

2022 Technology Spending Priorities (Europe)

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Initiatives: [Product Planning](#)

The 2022 Gartner CIO and Technology Executive Survey shows that security, business intelligence and cloud platforms top the list for new and increased spending among European CIOs. Product managers should prioritize these capabilities in product roadmaps for their European markets.

Overview

Key Findings

- CIOs in Europe share similar investment plans to their global peers for the highest priority areas. The top three are security, business intelligence/data analytics and cloud.
- Digital business transformation and total experience have lower relative priority across Europe than in other regions. Increasing competitive pressure and market size will drive varied levels of investment in 2022 and beyond.
- European countries are investing in industry development and/or economic recovery, with one example being France 2030. This provides an opportunity to align product capabilities with high-profile initiatives.

Recommendations

Product managers focused on product planning for European IT markets should:

- Validate and showcase that your offerings are secure and integrate with broader cybersecurity capabilities and requirements.
- Adjust product plans and development pipeline(s) based on validation of European CIO priorities. Map CIO priorities to your key buying personas to distinguish the concerns of decision makers from the needs of decision influencers.

- Update product roadmaps, and collaborate with local product marketing teams to create refined messaging and positioning that targets CIOs' priorities in key territories across Europe.

Strategic Planning Assumption

By 2026, the enterprise IT market in Europe will reach \$1.1 trillion (up from \$788 billion in 2022).

Data Insights

Product managers frequently seek information on spending intentions for their customers and prospects. Data from the 2022 Gartner CIO and Technology Executive Survey provides a rich source of information to help product managers address this need.

Respondents completed this survey prior to the Russian invasion of Ukraine.

For Gartner's analysis, please refer:

- [Responding to the Russian Invasion of Ukraine](#)
- [Forecast Alert: IT Spending, Worldwide, 1Q22 Update](#)

Key Findings

Figure 1 showcases the technology areas where European CIOs intend to invest the largest amount of new or additional funding in 2022 (as compared with 2021).

Figure 1. Top Five Technologies for New or Increased Spending, 2022

Top Five CIO Investment Priorities, Europe, 2022

| | Benelux (n = 50) | DACH (n = 83) | France (n = 77) | Italy (n = 64) | The Nordic Region (n = 66) | Spain and Portugal (n = 161) | United Kingdom and Ireland (n = 164) | Central and Eastern Europe (n = 48) | Worldwide (n = 2,307) |
|---|---------------------|------------------|--------------------|-------------------|-------------------------------|---------------------------------|---|--|--------------------------|
| Cyber/Information Security | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Business Intelligence/ Data Analytics | 2 | 4 | 5 | 2 | 4 | 2 | 3 | 2 | 2 |
| Cloud Platforms | 3 | 2 | 2 | 3 | 2 | 4 | 2 | 3 | 3 |
| Digital Business Transformation Initiatives | | 3 | | 4 | | 3 | 5 | 5 | 4 |
| Integration Technologies/ APIs/API Architecture | 4 | 5 | 3 | | 3 | | | 4 | 5 |
| Legacy Application Modernization | 5 | | 4 | | 4 | 5 | | | 6 |
| Artificial Intelligence/ Machine Learning | | | 5 | 4 | | | | | 7 |
| Total Experience Solutions | | | | | | | | | 8 |
| Digital Workplace | 5 | | 5 | | | | 4 | | 9 |

n varies segment, excluding “not sure”

Q: What are the technology areas where your enterprise will be spending the largest amount of new or additional funding in 2022 compared with 2021?

Source: 2022 Gartner CIO and Technology Executive Survey

Note: Showing the rank order for the five most common technology areas by percentage of respondents in each location.

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See Note 1 for the list of included European countries and their grouping into regions.

Before examining the differences, product managers should note that CIO respondents across Europe selected technology areas with the largest amount of new or additional funding in 2022. The finding for Europe is in line with respondents worldwide.

