

## **TMT outlook: Can tech spend buoyancy keep the industry airborne?**

Uncertainty is mounting for technology, media and telecommunications (TMT) businesses amidst a turbulent economic and political backdrop, according to the latest research from Grant Thornton.

The optimism of over 450 TMT leaders – surveyed as part of our International Business Report (IBR) – fell to net 29% in the first half of 2019, down from 45% just six months earlier. Expectations around revenues, profits and employment have also taken a hit.

But with businesses in other industries increasingly looking to new technologies as the path to transformation, this is also a time of opportunity. So how can the TMT industry ride out the turbulence and thrive?

Regulatory and political scrutiny intensifies trade barriers

The higher levels of economic uncertainty in the industry aren't surprising. In recent months, regulatory scrutiny has mounted for some of the TMT's biggest players. In two years, the European Commission has imposed \$9.5 billion in antitrust fines against Google, while Facebook has been subject to probes from data protection authorities since the General Data Protection Regulation (GDPR) came into effect last year(i).

As Nick Watson, global head of TMT at Grant Thornton explains, "Regulators are starting to wake up to threats, and debates about data protection and privacy are only just beginning. An increase in regulation will drive up costs. And this can also get very political as trade barriers start springing up."

Full report: <https://www.grantthornton.global/en/insights/articles/TMT-outlook-Can-tech-spend-buoyancy-keep-industry-airborne/>