

A nighttime photograph of a city skyline, likely Dubai, featuring numerous illuminated skyscrapers and a waterfront promenade with palm trees and people. The text is overlaid in the lower half of the image.

# Master1Tech: Establishing IT Industry Global Capability Centers in Pakistan

Presenter: Your Name

# Executive Summary

## Global IT Market Growth Projection

The global IT devices market is expected to grow from USD 2.14 trillion in 2025 to USD 4.80 trillion by 2034, driven by sectors like data centers, software, and IT services with a CAGR of 9.43%.

## Key Growth Drivers and Regional Highlights

Growth is fueled by Generative AI adoption, cloud computing dominance, and cybersecurity investments. The US and Pakistan lead IT spending, with Pakistan's market growing 11.2% to \$25 billion by 2025.



# Global IT Industry Market Size Overview

- Global IT Market Size and Growth Forecast : The global IT devices market was valued at USD 1.95 trillion in 2024 and is projected to reach USD 4.80 trillion by 2034, driven by a CAGR of 9.43%. Key growth sectors include data centers, software, IT services, and communication services.

# IT Software Market

- Global IT Software Market Growth in 2024 : The global enterprise software market is projected to reach \$1.12 trillion in 2024, reflecting a 10.1% increase from 2023's \$1.02 trillion, driven by growth in CRM and ERP subsegments.

# IT Hardware Market



## Global IT Hardware Market Spending in 2025

The global IT hardware market spending is projected to reach \$579.7 billion in 2025, reflecting a 4.5% year-over-year decline.



## Key Market Segments and Regional Insights

Major segments include client computing (\$186.5B), network infrastructure (\$137.3B), security devices (\$62.8B), and server computing (\$18.3B). North America accounts for 43.9% of global hardware spending.



## IT Services Market

The IT services market is projected to reach \$1.69 trillion in 2024, marking a 7.2% growth from 2023. Key segments include cloud services, infrastructure-led outsourcing, and business process outsourcing. Pakistan's Global Capability Centers significantly contribute to this growth by leveraging skilled workforce for global operations.



# IT Communications Market

- 2024 IT Communications Market Spending Overview : Communications spending is projected to exceed \$404.8 billion in 2024, driven by fixed data, mobile services, fixed voice, and satellite communications segments.

# Factors Driving the IT Industry – Security Concerns



## Rising Security Expenditure in 2025

52% of organizations plan to increase their security budgets in 2025, reflecting heightened awareness of cyber threats.

## Key Drivers of Security Investments

Security concerns are the primary driver for 53% of organizations, with AI threat detection and hybrid cloud security solutions playing critical roles.

# Factors Driving the IT Industry – Digital Transformation

- Global Digital Transformation Investment in 2024 : Organizations worldwide are accelerating digital transformation to modernize processes and improve customer experiences. In 2024, global spending on digital transformation technologies reached \$2.5 trillion, with 67% of large enterprises prioritizing IT projects in 2025. Pakistan's GCCs, including Microsoft, are advancing cloud modernization and AI integration by leveraging local talent to support global digital initiatives.



# Factors Driving the IT Industry – AI Adoption and Investment

- AI Market Growth and Investment Impact : The AI market is valued at \$638.23 billion in 2024 and is projected to reach \$757.58 billion in 2025, growing at a CAGR of 19.2% through 2034. Global AI investments are expected to hit \$200 billion by 2025, significantly enhancing IT industry efficiency and creating new opportunities.

# Factors Driving the IT Industry – Cloud Computing



## Global Public Cloud Spending in 2024

Global public cloud spending is projected to reach \$805 billion in 2024, reflecting significant industry growth.



## Hybrid Cloud Support and Infrastructure Modernization

Pakistan's Global Capability Centers, like Amazon's Karachi center, focus on hybrid cloud support by optimizing costs and scalability.

# Factors Driving the IT Industry – Workforce Expansion

## Impact of Workforce Growth on IT Budgets

In 2025, 45% of organizations increasing IT budgets identify employee growth as a primary factor driving investment decisions.

## Role of IT Graduates in Skill Development

Pakistan produces 25,000 IT graduates annually, supporting Global Capability Centers in enhancing AI and cloud computing skills to meet global demand.



# Factors Driving the IT Industry – Economic Growth

- Global IT Spending Projection for 2025 : Global IT spending is projected to reach \$5.75 trillion in 2025, marking a 9.3% increase from 2024. This growth is driven by rising economic incomes and inflation, enabling greater IT investments by enterprises and organizations. Pakistan emerges as a key investment destination due to its cost-effective talent pool and robust infrastructure supporting strategic IT investments.



# Factors Driving the IT Industry – Regulatory and Geopolitical Influences

- Impact of Data Protection Laws and Geopolitical Risks on IT Strategies : Data protection laws and geopolitical risks critically influence global IT strategies. Pakistan's Cyber Security Policy 2021 and data localization laws encourage localized IT investments, fostering a secure regulatory environment. Global Capability Centers like Goldman Sachs' GCC in Karachi leverage this framework to maintain resilient IT operations amid geopolitical uncertainties.



# Navigating Industry Pain Points – Cybersecurity Threats

- Escalating Cybersecurity Threats in IT Industry : The IT industry faces rising ransomware, phishing, and AI-driven attacks, with phishing emails generated 70% faster using Generative AI, leading to 3,158 data breaches in 2024 affecting 1.3 billion individuals.



