The Road Ahead: CEE IT Market Trends Managers and Planners Should Know

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IDC: Getting Data to Reveal IT's Secrets

Central and Eastern Europe

Albania	Moldova
Azerbaijan	Montenegro
Belarus	Poland
Bosnia & Herz.	Romania
Bulgaria	Russia
Croatia	Serbia
Cyprus	Slovakia
Czech Republic	Slovenia
Estonia	Tajikistan
FYROM	Turkmenistan
Georgia	Ukraine
Greece	Uzbekistan
Hungary	Rest of CEE
Kazakhstan	
Kyrgyzstan	
Latvia	
Lithuania	
Malta	

Middle East/Africa

Turkey	Egypt
UAE	Morocco
Saudi Arabia	Algeria
Kuwait	Tunisia
Qatar	Libya
Oman	Ghana
Bahrain	Kenya
Lebanon	Uganda
Syria	Nigeria
Iran	Namibia
Jordan	Ivory Coast
Israel	Ethiopia
Rest of ME	Tanzania
	Botswana
	South Africa
	Rest of Africa

- **220+ staff**
- **Offices in more than 20 Countries**
- **Research coverage of 60 countries**

IDC Government Insights

Intro: context from the top down

Regional IT Spending – 2011

Chart: Y-axis labeled "US$ Billion" ranging from 0,00 to 500,00. Bars by region:
- AP: ~470
- WE: ~445
- LA: ~105
- CEE: ~65 (red bar)
- MEA: ~80
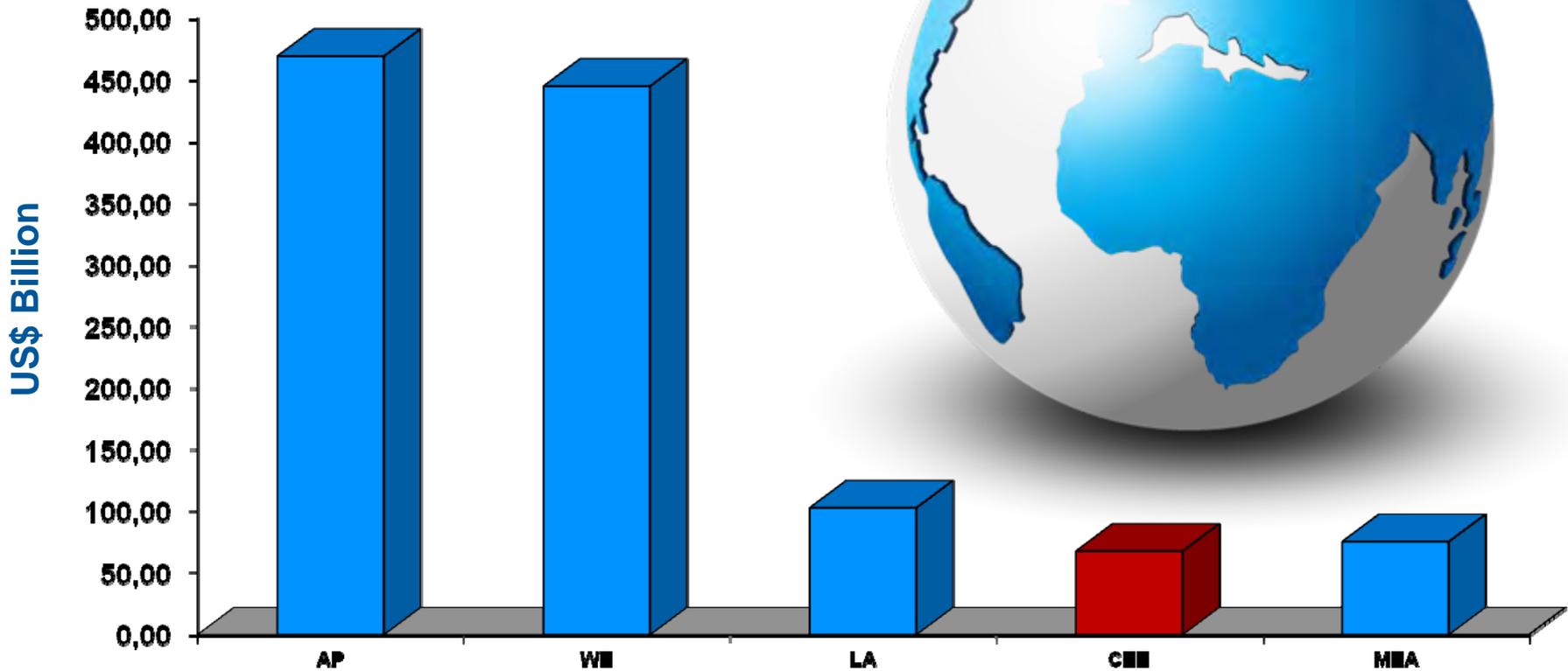
Global IT spending: USD 1 804 billion

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Intro: context from the top down

Regional IT Spending – 2011

Chart (horizontal bar, US$ Billion):

