

Software & IT Services Spending in Romania

Trends in a regional context

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Agenda

Romania in a Regional Context



Digital Transformation
Topics of Interest

IT Expenditure

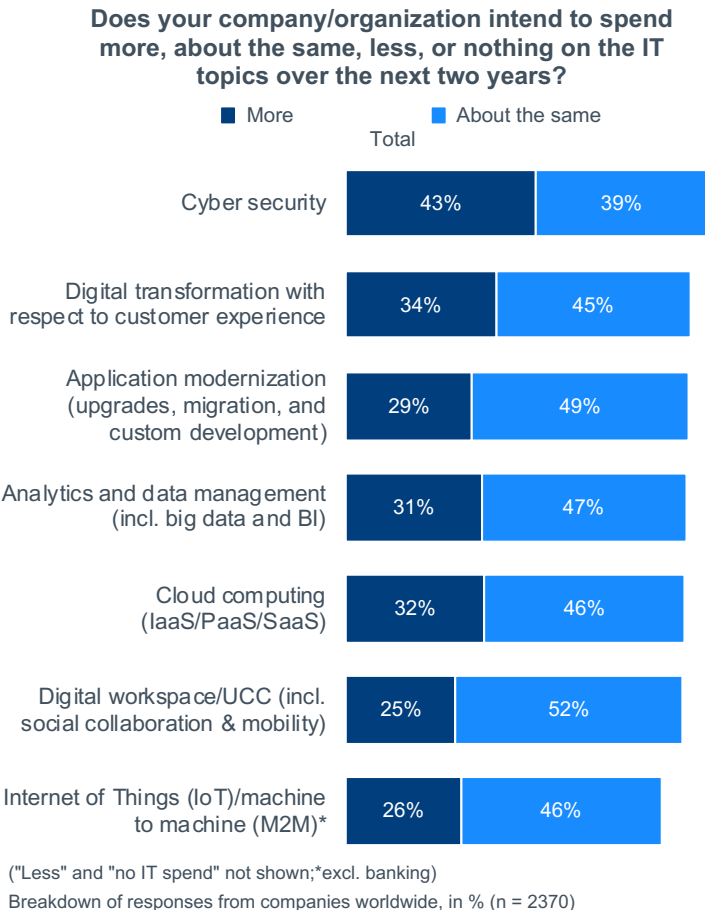
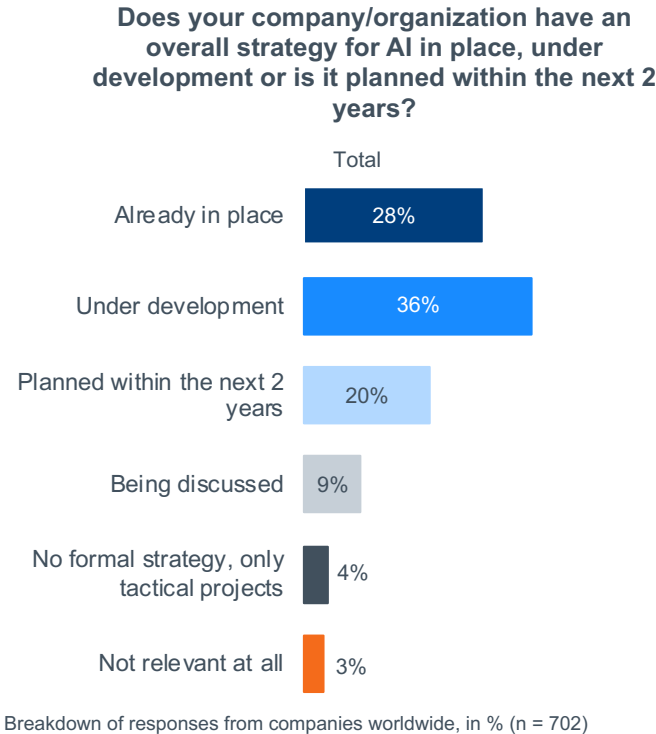
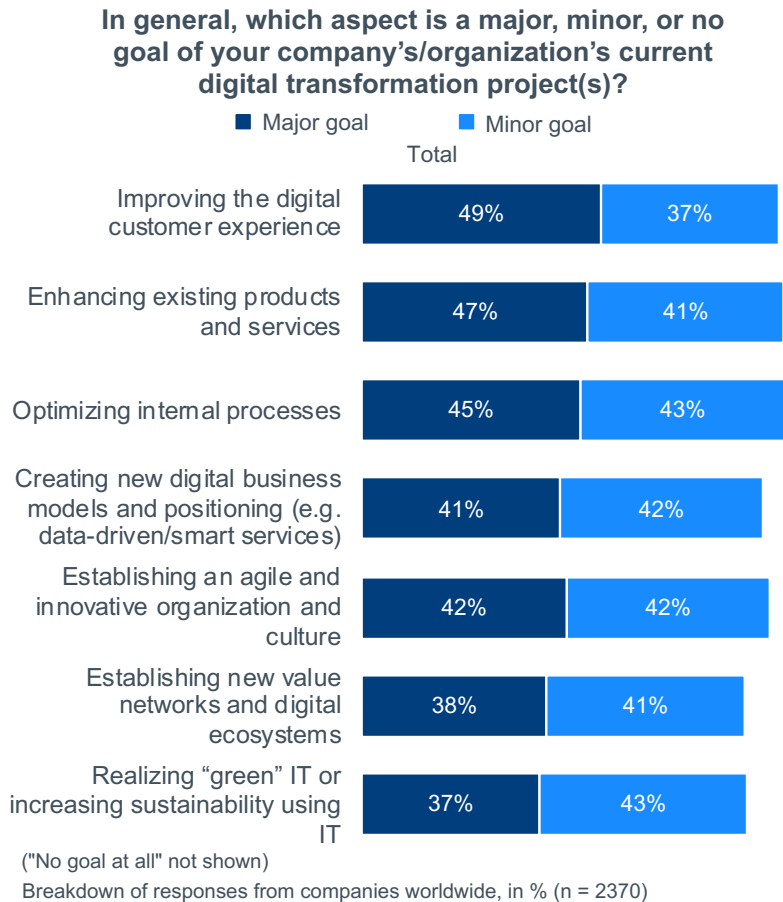
Software and IT
Services

