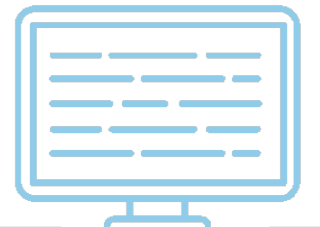
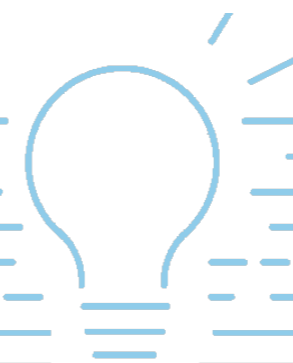
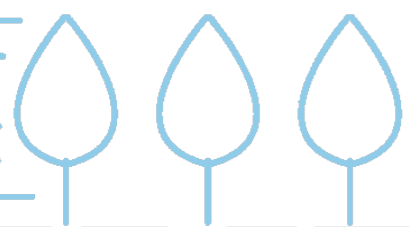


# Global IT Outsourcing Market Report 2020

A year to look back



Pre-COVID era  
was a time of  
**stable growth**  
**and opportunities**

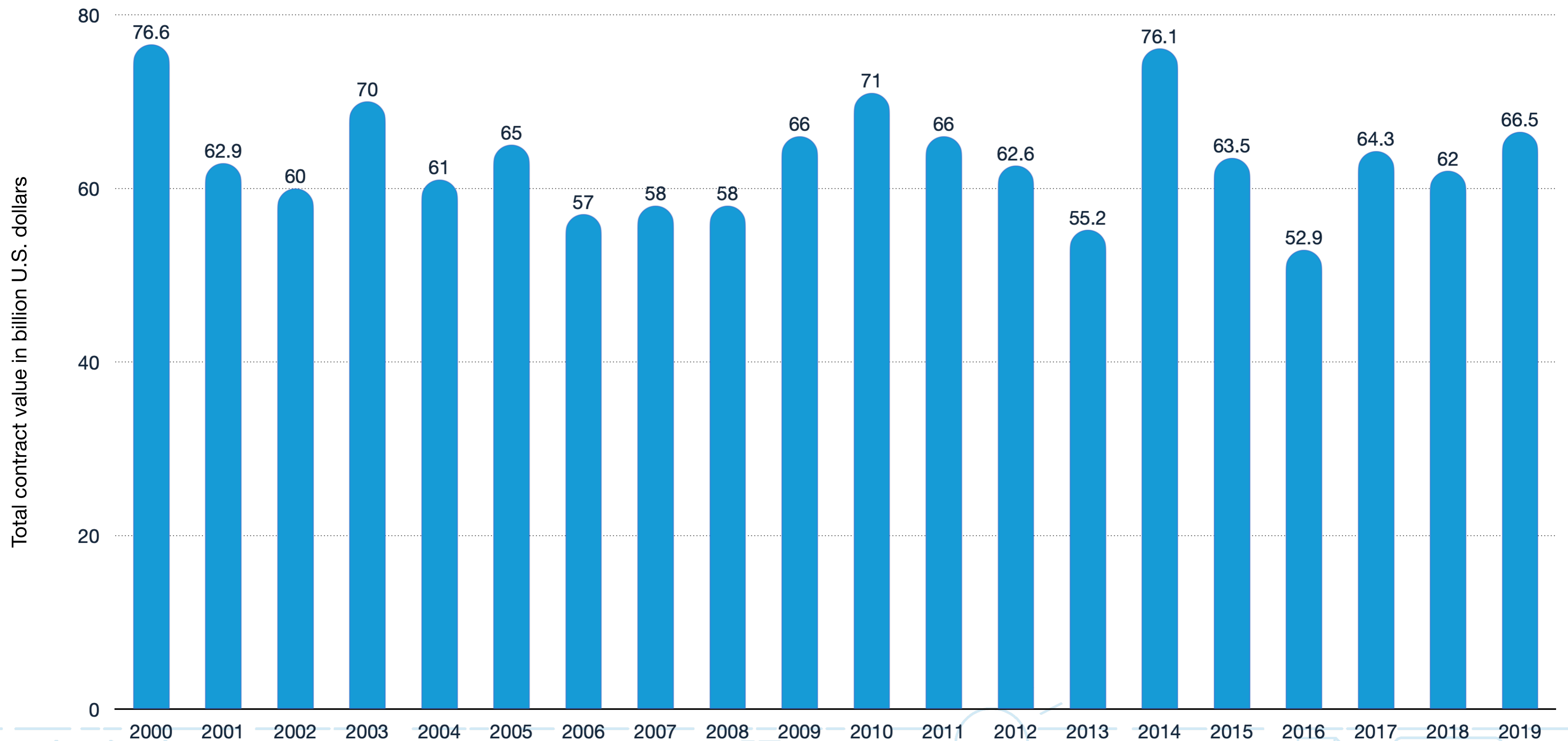


# Total contract value of the information technology outsourcing (ITO) market worldwide from 2000 to 2019

Contract value of the information technology outsourcing market worldwide 2000-2019

