



ICT Spending Growth in Central and Eastern Europe in 2020 Expected to Fall Short of Previous Year, According to IDC -

FOR IMMEDIATE RELEASE, Prague — According to the *Worldwide ICT Spending Guide Industry and Company Size* published by International Data Corporation (IDC), overall ICT market spending in Central and Eastern Europe (CEE) is forecast to grow by 3.1% in 2020 year on year, which is a decline from the 4.0% growth seen in 2019. This development can be explained by the ongoing economic slowdown, with more rationalized spending in both the consumer and public sectors.

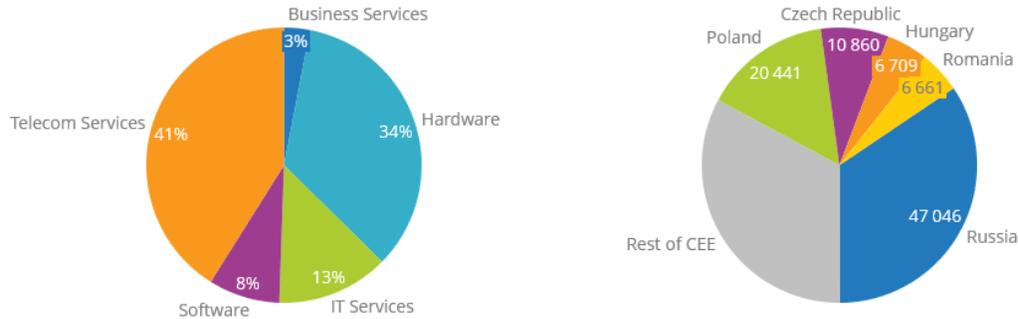
IDC forecasts that total ICT spending (including telecom and business services) in the CEE region will total \$136.66 billion in 2019, with an expected compound annual growth rate (CAGR) of 2.9% through 2023.

"In Central and Eastern Europe, cost and efficiency are regularly at the top of business priorities. Companies should carefully consider where to tighten their belts, and to leverage new technologies that will facilitate cost savings rather than representing a burden on their budget," says Ivana Slaharova, Insights research manager at IDC CEMA.

Manufacturing, finance, and telecommunications make up the greatest share of spending in the business sector, accounting for about 48% (combined) in 2019. Telecommunications will be also the fastest developing industry, with IDC forecasting 6.3% year on year growth in 2020. In the era of digital transformation, telecom providers are looking for new revenue streams to compensate a declining trend from traditional services; this includes exploring new partnership opportunities with cloud services providers. Telcos are focusing on areas such as customer experience, digital services, and smart homes, as well as services aimed at helping other industries adopt innovative technologies and support their transformation process.

In Central and Eastern Europe in 2019, 41% of the total ICT spending came from telecom services, followed by hardware (34%) and IT services (13%). Broken down by country, the biggest market is Russia (\$47 billion in ICT spending), followed by Poland (\$ 20.4 billion) and the Czech Republic (\$10.9 billion).

Figure 1



Source: IDC Worldwide ICT Spending Guide Industry and Company Size, H1 2019

In terms of organization size, large businesses (more than 500 employees) accounted for half of total ICT spending in 2019. Medium-sized businesses (100-499 employees) were responsible for around 23% of spending, followed by small businesses (17%) and small office/home office (nearly 10%).

There are many innovative technology startups in the CEE region, which are supported by the government in the initial stages of their development. But it is difficult for many of these organizations to raise a second or third round of funding to grow their business and expand to international markets.

The [Worldwide Semiannual ICT Spending Guide Industry and Company Size](#) is IDC's flagship all-in-one data product capturing IT spending across more than 100 technology categories and 53 countries. This IDC Spending Guide will provide a granular view of the market for IT spending from a country, industry, company size, and technology perspective. This comprehensive database delivered via pivot table format or IDC's custom query tool allows the user to easily extract meaningful information about various technology markets and industries by viewing data trends, relationships, and making data comparisons across more than 3 million data points.

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 wholly-owned subsidiary of International Data Group (IDG), the world's leading tech media, data and marketing services company. To learn more about IDC, please visit www.idc.com. Follow IDC on Twitter at @IDC and LinkedIn. Subscribe to the IDC Blog for industry news and insights: http://bit.ly/IDCBlog_Subscribe.

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@idc.com
+420 221 423 250