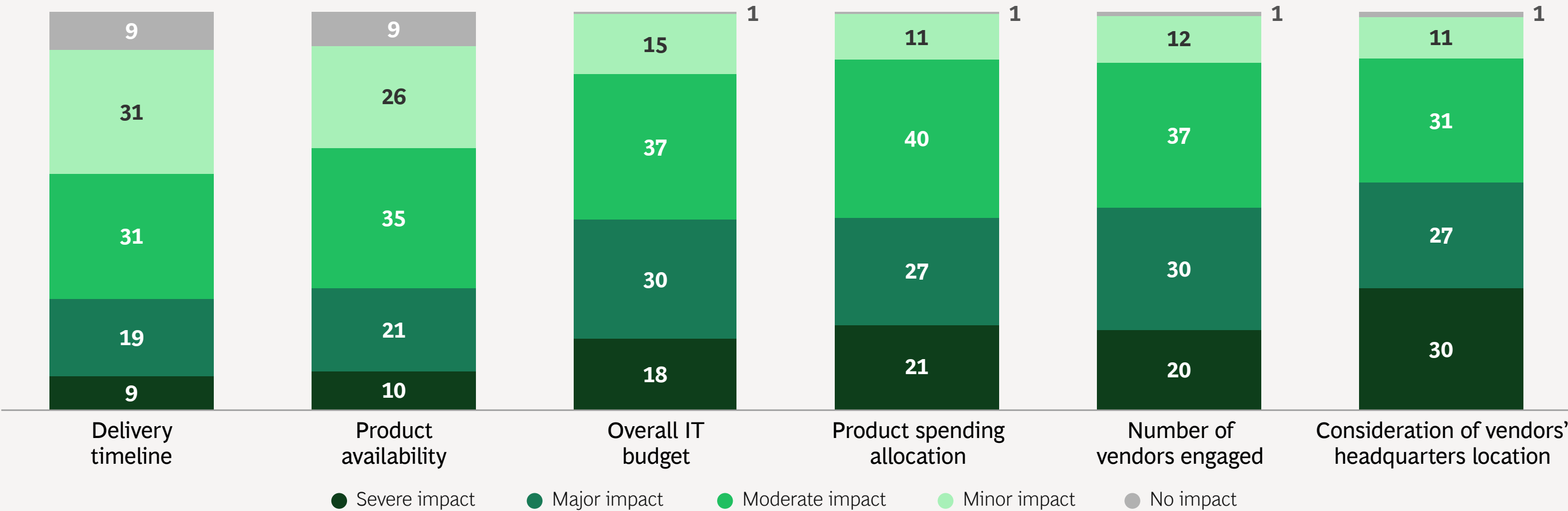


# Supply chain constraints continue to affect IT purchasing, especially with respect to delivery timelines and product availability