(in billion U.S. dollars)\*

via Statista

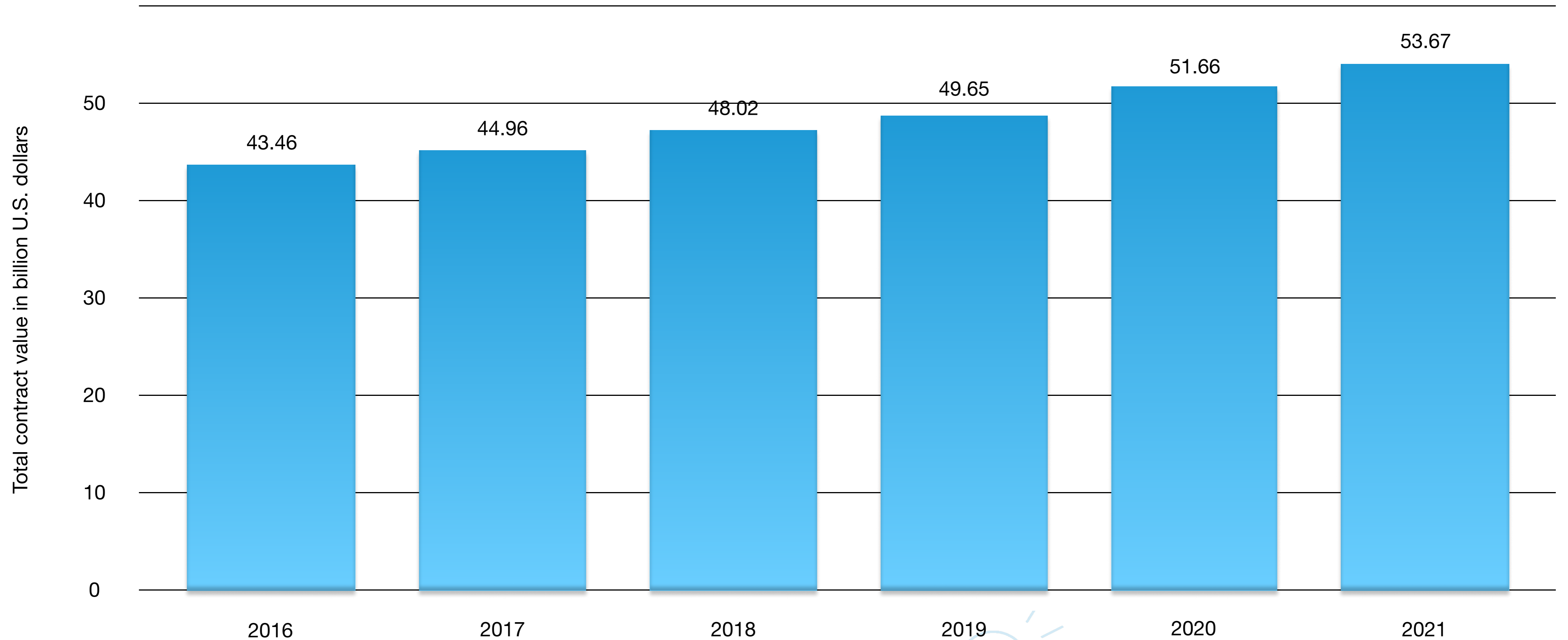


Before COVID-19, the future of IT consulting and implementation market was predicted with bright future of stable growth



IT-consulting and implementation services market revenue in the World from 2016 to 2021