Vertical View

Strategic Directions

Digital Transformation - Topics of Interest

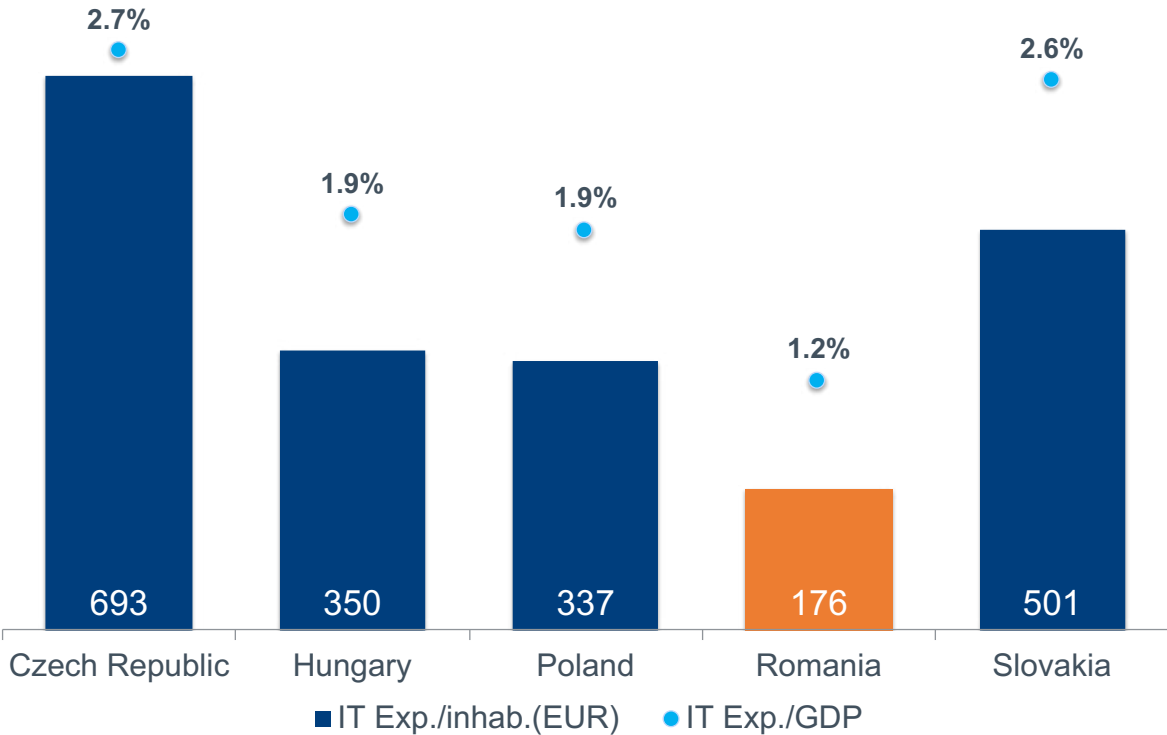
Source: CxO Survey 2022, part of SITSI® Market Research Program of PAC