# Navigating Industry Pain Points – Talent Shortage

- Global IT Skills Shortage by 2026 : By 2026, 90% of organizations worldwide will face IT skills shortages, risking \$5.5 trillion in losses and complicating hiring efforts.

# Navigating Industry Pain Points – Cloud Cost Management

- Rising Cloud Storage Costs Impact IT Budgets : 94% of IT leaders report increases in cloud storage costs, causing significant budget inefficiencies and challenges in cost management.



# Navigating Industry Pain Points – AI Integration Challenges

- Key Challenges in AI Integration : The IT industry faces major AI integration challenges including poor data quality, ethical concerns such as bias, and low ROI with only 25% seeing clear returns in the first year.





## Pakistan Advantage – Cost-Effective Talent

- Pakistan's IT Talent Pool : Pakistan has 1.5 million IT professionals, including 375,000 specialists in AI and data analytics, offering cost-effective and skilled workforce solutions for global IT challenges.

# Pakistan Advantage – Diverse Data & Ethical AI Support

- Leveraging Pakistan's Diverse Population for Ethical AI : Pakistan's population of approximately 240 million provides a highly diverse dataset essential for mitigating bias in AI applications. Supported by the National AI Policy 2023, this framework ensures ethical compliance and fosters the development of inclusive AI models. Government incentives further enhance efficiency by 10–15%, making Pakistan a cost-effective hub for ethical AI innovation.

# Pakistan Advantage – Government Incentives

- Government Incentives Boosting Pakistan's AI Sector : Pakistan offers 100% FDI, tax exemptions in Special Technology Zones, and the Digital Pakistan Policy to enhance AI and IT investments, reducing costs and improving efficiency by 10-15%.

# Pakistan Advantage – Robust IT Ecosystem & Infrastructure

## Strategic IT Hubs in Pakistan

Lahore, Karachi, and Islamabad host world-class IT parks, serving as Tier-I hubs for the technology industry.

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## Significant Infrastructure Investment

Pakistan plans to invest \$10 billion by 2027 to enhance IT infrastructure and support scalable R&D initiatives.



## Pakistan Advantage – Scalable R&D for Innovation

- Scalable R&D Capacity in Pakistan : Pakistan produces 25,000 engineering graduates annually, supporting scalable AI research and development at significantly lower costs compared to the U.S., fostering innovation for global firms.

# Pakistan IT Industry Statistics

- Pakistan IT Workforce Overview : In 2024, Pakistan's IT workforce reached 1.5 million professionals, with 25% specializing in AI and cloud computing technologies, reflecting a strong focus on emerging tech sectors.

# Why Pakistan? – Cost-Effective Talent

## Cost Advantage of Labor

Labor costs in Pakistan are 30–50% lower than in comparable markets, enabling significant cost savings for GCCs.

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## Competitive Salary Range

Data engineers in Pakistan earn between \$10,000 and \$20,000 annually, supporting cost-efficient operations for companies like Amazon.



# Why Pakistan? – Diverse Data & Regulatory Support

## Rich Data from Diverse Population

Pakistan's 240 million population offers varied datasets crucial for mitigating AI bias and enhancing ethical AI development.

## Supportive Regulatory Environment

The National AI Policy 2023 fosters ethical AI compliance, reducing costs and risks for Global Capability Centers like Google's Lahore facility.



## Why Pakistan? – Government Incentives

- Government Incentives Driving Investment in Pakistan : The Digital Pakistan Policy, Special Technology Zones (STZs), and 100% Foreign Direct Investment (FDI) policies have attracted significant investments, with IT FDI reaching \$500 million in 2024. These incentives reduce barriers for establishing Global Capability Centers, enabling cost-effective setup and operation. The government's emphasis on digital economy development through supportive policies and infrastructure fosters a conducive environment for GCC growth and innovation.

# Why Pakistan? – Robust IT Ecosystem

- Tier-I IT Hubs in Pakistan : Lahore, Karachi, and Islamabad are Tier-I hubs featuring world-class IT parks that provide essential infrastructure and environments for advanced IT operations, supporting Pakistan's robust IT ecosystem.



# Why Pakistan? – Scalable R&D



## Robust Talent Pipeline

Pakistan produces 25,000 engineering graduates annually who actively contribute to AI and cloud computing research and development.



## Extensive GCC Presence

Approximately 1,000 Global Capability Centers operate in Pakistan, enabling scalable R&D with 50–60% lower setup costs than the US.



## Conclusion

- Strategic Advantage of Pakistan for GCC Establishment : Pakistan offers a strategic and cost-effective environment for Global Capability Centers in IT, supported by a strong talent pool, government incentives, and a growing IT ecosystem.

# Call to Action



## Leveraging Pakistan's GCC Ecosystem

Pakistan provides a strategic ecosystem for Global Capability Centers, addressing global IT challenges like talent shortages, cybersecurity, cloud cost management, and AI integration.



## Strategic Advantages and Growth Potential

With cost-effective skilled workforce, government incentives, and a thriving innovation environment, Pakistan offers 30–50% cost reduction and projected IT exports growth from \$3B in 2024 to \$5B by 2027.



Partner with Master1Tech GCC

Pakistan's Premier GCC Enabler

To establish your high-performing GCC in Pakistan

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