

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2021-2027, 2Q23 Update

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Initiatives: [Industry Markets and Technologies](#)

The worldwide enterprise IT spending across all industry markets will increase by 6.8% in 2023 to \$3.5 trillion in constant U.S. dollars, with an expected constant currency five-year CAGR of 8.0% through 2027.

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Overview

This document was republished on 18 July 2023. The document you are viewing is the corrected version. For more information, see the [Corrections](#) page on gartner.com.

All the growth rates and figures specified in this report are presented in constant currency unless specified otherwise.

Across industries, global enterprise IT spending growth, in constant currency, is forecast to be 6.8% in 2023 and 8.0% over a five-year compound annual growth rate (CAGR), reaching \$4.9 trillion by 2027. During 2023, power and utilities, healthcare and life sciences, and banking and investment services will be the three fastest-growing industries.

Power and utilities will lead vertical industry IT spend with 8.5% growth expected in 2023, driving more than \$195 billion in constant U.S. dollars. By 2027, power and utilities IT spending is expected to reach \$297 billion driven mainly by rapidly expanding renewables, bolstered by government spending, increased investment into energy, and water transition adaptation and resilience. Demand for adaptation to the energy and water transition will focus on technologies and services for security, analytics, customer experience, and IT personnel and services, sustaining high demand as utility CIOs adjust the application portfolio with a selective flight to quality and industry verticalization.

Healthcare and life sciences is another vertical industry leading IT spend this quarter with expectations of 8.3% growth in 2023 and a five-year CAGR of 9.7%. Investments will be focused on technology modernization and adoption of digital-first business models. These include software and IT services that enhance cybersecurity and provide business intelligence, data analytics and virtual care, while driving growth and efficiencies in clinical and operational areas.

Banking and investment services account for 19% of the total enterprise IT spend in 2023. Global enterprise IT spending is expected to see 7.7% growth in 2023 and a five-year CAGR of 8.5% as the industry reaches an estimated \$957 billion by 2027. Growth is expected to be driven by consulting, application implementation managed services and infrastructure as a service (IaaS). Banking and investment services firms seek IT service providers to help navigate emerging opportunities and challenges and continue their journey to a more agile IT infrastructure. Banking leaders are looking to understand how emerging technologies, like generative AI (GenAI), will impact their previously developed digital ambitions and business as a whole. Most bank leaders are either planning to deploy GenAI or are assessing the benefits and risks of doing so. The growth in software spending is indicative of the industry building less technology in-house and buying solutions that enable firms to move more rapidly to generate value from their investments.

This quarterly forecast update is intended to provide quantitative market insights to technology and service providers. The forecast pivot table allows expanded exploratory data analysis on data center systems, software, IT services, telecom services and devices across 12 key industries and 41 subindustries across 10 regions and 42 countries around the world, broken out by 21 levels of detailed IT spending.

The 12 key industries are:

- Banking and investment services
- Communications, media and services
- Education
- Government
- Healthcare and life sciences
- Insurance
- Manufacturing and natural resources
- Retail
- Transportation
- Power and utilities
- Oil and gas

- Wholesale trade

The data in the downloadable .zip file contains one or more Excel reports, along with data formatted in a comma-delimited flat file (.csv) that can be imported into a variety of other applications.

NOTE: Microsoft Office 365 applications have added a feature that blocks untrusted macros from running by default; therefore, no macros are used within this workbook. Please see the workbook for instructions for using the updated functionality.

This 2Q23 forecast update includes alignment of 2021 and 2022 from Gartner's 2022 annual market share research and revision of forecast assumptions and predicted growth for IT Services, Devices, Data Center Systems and Enterprise Software markets. For more information, see:

- [Forecast: Enterprise Infrastructure Software, Worldwide, 2021-2027, 2Q23 Update](#)
- [Forecast: Enterprise Application Software, Worldwide, 2021-2027, 2Q23 Update](#)
- [Forecast: IT Services, Worldwide, 2021-2027, 2Q23 Update](#)
- [Forecast: PCs, Tablets and Mobile Phones, Worldwide, 2021-2027, 2Q23 Update](#)
- [Forecast: Mobile Phones, Worldwide, 2021-2027, 2Q23 Update](#)
- [Forecast: External Controller-Based Storage, Worldwide, 2021-2027, 2Q23 Update](#)
- [Forecast: Servers, All Countries, 2021-2027, 2Q23 Update](#)
- [Forecast: Enterprise Network Equipment by Market Segment, Worldwide, 2021-2027, 2Q23 Update](#)

Segment and Coverage Change Alerts:

Devices:

Please note that Gartner will discontinue coverage of the printers, copiers and multifunction products (MFPs) market from July 2023. See this document for further details on how this will impact publications: [Update: Gartner to Discontinue Printers, Copiers and MFPs Market Coverage](#).

Healthcare and Life Sciences and Manufacturing and Natural Resources Segmentation:

Gartner has also updated the healthcare and life sciences and manufacturing and natural resources segmentation within its vertical industries forecast to provide more accurate industry representation. These changes to Gartner coverage are intended to better support and inform clients making critical product and business planning and investment decisions.

With the new subindustry structure, Gartner will provide more visibility into market growth and revenue opportunities with regard to shifts in demand and supply caused by competitive, technological, economic, social or demographic trends. The new structure makes it easier to correlate the IT spend forecast with other research, such as key metrics and CIO or other surveys with manufacturing and healthcare industry cuts.

