



Blockchain Solutions Spending Increases by 81% in 2019, According to Latest IDC Report

SINGAPORE, October 31st, 2019 – Asia/Pacific* spending on blockchain solutions will reach USD 522.7 million in 2019 – recording an increase of 81% when compared to 2018 – according to the latest [IDC Worldwide Semiannual Blockchain Spending Guide](#). IDC expects blockchain spending in Asia/Pacific* to grow rapidly with a compound annual growth rate (CAGR) of 59.8% that will amount to a total of USD 3 billion over the 2018-23 forecast period.

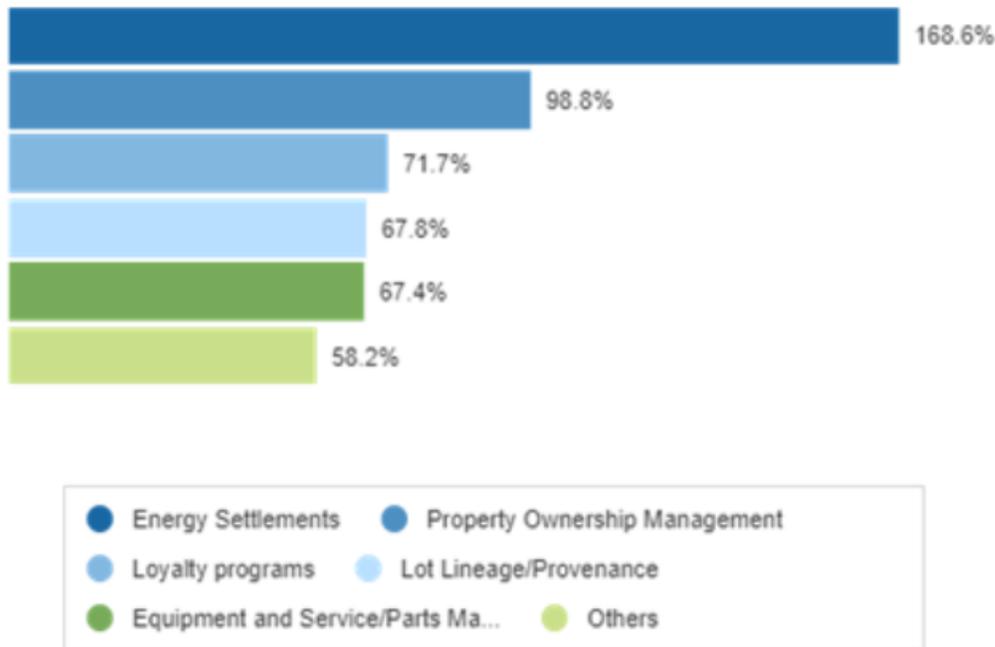
“Asia/Pacific* Blockchain technology investments are estimated to be more than 3 Billion USD by 2023,” said [Ashutosh Bisht](#) Senior Research Manager at IDC Asia/Pacific. “The financial services sector will dominate the blockchain spending for the overall forecast period, with major investments towards Tracking, tracing, and managing cross-border/international payments and settlements, Providing a record of transactions in payments between parties involved in the transaction is another focus area for the financial enterprises in the region,” Bisht added.

At the end of 2019, IDC projects the following in terms of spending in blockchain solutions: banking, securities & investment services, and insurance industries to invest a combined total of USD 296.3 million; driven by the discrete and process manufacturing industries, the manufacturing and resources sector are predicted to invest USD 91.7 million; the distribution and services sector led by the retail and professional services industries are estimated to spend USD 89.4 million; and the infrastructure sector will see the fastest growth (CAGR 81.2%), followed by the public sector (CAGR 73.6%) over the 2018-23 forecast period.

The blockchain use cases that will have significant investment over the forecast period are trade finance & post-trade/transaction settlements, cross-border payments & settlements, and regulatory compliance. Combined, the three use cases will make up of more than 40.3% of the total blockchain spending. All the use cases identified by IDC will see significant spending growth over the 2018-23 forecast period, among them with the fastest spending growth (CAGR) are energy settlements, and property ownership management.

Figure 1

**Top Use Case Based on 5 Year CAGR (2018 - 2023)
(Value (Constant Annual))**



Source: IDC Worldwide Semiannual Blockchain Spending Guide, 2018H2

IT services and business services combined will represent 60% of blockchain spending in 2019, with IT services slightly receiving more investment. Blockchain platform under software will be the second largest technology category, accounting for 27.3% of the total spending in 2019.

Asia/Pacific* contributes around 19.3% of the overall worldwide spending on blockchain, topped by US and Western Europe in 2019. Over the 2018-23 forecast period, China will contribute about 68% of all blockchain spending in Asia/Pacific*, it will see a significant spending growth (CAGR 65.7%), while Asia/Pacific records 50.3% CAGR.

"The adoption rate of Blockchain technology has been growing at a steady pace. Use cases leveraging on Blockchain are maturing as well, filtering out the overhyped or solutions overselling the technology from the implementations where blockchain brings value to the ecosystems. The technology is here to stay, organizations need to assess the benefits that blockchain can bring to the business like the way it assesses other emerging technology. Identifying realistic areas of implementation where the technology can reduce cost and increase efficiency. With proper analysis, leveraging the adoption of blockchain, can assist organizations to enhance their digital transformation journey," says [Jeff Xie](#), Senior Market Analyst at IDC Asia/Pacific.

The [Worldwide Semiannual Blockchain Spending Guide](#) quantifies the emerging blockchain market by providing spending data for ten technologies across 19 industries and 17 use cases in nine geographic regions. IDC defines blockchain as a digital, distributed ledger of transactions or records. The ledger, which stores the information or data, exists across multiple participants in a peer-to-peer network. There is no single, central repository that stores the ledger. Distributed ledgers technology (DLT) allows new transactions to be added to an existing chain of transactions using a secure, digital or cryptographic signature. Spending associated with various cryptocurrencies that utilize blockchain and distributed ledgers technology, such as Bitcoin, is not included in the spending guide. 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 blockchain spending today and over the next five years.

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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 additional information about the IDC Spending Guide, please contact [Monika Kumar](#) at mkumar@idc.com.

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