Country	
DE	~88
FR	~68
RU	~30
PO	~10
AT	~9
CZ	~4
HU	~2
SK	~1

X-axis: 0,00 20,00 40,00 60,00 80,00 100,00

US$ Billion

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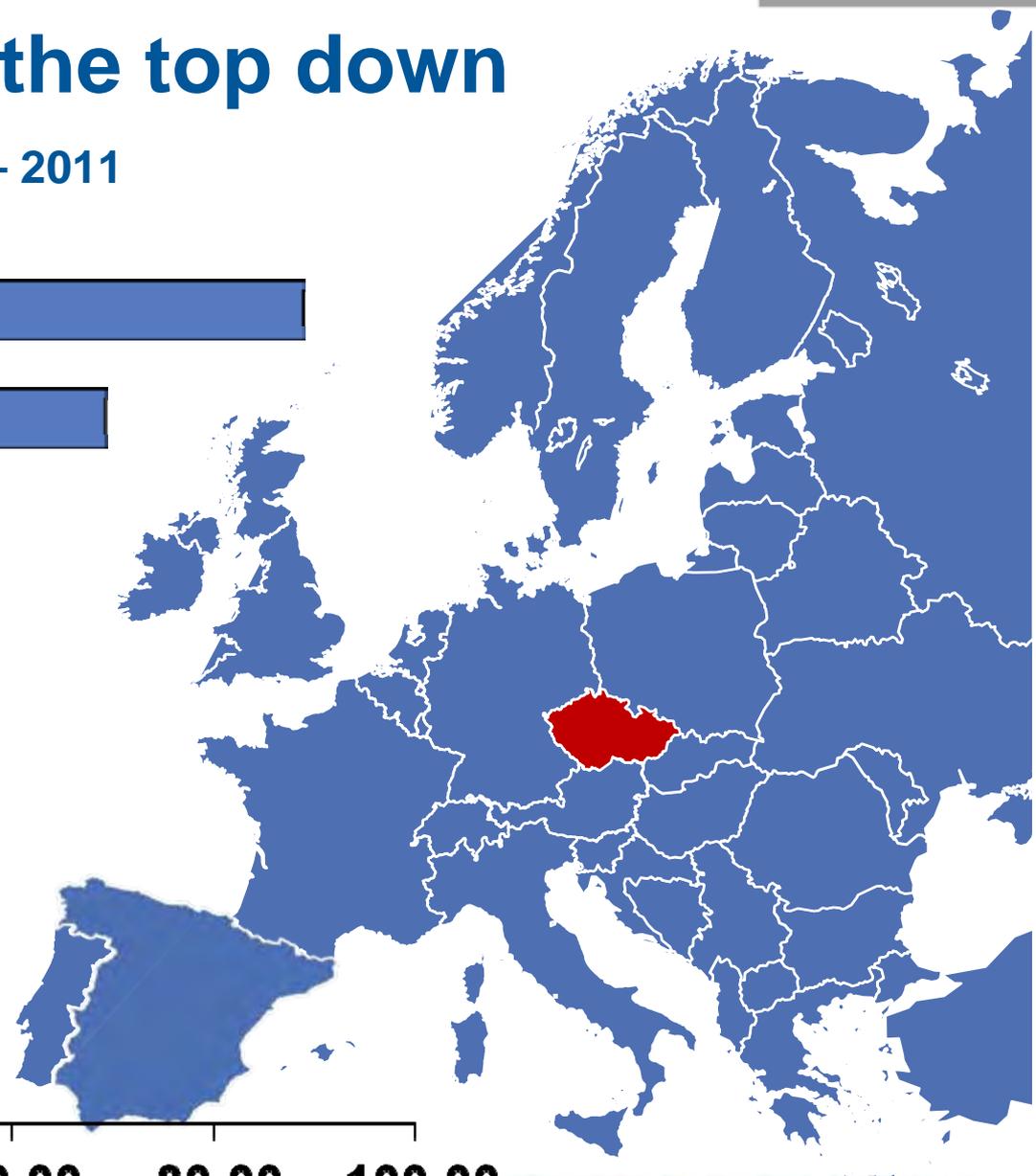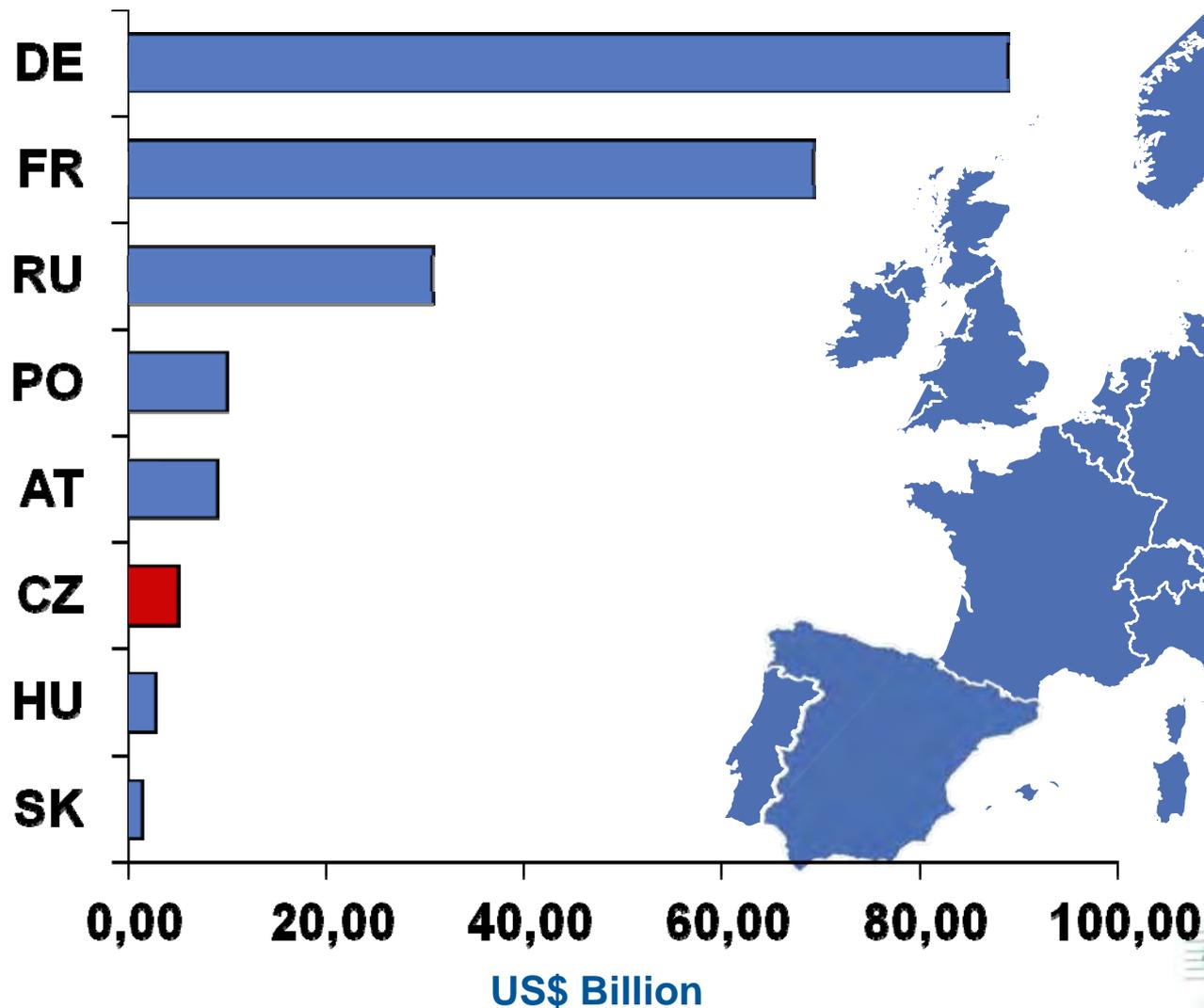
Intro: Context from the top down

