

FOR IMMEDIATE RELEASE

## Gartner Says Worldwide IT Spending to Grow 5.1 Per Cent in 2011

*Analysts to Discuss Latest Outlook for the IT Industry During Upcoming Gartner Webinar on 11 January*

Stamford, Conn., January 6, 2011 — Worldwide IT spending is forecast to total \$3.6 trillion in 2011, a 5.1 per cent increase from 2010, according to the latest outlook by Gartner, Inc. In 2010, worldwide IT spending totalled \$3.4 trillion, up 5.4 per cent from 2009 levels.

Gartner has raised its outlook for 2011 global IT spending from its previous forecast of 3.5 per cent growth. In 2010, the IT industry performed better than Gartner's previous forecast of 3.2 per cent growth. Gartner analysts said currency exchange rate fluctuations have continued to affect the US dollar-denominated forecast. Of the 2.2 percentage point increase in IT spending growth in 2010, 1.6 per cent is attributable to the recent devaluation of the US dollar against other currencies.

"Aided by favourable US dollar exchange rates, global IT spending growth is expected to exceed 5 per cent in 2010, but a similar level of growth in 2011 — while forecast — is far from certain, given continued macroeconomic uncertainty," said Richard Gordon, research vice president at Gartner. "While the global economic situation is improving, the recovery is slow and hampered by a sluggish growth outlook in the important mature economies of the US and Western Europe. There are also growing concerns about the ability of key emerging economies to sustain relatively high growth rates. Nevertheless, as well as a fundamental enabler of cost reduction and cost optimisation, investment in IT is seen increasingly as an important element in business growth strategies. As the global economy repairs itself in coming years, we are optimistic about continued healthy spending on IT."

The telecom equipment market is poised for the strongest growth in 2011, with worldwide telecom equipment spending forecast to grow 9.1 per cent (see Table 1). Strong sales of mobile devices in the third quarter of 2010, driven by smartphones in mature markets and white box devices in emerging markets, as well as stronger local currencies, resulted in an upward revision of Gartner's forecast.

**Table 1**  
**Worldwide IT Spending Forecast (Billions of US Dollars)**

	<b>2010 Spending</b>	<b>2010 Growth (%)</b>	<b>2011 Spending</b>	<b>2011 Growth (%)</b>
Computing Hardware	364.1	8.9	391.3	7.5
Enterprise Software	235.9	6.1	253.7	7.5
IT Services	782.0	2.5	817.9	4.6
Telecom Equipment	426.6	14.0	465.4	9.1
Telecom Services	1,593.0	3.9	1,647.4	3.4
<b>All IT</b>	<b>3,401.6</b>	<b>5.4</b>	<b>3,575.8</b>	<b>5.1</b>

Source: Gartner (January 2010)

The computing hardware segment is forecast to grow 7.5 per cent in 2011, but Gartner analysts said vendors face possible challenges, particularly in the area of PC growth, given likely weak economic growth through the first half of 2011.

More-detailed analysis on the outlook for the IT industry will be presented in the Gartner webinar "IT Spending Forecast, 4Q10 Update: 2010 Ends on the Upside." The complimentary webinar will be hosted by Gartner on 11 January at 11 a.m. Eastern time. To register for the webinar, please go to <http://my.gartner.com/webinar/detail/resId=1506014>.

Additional information is available in the Gartner report "Forecast Alert: IT Spending, Worldwide, 4Q10 Update" at <http://www.gartner.com/resId=1512016>. The report provides more details on Gartner's outlook for the IT industry through 2014.

The Gartner quarterly IT spending forecast delivers a unique perspective on IT spending across hardware, software, IT services and telecommunications segments. These reports help Gartner clients understand market opportunities and challenges. The most recent IT spending forecast research is available at <http://www.gartner.com/technology/research/quarterly-it-forecast/index.jsp>. This Quarterly IT Spending Forecast section includes links to the latest IT spending reports, webinars, blog posts and press releases.

### **About Gartner**

Gartner, Inc. (NYSE: IT) is the world's leading information technology research and advisory company. Gartner delivers the technology-related insight necessary for its clients to make the right decisions, every day. From CIOs and senior IT leaders in corporations and government agencies, to business leaders in high-tech and telecom enterprises and professional services firms, to technology investors, Gartner is the valuable partner to 60,000 clients in 11,000 distinct organizations. Through the resources of Gartner Research, Gartner Executive Programs, Gartner Consulting and Gartner Events, Gartner works with every client to research, analyze and interpret the business of IT within the context of their individual role. Founded in 1979, Gartner is headquartered in Stamford, Connecticut, U.S.A., and has 4,400 associates, including 1,200 research analysts and consultants, and clients in 85 countries. For more information, visit [www.gartner.com](http://www.gartner.com).

###