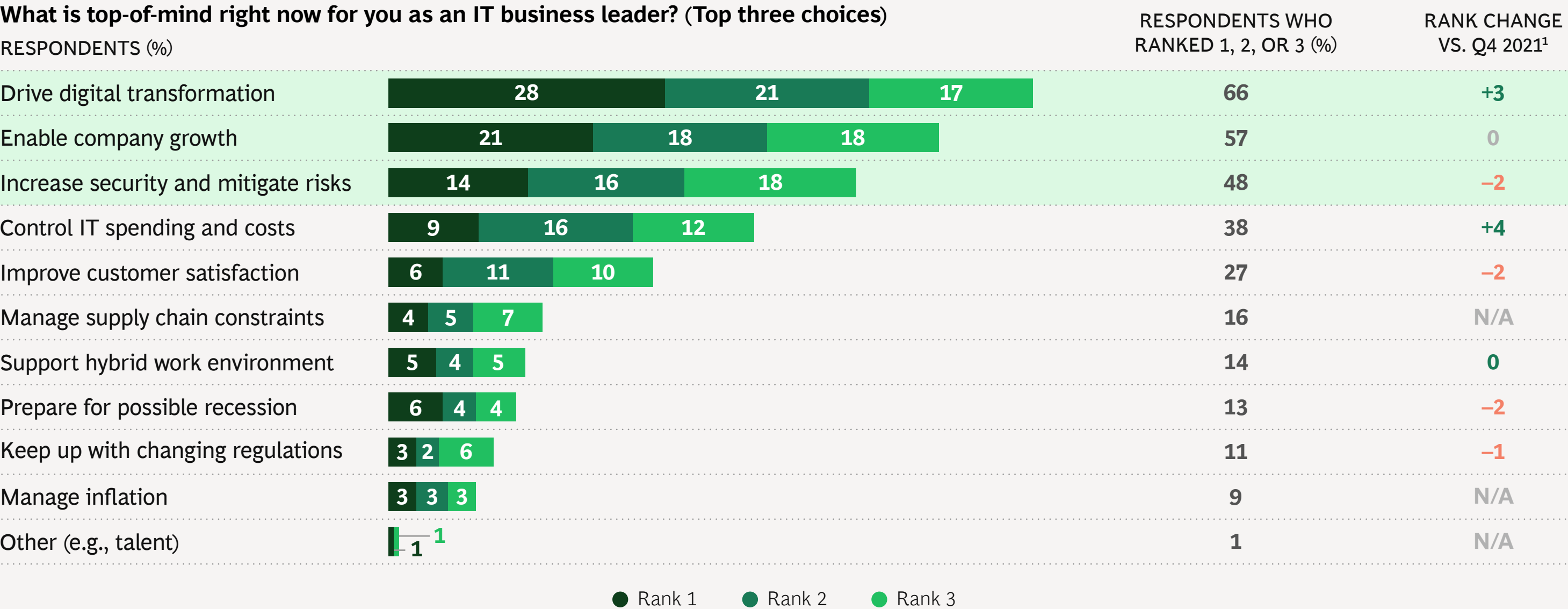
On a scale from "no impact" to "severe impact," how concerned are you about continued IT supply chain constraints negatively affecting your company in the following areas?

RESPONDENTS (%)



Source: IT Buyer Pulse Check 4.0 (July 2022), N = 341.

# Digital transformation, growth, and security are key IT buyer concerns, while a potential recession is well down the list

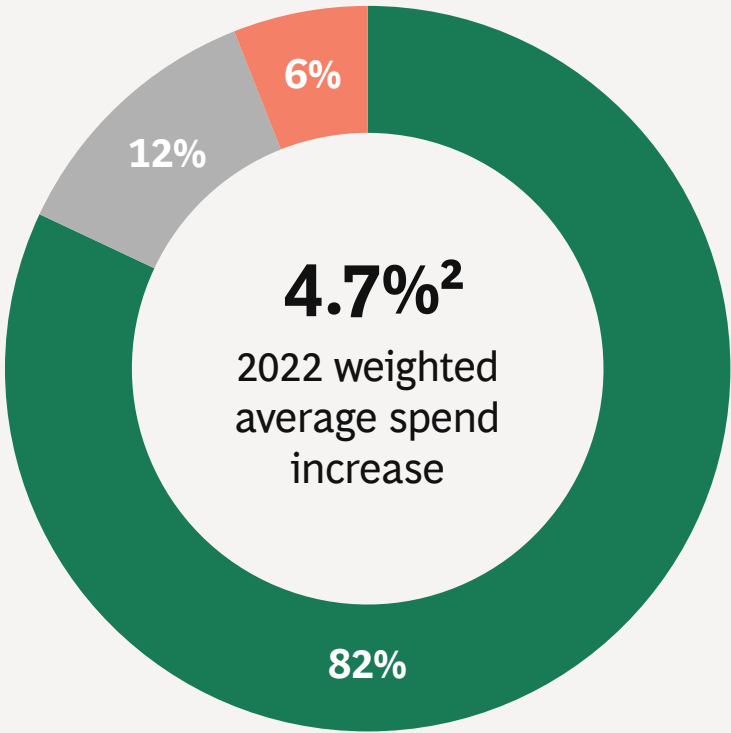


Source: IT Buyer Pulse Check 4.0 (July 2022), N = 341; IT Buyer Pulse Check 3.0 (October 2021), N = 676 (APAC respondents excluded).  
Note: Percentages and rank changes may not total due to rounding. <sup>1</sup>Comparison versus Q4 2021. "N/A" means that these options were not asked then and do not affect the rank change for the rest.