IT spend per capita – 2011
→ **two-tiered Europe**

IDC Government Insights
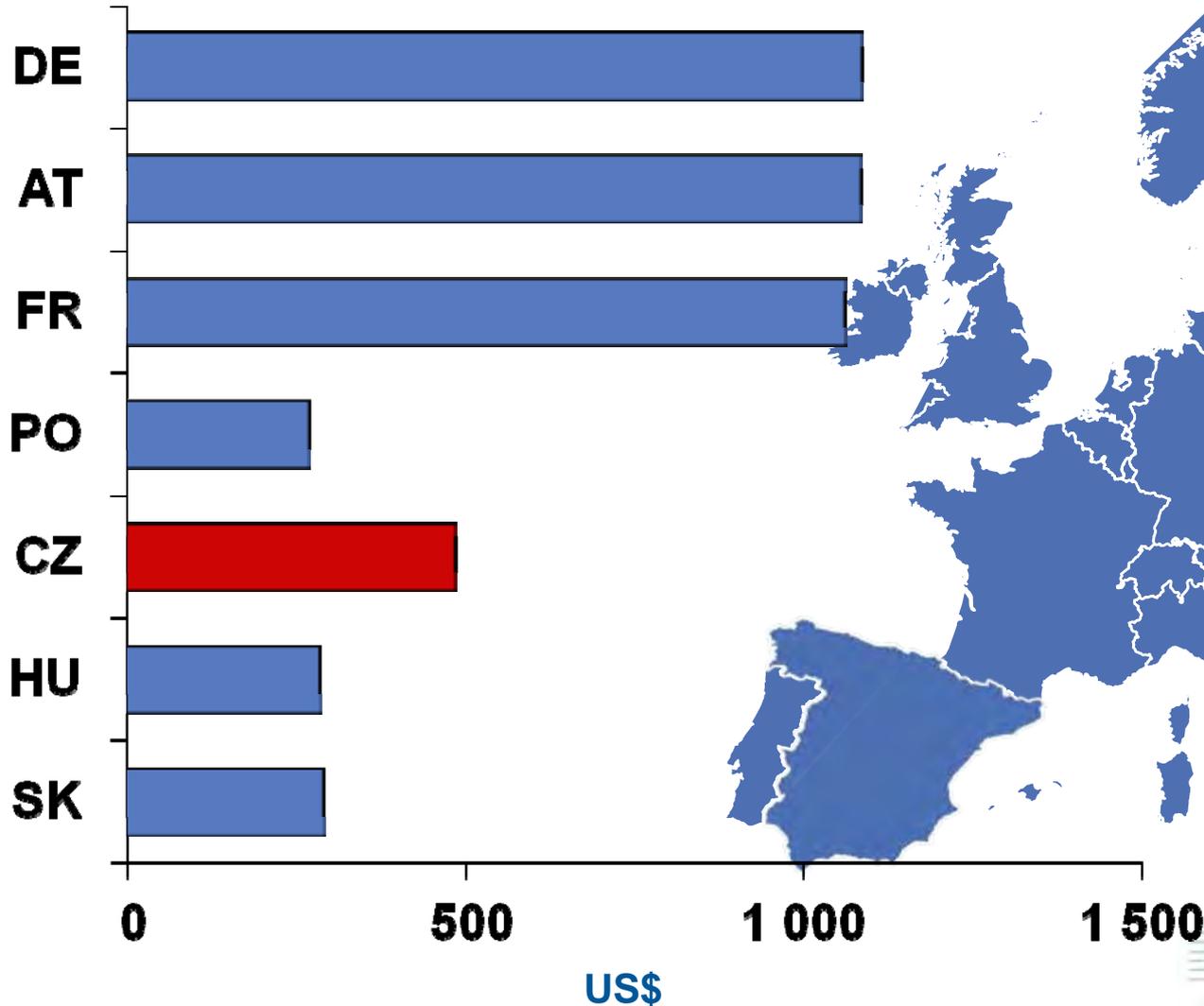
Intro: Context from the top down

