# RESEARCH SUMMARY
**DECEMBER – FEBRUARY 2024**

TechMarketView
UK DEPTH GLOBAL TRENDS

TO ACCESS THE RESEARCH
CONTACT **BELINDA TEWSON**
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**KEY** **FS** FOUNDATION SERVICE **PSV** PUBLICSECTOR*VIEWS* **FSV** FINANCIALSERVICES*VIEWS* **TSV** TECHSECTOR*VIEWS* **SV** SUSTAINABILITY*VIEWS* **TUP** TECH USER PROGRAMME **HVX** UKHOT*VIEWS*EXTRA

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## IndustryViews Corporate Activity Q4 2023
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**TANIA WILSON | REPORT | 26 FEBRUARY 2024**

Merger and acquisition (M&A) activity in the UK software and IT services (SITS) sector reversed several quarters of decline in Q4, with an uptick in both acquisitions by and sales of UK SITS companies. This is according to data from Silverpeak, the mid-market technology specialists that represent European growth businesses in M&A and financing transactions. There were 77 acquisitions by and 75 sales of UK SITS companies in Q3 2023, compared to 62 and 68 respectively in Q3. Analysis of the data shows that most of the upturn is accounted for in intra-UK deals. See more in this edition of IndustryViews Corporate Activity, our quarterly review of UK SITS M&A.

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## Temenos delivers strong growth and a robust rebuttal
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**JON C DAVIES | UKHOTVIEWSEXTRA | 22 FEBRUARY 2024**

**temenos**

Leading banking software provider, Temenos, hosted its annual Capital Markets Day in London in February, with the event following the release of the company's latest full-year results. The financials for the twelve months ended 31 December 2023 comfortably exceeded Temenos' previous guidance with Annual Recurring Revenue (ARR) up 16% to $730m and total revenue up 5% to $1bn. Software licensing was up 10% at $443m, SaaS was up 25% at $205.1m and subscription revenue was up 52% at $160.4m. Meanwhile, Temenos delivered EBIT of $199.4m (representing growth of 22%) and Free Cash Flow of $243m (up 26%).
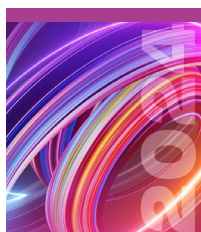
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## SMB productivity: Driving value through modernisation
**TSV** **FS** **TUP** 🖥 READ MORE

**KATE HANAGHAN | REPORT | 20 FEBRUARY 2024**

This research profiles SMB (Small and Medium sized Businesses) buyers to understand whether their tech investments have led to improved productivity. We explain that productivity growth is a challenge for firms of all sizes – and has been for some time. Implementing the right technologies in the right way can help, but SMBs face their own set of very specific challenges. They don't always have dedicated IT expertise, meaning they can be late to adopt technological advancements.

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## UK Public Sector Predictions 2024
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**DALE PETERS | REPORT | 9 FEBRUARY 2024**

This report provides predictions for the use of technology in the public sector in 2024 and beyond. It provides six predictions for each of the six subsectors TechMarketView tracks (Central Government, Local & Regional Government, Defence, Health, Education and Police).

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## TechMarketView launches SustainabilityViews – analysis and insight for SITS in sustainability
**SV** ▶ WATCH NOW

**CRAIG WENTWORTH | NEW RESEARCH STREAM | 1 FEBRUARY 2024**

We were excited to announce the launch of new research stream, SustainabilityViews, designed to help our clients better understand how software and IT services are being deployed in pursuit of environmental sustainability goals. SustainabilityViews takes a global view of sustainability technology, tracking emerging tech and use case developments for SITS in sustainability-related fields – reflecting how the fight against climate change is a worldwide concern. Watch our launch video to find out more.

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## Local Government Services Market – A Liberata perspective
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**MARC HARDWICK | UKHOTVIEWSEXTRA | 31 JANAURY 2024**

**Liberata**

Whilst Local Government will remain under huge financial pressure for the foreseeable future, the sector will continue to look towards SITS suppliers as a source of innovation and as a catalyst for transformation. Business Process Services (BPS) supplier Liberata has been one of the best performing SITS suppliers in the Local Government market of late and to help understand how the market is developing we caught up recently with Charlie Bruin, long term CEO of OSUK Professional Services (the parent company of Liberata) to understand his perspective on the sector, and how his firm is adapting its service offer to best address what are increasingly complex client needs.
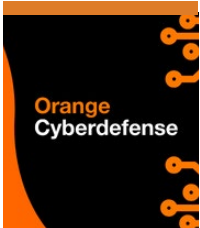
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## Financial Services Predictions 2024
**JON C DAVIES | REPORT | 24 JANUARY 2024**

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This report contains our predictions for Financial Services SITS in 2024. In light of the current fervour around AI, several of the predictions specifically focus on AI adoption in the context of UK Financial Services. In addition, our predictions are designed to highlight some of the potential areas of growth and opportunity in the marketplace over the next twelve months.