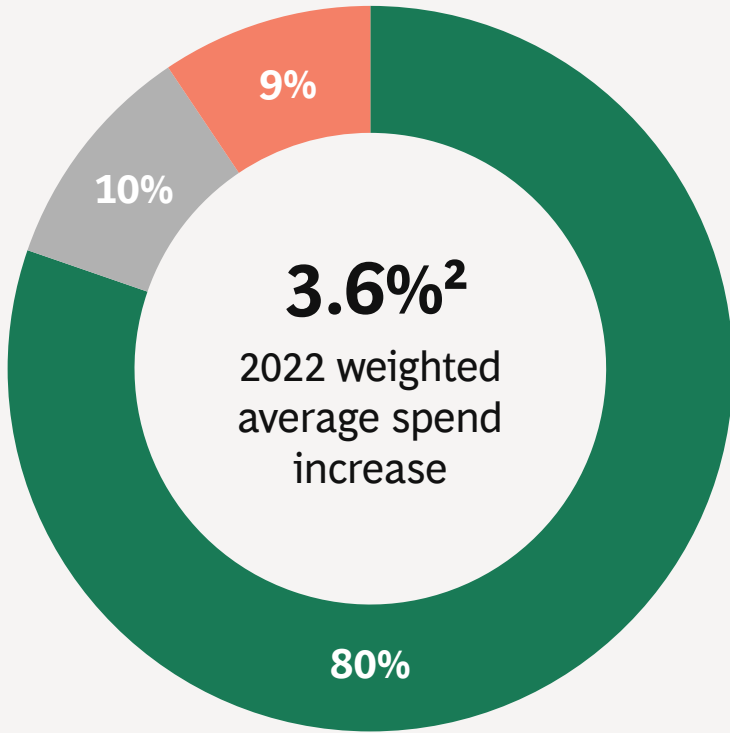
# Overall IT spending is expected to increase year-on-year, but is showing the first signs of a slowdown amid IT spending-control goals

How do you expect your company's overall IT spend to change for 2022 vs. 2021 and for 2023 vs. 2022?

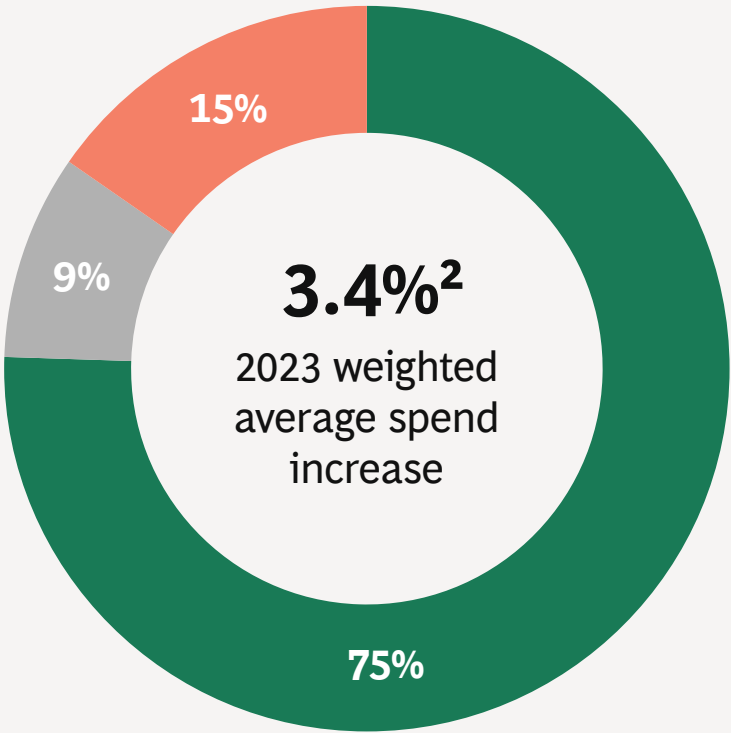
RESPONDENTS (%)