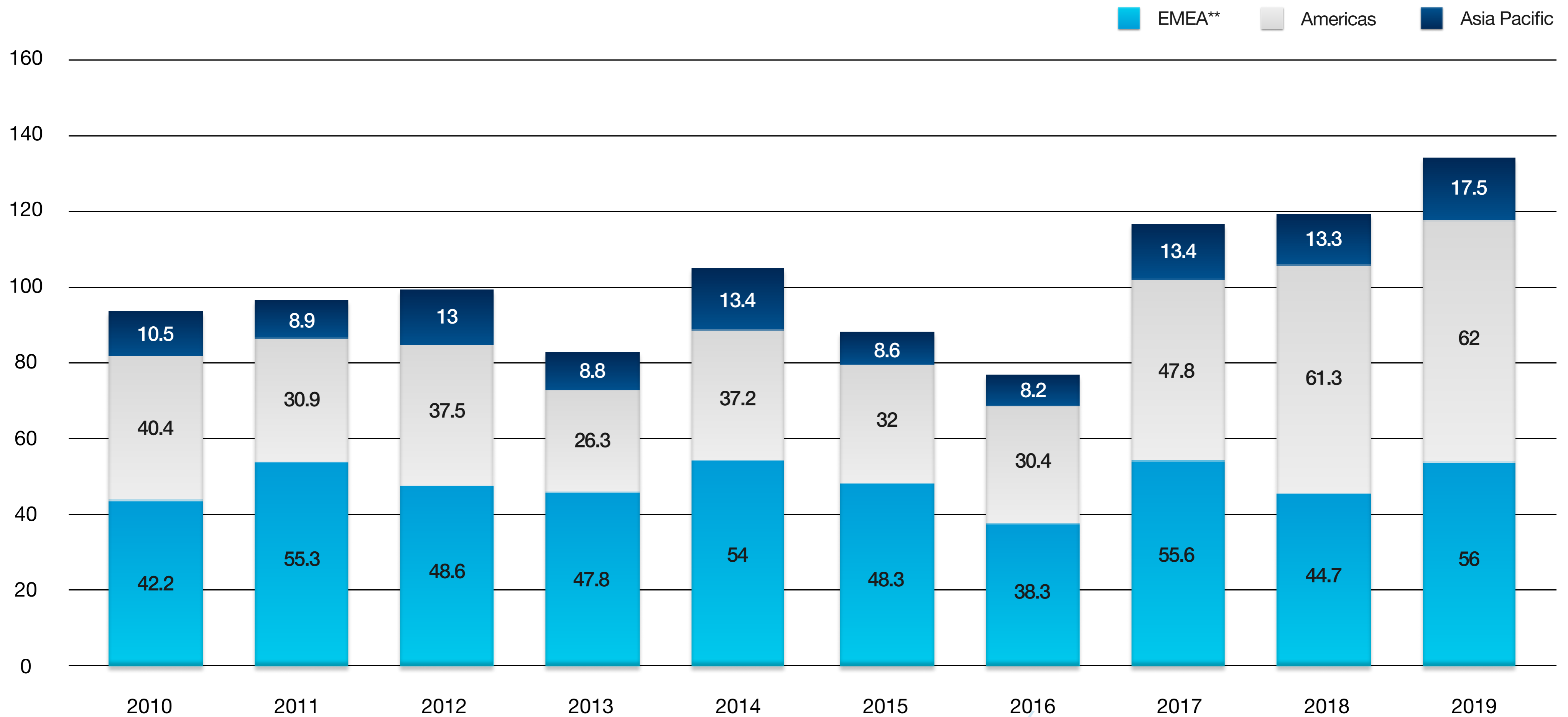
via Statista




# Global outsourcing industry revenue from 2010 to 2019 by service region all goes up year by year

via Statista

## Global outsourcing industry revenue from 2010 to 2019 by region (in billion U.S. dollars)\*



If 2020 was a software,  
we'd like to return it  
**since this version  
has got a virus.**



