



IDC Forecasts IT Spending in South Africa to Top \$26 Billion in 2020 as Country's ICT Industry Gathers in Johannesburg

Johannesburg – Overall IT spending in South Africa is set to reach \$26.4 billion this year, up 2.5% on 2019. That's according to the latest predictions revealed today by International Data Corporation (IDC) as it hosted more than 100 of the country's most influential ICT industry figures at The Maslow Hotel Sandton in Johannesburg for IDC Directions 2020.

Opening the day's proceedings, the firm's associate vice president for South Africa, Mark Walker, announced that spending on software and IT services will reach \$8.2 billion in 2020, an increase of 4.2% year on year. He said that infrastructure spending in the country (including servers, storage, and enterprise-level networks) will grow 3.3% to \$880 million, while infrastructure-as-a-service (IaaS) investments will reach \$204 million, having grown at a compound annual growth rate (CAGR) of 25% over the last five years.

The event showcased insights from Jyoti Lalchandani, IDC's group vice president and managing director for the Middle East, Turkey, and Africa, who presented the keynote address on 'Helping Your Customers Transform to the Future Enterprise'. During this session he urged South Africa's technology suppliers to engage with new buyers, connect technology to the business goals of their customers, and deliver technology solutions that enable their clients to scale and operate at the pace of the digital economy.

"The digital economy is at a critical tipping point," said Lalchandani. "In just a few short years, IDC forecasts that nearly half of all GDP worldwide will come from products and services offered by digitally transformed organizations. In order to thrive, organizations must define their new role in this digital economy and proactively address new customer requirements around personalization and trust. They must also develop new capabilities around digital innovation, work, and intelligence, and build a digital IT infrastructure that supports resilient operations and pervasive experiences."

IDC Directions is South Africa's seminal ICT industry event and this year explored the theme of 'Multiplied Innovation Goes Mainstream: Thriving in the Digital Economy'. Bringing the country's foremost technology vendors, telecommunications operators, and IT service providers together under one roof, the event also served up fascinating fiscal insights from Gina Schoeman, director, economist, and head of research at Citibank South Africa.

The agenda included a panel discussion on the new digital priorities of South African CIOs, with first-hand perspectives provided by Louise van der Bank, CIO of AfriSam, and Luyanda Ntuane, CIO of the car rental division at MOTUS. Senior IDC analysts were also on hand throughout the event to offer strategic guidance on the key technology trends set to shape South Africa's IT and telecommunications markets in 2020 and beyond.

For more information about 'IDC Directions 2020', please contact Andries Lombaard at alombaard@idc.com or on +27 11 517 3240. To learn more about the event, please visit www.idc.com/mea/events/67058-idc-directions-2020 or join the conversation on Twitter using the hashtag #IDCDirections.

About IDC

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