2022 initial plan<sup>1</sup>



2022 adjusted plan



2023 plan

● Increase    ● No change    ● Decrease

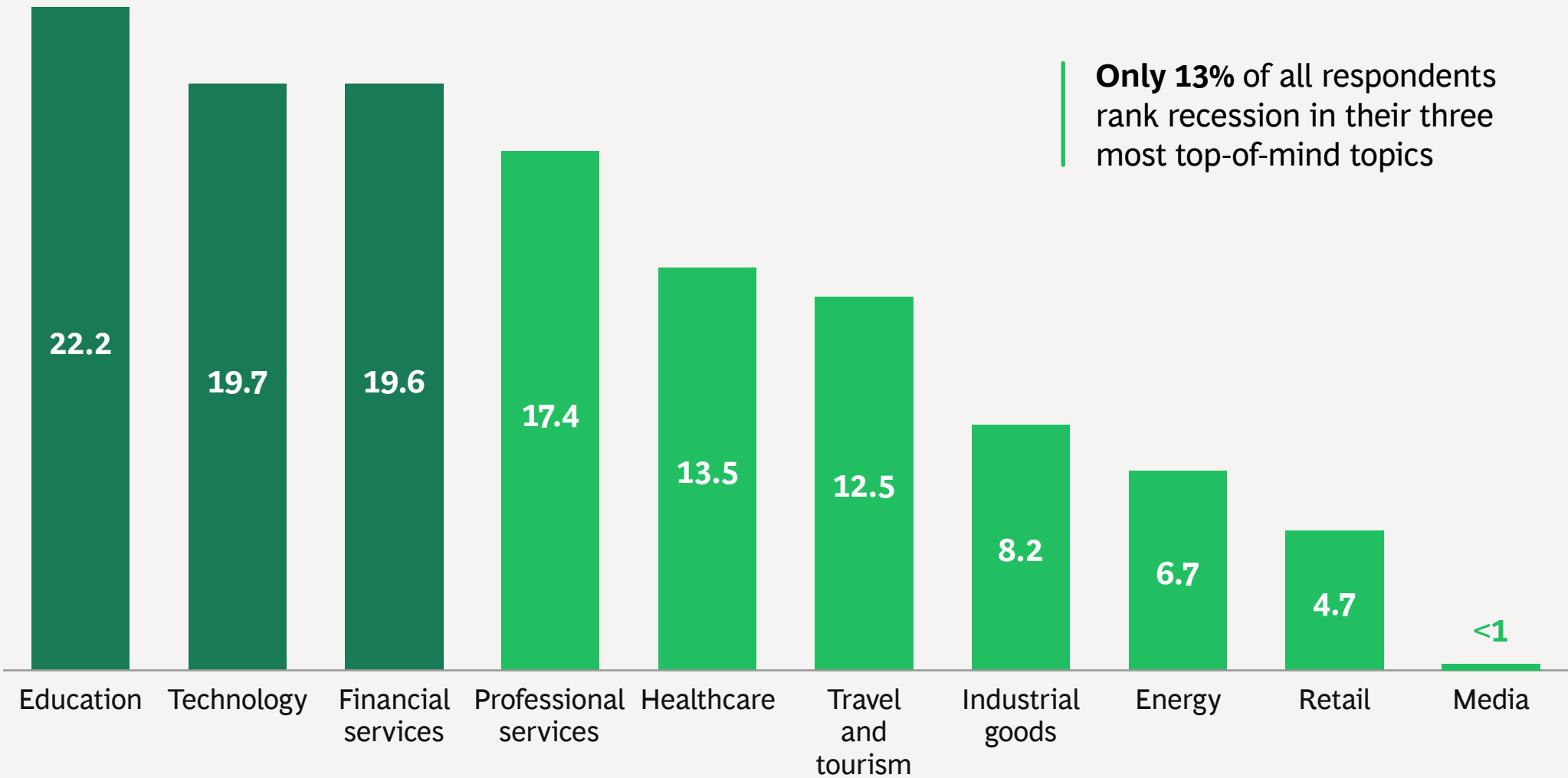
Source: IT Buyer Pulse Check 4.0 (July 2022), N = 341; IT Buyer Pulse Check 3.0 (October 2021), N = 676 (APAC respondents excluded).

<sup>1</sup>Data for the 2022 initial plan was gathered in the IT Buyer Pulse Check 3.0 (October 2021).

<sup>2</sup>Respondents indicated a relative amount of spending increase or decrease via multiple-choice options; weighted averages were calculated based on the lowest absolute value for the range (e.g., an increase or decrease of 2% to 5% was assigned a value of +/- 2%).

# Recession concerns vary by industry, with buyers in education, technology, and financial services showing the most concern

Respondents who picked “recession” as one of the top three topics (%)



“ A recession is very likely. If it happens, we can expect headcount reductions for non-essential roles and a freeze in budget for non-essential projects. Our budget for next year will be lower than for this year, and it will be focused on keeping the lights on and riding out the storm.

