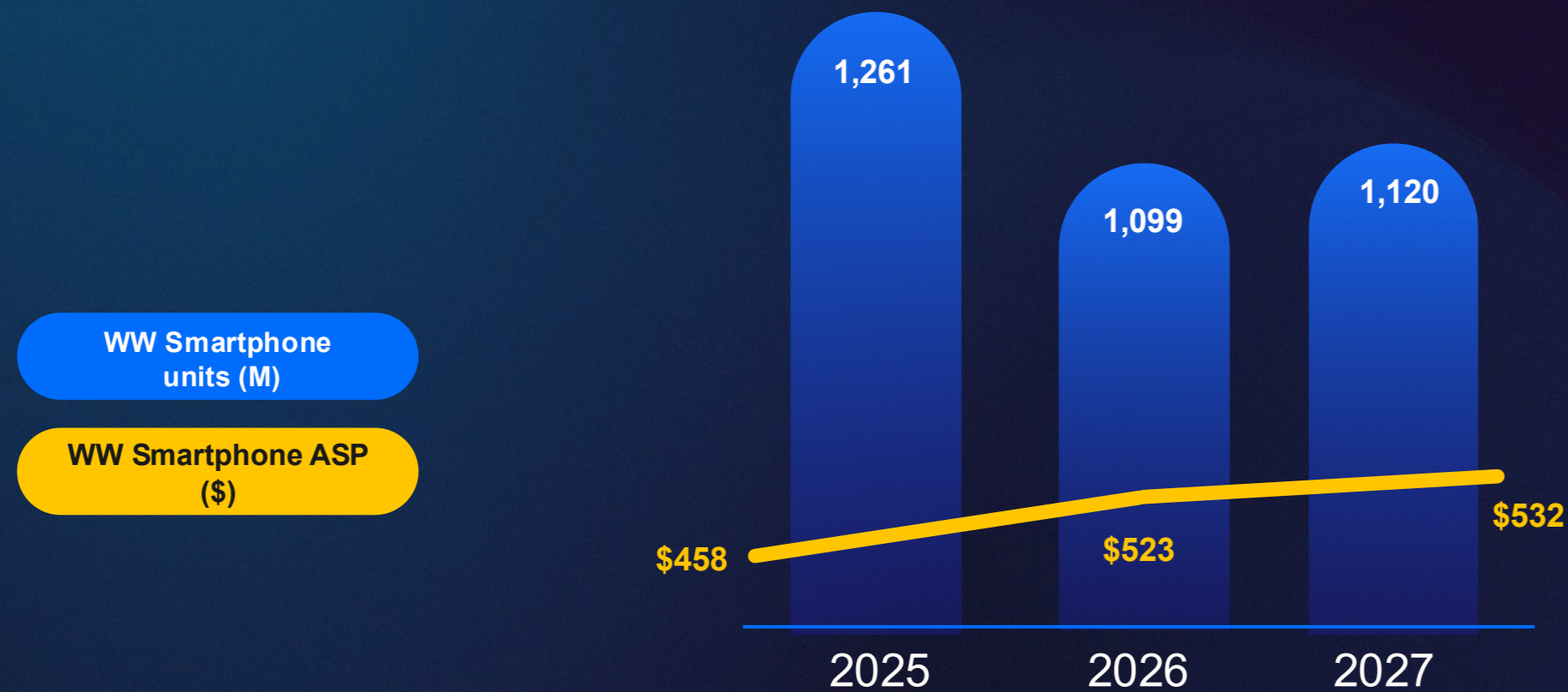
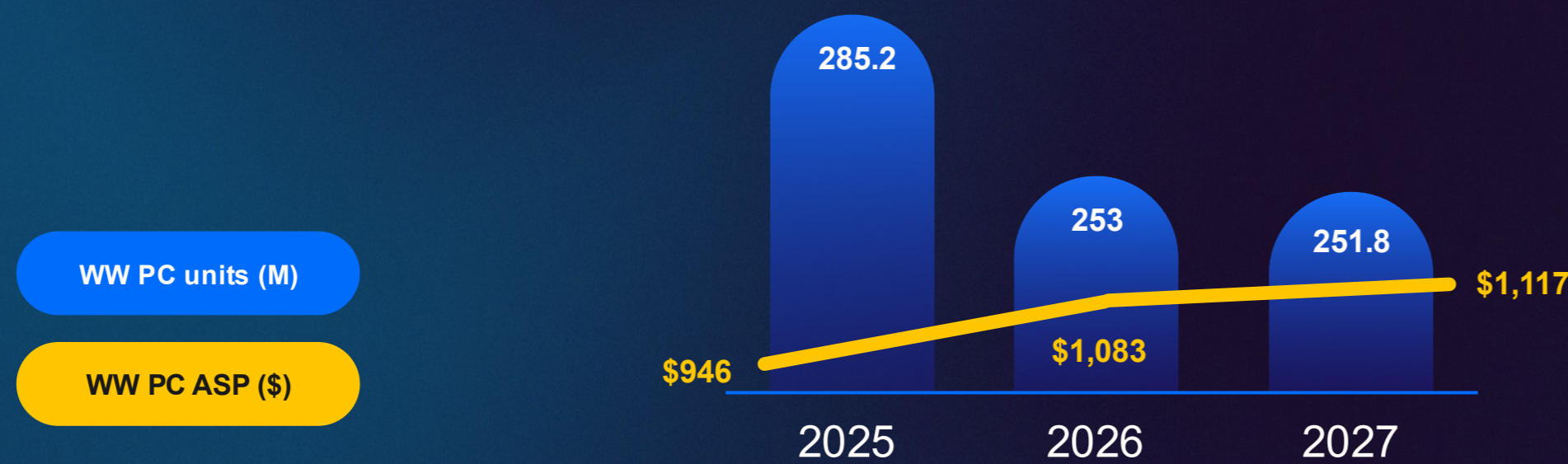
The AI capacity build out drives **\$1+T** in infra spending by 2029