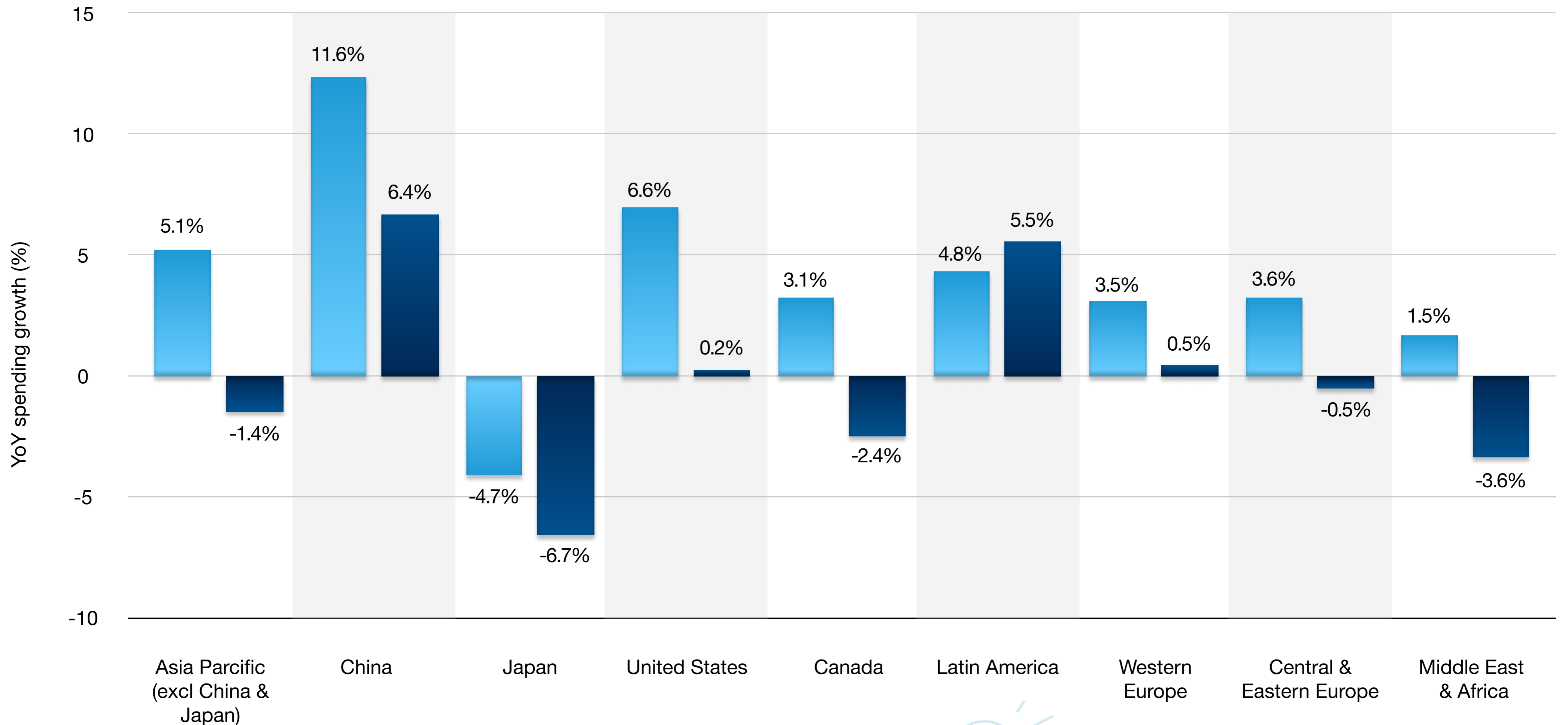
# Adjusted Information technology (IT) spending year over year growth forecast for 2020, by region



The coronavirus pandemic is projected to have different impacts on IT spending by region in 2020.

A shared feature? Most countries adjust to significantly decrease their IT spending, excluding Latin America

