



AI Unleashed: Powering the Next Wave of Innovation

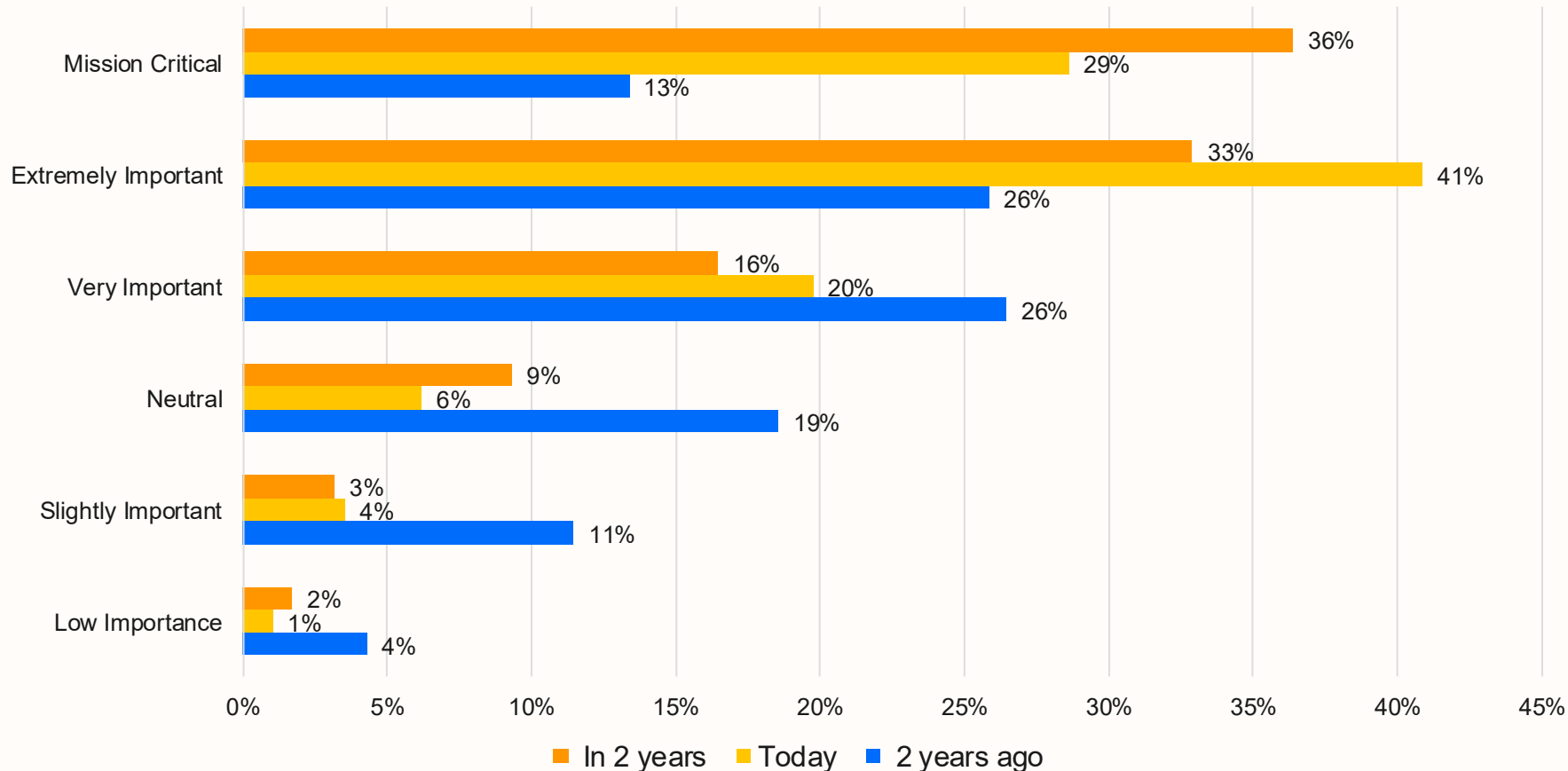
5/6G, Satellites, and Intelligent Networks

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70% of North American businesses now see connectivity as a top priority