Advice for service providers

- **AI on enterprises' terms** – control, compliance, speed
- **Agent economy backbone** – cost, speed, reliability



Device shipments dip as memory tightens



Market impact (2025→2027)

- PC ASPs increase **18%**
units decrease **12%**
- Smartphone ASPs increase **16%**
units decrease **11%**
- Servers, cars, medical equipment negatively impacted

Sources: IDC Quarterly Personal Computing Device Tracker - PCD Forecast 2025 | Q4
IDC Quarterly Mobile Phone Tracker - Forecast 2025 | Q4



Device shipments dip as memory tightens

Advice for device manufacturers

- **Simplify portfolios**; prioritize high-margin SKUs
- **Sells value**, not specs
- **Lean into premium** and enterprise segments



Enterprises spend **\$400B** in 2026 on AI platform and services



Market impact

\$1T in enterprise spend in 2029

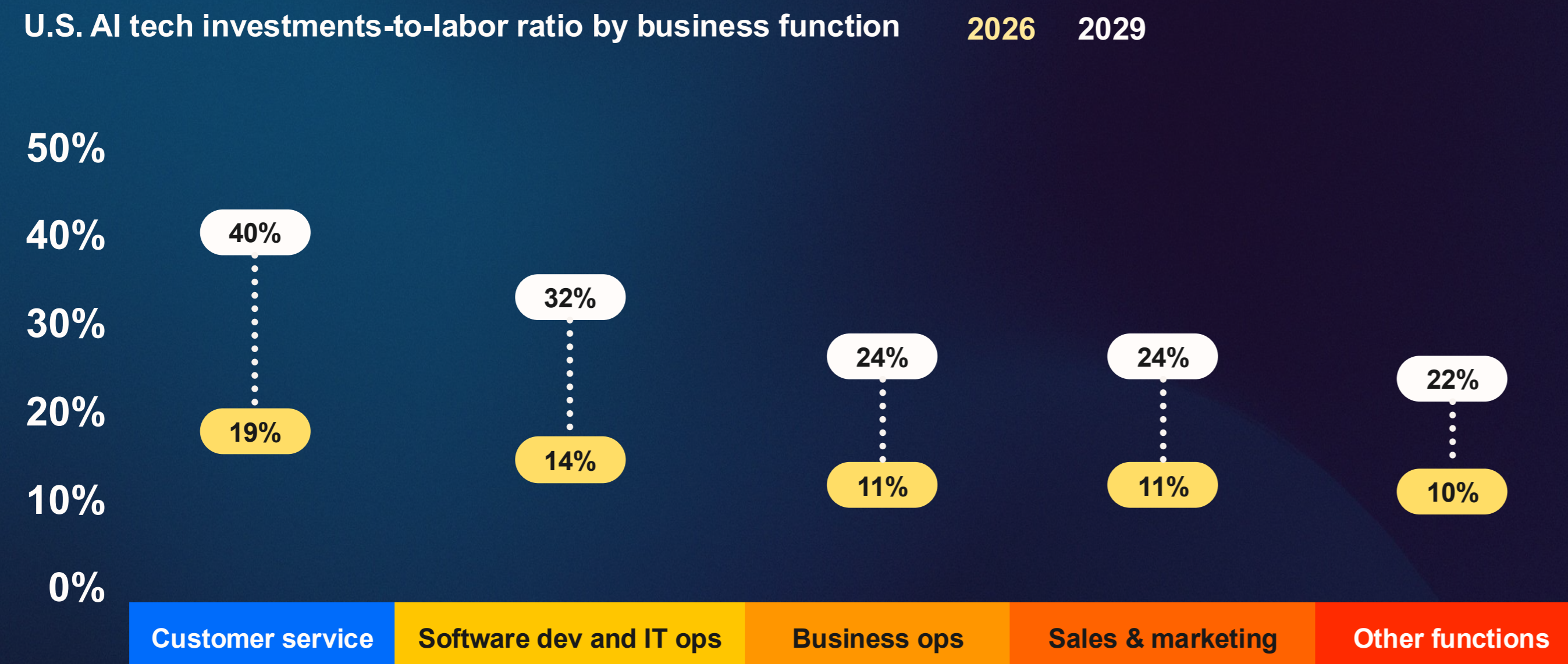
Leading industries

- ICT – both builders and buyers
- Banking – automation at scale
- Retail – core is operational

Source: IDC Worldwide AI and Generative AI Spending Guide - Forecast 2026 | Mar (V1 2026)