IT Expenditure

Romania vs. EE Countries in 2022

Source: SITSI® Market Research Program of PAC



Maturity

Romania is the least mature market in this group, with the lowest interest in IT investments by both public and commercial entities.



Size

RO will soon overtake HU/ SK in terms of market size and will be increasingly relevant for IT providers usually looking for larger domestic markets.



Structure

Still, the IT expenditure in Romania are directed mainly to internal IT spending and the trust on IT providers is limited.



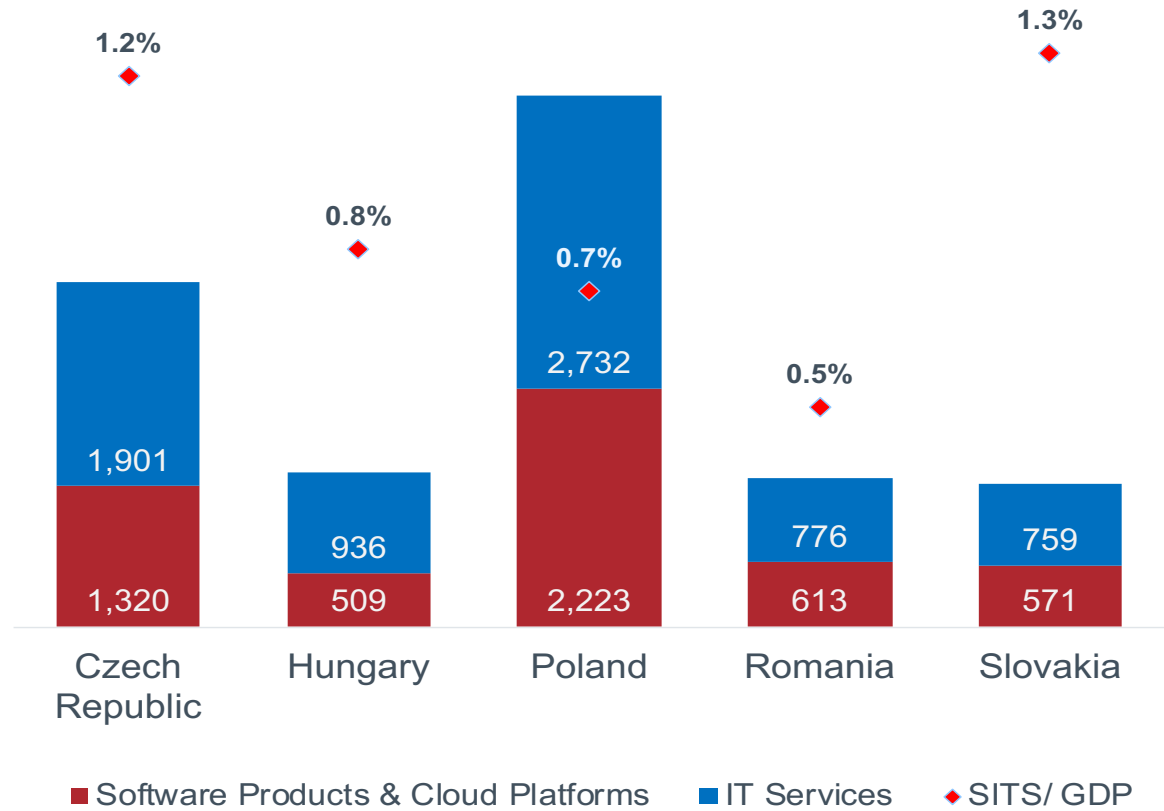
Outlook

The transformation and growth of IT spending in Romania will accelerate if the public administration will set a healthy positive trend.