CEE Government IT Spending – 2011
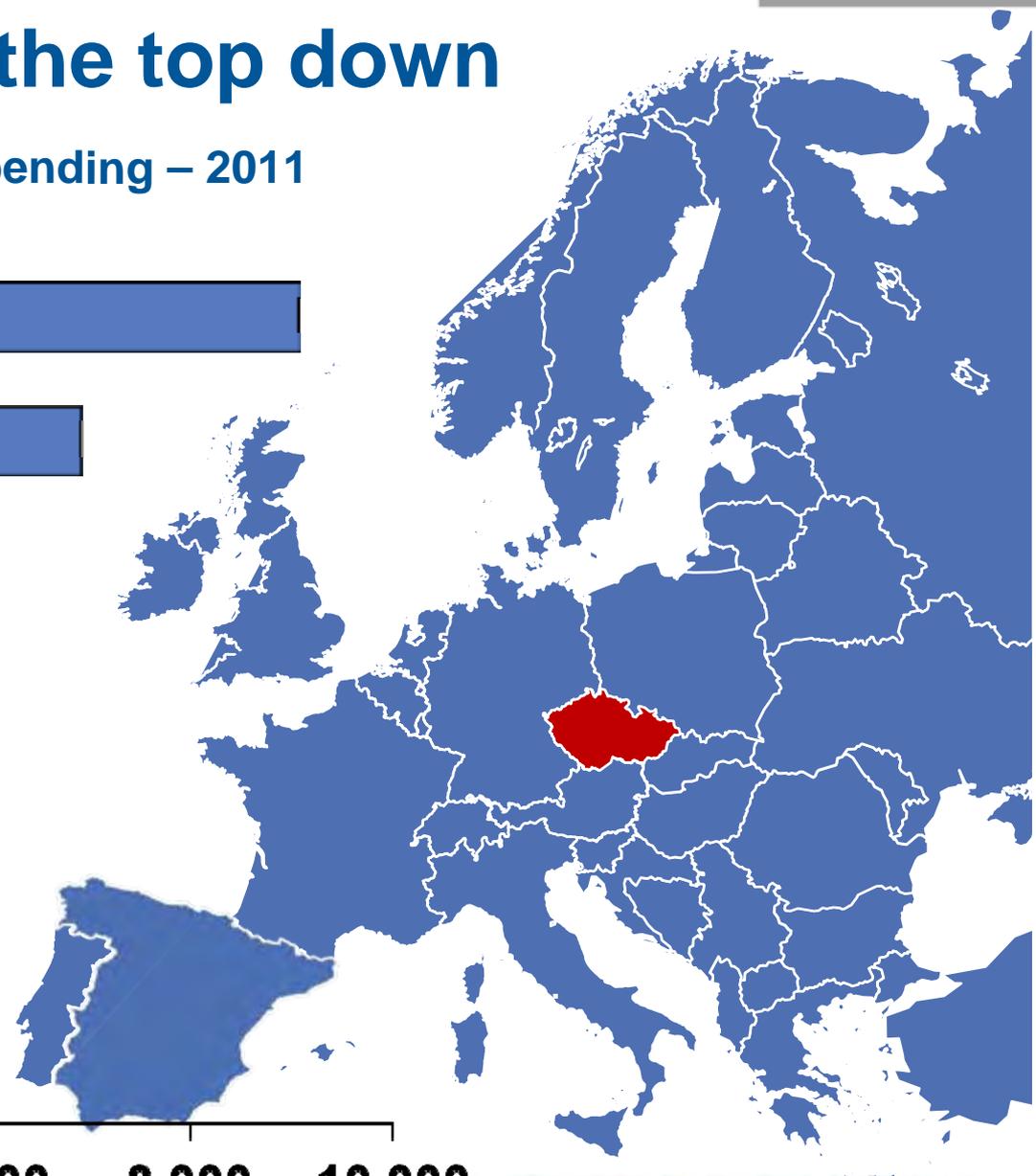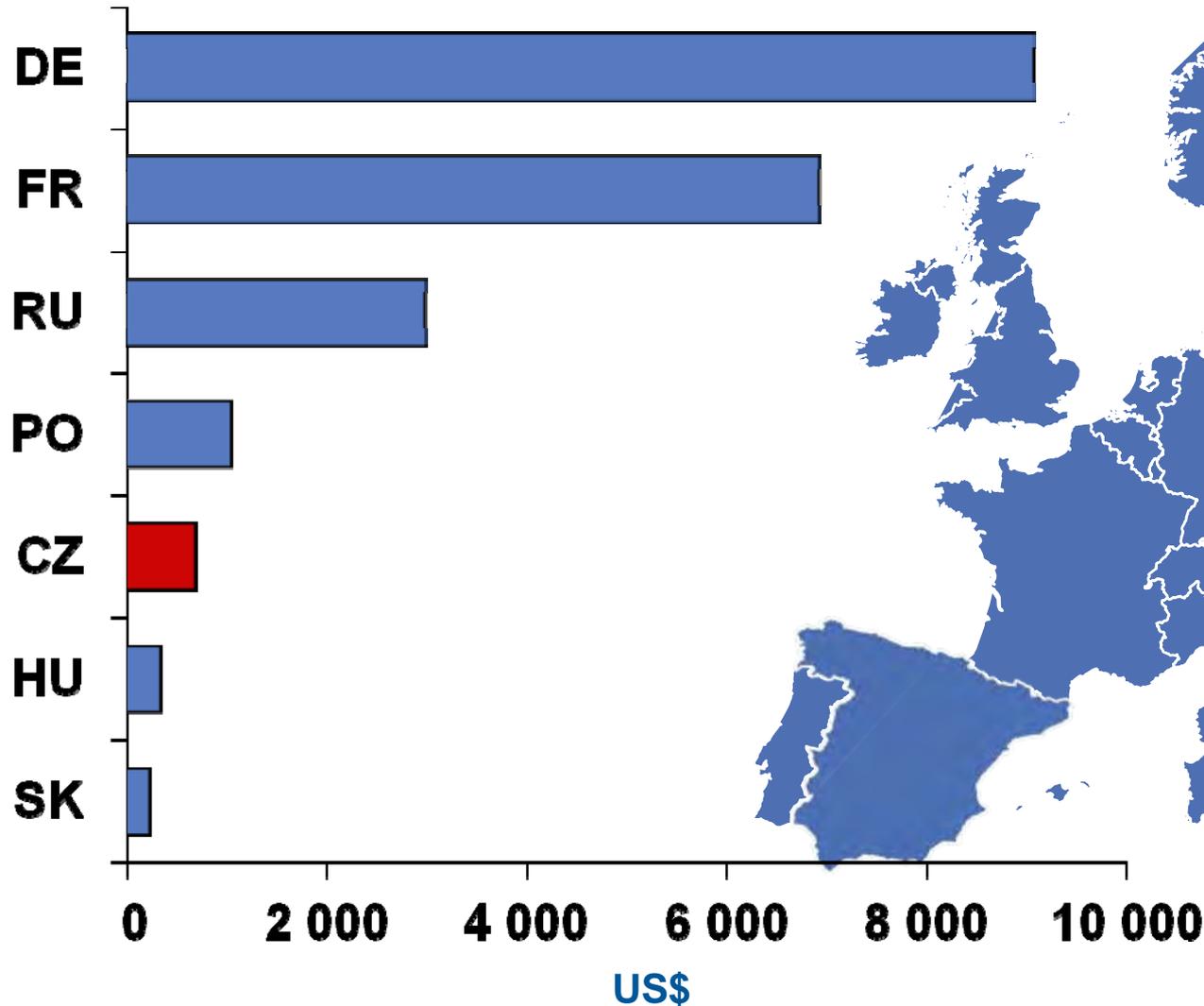
Intro: Context from the top down