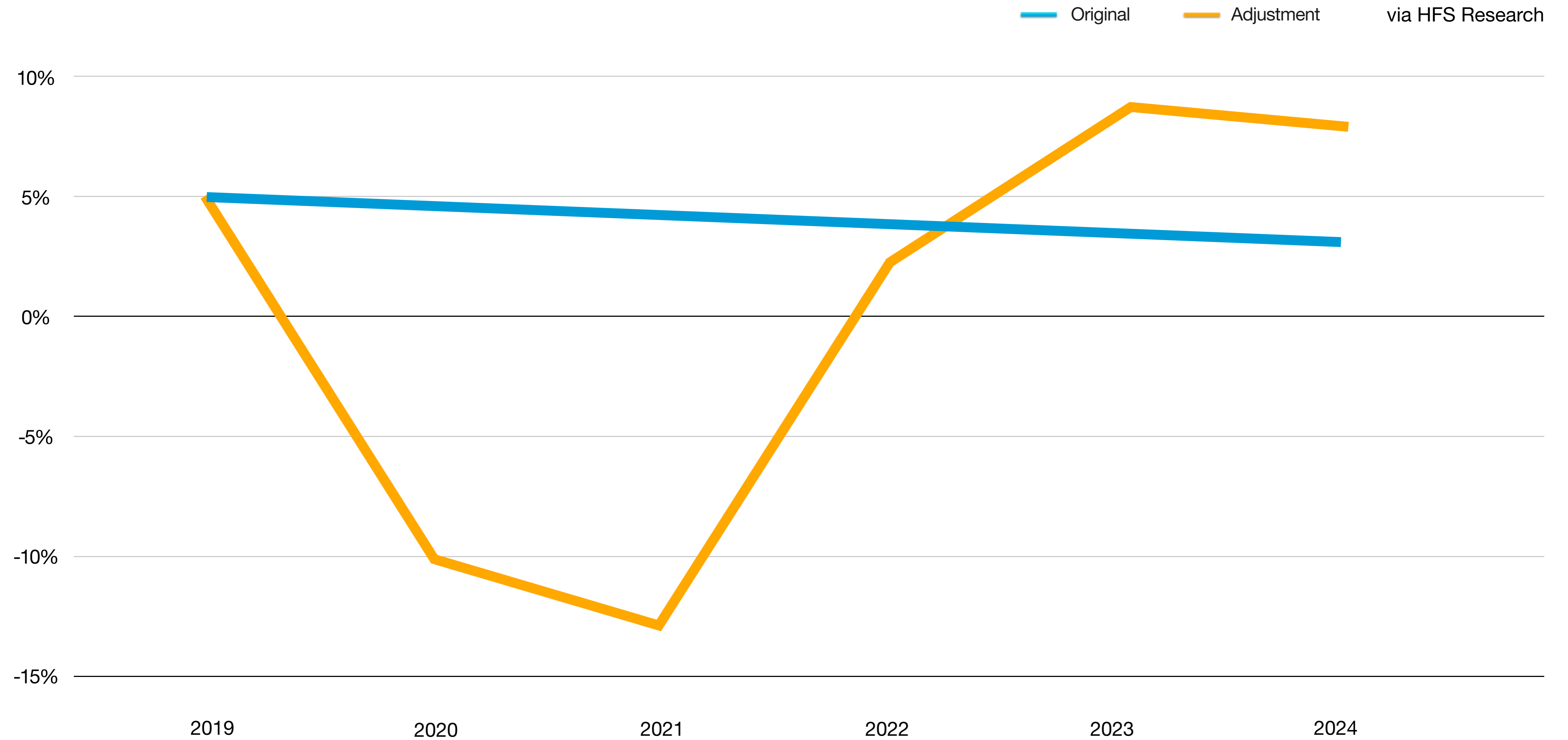
Pre-COVID Sept. 2020 via Statista



# COVID-19 impact on IT and Business Services

## Impact on Forecast 2020 - 2024

Economic recovery to pre-COVID levels is unlikely until the second half of 2021.