Software and IT Services

Romania vs. EE Countries in 2022

Source: SITSI® Market Research Program of PAC



Maturity

Still, the Romanian market for software and IT services is dominated by small deals and quite low added-value services.



Size

With less than 1.5 Bn EUR spent on software and IT services, RO is considered as a small domestic market, with high price sensitivity.



Structure

A much higher share of the infrastructure rel. SITS and a much lower share of long-term outsourcing agreements than in other EE countries.

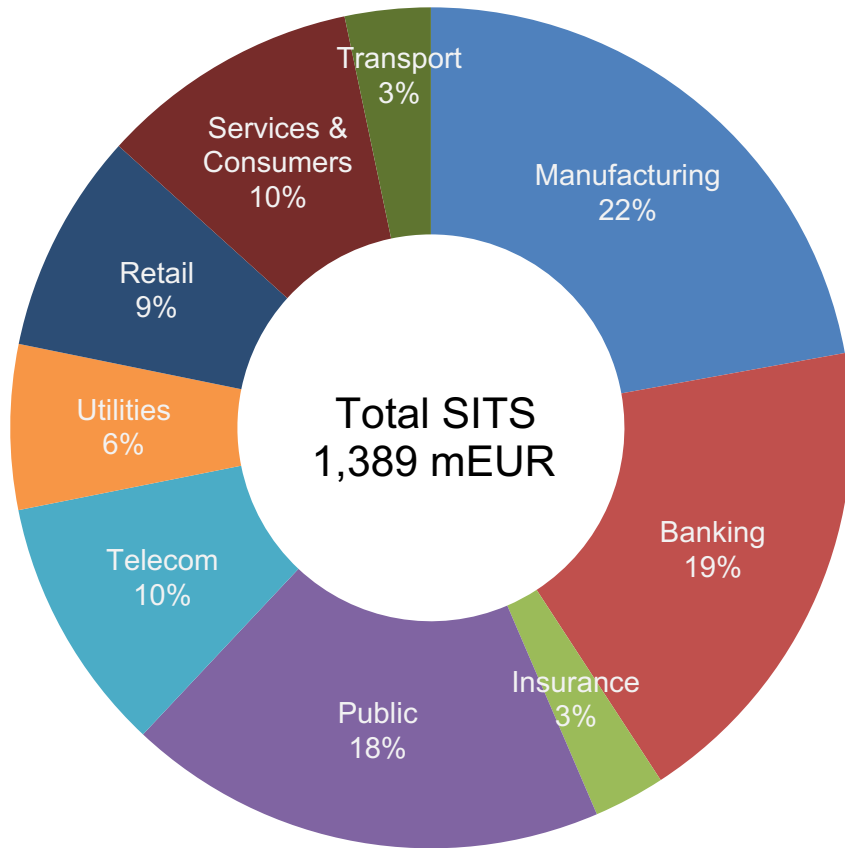


Outlook

The largest potential and growth is in Apps.-rel. Services and Apps. SaaS, together with an obvious Cloud transformation.

Vertical View

Romania 2022



Advanced

About 10-15 large accounts (mostly foreign owned) are as advanced in their IT projects as similar ones in other markets.



Public Sector

Still much behind the maturity and sophistication of the institutions in Poland or other EE countries.



High Need

Public Sector, Utilities and Transport seem to be the ones with the largest gap compared to the similar IT intensive EE organizations.



High Growth

Public Sector, Manufacturing and Banking are the sectors with the largest growths (in volume) in Romania in the next 3 years.

Strategic Directions

Transparency

- Large public sector tenders should have a higher degree of transparency and more value put on the respect of the deadlines and the use of the latest technologies.
- Need for competent experts on the customer side.

Focus

- Process knowledge and business improvement
- Speed of delivery
- IT systems in line with the technology trends
- Security & compliance

Local Resources

- Motivate local experts to stay in Romania and work for local projects valued and paid correctly.
- Stimulate local players to come with solutions and innovations that are usually directed to foreign customers.

Global Knowledge

- Bring global experience and innovation to local projects to fill in the gap between the systems used locally and the ones from WE.
- Speed up the digital transformation by adopting best practices and proven solutions.



THANK YOU
