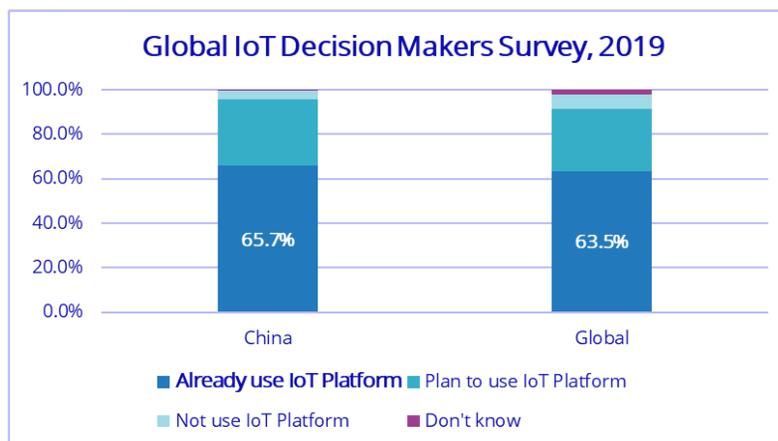


New IDC MarketScape Assesses China Public Cloud IoT Platform Vendors for 2019

Beijing, February 14, 2020 — As IoT expansion brings more diversified IoT communications and applications, an increasing number of enterprise users have turned to IoT platforms to enhance the management of proliferating IoT devices, accommodate varying communication interfaces, and accelerate IoT-driven business innovation. According to the IDC Worldwide Internet of Things Spending Guide 2H2019, the horizontal IoT platform (industry-generic IoT platform) market will maintain a high-rate growth in the coming five years with a CAGR of 40.0%.

The IDC 2019 Global IoT Decision-Maker Survey, which surveyed 5,421 enterprise IoT decision-makers worldwide (including 475 in China), finds that 63.5% of enterprises worldwide are already IoT platform users and that the percentage in China is even greater at 65.7%. Use of IoT platforms has become a market mainstream.

Figure 1



Source: IDC 2020

Against this backdrop, IDC has issued the IDC MarketScape: China Public Cloud IoT Platform 2019 Vendor Assessment to provide an analysis of horizontal IoT platform vendors that provide cloud-based IoT device management, connectivity management and application enablement services in China and an in-depth assessment of nine vendors including (in no particular order) Alibaba, AWS, Baidu, Huawei, Microsoft, H3C, China Telecom, China Unicom and China Mobile. The assessment is conducted on the three dimensions of capability, strategy and revenue and summarizes the final results in a graphical illustration using the IDC MarketScape vendor analysis model.

According to the assessment, the IoT platform vendors don't differ much in device management and connectivity management; they differ rather widely in application enablement (providing platform capabilities such as AI and big data to accelerate IoT application development by users) and have their own unique strengths and features in technology development and capability integration in various fields such as AI, big data, location-based services, and edge computing; and they differ greatly in ecosystem development, especially in such areas as IoT application marketplace, developer support and partner enablement.

Based on the study, IDC has the following findings:

Public cloud IoT platforms will gather traction as a market trend. Compared with in-house IoT platforms (IoT platforms deployed on private cloud or traditional data centers), public cloud IoT platforms allow users to not only significantly reduce costs related to platform maintenance and operations but also make full use of public cloud ecosystem resources to accelerate IoT business innovation.

Users pay greater attention to IoT platforms' ecosystem. Besides meeting their needs functionally, users expect platforms to have a resourceful ecosystem with comprehensive support including pre-integrated hardware (such as IoT gateways, terminals and communication modules) and various services from ecosystem partners to accelerate IoT solution deployment.

More users are using IoT platform application enablement to accelerate business innovation. By using IoT platforms' big data, AI and other capabilities, users can significantly reduce the complexity of IT management so that they can leverage their industry experience and expertise and focus on business process design and optimization to accelerate IoT business innovation.

IDC advises enterprise users to pay attention to the following

three aspects when choosing IoT platforms:

Choose IoT platforms with a thriving ecosystem: In view of the rather fragmented IoT market where it is difficult for a single vendor to provide all end-to-end solutions, a strong partner network is essential. Users are advised to choose IoT platforms having a thriving ecosystem including system integrators, value-added resellers and OEM partners whose hardware and service resources will help accelerate IoT solution deployment.

Choose IoT platforms with comprehensive developer services: IoT applications must meet the business needs and therefore need to be continuously optimized and adjusted according to the business process changes, which requires an IoT platform to have comprehensive developer services to support users' development.

Pay attention to technology openness: Users are advised to consider the technology openness of IoT platforms, especially in terms of whether there are open source projects for IoT devices and edge facilities which will allow users to better implement in-depth optimization of underlying technologies for accommodation of specific business scenarios.

“China’s IoT platform market has gradually shifted the

focus of competition from platform capabilities to platform ecosystem,” said Richard Lu, Research Manager at IDC China. “In addition to continuously enhance their platform capabilities and technology support, major IoT platforms are strengthening cooperation with OEMs, system integrators and independent developers, in order to building a comprehensive ecosystem, provide ecosystem partners with wider platform capabilities, better development and testing environment and more diversified market promotion channels, and unite partners to jointly promote the development of IoT in different industries.”

Related IDC IoT research reports

- China Manufacturing IoT Platforms MarketScape, 2020
- China IoT Market Forecast, 2020-2024
- China Connected IoT Devices Forecast, 2020-2024
- China IoT End User Decision-Making Survey, 2020

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About IDC MarketScape

IDC MarketScape vendor analysis model is designed to provide an overview of the competitive fitness of IT, telecommunications, or industry-specific suppliers in a given market. The research methodology utilizes a rigorous scoring methodology based on both qualitative and quantitative criteria that results in a single

graphical illustration of each vendor's position within a given market. IDC MarketScape provides a clear framework in which the product and service offerings, capabilities and strategies, and current and future market success factors of IT, telecommunications, or industry-specific vendors can be meaningfully compared. The framework also provides technology buyers with a transparent foundation to allow companies to independently compare the strengths and weaknesses of current and prospective vendors.

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Figure 2



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