Director of IT  
Financial services company

“ It is not likely that a recession will impact our IT budget considerably at this point. Most of our projects are multi-year engagements with 3- to 5-year contracts, so in the short term, we are quite locked in.

Head of digital transformation supply chain  
Global energy and technology company

Source: IT Buyer Pulse Check 4.0 (July 2022), N = 341.  
Note: Government industry analysis excluded due to small sample size. Question: “What is top-of-mind right now for you as an IT business leader? Please rank your top three choices.”

# Many IT buyers are now looking to consolidate suppliers after an expansion phase

NET EXPANSION OR CONSOLIDATION, 2022 VS. 2021 (%)	2021	2022	Trend
Average	6	-10	Trend reversal to net consolidation
AI and ML applications and platforms	44	23	Net expansion
Security infrastructure	27	4	
Analytics	33	1	
App development, DevOps, integration	16	-4	Trend reversal to net consolidation
Cloud services	32	-4	
Customer relationship management	5	-8	
IT operations management	0	-14	
Devices	-6	-13	Net consolidation
ERP	-11	-17	
System and service management	-9	-18	
Communications, collaboration, and content management	-7	-18	
Storage / data management	-9	-22	
Network infrastructure	-12	-24	
Server infrastructure	-21	-30	

Buyers are still expanding the number of suppliers in only three out of fourteen product categories

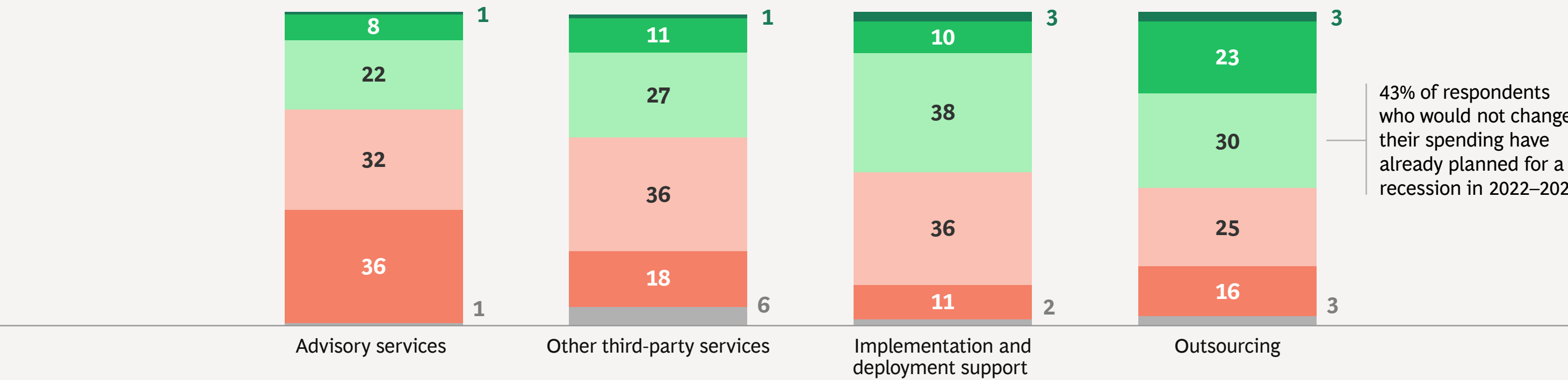
In all other categories, the trend is reversed, with increasing consolidation

Source: IT Buyer Pulse Check 4.0 (July 2022), N = 341; IT Buyer Pulse Check 3.0 (October 2021), N = 676 (APAC respondents excluded).  
Note: Responses to answer choices “don’t know/not applicable” and “no change” not shown.

# Businesses are less likely to cut third-party services that are highly integrated or working on core topics

If there were a recession in 2022–2023, how would your company’s IT spending from third-party services change?