## Orange Cyberdefense: Accelerating international scale and synergies
**SIMON BAXTER | REPORT | 22 JANAURY 2024 | TSV**

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Orange is still a well-known brand across the European continent, with Orange Business providing cloud, networking, workplace and infrastructure solutions for a range of organisations such as Carrefour, Maersk and Siemens. Over the past 8 years Orange Cyberdefense has built itself through a mixture of acquisitions and organic growth, with siloed geographic units integrated into the broader business. In its next phase of growth it is focusing on international scalability and achieving profitable growth to fuel reinvestment. In this report you can read more about Orange Cyberdefence's plans for growth and further analysis of its portfolio and product roadmap.

## Technology firms pursue African opportunities
**JON C DAVIES | UKHOTVIEWSEXTRA | 22 JANUARY 2024**

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According to forecasts from the International Monetary Fund (IMF), in 2024, six of the top 10 performing economies in the world are forecast to come from Sub-Saharan Africa. Whilst South Africa and Nigeria are two of the largest established economies in the region, other developing nations appear to have immense potential. Kenya in particular is the focus of growing attention. Kenya boasts one of Africa's highest GDPs and the country is already considered to be one of Africa's main technology hubs. In 2021, Kenyan start-ups secured $370m in funding (excluding grants, prizes, and non-equity raises) around 7% of Africa's total funding for that year.

## Impact of Post Office Inquiry on Fujitsu and wider IT industry
**GEORGINA O'TOOLE AND KATE HANAGHAN | UKHOTVIEWSEXTRA | 17 JANUARY 2024**

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The response to the ITV drama, Mr Bates vs The Post Office, has been immense. Widespread public outrage forced both Paula Vennells to hand back her CBE and Prime Minister Rishi Sunak to announce new legislation to exonerate the people whose lives have been so deeply impacted. Meanwhile, the Post Office Horizon Inquiry is ongoing, meaning much work is yet to be done to ascertain precisely where accountability lies. On Tuesday (16th January), there was a "non-inquiry" parliamentary committee session where Paul Patterson (Director, Fujitsu Services Ltd and CEO Europe) answered questions pertaining to Fujitsu's involvement.

## Local & Regional Government Suppliers, Trends, and Forecasts 2023-2026
**CRAIG WENTWORTH | REPORT | 12 JANUARY 2024**

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This report provides TechMarketView's view of the UK Local & Regional Government Software and IT Services (SITS) market from a market and supplier perspective. The report includes TechMarketView's Top 10 Local & Regional Government SITS rankings for 2022, as well as our view of those suppliers that are 'on the rise' and, therefore, threatening to unseat the leading players, and a handpicked selection of suppliers that are worth keeping a close eye on, due to their renewed interest in the sector, recent successes, or differentiated approach.

## US tech surges in 2023 - whilst UK stocks stutter
**TANIA WILSON | UKHOTVIEWSEXTRA | 11 JANUARY 2024**

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If 2022 was the year when tech stocks fell to earth, then 2023 was the year in which they took flight once more, with the US tech-focused Nasdaq finishing the year up 43% and not far off its 2021 peak. Interest rate increases during 2021 and 2022 took their toll on tech shares more than those of other sectors because a greater proportion of the value in technology business is predicated on future cashflows. These future cashflows are discounted back to arrive at today's valuation. The higher the prevailing interest rate, the heavier that discount.

## CGI to continue working on UK's National Security Vetting System
**GEOGRINA O'TOOLE | UKHOTVIEWSEXTRA | 10 JANUARY 2024**

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CGI has won a £47.5m, four-year, contract with the Cabinet Office for the provision of services to host, manage, maintain, and run the UK Security Vetting (UKSV) Agency's National Security Vetting System (NSVS). The contract will run from 1st March 2024 to 29th February 2028. Security Vetting provides assurance on individuals working with government assets and classified information; the three most common types are Counter-Terrorist Checks (CTCs), Security Checks (SCs) and Developed Vetting (DVs). The Ministry of Defence (MOD) accounts for 56% of all security clearance requests.

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## Financial Markets SITS, Trends and Forecasts

**JON C DAVIES | REPORT | 3 JANUARY 2024**

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This report analyses the business and technology trends impacting the Financial Markets sector in the UK and includes TechMarketView's detailed forecasts for expenditure within the associated software and IT services (SITS) market.

## Immersive Customer Experiences: Progress, Possibilities and Prognosis

**DUNCAN AITCHISON | REPORT | 22 DECEMBER 2023**

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Customer Experience (CX) is one of the most dynamic and significant parts of the SITS market. Expectations regarding the transformative impact of immersive technologies in this arena are high and the ability to deliver immersive experiences is already an essential part of the kit bag for suppliers seeking to build their presence in the CX world. This report contains our analysis of the progress that the leverage of immersive technologies has made in the CX arena together with examples of the uses to which they are being put. The commentary also considers "where next?" for immersive CX and looks at the emerging technologies that are likely to impact developments.