Key highlights from CIO respondents in Europe in 2022 include:

- *Business intelligence/data analytics (BI/DA)* was third in Europe overall, although intentions were less consistent by country. Respondents from **Germany, Austria and Switzerland (DACH), France** and the **Nordic region** showed lower spending priority for *BI/DA* compared to both other countries in Europe and worldwide. In aggregate, the results for Europe generally match the importance placed on *BI/DA* worldwide over recent years (see Note 2).
- *Digital business transformation initiatives* are still a high priority in **Spain and Portugal, DACH and Italy**, while in other regions, CIOs have moved on to new priorities. These markets tend to be followers of new technology. Large enterprises often make targeted investments, with later adoption of general technology trends such as digital business.
- *Total experience solutions* have a lower priority for CIO respondents in Europe compared to worldwide. Traditionally, some European organizations have had less focus on customer centricity. In terms of lower investment, the most notable is **France**, as well as **Central and Eastern Europe** and **DACH**. The exception was **Spain and Portugal**, which were of equal priority compared with worldwide. This finding can be attributed to the economic significance of customer-centric industries like tourism and customer-centric initiatives within other industries like banking and financial services moving to contactless, invisible payments and digital banking. All other countries had a lower priority than worldwide.
- *Artificial intelligence/machine learning (AI/ML)* appears to have peaked in **Benelux** (after previous investment). This trend has been more pronounced in the Netherlands – an export-driven country that needs to compete on a global market, for its agricultural export as well as knowledge-based services and banking capabilities. AI has attracted interest to understand these market opportunities. In Belgium and Luxembourg, the focus has been in manufacturing and process industry enterprises. By way of contrast, and notable given the role of financial services, increased AI investment ranked low in the **United Kingdom and Ireland** for 2022.
- *Cloud platforms* showed higher priority in **DACH, the Nordic region, and the U.K. and Ireland**. But the later introduction of cloud regions in countries such as **Spain and Portugal** has meant slower uptake and investment so far. Domestic cloud regions from the major hyperscalers will make mainstream and late adopters more willing to consume cloud services for their workloads and data in 2022 and beyond. But emerging sovereignty concerns may slow down uptake, despite local presence for sensitive workloads (as is likely across many European markets). This is likely to be similar across **Central and Eastern Europe** and markets such as **Italy**.

- *Cloud platforms* also exhibited varied priority among European respondents. In aggregate, cloud was slightly higher than *BI/DA*, but the difference was negligible such that they can be considered equal second overall. Cloud spending in Europe is increasing, but still lagging in SaaS (see Note 3).
- *Integration technologies/APIs/API architecture* investments were higher in **Belgium, the Netherlands and Luxembourg (Benelux)** and the **Nordics** than the worldwide average. With a smaller domestic market, Benelux and the Nordics have needed to integrate more widely to sell and deliver products and services. Integration technologies were also a priority in **France** (third). In contrast, it is not a focus for **Italy, DACH or Spain and Portugal** in 2022. It is of some concern that digital business maturity and improved composability are not more important to buyers in these markets.
- *Digital workplace* was notably higher in the **United Kingdom and Ireland**, as well as **Benelux and France**. This may be an ongoing response to COVID-19 and the need to support more flexible work environments. In contrast, we note that the digital workplace was also among the technologies slated for reduced investment. This was most notable in the **United Kingdom and Ireland**. It is likely that this variance is because some organizations had already completed their investments in this area during COVID-19.

The broader set of priorities often vary across firmographic considerations. Geography is no exception. The survey results show that, among respondents, Europe has a variety of differing priorities by country. This included:

- **France** showed very strong priority for *cyber/information security* but was not otherwise inclined to increase or decrease funding. This is despite ambitious funding for innovation across 10 focus areas as part of the “France 2030” initiative (see Note 4).

- **Central and Eastern Europe** showed lower expectations of increase in IT budgets — even prior to the Russian invasion of Ukraine. Only 53% of respondents expected an increase, compared with 63% of the high-composability respondents — lower than most regions. Market competition in industries such as low-cost manufacturing is one factor for this. Interestingly, there was higher interest in *containerization and orchestration of application workloads* compared with Europe overall and with worldwide. It is possible that the higher investment is a function of the developer expertise and capability in these countries. In contrast, containerization shows low importance worldwide across verticals (other than telecommunications). However, verticals are not the focus of this document.
- **Italy, France, and Spain and Portugal** showed higher focus on *business continuity management (BCM)* compared with other countries in Europe and worldwide. It is possible that this is a result of lower adoption of cloud, which can necessitate higher investment in BCM.
- **DACH** is investing in digital initiatives, with a focus on *cloud platforms* and *digital business transformation initiatives*. This has diverted attention from *BI/DA*, as it has with other markets focused on digital.
- **France** and the **Nordic region** intended to increase spending in *legacy application modernization*, which may also be reflected by the current level of adoption of cloud platforms. **France** shows increased funding for application modernization (fourth) that coincides with low intention to spend more on *enterprise resource planning* (16th). In contrast, cloud adoption is generally high in the **Nordic region**, which could reflect an improved ability to leverage cloud services to modernize legacy workloads. As an aside, application modernization shows wide variance in priority for different verticals. However, verticals are not the focus of this document.
- **Benelux, France** and the **Nordic region** did not have *digital business transformation initiatives* as a top five CIO investment priority in 2022. Given the difference in economic and organization size across these countries, the absence should be of broader concern to European organizations. As a positive, pockets of higher investment do exist, including a range of industries across the Netherlands (retail, media and financial services). Overall, this situation is an opportunity for specialist providers, given that digital transformation is an area for competitive differentiation but currently of lower priority across Europe as a whole (compared with worldwide).

