Tech Market View

UK SITS Suppliers in 'fastest growth ever analysed' as 2021 proves a momentous year for the industry

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Farnham, Surrey, 3rd February 2022

*Report: **Trends & Forecasts 2021-2024 – Market Outlook Update***

It's certainly been a year to remember if you're a UK software and IT services (SITS) supplier. Based on analyst firm TechMarketView's most recent analysis of company performance, 2021 looks set to have delivered the largest ever volume of annual growth in the UK SITS market. Our research indicates that demand increased by almost 9% last year as buyers here spent an additional c£5bn on software and IT services.

Public sector has been the big winner over the year, we anticipate this vertical will generate 23% of the market expansion driven largely by Central Government & Health. The financial sector, after some tough going in the early stages of the pandemic, delivered a robust 7.2% growth year. Within the remaining private sector groupings, Manufacturing is the biggest winner, with almost 11% market growth year on year.

Telecoms, Media & Technology, perhaps unsurprisingly given the move to online and virtual, are projected to average 7.2% growth between 2020 & 2024 (CAGR index). Retail & Wholesale sit not far behind at 6.7%, and finally the slowest rates are seen in Energy & Wholesale and Travel & Transportation.

Duncan Aitchison, who has overseen this report, states "Many enterprises elected to ramp up their digital transformation agendas as the 'rush to the cloud' merged with the 'art of the possible', during what was an unprecedented period of investment."

The overall pattern shows enterprises prioritising and increasing investment in technology to accelerate the pace of digital transformation, all of which have led TechMarketView to expect 2021 to be a record-breaking year in terms of growth, in fact, the fastest we've ever analysed.

Chief Research Officer, Kate Hanaghan says: "Growth was at a velocity not seen since the hay days of Y2K/Dotcom when the SITS sector was barely half its current size."

This research is intended to provide a brief 'mid-term' update. The final calculation of the 2021 market size, new growth projections through to 2025, and a detailed analysis of the dynamics shaping demand will be provided in our next full Market Trends & Forecasts report when it is published this June.

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About Duncan Aitchison

Research Director [Duncan Aitchison](#) is a respected industry commentator with over 30 years experience in IT Services. He is known for his in-depth knowledge of the outsourcing and SI markets, most notably the application services segment. Email: daitchison@techmarketview.com

About TechMarketView

TechMarketView is an influential boutique analyst & 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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