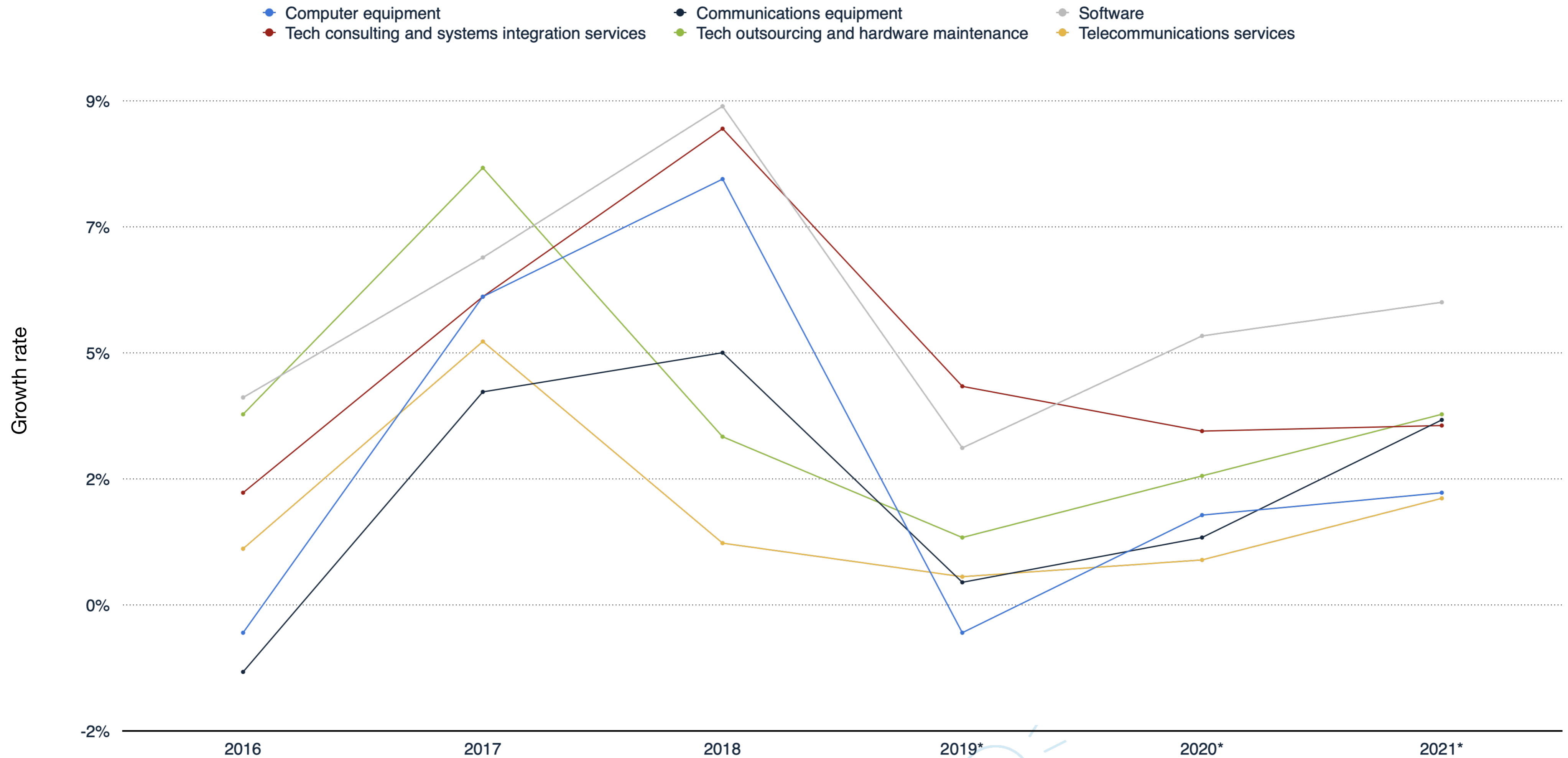




# Growth rate of business and government spending on tech goods and services worldwide from 2016 to 2021, by segment

➔ Growth rate on expenditure on IT goods and services worldwide 2016-2021, by category

