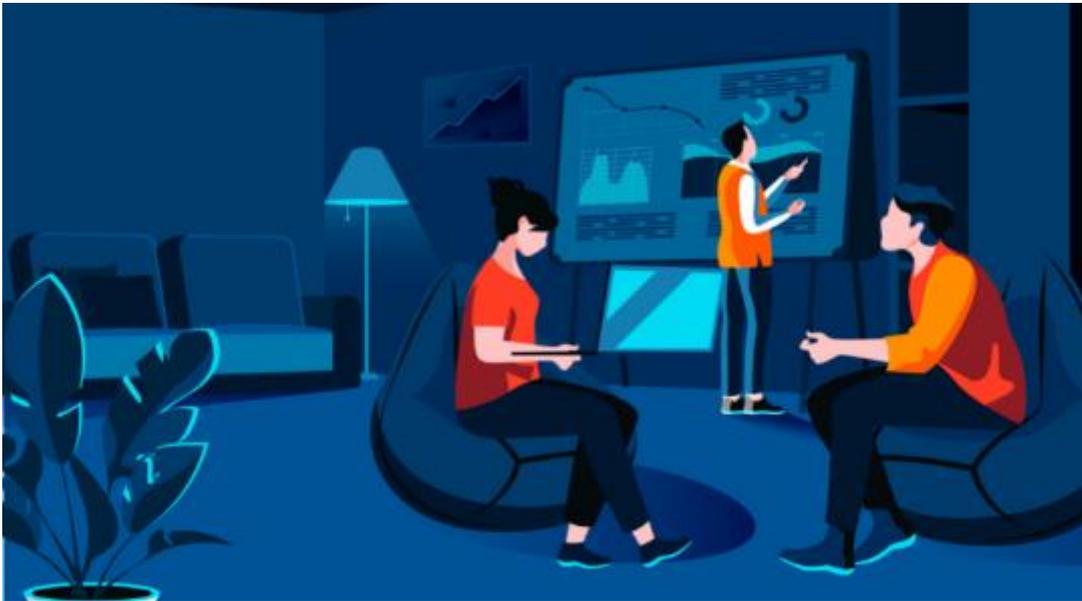


Latest Trends in IT and Its Impact on Outsourcing

by **Satya K Vivek** | March 18, 2022



With the competition in the IT sector constantly on the rise, companies are becoming increasingly reliant on outsourced services. By 2026, IT outsourcing is likely to have a market volume of around USD 552 billion. The yearly growth rate (CAGR 2021 to 2026) from 2021 onwards is projected to be around 8.9%. Needless to say, IT outsourcing wouldn't go out of trend anytime soon. While this has an impact on the IT sector, current IT trends have their impacts on outsourcing too.

Among the current IT trends that have been gaining momentum, the following are likely to grow rapidly soon. These technologies would witness widespread usage, and would naturally, have an impact on IT outsourcing.

Cloud computing will become even more popular

The growth of cloud computing is one of the biggest IT trends today. Organizations are constantly trying to move their on-premises infrastructure to the cloud for greater efficiency. Based on current trends, it seems that the cloud computing market would continue to grow rapidly with CAGR in high teens. With a growing number of businesses adopting cloud computing, this is a golden opportunity for outsourced service providers.

Increased focus on artificial intelligence

Companies of every scale have started incorporating artificial intelligence in their products and services. Quite essentially, AI has played a pivotal role in the development of various products as we know them today. From entertainment apps to large software solutions deployed by governments, AI is everywhere. For IT investors and outsourced service providers, AI is easily one of the fields that many companies are focusing on for competitive advantage.

Machine learning automation

With AI witnessing huge growth in popularity and usage, it comes as no surprise that machine learning automation has done the same. Machine learning entails technologies that enable computers to learn things without programming them through learning methodologies. Machine learning automation has found application in the industrial segment and consumer products alike. This has led to a growing number of companies outsourcing expert services in this field.

Robotics expands to various sectors

Robotics has become surprisingly common across different sectors. Machines programmed to perform specific tasks offer a much cheaper alternative to human labor. With businesses trying to curtail their costs constantly, it is only normal that robotics would keep gaining significance. In addition, robotics offers a way to maintain high quality production with high efficiency which helps protect brand reputation of the manufactured products. However, this is an extremely niche field that calls for a high level of expertise and diverse resources. Many companies are relying on outsourced services for their Robotics needs.

Blockchain technology to be widely implemented

Blockchain technologies are going to see widespread adoption across businesses. It is the decentralized nature of Blockchain that makes it so popular and convenient. This makes deriving value from data in the form of business intelligence (BI) much easier. Companies outsourcing cloud storage and IT functions often also adopt Blockchain technology.

Conclusion

IT trends are always changing and would continue to do so. However, the five trends listed above are likely to remain strong in the near future. Outsourced service providers should focus not only on these areas but keep an eye out for new trends in IT outsourcing.