United Kingdom IT Services - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2025 - 2030)

Market Report | 2025-04-28 | 100 pages | Mordor Intelligence

AVAILABLE LICENSES:

- Single User License $4750.00

- Team License (1-7 Users) $5250.00

- Site License $6500.00

- Corporate License $8750.00

Report description:

The United Kingdom IT Services Market size is estimated at USD 112.50 billion in 2025, and is expected to reach USD 156.61 billion by 2030, at a CAGR of 6.84% during the forecast period (2025-2030).

The increasing use of internet applications and services, as well as the growing availability of wireless devices such as smartphones, other smart gadgets, and associated apps, are significantly driving the growth of the UK IT services market.

Key Highlights
- Significant investments in various IT solutions in the United Kingdom have been made, with the overall adoption of software-as-a-service (SaaS) and increased cloud-based products demonstrating the rising industrial requirements for IT services. Digital transformation and automation are also trending in the country, fueling the demand for IT services.
- Many prominent SaaS companies have ventured into the United Kingdom, where the market is expanding. SaaS growth is mainly fueled by technological advancements, such as the adoption of artificial intelligence and machine learning. The country's SaaS market is still maturing, offering investors a broad scope of opportunities to invest in IT solutions.
- For example, in March 2022, Amazon Web Services announced plans to invest more than GBP 1.8 billion (USD 2.2 billion) over the next two years in building out its overall UK data center presence as the demand for its public cloud services continues to increase significantly. During the intervening years, its presence in the United Kingdom has allowed AWS to secure many lucrative and high-profile deals with private sector organizations and central government departments in the financial, healthcare, and pharmaceutical services industries.
- Moreover, the market is witnessing various mergers, partnerships, and acquisitions. For instance, in October 2022, Arqit Quantum Inc., a provider of quantum-safe encryption, signed a contract with Nine23 Ltd, a cyber security solutions provider primarily for the UK-compliant and regulated industries, to deploy Arqit's QuantumCloud. It is mainly a symmetric key agreement

software on Nine23's UK Sovereign Secure Private Cloud infrastructure, Platform FLEX, to deliver the highest level of assurance for its clients and customers.
- However, the rise in various data security-related issues and data breaching risks in the country could be a significant factor, restricting the overall market's growth throughout the forecast period.

United Kingdom IT Services Market Trends

Growth in Nearshoring IT Outsourcing and the SaaS (Software-as-a-Service) Industry Driving the UK IT Services Market

- Domestic outsourcing is a technique in which a country's corporations prefer to outsource services to vendors within their own country. They primarily favor nearshore providers outsourcing overseas because of proximity, language, cultural commonalities, and minor time differences. For example, Infinity Group, a UK-based company, is one of the industry's leading IT outsourcing organizations, providing outsourced IT support to over 1,000 businesses across the United Kingdom. The company works with many kinds of clients, ranging from fast-growing start-ups and SMEs to well-established larger corporations.
- Some key technology trends for nearshore IT services include a rise in the adoption of 5G technology, IT automation, container technology, serverless computing, and virtual desktop infrastructure. Over the coming years, 5G will be critical to the growth of the overall digital economy and society. 5G technology has the full potential to impact practically every area of UK residents' lives, from personalized medicine to precision agriculture and smart energy grids to connected mobility.
- Moreover, the key corporates of the country are prioritizing domestic outsourcing of 5G services because it is critical to ensure the security of the European Union's future 5G networks. For example, in May 2022, Baltic telecommunications and media group Ericsson signed a framework agreement to introduce 5G technology in the UK market. The deal would provide 5G network coverage in the most densely populated cities and districts, with plans to expand customer services in media entertainment and gaming, cloud, data centers, and the Internet of Things.
- The Bank of England estimates that 40-90% of bank workloads will be hosted on the public cloud or software-as-a-service in the coming ten years. It is crucial to examine the impact on business continuity if one of the suppliers fails. Hence, the financial authorities in the United Kingdom and worldwide, notably the Bank of England, the Financial Conduct Authority (FCA), and the Prudential Regulation Authority (PRA), are keeping a close eye on this. This will create several growth opportunities for the UK IT services market.
- Between 2020 and 2025, the SaaS (software-as-a-service) industry is estimated to grow significantly in the United Kingdom. Moreover, the market is anticipated to experience a drastic increase, from EUR 7500 million (USD 7,847.8 Million) to EUR 14,500 million (15,173.0 USD Million) in 2025. This rise in the overall share of the SaaS segment will create ample opportunities for the market to grow extensively throughout the forecast period.