CEE government IT spending per capita – 2011

→ **two-tiered Europe**

US$
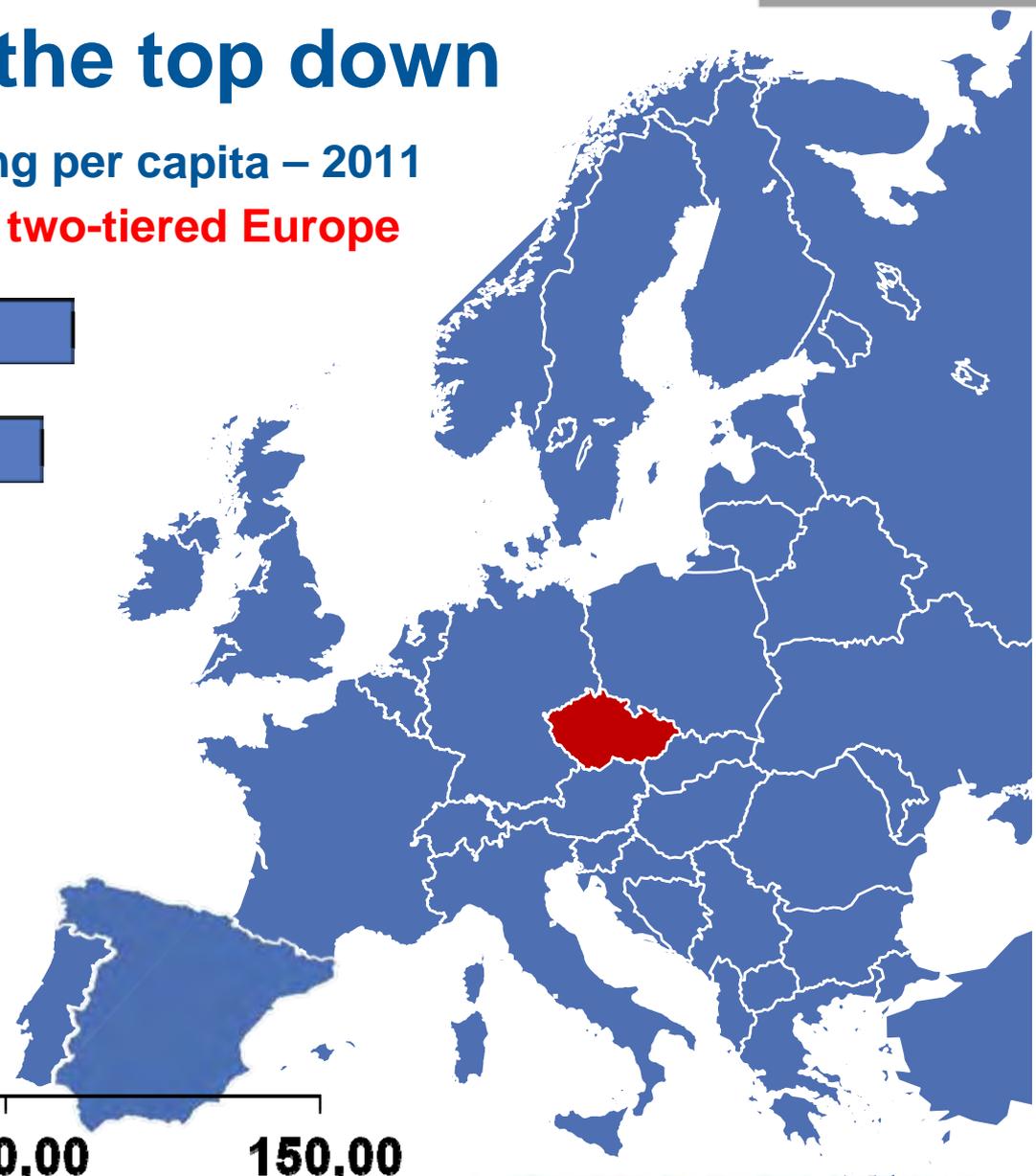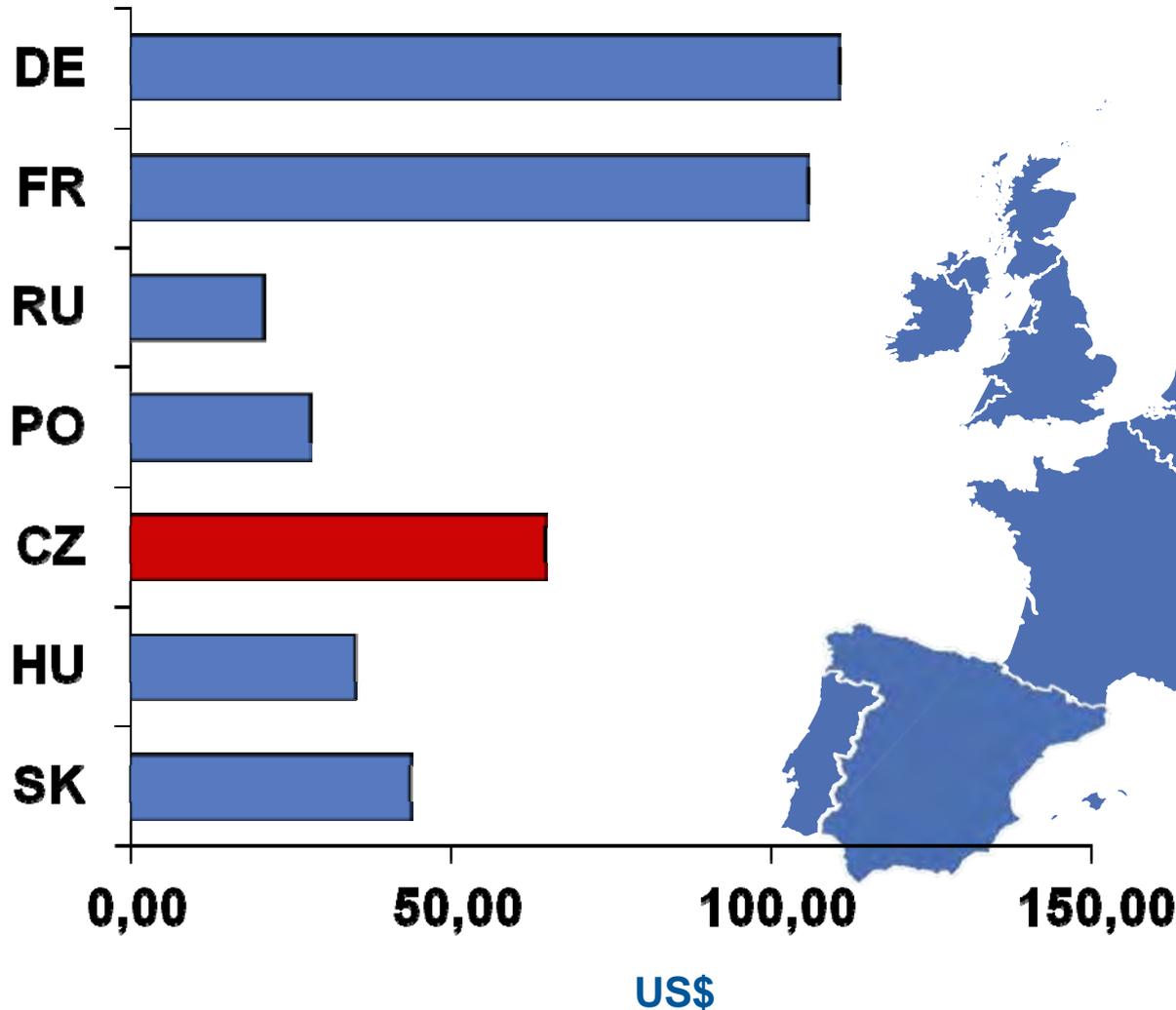
# Intro: Context from the top down