## Police Suppliers, Trends, and Forecasts 2023-2026

**DALE PETERS | REPORT | 22 DECEMBER 2023**

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This report provides TechMarketView's view of the UK Police Software and IT Services (SITS) market from a market and supplier perspective. The report includes TechMarketView's Top 10 Police SITS rankings for 2022, as well as our view of those suppliers that are 'on the rise' and, therefore, threatening to unseat the leading players, and a handpicked selection of suppliers that are worth keeping a close eye on, due to their renewed interest in the sector, recent successes, or differentiated approach.

## Sustainability Predictions 2024

**CRAIG WENTWORTH | REPORT | 21 DECEMBER 2023**

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In this report Craig covers TechMarketView's Sustainability predictions for 2024. As COP28's renewable energy capacity and energy efficiency targets range out to 2030 (with a checkpoint at COP30 in 2025) there are many scenarios which could run their course and affect SITS suppliers over the longer term. However, in this report, we focus on six areas that we consider to be the most pressing and the most likely to affect the UK market in 2024.

## The Legal Landscape for ESG

**CRAIG WENTWORTH | REPORT | 19 DECEMBER 2023**

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This report looks at the various policy and legal frameworks, and emerging standards, in the field of environmental social governance (ESG) reporting—in the UK, across Europe, and in the US. We analyse the implications for organisations of all shapes, sizes, and sectors (when they're likely to be impacted, and how; and where their SITS technology partners can help customers turn a bane into a boon by capitalising on the data they collect).

## COP28's Call to Arms for the Tech Industry

**CRAIG WENTWORTH | REPORT | 18 DECEMBER 2023**

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This report looks at the climate commitments agreed at COP28, and explores where technology can play a part in helping countries meet their renewed obligations (specifically around data – collection, disclosure, and action, biodiversity and habitat protection in support of carbon removal, enabling renewables, greening IT, and making buildings smarter).

## Disposal complete: The future for Parity and Pathway

**GEORGINA O'TOOLE | UKHOTVIEWSEXTRA | 14 DECEMBER 2023**

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At the end of November 2023, we reported on Parity selling its recruitment business for £3m. On 8th December Parity completed the disposal of Parity Professionals, receiving the initial £2m consideration from the buyer – recruiter, Pertemps Network Group (PNG Network Ventures) - and changed its name, effective 11th December 2023, to Partway Group. Following completion of the sale, Partway Group has been reclassified as a cash shell on the AIM market. For Chairman of Parity Group, and now Chairman of Partway Group, Mark Braund, this moment is bittersweet. Read our views on the disposal and what the future holds for Parity in this UKHotViewsExtra article.

## TechMarketView Predictions 2024

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**TECHMARKETVIEW ANALYST TEAM | REPORT | 8 DECEMBER 2023**

TechMarketView's annual Predictions for the forthcoming new year.

## Market Outlook Update 2023

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**DUNCAN AITCHISON | REPORT | 6 DECEMBER 2023**

TechMarketView's update on the outlook for the UK Software and IT Services market. In this report we update our forecasts published in June 2023 to reflect current economic conditions and market activity in Q3 and Q4.

## Atos Tech Foundations: Picture of clarity and investment focus emerging

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**GEORGINA O'TOOLE | REPORT | 6 DECEMBER 2023**

Report looking at the portfolio and investment focus of the Atos Tech Foundations business. We highlight the renewed clarity that is emerging in relation to the Tech Foundations portfolio of offerings and look closely at the targeted investment that is being made in pursuit of operational efficiencies and market differentiation.

## TechMarketView Research Theme 2024: Enabling Acceleration

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**GEORGINA O'TOOLE | REPORT | 4 DECEMBER 2023**

We are excited to launch TechMarketView's research theme for 2024: Enabling Acceleration. Committed followers of TechMarketView will be aware that every year our theme is designed to sum up in a few words the key trends that we think will impact the tech market in the year ahead. Our 2024 research theme – Enabling Acceleration – highlights the intense pressure that organisations feel to keep pace with the speed of technological innovation and make a transformation step change.

## Artificial Intelligence: Market Trends, Use Cases and Suppliers

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**SIMON BAXTER | REPORT | 1 DECEMBER**

Artificial Intelligence (AI) continues to dominate the market narrative, influencing digital transformation investment across all industries and market segments. With AI set to be a key theme for 2024 and beyond, this report will review current market trends, break down the myriad new terminologies, and look at some of the main use cases and suppliers for AI across the UK software and IT services market. This report will be supported by forthcoming research that will look deeper at innovative start-ups, market demand and key trends at both a technological and industry level.