RESPONDENTS (%)



Weighted average expected spending change<sup>2</sup>

–1.0

–0.6

–0.4

–0.3

● Increase significantly   ● Increase moderately   ● No change compared to previous year   ● Decrease moderately   ● Decrease significantly   ● Not sure

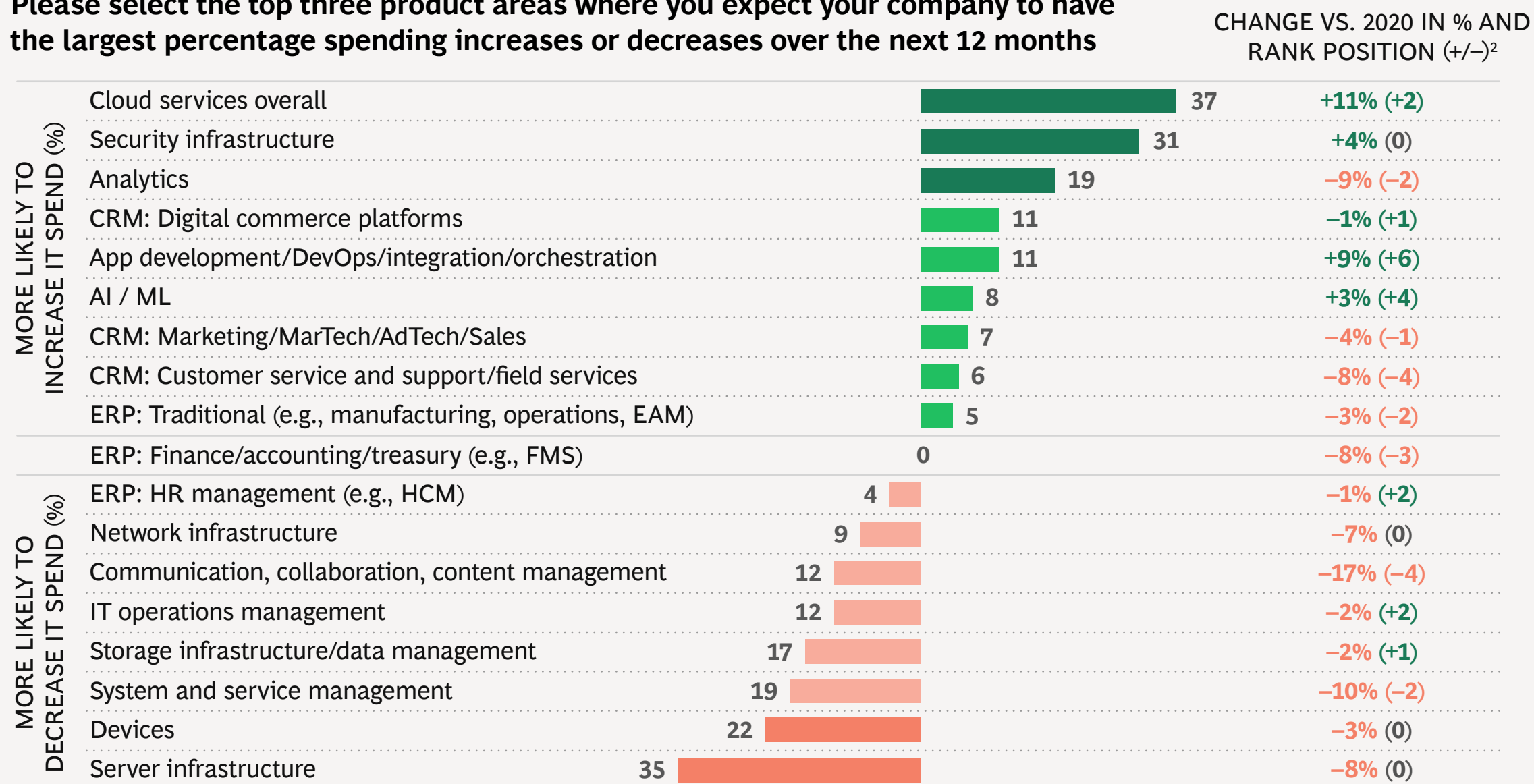
Source: IT Buyer Pulse Check 4.0 (July 2022), N = 341.

<sup>1</sup>Remaining respondents do not believe a recession would affect their industry or company.

<sup>2</sup>Weighted average calculated based on the numerical value associated with each answer (e.g., increase significantly = 2 and decrease significantly = –2).

