UK Software & IT Services market remains resilient. Headline growth in 2022 now forecast to hit 10.2%

Farnham, Surrey, 16 December 2022 – Analyst and advisory firm, TechMarketView, has released new data showing an improved outlook for the UK market for Software & IT Services (SITS).

TechMarketView analysts have been tracking how SITS buyers are responding to the wider national and global economic challenges. The firm now expects that the UK SITS market in 2022 will, at a headline level, increase 10.2% (prior forecast 8.0%) and sustain a CAGR of 6.6% (prior forecast 5.9%) through to 2025.

These figures are, however, buoyed materially by the impact of rising inflation. In real terms, UK SITS demand will be limited to a still healthy 5.6% in 2022 (prior forecast 5.0%) and a CAGR of 3.9% through to 2025 (prior forecast 3.4%).

Duncan Aitchison, Research Director, said: "TechMarketView's more upbeat re-assessment of the prospects for the UK Software & IT Services market is being driven by the resilience in demand for digital transformation. We do, however, anticipate a cooling in market fervour as we go through 2023 and beyond with the pace of SITS expenditure increase – averaging over 5% per annum for the next three years – returning to historic norms."

From increasing inflationary pressures, to continuing widespread supply chain problems, through persistent skills shortages, the bumps in the road for UK organisations large and small, public, and private continue to be both sizeable and extensive. While there are distinct vertical industry and horizontal service line variations, the overall pattern shows enterprises prioritising and increasing investment in technology to accelerate the pace of digital transformation.

The full report is available to TechMarketView subscribers, here: [Market Outlook Update: Trends and Forecasts 2022-2025](#).

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About TechMarketView

TechMarketView is an influential boutique analyst and advisory firm focused on the UK tech market. Trusted by tech suppliers and tech users as they navigate change, TechMarketView analysts are known for robust analysis of suppliers and disruptive market trends, blending UK depth with forward-looking insight.

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