# Growth of European IT and Telecom Market Will Slow In 2020, According to IDC

European spending on traditional hardware, software, services, and telecommunications is set to reach $921.9 billion in 2020, and will register growth of 2.2% in constant currency, slightly down from the expected 4.1% growth in 2019, according to the latest release of the Worldwide Black Book: Standard Edition from International Data Corporation (IDC).

IT spending annual growth in Europe will cool from 6% in 2019 to 3% in 2020, due to the economic challenges from the global economic downturn. Also, Brexit continues to create an uncertain scenario in the technology market. The global trade war will negatively impact the IT market in both Western Europe (WE) and Central and Eastern Europe (CEE). Nevertheless, by 2023, annual IT and telecom spending will exceed $994 billion, driven mainly by growth in the software and services markets, where an increasing number of 3rd Platform and digital transformation (DX) projects are expected. Development on the PC and tablets, peripherals, and server markets, however, will be an impediment to overall IT market growth.

Europe's PC market is expected to finish 2019 with 7.5% year-on-year growth, stemming manly from increased spending in the commercial sector, with the Windows 7 end-of-life cycle and demand for PC upgrades providing a significant boost. The tablet market is forecast to post a year-on-year decline by the end of 2019, although modest growth is expected in the long term, as tablets will figure prominently in many digital transformation scenarios. The IT infrastructure market (including network equipment) registered revenue growth of 16% last year and will maintain this healthy growth pace over the five-year forecast period. Spending on service providers and the constantly growing demand for cloud services will keep the growth of the infrastructure market stable during the coming years, despite the slow growth (or even decline) in revenues in some sub-categories like storage and servers.

Figure 1
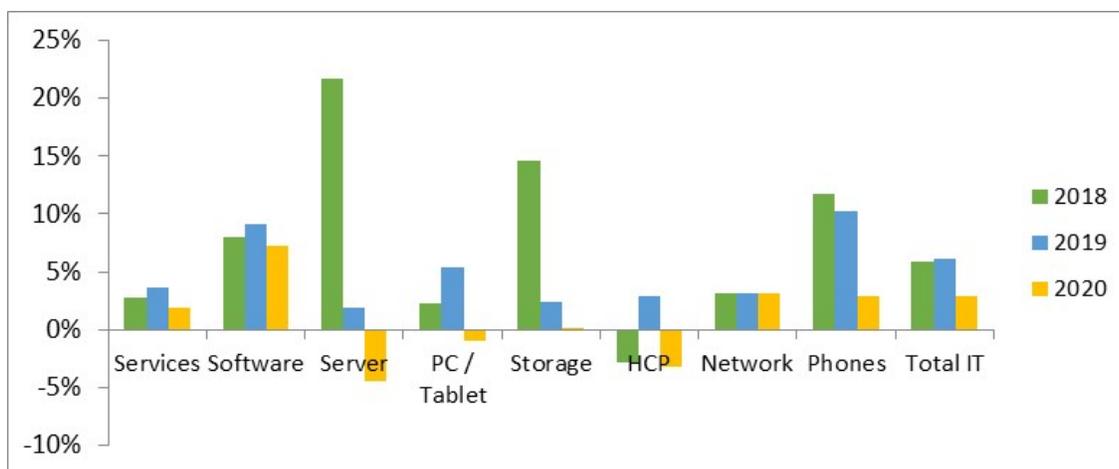
Source: Worldwide Black Book, V3.2 2019
Note: Growth in constant currency

The latest version of the IDC Worldwide Black Book: Standard Edition tracks ICT spending in traditional categories of hardware, software, services, and telecommunications. This includes infrastructure (server/storage/network), devices (personal computing devices, phones and peripherals), software, IT services, public cloud services, business services, and telecom services (fixed and mobile). To see a summary of recent worldwide ICT spending trends by technology and geographic region, as well as an overview of IDC's Black Book forecast, please go to https:// www.idc.com/promo/global-ict-spending/forecast.

For additional information about the new Black Book or to arrange a one-on-one briefing with Stephen Minton, please contact Sarah Murray at 781-378-2674 or sarah@attunecommunications.com. Reports are available to qualified members of the media. For information on purchasing reports, contact insights@idc.com ; reporters should email sarah@attunecommunications.com.

To learn more about IDC's Customer Insights & Analysis Group, please visit www.idc.com/ customerinsights.

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 wholly-owned subsidiary of International Data Group (IDG), the world's leading media, data and marketing services company that activates and engages the most influential

technology buyers. To learn more about IDC, please visit www.idc.com. Follow IDC on Twitter at @IDC and LinkedIn.

Regions Covered

Worldwide

Topics Covered

Detachable tablet, Global IT and economic markets, Infrastructure as a service, Slate tablet, Smartphone, Traditional desktop, Traditional notebook

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:

Ivana Slaharova (islaharova)
islaharova@idc.com
+420 221 423 113
Lubomir Dimitrov (ldimitrov)
ldimitrov@idc.com
+359 2 969 3056
Stephen Minton (sminton)
sminton@idc.com
+44 7435 753922