

Procurement Trends in Different Industries

Here are procurement trends for 6 major industries in 2016.

1

Information Technology



Information technology continues to retain a big chunk of the procurement industry with significant growth in IT security, chip technology, data management, and cloud computing.

Over the next 3 years, public cloud based software will account for around 50 percent of all IT expenditures.

A major shift in this industry is the adoption of Infrastructure as a Service area or IaaS.

2

Telecommunication



Telecom services are focusing more on providing data services. Special bundles and plans with data combined with voice minutes and text messages are the new kid on the block.

US operators have also spread their wings abroad, branching out to Mexico.

Over in Europe, there is an increasing push to reduce or eliminate roaming charges, and consequently more and more companies are looking to partner up with each other for integrated global networks.

3

Business Travel



Economic growth combined with fuel prices may very well result in rapid growth in this sector.

While many airlines and hotel chains provide special packages for corporate travelers, they are no longer providing the discounts or special rates they once did.

The inflationary nature of fares in airlines and hotel industries may continue and remain a challenge for corporate travel.

4

Maintenance, Repair, and Operations (MRO)



Falling oil prices combined with a volatile commodities market and increased consolidation in the sector may contribute to growth around the world.

As demand for core services and products in the electrical and mechanical sector soars, MROs will move towards increasing their leverage and buying power in the market, outsourcing services, and providing long term value through management of spare parts.

5

HR Services



HR services can capitalize on the demand for online learning programs and growth in the learning and development sector.

The HR and procurement industries must stay one step ahead of the game in order to maintain their status across the globe.

The future is largely dependent on cost effective, quality services although we may see continued reliance on 3rd party contracting for various duties.

6

Energy, Utilities, and Packaging



With the decline in oil prices, these sectors are riding a wave of profitability and high income.

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Over the next few years, these industries will shift to adapting a more focused and skilled approach based on strategic partnerships and supply chain intelligence for their procurement needs.