via Statista

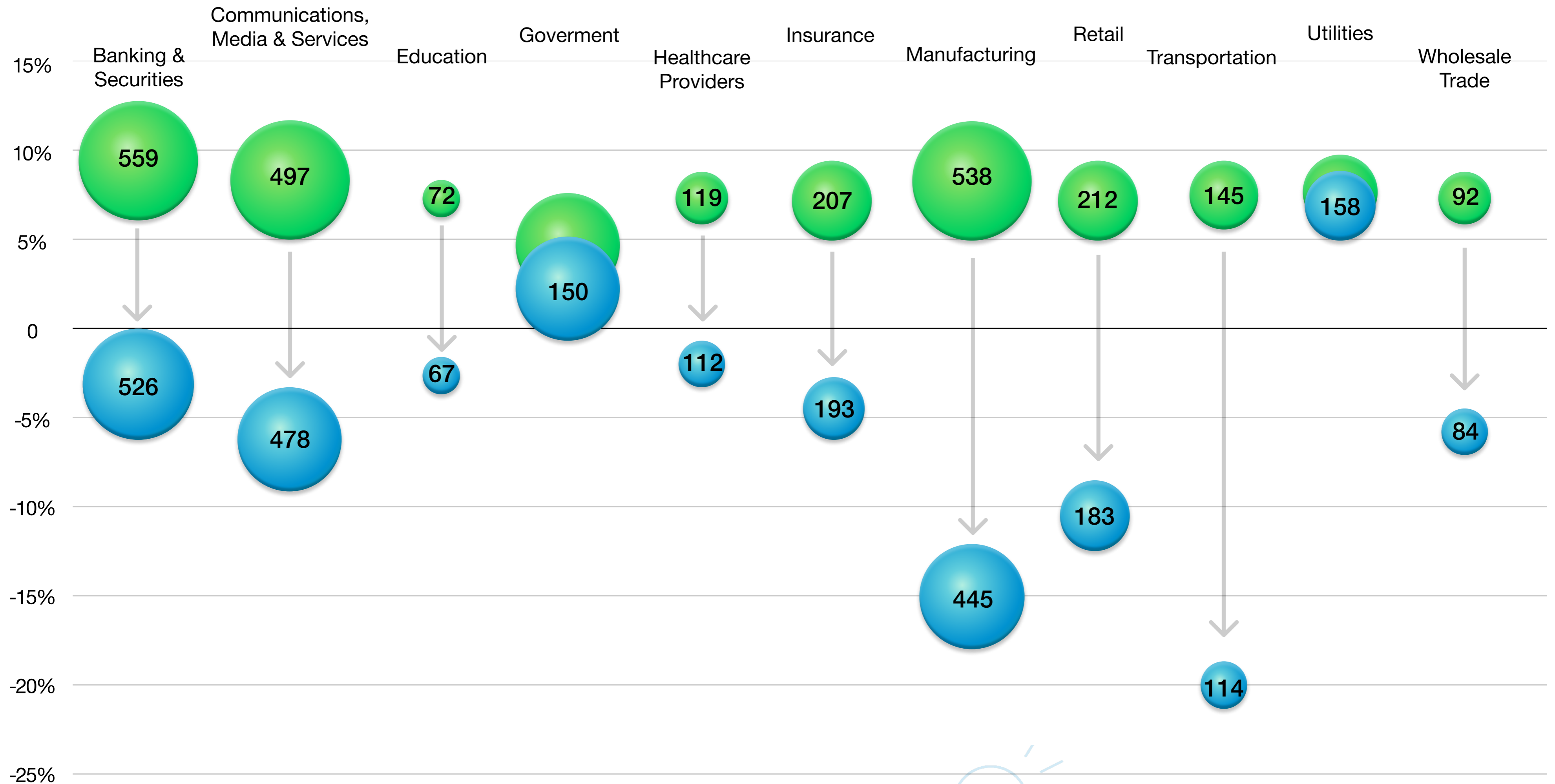


# Change to Global Vertical 2020 IT Spending Growth

2020 Growth in Constant Currency  
(in billion U.S. dollars)\*

via Gartner

● Q4 2019 → Q3 2020  
**4.6%** → **-6.0%**



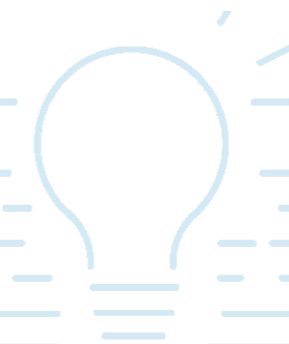
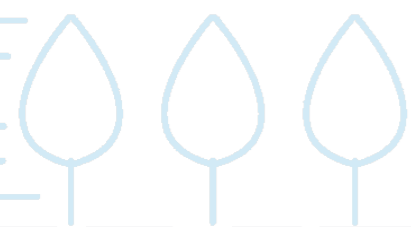
# COVID-19 Impact on IT and Business Services Expenditure

## Industry Sectors

via HFS Research

Most severely impacted industries

	2019	2020	2021	2022	2023	2024
<b>Travel, hospitality and logistics</b>	4.60%	-32.50%	-39.50%	2.50%	8.00%	7.10%
<b>Retail and CPG</b>	4.70%	-18.80%	-23.10%	2.20%	8.10%	7.40%
<b>Manufacturing</b>	5.80%	-18.20%	-22.20%	3.20%	9.20%	8.30%
<b>Entertainment, Media &amp; Publishing</b>	5.00%	-14.40%	-17.90%	2.50%	8.40%	7.40%
<b>High-tech and software</b>	5.10%	-11.00%	-14.20%	2.20%	8.20%	7.50%
<b>Telecommunications</b>	3.80%	-10.10%	-12.90%	0.70%	6.90%	6.20%
<b>Insurance</b>	2.80%	-9.70%	-11.90%	-1.40%	7.00%	5.30%
<b>Banking and financial services</b>	5.30%	-8.40%	-11.80%	2.30%	8.20%	7.20%
<b>Energy</b>	4.30%	-8.90%	-12.90%	0.50%	7.30%	6.10%
<b>Utilities</b>	5.90%	-5.70%	-9.50%	2.20%	8.80%	7.60%
<b>Public Sector</b>	4.10%	-3.10%	-4.20%	0.90%	7.10%	6.30%
<b>Healthcare</b>	5.10%	-0.90%	-2.30%	1.80%	8.40%	7.40%
<b>Life Science and Pharma</b>	5.10%	-0.80%	-2.30%	1.80%	8.40%	7.40%
<b>Overall</b>	4.90%	-10.20%	-12.50%	1.80%	8.10%	7.20%

