Gartner: 2019 Global IT Spending to Reach $3.8 Trillion

Written by Frederick Douglas
01 February 2019

According to Gartner, global IT spending is to reach $3.76 trillion in 2019, a 3.2% increase despite uncertainty brought about by recession rumours, Brexit, trade wars and tariffs.

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

	2019 Spending	2019 Growth (%)	2020 Spending	2020 Growth (%)	2021 Spending	2021 Growth (%)
Data Center Systems	205	-2.5	210	2.6	212	1.0
Enterprise Software	457	8.8	507	10.9	560	10.5
Devices	675	-5.3	683	1.2	685	0.4
IT Services	1,031	3.7	1,088	5.5	1,147	5.5
Communications Services	1,364	-1.1	1,384	1.5	1,413	2.1
Overall IT	**3,732**	**0.4**	**3,872**	**3.7**	**4,018**	**3.8**

Source: Gartner (October 2019)

"[T]here are a lot of dynamic changes happening in regards to which segments will be driving growth in the future," the analyst continues. "Spending is moving from saturated segments such as mobile phones, PCs and on-premises datacentre infrastructure to cloud services and Internet of Things (IoT) devices. IoT devices, in particular, are starting to pick up the slack from devices. Where the devices segment is saturated, IoT is not."

As Gartner puts it, IT is less of a platform enabling organisations to run business and more of an engine moving said business. Thus, IT is what binds the business together, especially as digital business and digital business ecosystems move forward. The cloud is a key IT spending driver, bringing strong growth of 8.5% to enterprise software spending. Growth should reach 8.2% in

Gartner: 2019 Global IT Spending to Reach $3.8 Trillion

Written by Frederick Douglas
01 February 2019

2020 to total $466 billion, as organisation shift spending to Software as a Surface (SaaS).

Meanwhile mobile phones are expected to grow by 1.6% in 2019, even as the market goes through slowdown. Replacement cycles drive the largest and most highly saturated smartphone markets, such as W. Europe, the US and China. Customers kept current phones in 2018, driving the market down -1.2% in 2018, as Samsung faced challenges to offer well-differentiated premium smartphones and Apple flagship smartphones involve high price-to-value benefits.

"In addition to buying behavior changes, we are also seeing skills of internal staff beginning to lag as organisations adopt new technologies, such as IoT devices, to drive digital business," Gartner adds. "Nearly half of the IT workforce is in urgent need of developing skills or competencies to support their digital business initiatives. Skill requirements to keep up, such as artificial intelligence (AI), machine learning, API and services platform design and data science, are changing faster than we've ever seen before."

Go Gartner IT Spending Forecast Q4 2018 Update: What Will Make Headlines in 2019?