# Digital transformation and security are expected to drive spending changes<sup>1</sup>

Please select the top three product areas where you expect your company to have the largest percentage spending increases or decreases over the next 12 months



**The push for digital transformation and security means:**

- Strong spending increases on **cloud services**
- A decrease in **on-premises infrastructure spending**
- Growth in security infrastructure spending, given the continued **importance of risk- and identity-management**
- Greater **investments in analytics, app development, and AI capabilities**
- A decrease in spending for **devices**, possibly indicating longer hardware-refresh cycles

**Source:** IT Buyer Pulse Check 4.0 (July 2022), N = 341; BCG IT Buyer Pulse Check 2.0 (November 2020), N = 694.

**Note:** CRM = customer relationship management; ERP = enterprise resource planning; EAM = enterprise asset management; FMS = financial management system; HCM = human capital management.

<sup>1</sup>Percentage is the net respondents increasing their spending (calculated by percent of respondents increasing spending minus percent of respondents decreasing spending). <sup>2</sup>Basis for comparison is 2020 because question was asked differently in 2021 survey.

# Digital transformation is behind most of the increases in spending...

You stated that, in at least one year, you're looking to increase year-on-year overall IT spending. What is the main driver behind this increase?

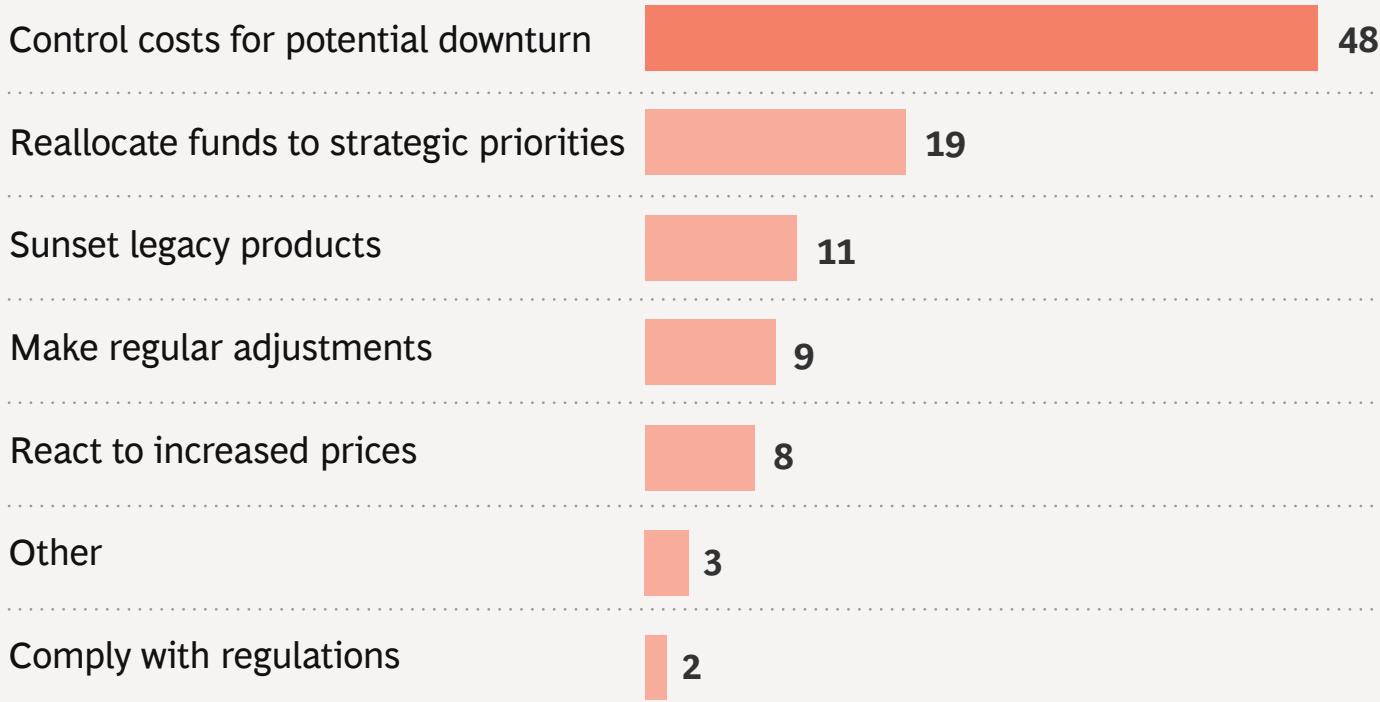
RESPONDENTS (%)



# ...whereas concerns about a potential downturn are behind most decreases

You stated that, in at least one year, you're looking to decrease year-on-year overall IT spending. What is the main driver behind this decrease?