Russian Invasion of Ukraine

In response to the Russian invasion of Ukraine that began on 24 February 2022 and was ongoing at the time of this publication, Gartner is suspending market coverage of Russia and the Eurasia region. The definition of the Rest of Eastern Europe has been expanded to include Russia and the countries previously covered in the Rest of Eurasia.

Exchange Rate Alert

In the current environment, currency exchange rate fluctuations will be more volatile. Foundational factors, such as interest rates, tariffs and economic sanctions, changed more rapidly and with less predictability throughout 2022, and the expectation is that this will continue throughout 2023. For the near term, expectations for exchange rates should be treated with a heightened level of caution.

Spreadsheets published by Gartner may leverage features such as pivot tables and macros that are supported in a Microsoft Windows environment and with Microsoft Excel 2007 or higher.

See Gartner Internet Browser [System Requirements](#) for more information.

Document Revision History

[Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2021-2027, 1Q23 Update - 29 March 2023](#)

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2020-2026, 4Q22
Update - 19 December 2022

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2020-2026, 3Q22
Update - 28 September 2022

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2020-2026, 2Q22
Update - 19 July 2022

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2020-2026, 1Q22
Update - 30 March 2022

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2019-2025, 4Q21
Update - 21 December 2021

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2019-2025, 3Q21
Update - 30 September 2021

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2019-2025, 2Q21
Update - 23 June 2021

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2019-2025, 1Q21
Update - 25 March 2021

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2018-2024, 4Q20
Update - 22 December 2020

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2018-2024, 3Q20
Update - 5 October 2020

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2018-2024, 2Q20
Update - 2 July 2020

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2018-2024, 1Q20
Update - 1 May 2020

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2019-2023, 4Q19
Update - 6 February 2020

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2017-2023, 3Q19
Update - 31 October 2019

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2017-2023, 2Q19
Update - 31 July 2019

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2017-2023, 1Q19
Update - 30 April 2019

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2016-2022, 4Q18
Update - 31 January 2019

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2016-2022, 3Q18
Update - 30 October 2018

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2016-2022, 2Q18
Update - 3 August 2018

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2016-2022, 1Q18
Update - 30 April 2018

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2015-2021, 4Q17
Update - 31 January 2018

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2015-2021, 3Q17
Update - 27 October 2017

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2015-2021, 2Q17
Update - 31 July 2017

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2015-2021, 1Q17
Update - 27 April 2017

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2014-2020, 4Q16
Update - 30 January 2017

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2014-2020, 3Q16
Update - 14 October 2016

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2014-2020, 2Q16
Update - 25 July 2016

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2014-2020, 1Q16
Update - 27 April 2016

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2013-2019, 4Q15
Update - 27 January 2016

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2013-2019, 3Q15
Update - 9 October 2015

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2013-2019, 2Q15
Update - 20 July 2015

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2013-2019, 1Q15
Update - 13 April 2015

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2012-2018, 4Q14
Update - 22 January 2015

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2012-2018, 3Q14
Update - 8 October 2014

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2012-2018, 2Q14
Update - 17 July 2014

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2012-2018, 1Q14
Update - 14 April 2014

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2011-2017, 4Q13
Update - 30 January 2014

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2011-2017, 3Q13
Update - 3 October 2013

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2011-2017, 2Q13
Update - 15 July 2013

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 1Q13 Update - 18
April 2013

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2010-2016, 4Q12
Update - 16 January 2013

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2010-2016, 3Q12
Update - 17 October 2012

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2010-2016, 2Q12
Update - 16 July 2012

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2010-2016, 1Q12
Update - 12 April 2012

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2009-2015, 4Q11
Update - 12 January 2012

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2009-2015, 3Q11
Update - 12 October 2011

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2009-2015, 2Q11
Update - 15 July 2011

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2009-2015, 1Q11
Update - 15 April 2011

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2008-2014, 4Q10
Update - 18 January 2011

Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2008-2014, 3Q10
Update - 18 October 2010

Recommended by the Authors

Some documents may not be available as part of your current Gartner subscription.

[Market Definitions and Methodology: Vertical Industries](#)

[Forecast: Enterprise IT Spending for the Banking and Investment Services Market, Worldwide, 2021-2027, 1Q23 Update](#)

[Forecast: Enterprise IT Spending for the Communications, Media and Services Markets, Worldwide, 2021-2027, 1Q23 Update](#)

[Forecast: Enterprise IT Spending for the Government and Education Markets, Worldwide, 2021-2027, 1Q23 Update](#)

[Forecast: Enterprise IT Spending for the Insurance Market, Worldwide, 2021-2027, 1Q23 Update](#)

[Forecast: Enterprise IT Spending for the Retail Market, Worldwide, 2021-2027, 1Q23 Update](#)

[Forecast: Enterprise IT Spending for the Manufacturing and Natural Resources Market, Worldwide, 2021-2027, 1Q23 Update](#)

[Forecast: Enterprise IT Spending for the Power and Utilities Market, Worldwide, 2021-2027, 1Q23 Update](#)

[Forecast: Enterprise IT Spending for Oil and Gas Markets, Worldwide, 2021-2027, 1Q23 Update](#)

[Forecast: Enterprise IT Spending for the Healthcare and Life Sciences Markets, Worldwide, 2021-2027, 1Q23 Update](#)

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