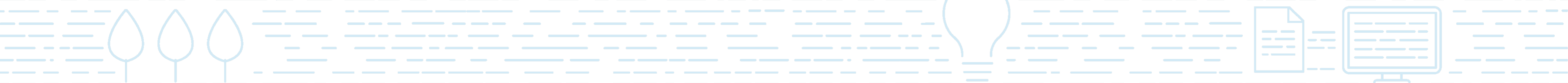
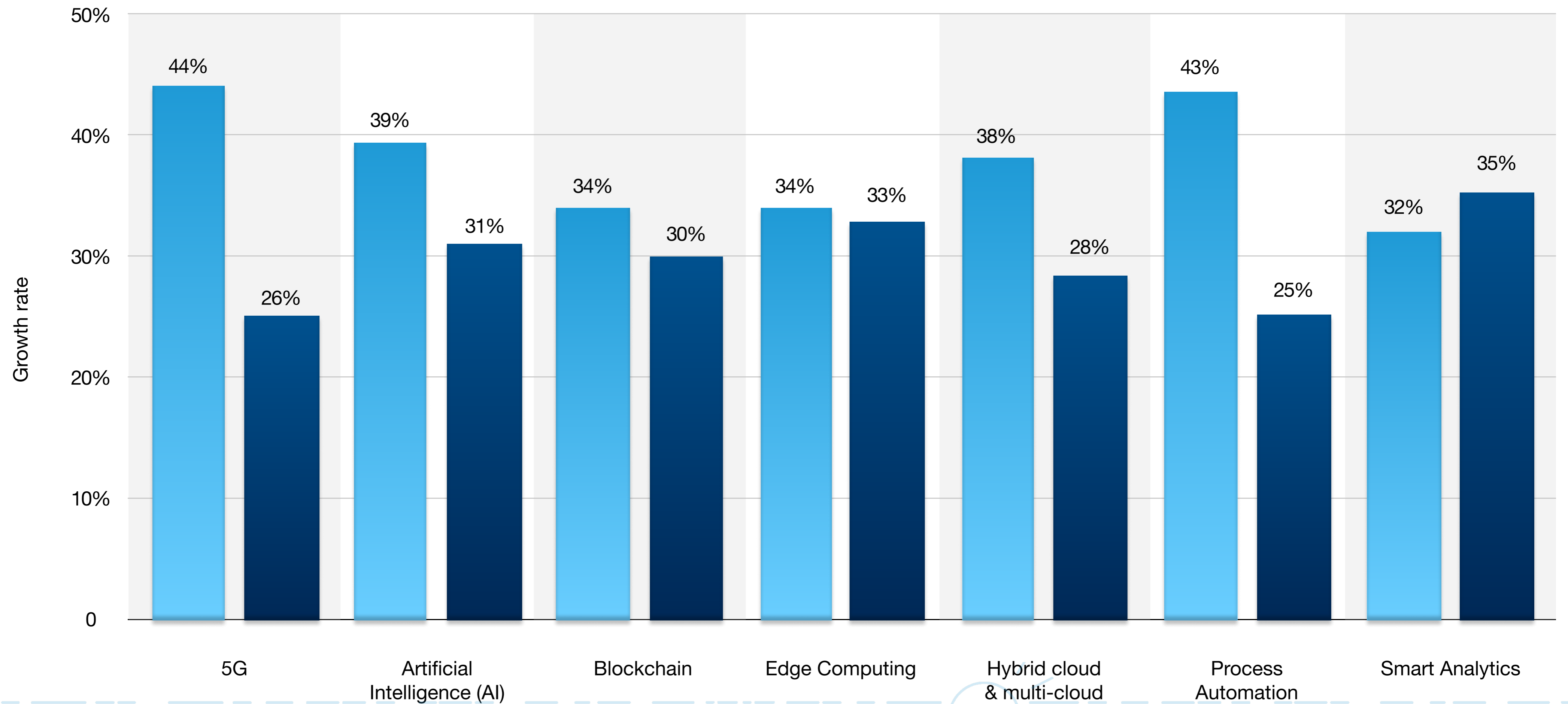


# Emerging technology spending intentions impacted by COVID-19 according to technology executives worldwide as of 2020



As per surveys carried out between March and June in 2020, 44 percent of the technology executives questioned said that they expect spending on 5G to increase in the next 12 months, with 43 percent suggesting that spending on process automation was likely to increase in the next year

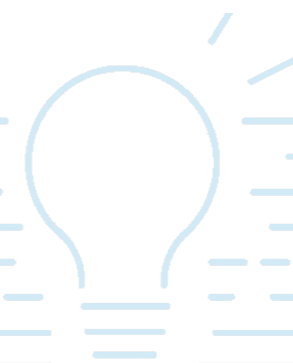
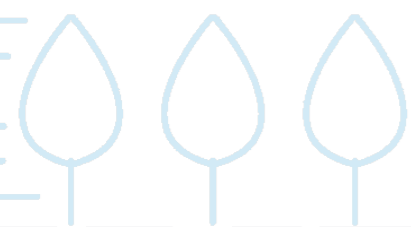
■ Increase ■ Decrease via Statista



## 2020 Takeaways

- A significant amount of work are unable to complete due to local lockdowns and social distancing. Government bailouts have prevented some businesses from failing but will not be universally successful particularly with small businesses.
- Businesses strive to restrict resources and suspend any unimportant projects to maintain core business operations.
- Professional services impact is immediate (Q1/Q2) with a return to pre-COVID spend in 8-10 quarters.
- The increasing adoption of remote working of the public and private sectors has spurred spending on team work tools and cyber security.

With COVID are still looming, the need to share data while maintaining privacy or security and digital transformation have become an urgent demand for most organizations all around the globe.



Under the impact of COVID-19, digitization is no longer an added service, but has become a mandatory requirement.

Businesses who successfully take advantage of the booming digital wave, data and technology can improve the competitiveness of their products and sales channels, and better manage their teams.