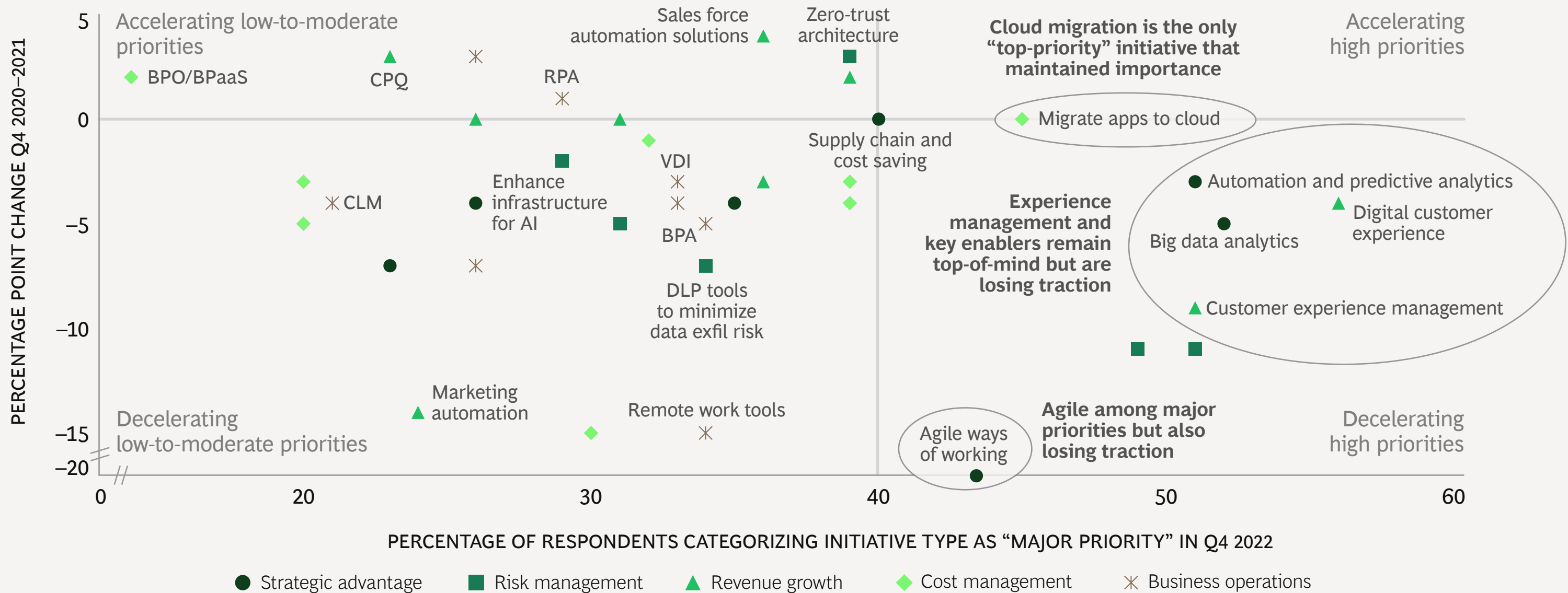
RESPONDENTS (%)



Source: IT Buyer Pulse Check 4.0 (July 2022), N = 341.  
Note: "Other" refers to: on the left, inflation or expected acquisitions; on the right, foreseeing a recession or having finished a major project.



# The first signs of deceleration are appearing across many initiatives



**Source:** IT Buyer Pulse Check 4.0 (July 2022), N = 341; IT Buyer Pulse Check 3.0 (October 2021), N = 676 (APAC respondents excluded).

**Note:** Surveys 2 and 3 data in response to: “How do each of the following initiatives align with your IT priorities for the next 12 months? (major priority, minor priority, not a priority)”. “Sales intelligence and enablement” and “Supply chain and cost saving” were set at 0% in the y-axis due to a lack of data from the previous survey. BPO/BPaaS = business process outsourcing/business process-as-a-service; CPQ = configure, price, quote; CLM = contract lifecycle management; RPA = robotic process automation; BPA = business process automation; VDI = virtual desktop infrastructure; DLP = data loss prevention.