- France has a strong interest in *sovereign cloud*, which is gaining traction across Europe. The “trusted cloud” label is one of the pillars for the French government (see Note 5). For additional information, see [What Are the Different Provider Approaches to ‘Sovereign Cloud’ Demands?](#) Italy will also be a key country to monitor in regard to the ability to drive successful adoption of sovereign cloud, which is hampered by reduced innovation due to decreased scale (see [Emerging Technologies: Compliance Regimes Will Break Public Cloud Scale and Innovation](#)).
- The **Nordic region** plans to spend relatively more additional funds on hyperautomation in the coming year than most of its European peer countries, while additional cloud spend tops expected *BI/DA* and *digital workplace* increases.

In aggregate, **Italy, Spain and Portugal**, and the **United Kingdom and Ireland** showed the highest intention to increase funding. In addition, these same countries showed overall lower intention to decrease funding.

Additional Data

[Gartner’s Quantified Market Insight](#) can provide valuable information for current and longer-term planning. Available data includes:

- Forecasts by country
- Forecasts by vertical per country
- Market share data, which can be used to assess the dominance of particular vendors per country

Decreased Funding

Spending priorities for technology also requires an understanding of the areas where European CIOs intend to reduce funding by the highest amount in 2022 (when compared to 2021).

Before examining the differences, product managers should note that CIO respondents across Europe cited legacy infrastructure and data center technologies as the technology for reduced funding. It had the largest intent to reduce funding by the highest amount in 2022. The finding for Europe is in line with respondents worldwide.

We also note that inflationary pressures have increased since respondents completed the survey, which will increase the difficulty for justifying planned investments.

For some technologies, individual results showed considerable difference in spending intentions (as measured by the number planning to decrease funding versus increase). A notable example of this is *legacy application modernization*; 35% of European respondents intend to increase, but 23% intend to decrease. In contrast, *cyber/information security* shows a high level of consistency; 66% intended to increase spending, but only 1% intended to decrease.

Variance in intentions to decrease funding by the largest amount are more evident and of greater use when examining the survey results on a per-country/region basis. Examples include *digital workplace* (the **United Kingdom and Ireland**), *legacy application modernization* (**Benelux, DACH and Italy**), and *enterprise resource planning* (**Benelux**).

