

FOR IMMEDIATE RELEASE

CONTACTS:

Janessa Rivera
Gartner
+ 1 408 468 8312
janessa.rivera@gartner.com

Laurence Goasduff
Gartner
+ 44 (0) 1784 267 738
laurence.goasduff@gartner.com

Gartner Says Worldwide IT Spending on Pace to Reach \$3.8 Trillion in 2013

Analysts to Discuss Latest IT Spending Outlook During Complimentary Gartner Webinar on 2 April

STAMFORD, Conn., March 28, 2013 — Worldwide IT spending is projected to total \$3.8 trillion in 2013, a 4.1 per cent increase from 2012 spending of \$3.6 trillion, according to the latest forecast by Gartner, Inc. Currency effects are less pronounced this quarter with growth in constant dollars forecast at 4 per cent for 2013.

The Gartner Worldwide IT Spending Forecast is the leading indicator of major technology trends across the hardware, software, IT services and telecom markets. For more than a decade, global IT and business executives have been using these highly anticipated quarterly reports to recognise market opportunities and challenges, and base their critical business decisions on proven methodologies rather than guesswork.

"Although the United States did avoid the fiscal cliff, the subsequent sequestration, compounded by the rise of Cyprus' debt burden, seems to have netted out any benefit, and the fragile business and consumer sentiment throughout much of the world continues," said Richard Gordon, managing vice president at Gartner. "However, the new shocks are expected to be short-lived, and while they may cause some pauses in discretionary spending along the way, strategic IT initiatives will continue."

Worldwide devices spending (which includes PCs, tablets, mobile phones and printers) is forecast to reach \$718 billion in 2013, up 7.9 per cent from 2012 (see Table 1). Despite flat spending on PCs and a modest decline in spending on printers, a short-term boost to spending on premium mobile phones has driven an upward revision in the devices sector growth for 2013 from Gartner's previous forecast of 6.3 per cent.

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

	2012 Spending	2012 Growth (%)	2013 Spending	2013 Growth (%)	2014 Spending	2014 Growth (%)
Devices	665	9.0	718	7.9	758	5.7
Data Centre Systems	141	1.9	146	3.7	152	4.0
Enterprise Software	279	3.5	297	6.4	316	6.7
IT Services	878	1.5	918	4.5	963	4.9
Telecom Services	1,655	-0.4	1,688	2.0	1,728	2.4
Overall IT	3,618	2.1	3,766	4.1	3,917	4.0

Source: Gartner (March 2013)

"The global steady growth rates are a calm ocean that hides turbulent currents beneath," said John Lovelock, research vice president at Gartner. "The Nexus of Forces — social, mobile, cloud and information — are reshaping spending patterns across all of the IT sectors that Gartner forecasts. Consumers and businesses will continue to purchase a mix of IT products and services; nothing is going away completely. However, the ratio of this mix is changing dramatically and there are clear winners and losers over the next three to five years, as we see more of a transition from PCs to mobile phones, from servers to storage, from licensed software to cloud, or the shift in voice and data connections from fixed to mobile."

The outlook for 2013 for data center systems spending is forecast to grow 3.7 per cent in 2013, down 0.7 per cent from Gartner's previous forecast. This reduction is largely due to cuts to the near-term forecast for spending on external storage and the enterprise in the economically troubled EMEA region.

Worldwide enterprise software spending is forecast to total \$297 billion in 2013, a 6.4 per cent increase from 2012. Although the growth for this segment remains unchanged from Gartner's previous forecast, this belies significant changes at a market level, as stronger growth expectations for database management systems (DBMS), data integration tools and supply chain management compensate for lower growth expectations for IT operations management and operating systems software.

While the outlook for IT services remains relatively unchanged since last quarter, continued hesitation among buyers is fostering hypercompetition and cost pressure in mature IT outsourcing (ITO) segments and reallocation of budget away from new projects in consulting and implementation.

The global telecom services market continues to be the largest IT spending market and will remain roughly flat over the new several years, with declining spending on voice services counterbalanced by strong growth in spending on mobile data services.

More-detailed analysis on the outlook for the IT industry will be presented in the webinar "IT Spending Forecast, 1Q13 Update: The Nexus of Forces Effect on Spending." The complimentary webinar will be hosted by Gartner on 2 April 2 at 4:00pm UK time. During the webinar, Gartner analysts will look at where IT spending is headed in 2013. To register for the webinar, please visit <http://my.gartner.com/portal/server.pt?open=512&objID=202&mode=2&PageID=5553&resId=2359126&ref=Webinar-Calendar>.

Gartner's IT spending forecast methodology relies heavily on rigorous analysis of sales by thousands of vendors across the entire range of IT products and services. Gartner uses primary research techniques, complemented by secondary research sources, to build a comprehensive database of market size data upon which to base its forecast. 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/it-spending-forecast/>. 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 a valuable partner in over 13,000 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, USA, and has 5,500 associates, including 1,400 research analysts and consultants, and clients in 85 countries. For more information, visit www.gartner.com.

#