We are still in an **early-stage market**



Market impact

Leading functions

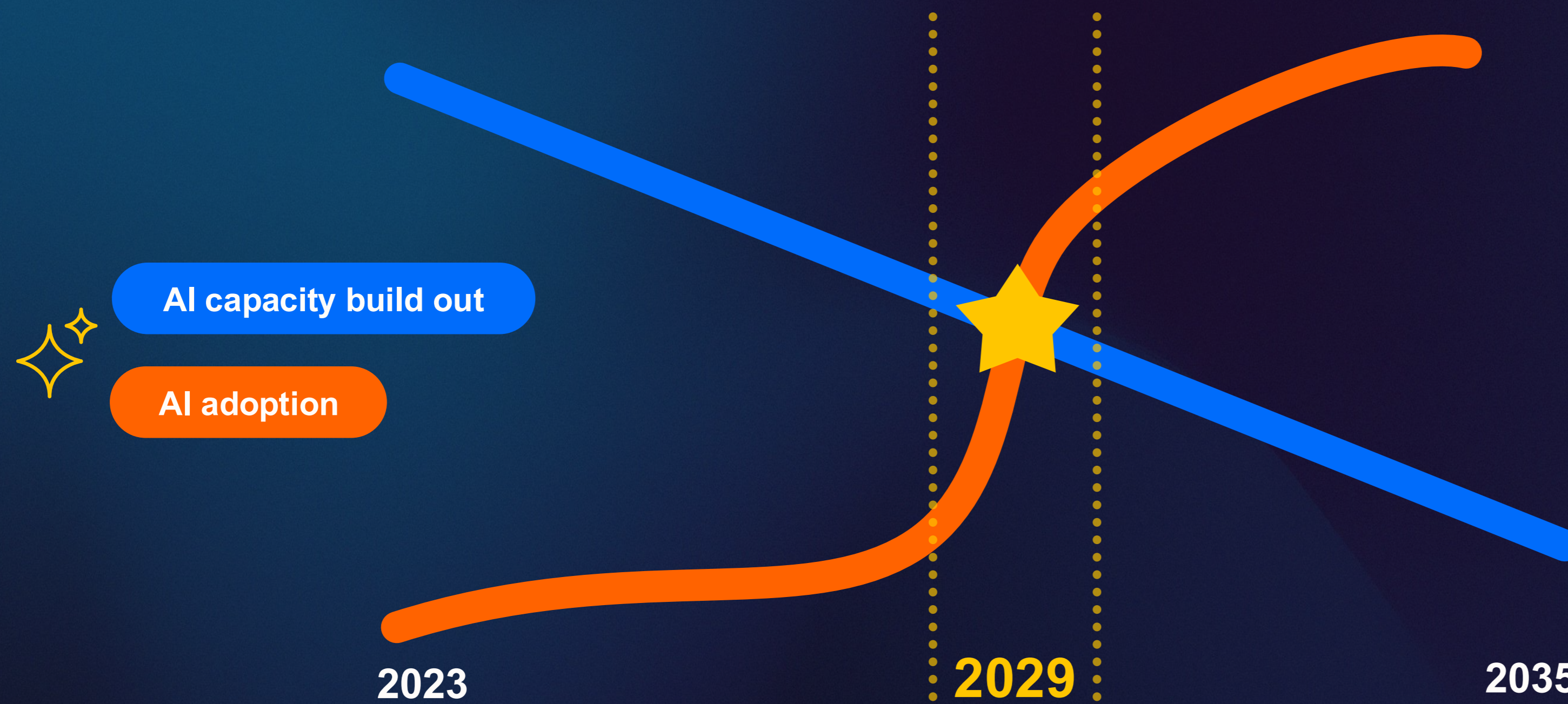
- Customer service
- Software development and IT operations

2029 Most functions in production

Sources: IDC Worldwide AI and Generative AI Spending Guide - Forecast 2026 | Mar (V1 2026) and U.S. Bureau of Labor Statistics. IDC Analysis