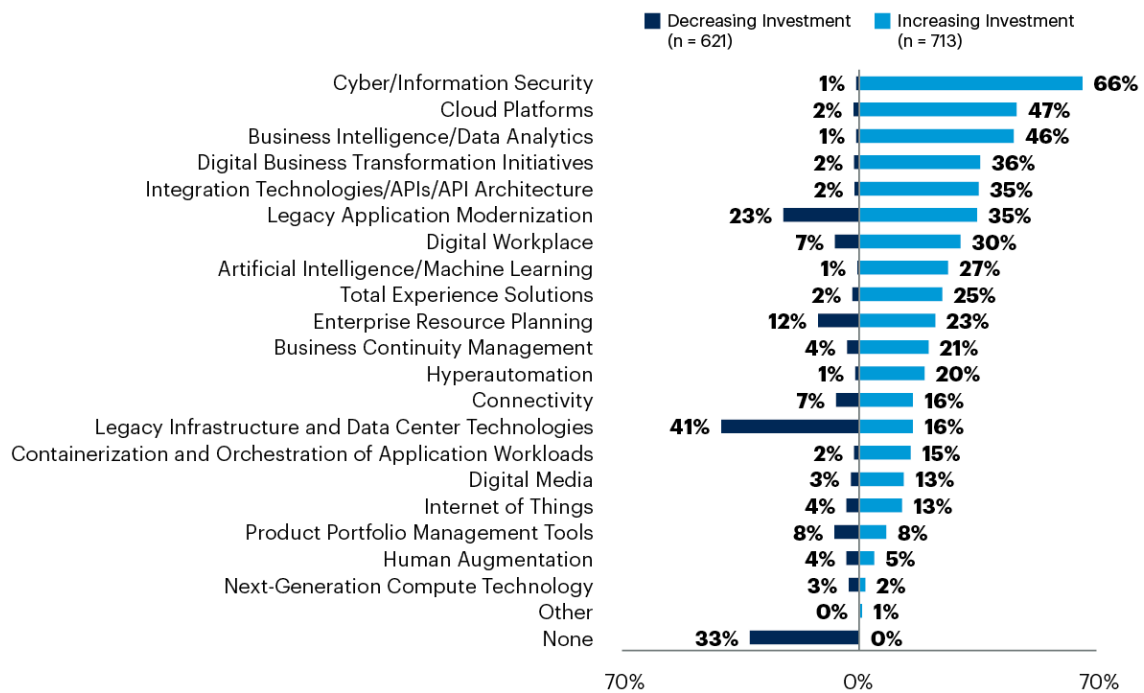
In 2022, the largest percentage of organizations that were not intending to reduce funding for any technologies were in the **United Kingdom and Ireland**, followed by **France**.

Additional Data

Figure 2 shows the summary of changes in technology investment priorities among European CIOs in 2022.

Figure 2: CIOs' Investment Priorities, Europe, 2022

Changes in Technology Investments
Percentage of European Respondents



n varies by question, European respondents, excluding "not sure"

Q: What are the technology areas where your enterprise will be spending the largest amount of new or additional funding in 2022 compared with 2021?

Q: What are the technology areas where your enterprise will be reducing funding by the highest amount in 2022 compared with 2021?

Source: 2022 Gartner CIO and Technology Executive Survey

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What You Need to Do

Near-Term Actions

- Adjust your product plans and development pipeline(s) based on validation of European CIO priorities. Map CIO priorities to your key buying personas to distinguish the concerns of decision makers from the needs of decision influencers.
- Update product roadmaps, and collaborate with local product marketing teams to create refined messaging and positioning that targets CIOs' priorities in key territories across Europe. Additionally, advocate in areas of relative weakness for European organizations (including total experience solutions).
- Increase product adoption by mapping product capabilities to requirements supporting industry development and/or economic recovery. One example is the France 2030 initiative.

- Validate and showcase that your offerings are secure, and integrate with broader cybersecurity capabilities and requirements. Develop or maintain relationships within relevant security ecosystems (including country-level European security compliance needs).

Longer-Term Actions

- Monitor results from future Gartner surveys and forecasts to guide/refine longer-term product requirements and the timeline for retirement of legacy solutions. Supplement this with credible external sources and/or market testing.
- Target countries with highest levels of new and additional funding by investing in earlier adopters via “lighthouse”/beta programs.
- Selectively deprioritize feature development in areas of reduced interest and by improving the incentives to move to next-generation solutions based on CIO priorities. This is particularly important for offerings related to legacy infrastructure and applications.

2022 Changes in Technology Investment Priorities, European CIOs by Countries

Evidence

2022 Gartner CIO and Technology Executive Survey. The 2022 Gartner CIO and Technology Executive Survey was conducted online from 3 May 2021 through 19 July 2021 among Gartner Executive Programs members and other technology executives. The total sample is 2,387, with representation from all geographies and industry sectors (public and private). The survey was developed collaboratively by a team of Gartner analysts, and Gartner’s Research Data, Analytics and Tools team. Disclaimer: Results do not represent global findings or the market as a whole, but reflect the sentiments of the respondents and companies surveyed.

Note 1: List of Included Regions and Countries in the Grouping

Collectively, each region that is included in this report had sufficient respondents to be included, although an individual country may not. The grouping of European countries included in this analysis is shown in Table 1.