CEE government IT spend/GDP – 2011
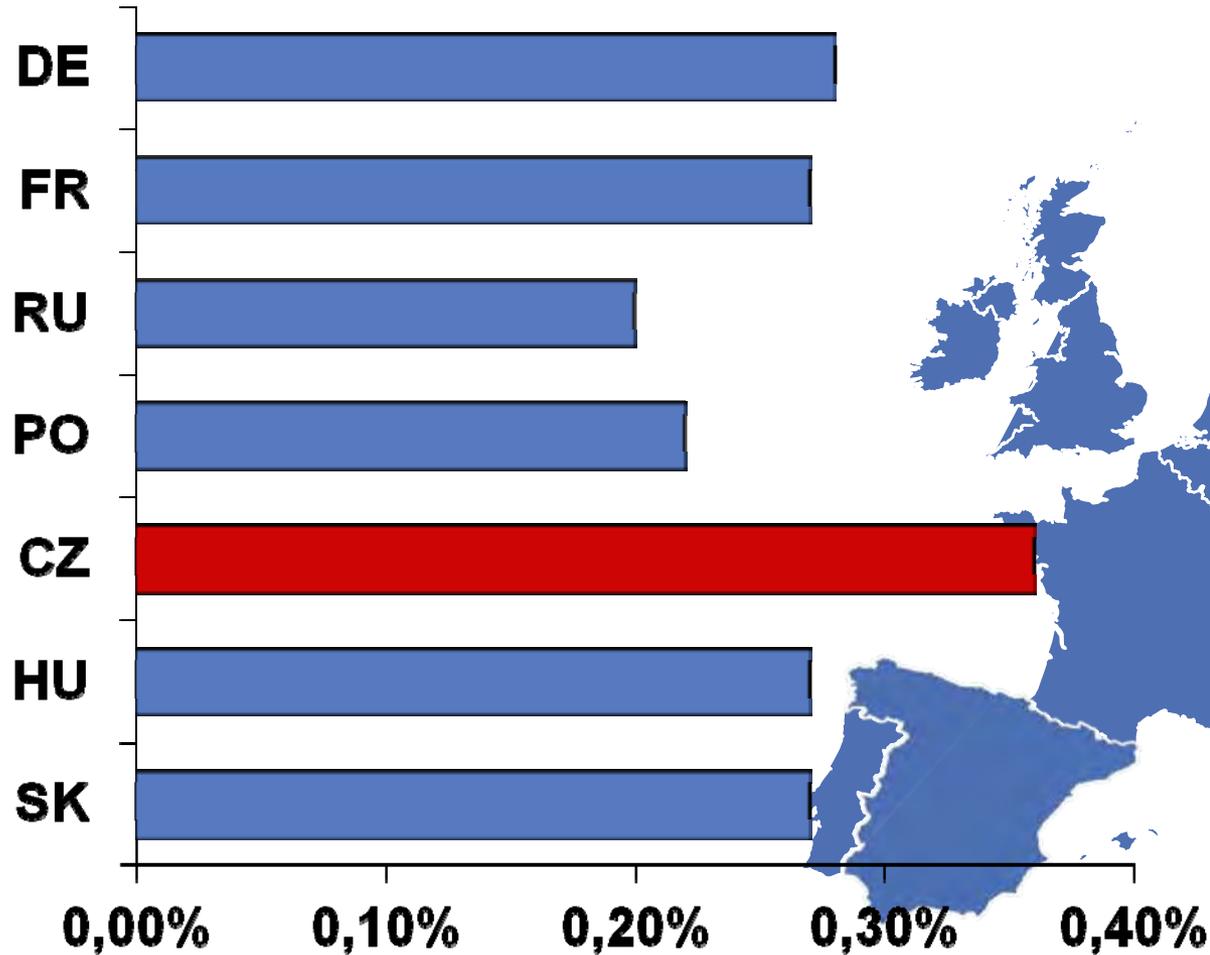
Intro: Context from the top down