Digitalization in the BFSI Segment Driving the Growth of the UK IT Services Market

- With a significant talent pool and high-service quality offerings, the United Kingdom is one of the most appealing IT outsourcing destinations. The overall fintech investments in the country are rising significantly. These fintech companies have the requisite domain expertise and experience in designing various fintech solutions like digital banking, money transfers, personal financial management, risk and compliance management, peer-to-peer lending, and various other applications.
- For instance, in June 2022, SurePay, a European platform that provides online banking account verification services, teamed up with Virgin Money in the United Kingdom to launch its UK Confirmation of Payee solution.
- Moreover, banking-as-a-service (BaaS) is a crucial component of open banking. It involves banks opening their systems and allowing third parties to access their data in real time to improve their services. BaaS businesses within the country are disrupting

retail banking business models, altering incumbents' client relationships, and making it easier for fintech companies to enter the UK market. With regulatory initiatives echoing worldwide, the United Kingdom is leading the open banking industry, driving the UK IT services market. For instance, 11:FS Foundry, a UK-based SaaS/PaaS business, is working on a platform to provide fundamental banking features that mainly eliminate the need to choose between agility and scalability.

- In addition, Bankable is a London-based firm aiming to make it easier for traditional financial institutions and other businesses to launch innovative payment options. A virtual ledger manager, digital banking, payment card programs, and e-wallets are among the company's key BaaS offerings. Its end-to-end payment services are accessible through a unique interoperable platform that is PCI-DSS (payment card industry - data security standards) certified and hosted in tier-4 data centers for increased security. Bankable also plays a significant role in assisting its partners in overcoming the technological and regulatory obstacles that arise while creating innovative financial services.

- Moreover, various key global MNCs are well-indulged in acquiring UK-based fintech companies. For instance, in March 2022, Apple purchased Credit Kudos, a fintech firm based in London. Credit Kudos is a software start-up that helps businesses improve their affordability and risk assessments by utilizing open banking. Lenders mainly use the software to expedite underwriting, increase decision-making accuracy, and improve customer service.

- As per the Bank of England, there is a total count of around 377 monetary financial credit institutions operating in the United Kingdom, 130 of which are UK-headquartered. Monetary financial institutions (MFI) primarily include all the building societies and the banks that have permission to accept deposits in the United Kingdom. Hence, with the rise in the number of monetary financial institutions (MFI) within the country, the overall demand for various IT services, especially in the banking industry, will rise significantly, expediting the overall market's growth exponentially.

United Kingdom IT Services Industry Overview

The UK IT services market is extremely competitive, with only a few significant competitors. Some of the key players hold a major share of the market. Moreover, the variables are involved in various mergers and acquisitions and product innovation, among others, to gain a competitive edge over others.

- July 2024: The UK government, in an announcement, revealed plans to bolster the Department for Science, Innovation, and Technology (DSIT). The department announced aims to broaden its scope and scale by incorporating key entities like the Government Digital Service (GDS), the AI Incubator (iAI), and the Central Digital and Data Office (CDDO) under its purview.

- April 2024: Microsoft announced the creation of Microsoft AI, a newly formed organization aimed at advancing its consumer AI products and research, including Copilot. Microsoft AI further opened a new AI hub in the heart of London. Microsoft AI London was established to drive pioneering work to advance language models and their supporting infrastructure and to create tooling for foundation models, collaborating closely with Microsoft's AI teams and partners, including OpenAI.

Additional Benefits:

 - The market estimate (ME) sheet in Excel format
- 3 months of analyst support

Table of Contents:

SCOTTS INTERNATIONAL

United Kingdom IT Services - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2025 - 2030)

Market Report | 2025-04-28 | 100 pages | Mordor Intelligence

To place an Order with Scotts International:

 - Print this form

 - Complete the relevant blank fields and sign

 - Send as a scanned email to support@scotts-international.com

ORDER FORM:

Select license	License	Price
	Single User License	$4750.00
	Team License (1-7 Users)	$5250.00
	Site License	$6500.00
	Corporate License	$8750.00
	VAT	
	Total	

*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

** VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*		Phone*	
First Name*		Last Name*	
Job title*			
Company Name*		EU Vat / Tax ID / NIP number*	
Address*		City*	
Zip Code*		Country*	
		Date	2025-05-07
		Signature	