Table 1: List of Included Countries and Grouping Into Region

| Region | Country |
|----------------------------|--|
| Benelux | Belgium, the Netherlands and Luxembourg |
| Central and Eastern Europe | Bosnia and Herzegovina, Croatia, Czech Republic, Greece, Hungary, Poland, Romania, Serbia, Slovakia, Slovenia, Ukraine |
| DACH | Germany, Austria and Switzerland |
| Nordic Region | Denmark, Finland, Norway and Sweden |
| Spain and Portugal | Portugal and Spain |
| U.K. and Ireland | Ireland and the United Kingdom |
| France | France |
| Italy | Italy |
| | |

Source: Gartner (June 2022)

Note 2: Selected CIO Investment Priorities for Cyber/Information Security and Business Intelligence and Analytics, Worldwide, 2018-2022

Since 2019, the top two technologies for new or additional funding have been cyber/Information security, and business intelligence and analytics. The worldwide results are shown in Table 2.

Table 2: Selected CIO Investment Priorities, Worldwide, 2018-2022

(Enlarged table in Appendix)

| Question | Cyber/Information Security | Business Intelligence and Analytics | Sample Size |
|---|----------------------------|-------------------------------------|-------------|
| What are the technology areas where your organization will be spending the highest amount of new or additional funding in 2018?* | 4 | 1 | 2,847 |
| What are the technology areas where your organization will be spending the largest amount of new or additional funding in 2019? | 2 | 1 | 3,086 |
| What are the technology areas where your enterprise will be spending the largest amount of new or additional funding in 2021 compared with 2020? | 1 | 2 | 1,798 |
| What are the technology areas where your enterprise will be spending the largest amount of new or additional funding in 2022 compared with 2021? | 1 | 2 | 2,307 |
| <p>Notes: All the results are worldwide. In the 2018 Gartner CIO Survey, Business Intelligence and Analytics was labeled "BI/analytics" In the 2019 Gartner CIO Survey, Business Intelligence and Analytics was labeled "Business intelligence or data analytics solution." In the 2021 Gartner CIO Survey and 2022 Gartner CIO and Technology Executive Survey, Business Intelligence and Analytics was labeled "Business intelligence/data analytics." * The 2018 Gartner CIO Survey asked for open-end responses. Starting with the 2019 Gartner CIO Survey, respondents were presented with a response list from which they could choose multiple items. The question was not asked in the 2020 Gartner CIO Survey.</p> | | | |

Source: Gartner (June 2022)

Note 3: Cloud Spending

Spending on SaaS in EMEA is lower compared with the cross-region worldwide average.

Spending on IaaS and other public clouds in EMEA is lower compared with the cross-regional worldwide average.

Source is Figure 4 in [IT Key Metrics Data 2022: Industry Measures – Executive Summary](#).

Note 4: France 2030 Initiative

“France 2030” is an ambitious investment plan to ensure France remains competitive in a range of technologies. The plan includes 10 objectives covering areas including energy (nuclear and hydrogen), transportation (electric vehicles and low-carbon aircraft) and biomedicines. It also includes ecological innovation and production of cultural and creative content.

The press release is available [here](#) (note that it is available in French language only).

Note 5: France’s National Strategy for Cloud

In May 2021, the French government issued a [press release](#) (note that it is available in French language only) announcing its national strategy for cloud. It refers to risks from the proliferation of cyberattacks and the threat of extraterritorial legislation giving access to the data of citizens, government and organizations. The strategy is based on three pillars. This includes the “trusted cloud” label, which infers European shareholding with licensed foreign cloud technologies. It aims to avoid application of foreign laws not in line with European values.

Recommended by the Authors

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

[2022 CIO and Technology Executive Agenda: A Benelux Perspective](#)

[2022 CIO and Technology Executive Agenda: A DACH Perspective](#)

[2022 CIO and Technology Executive Agenda: A France Perspective](#)

[2022 CIO and Technology Executive Agenda: An Italy Perspective](#)

[2022 CIO and Technology Executive Agenda: A Nordic Region Perspective](#)

[2022 CIO and Technology Executive Agenda: Time to Embrace Business Composability in Spain and Portugal](#)

[2022 CIO and Technology Executive Agenda: A U.K. and Ireland Perspective](#)

[2022 CIO and Technology Executive Agenda: A Central and Eastern Europe Perspective](#)

[Critical Steps for Tech Product Managers: Know the Customer](#)

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