→ **CEE spends less overall – no surprise**

→ **CEE in line with WE on proportion of wealth spent on IT (is it enough?)**

→ **Czech Republic –ahead of WE and leads V4 in proportion of wealth spent on IT**

→ **What this means: larger IT budgets OR greater efficiency/shared resources needed to handle growing storm**

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Third Platform for Industry Growth

Intelligent Economy

Trillions
of "Things"

Billions
of Users

Social Business

Big Data/ Analytics

Mobile Broadband

Mobile Devices & Apps

Cloud Services

10% to 50%+
CAGRs

Millions
of Apps

2011

LAN/ Internet

Client-Server

PC
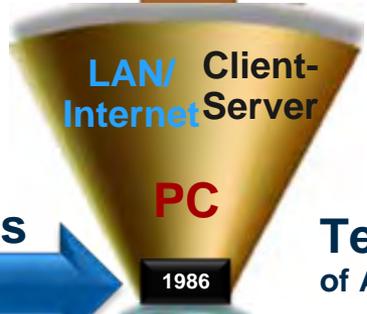
-5% to 5%
CAGRs

Hundreds of Millions
of Users

Tens of Thousands
of Apps

1986

Terminal / Mainframe

Millions
of Users

Thousands
of Apps

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The growing storm – third platform technologies creating new requirements

→ **Mobile Devices and Apps**

→ **Cloud Services**

→ **Big Data Analytics**

→ **Next Generation Solutions**
   – to better serve citizens

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Mobile devices and apps

→ WW PC shipments in 2011   353 mil

→ WW smartphone shipments in 2011   494 mil

→ WW smartphone shipments in 2012   660 mil

→ V4 PC shipments in 2011   5.3 mil

→ V4 Smartphone shipments in 2011   6.4 mil

→ Czech PC shipments in 2011   1.15 mil

→ Czech Smartphone shipments in 2011   1.16 mil

→ Internet access moving from PCs to phones

→ App possibilities enormous – 1.3 million (vs 50-70k for PCs)

→ A fundamental shift in how we access information

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Cloud services

Why cloud?

- Rapid resource allocation

- Standardized and updated technology

- TCO reductions

- Flexibale scaling

- PaaS and SaaS for service development

Why not cloud?

- Network availability

- Security

- Policy/data location laws

- Privacy

Like it or not – it is coming

% of new enterprise apps for cloud in 2011:   80%

% spending on enterprise apps w/cloud model in 2015:   20%

IT not going anywhere - global 2000 with enterprise IT onsite: 80% (or more)

Big data analytics

1.8 zettabytes WW in 2011

8-9 zettabytes in 2014
(probably more)

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Insights

Big data analytics

Horizontal bar chart showing adoption percentages (0% to 60%) across categories for WE (black), Germany (red), France (blue), and UK (green):

- Archiving
- Content Mgt
- EMail
- File Sharing
- Data warehousing/BI
- CRM
- ERP
- eCommerce
- Content Mgt
- Convert analog - digital records
- Digital Imaging
- Supply Chain Mgt
- Regulatory mandates
- Social Platform

Legend:
- WE
- Germany
- France
- UK
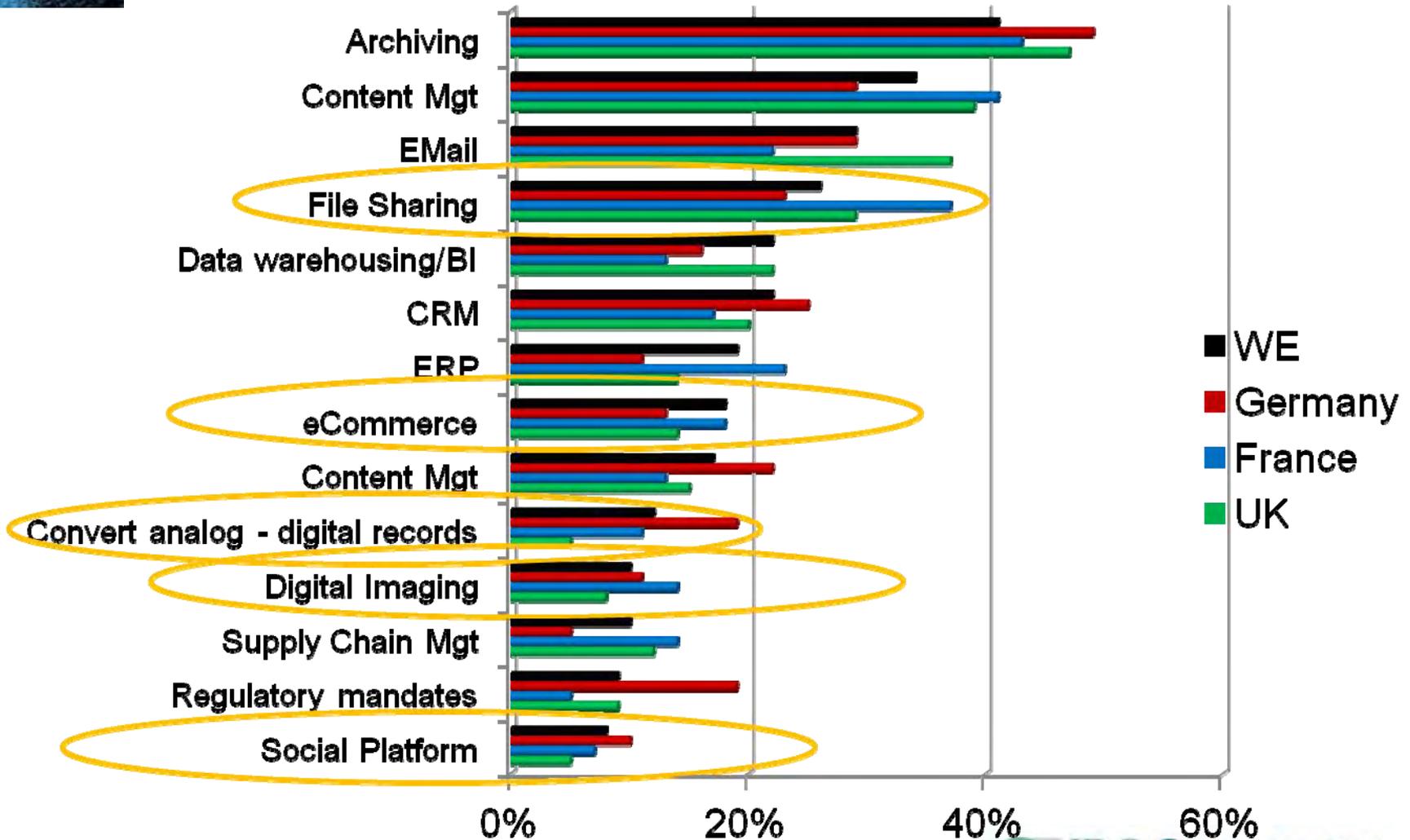
Big data – where it comes from