The **AI supercycle**: Build out => adoption



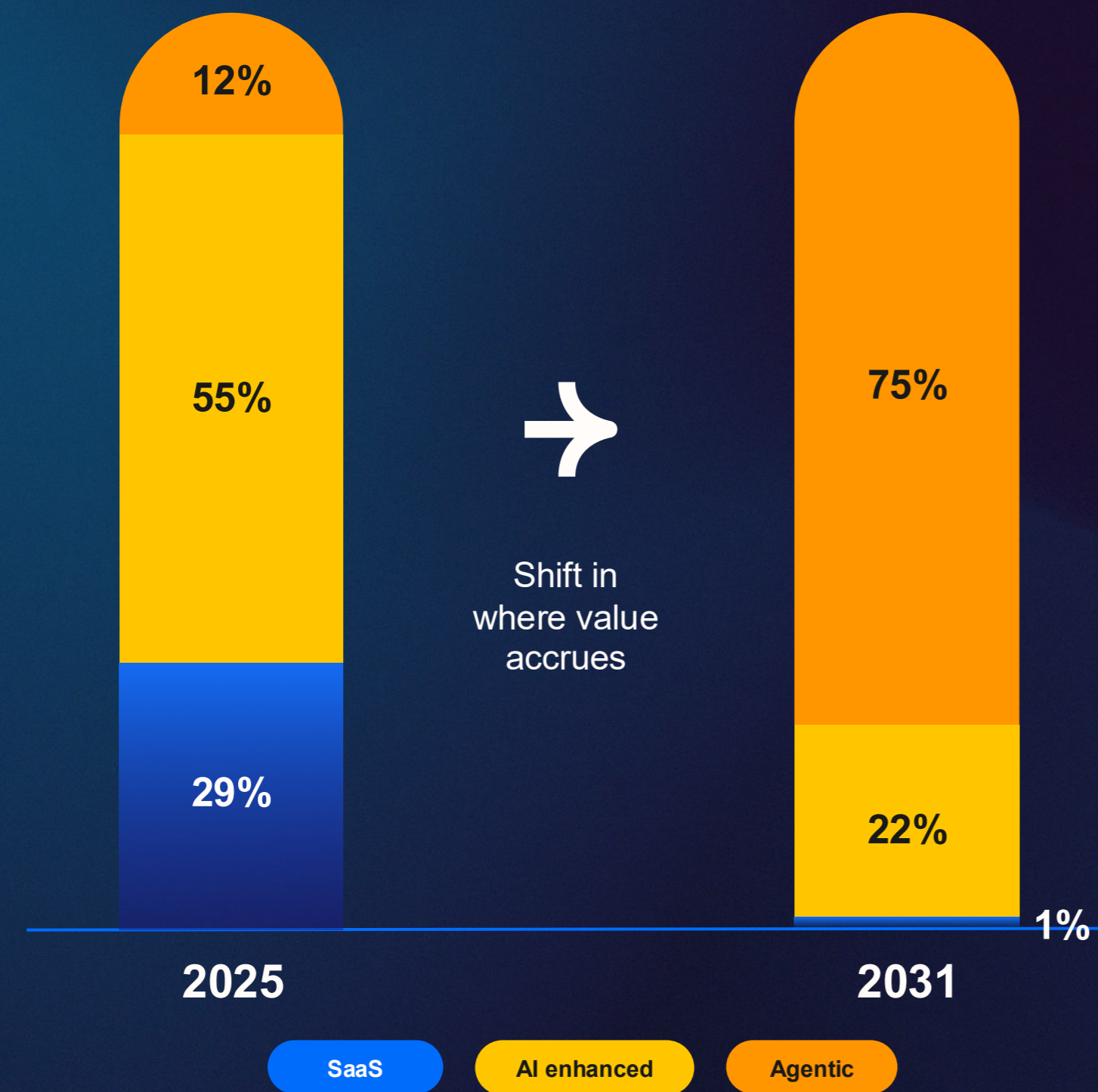
Source: IDC

Market impact

- **Work redesign:** Redesign workflows, define where AI replaces or augments work
- **Repeatable deployment:** Pre-built workflows and pre-integrated architectures
- **Measurable ROI:** Clear impact on cost, speed, revenue



Value shifts to **agentic platforms** as SaaS vendors reposition



Market impact

2031 Agents become the application

<1% Traditional SaaS in 5 years

Source: IDC Document #US53884225 Tech Sector Transformation Series: The Agentic Evolution of Enterprise Applications, 2025



Value shifts to **agentic platforms** as SaaS vendors reposition

Advice for SaaS providers

- **Own execution** - work completes only in your system
- Make your **capability a required step** in workflows
- **Package outcomes**, not features

From **implementation** to **agent operations**



Source: IDC. Showing WW spending from IT consulting, systems and network integration

Market impact

\$50B

of AI IT services growth
in next 4 years



From **implementation** to **agent operations**

Advice for service firms

- **Bespoke projects** → Productized, platform-enabled services
- **Time & materials** → Outcomes and impact
- **Manual delivery** → AI-enabled, automated

Market Impact

\$50B

AI services growth
2024-2028



War in the Middle East: 2026 IT **growth** adjusts to **9.4%**

Worldwide IT spending growth rate, 2026



Source: IDC Worldwide Black Book 31-March-2026, Forecast

Market impact

Stress test of digital economy

- Energy volatility
- Infrastructure resiliency
- Supply chain

IT Outlook

Current forecast: Worldwide 2026 spend growth: **9.4%**

Downside scenario: Worldwide 2026 spend growth: **5.9%**



War in the Middle East: 2006 IT growth adjusts to 9.4%

IDC monitoring the situation
and **adjusting IT Spending
forecasts** monthly through
Black Book Live product.



Adaptability