Office Apps

Enterprise Apps

Web Apps

Device explosion

What do we do with it?

Social Media Data

Machine Data

Next generation solutions

Intelligent government

First step may be one of the most challenging…
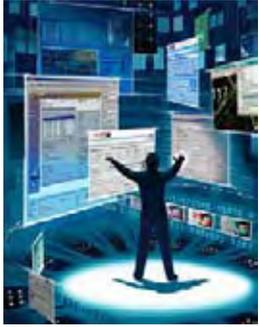
Next generation solutions
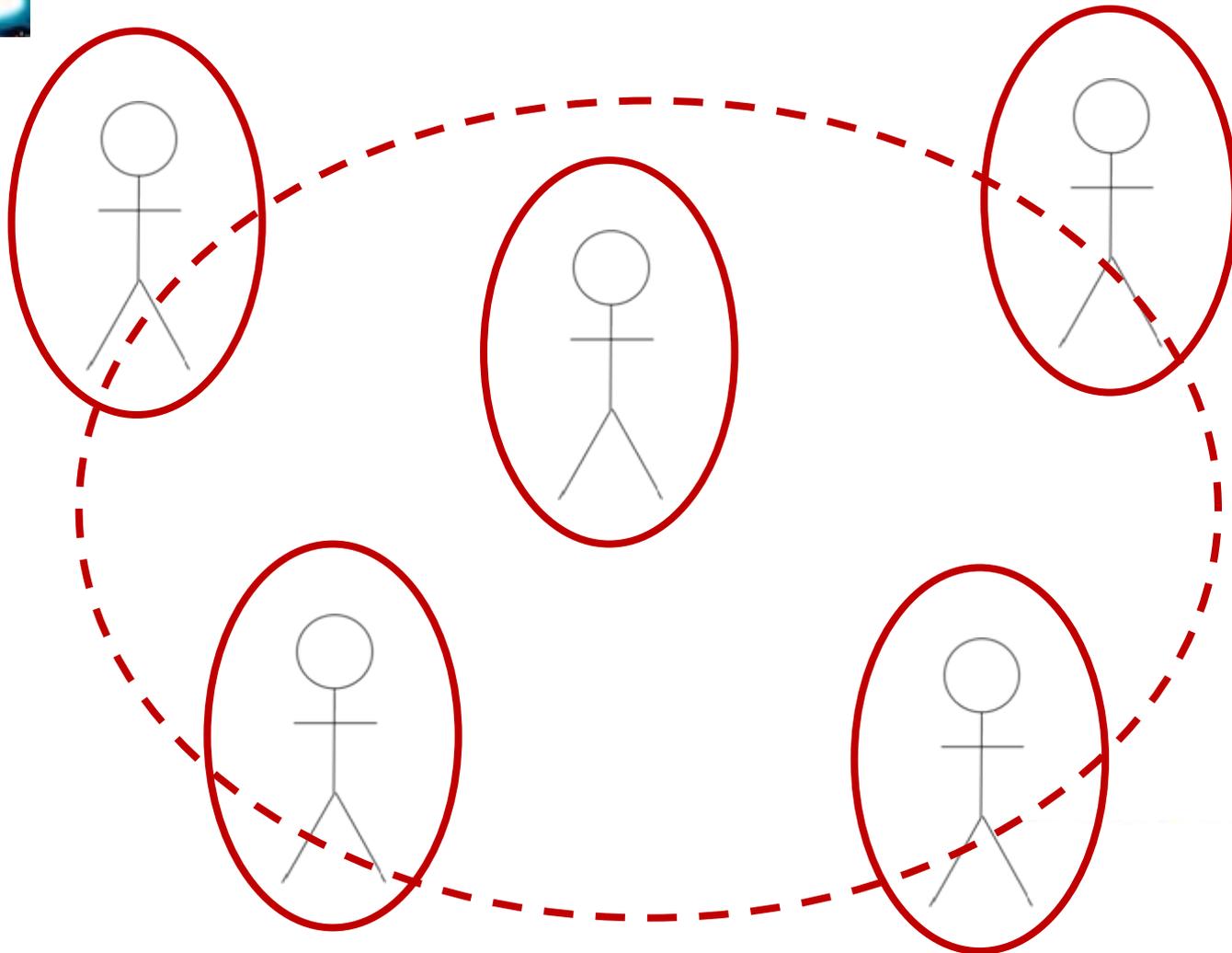
Taking the next steps

Create or use a ready-made smart government maturity model for planning
A framework with an established set of goals that charts every IT decision will help ensure rapid progression to next generation intelligent government. (Of course) IDC has a model predicated on three essential goals:

- **Increase citizen participation in government**
  Engage public to enhance decision buy-in and increase public participation in government.

- **Create information transparency in government**
  Utilize technology to put information about agency decisions and operations online and in forums available to the public.

- **Collaborate across government entities**
  Utilize innovative tools, methods, and systems to cooperate at all levels of government and engage the public in the work of their government.

Centralize resources to work towards common platforms
Push managers, directors, deputy ministers to create IT services and resources centers within the government.

Incorporate the "third platform" into all tenders
Mobility – cloud – big data → make sure all suppliers, both internal and external, know and work towards the long-term vision of intelligent government.

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