North America



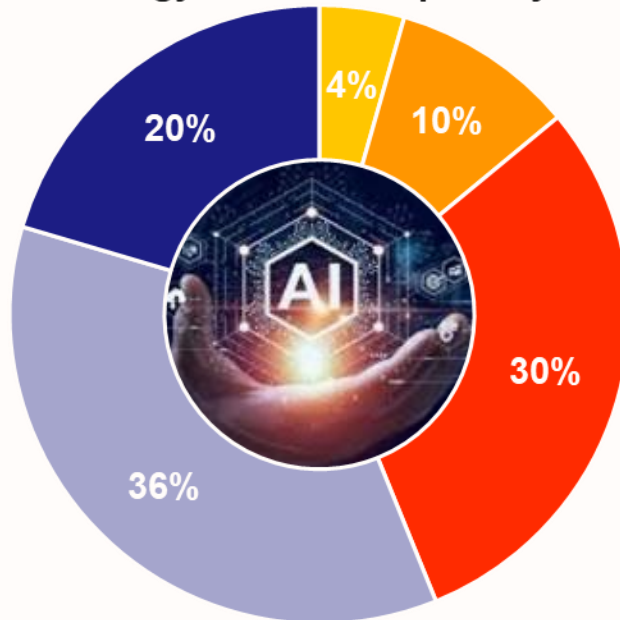
More businesses have increased their budget for connectivity services due to:

- Increased network data traffic
- Increased demand for reliable connectivity
- Increased use of cloud applications and services
- Automation/AI
- Cybersecurity

Source: IDC Future Enterprise Connectivity Infrastructure and Services Survey, August 2025, n=758

More than 50% see AI impact on connectivity strategy and investment bringing major infrastructure upgrades

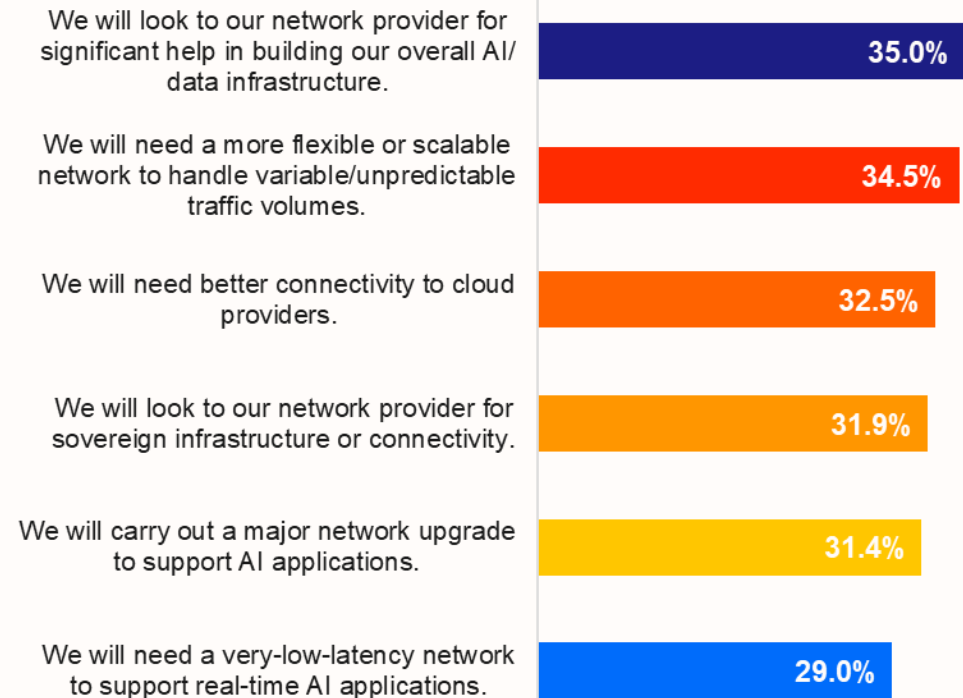
Q. How is AI impacting your connectivity strategy and roadmap today?



- No impact
- Minimal impact on connectivity transformation roadmap
- Some impact on connectivity transformation plans and future investment/roadmap
- Significant impact on current connectivity transformation and future investment/roadmap
- Transformative impact forcing a revised approach to our connectivity transformation roadmap

Source: IDC Future Enterprise Connectivity Infrastructure and Services Survey, August 2025, n=758

Q. Which of the following are likely to happen over the next two years as a result of your organization's use of artificial intelligence (AI)? [Choose all that apply]



Sources: IDC's EMEA Enterprise Communications and Collaboration Survey, 2025 (n = 1,716) (n=1,368)



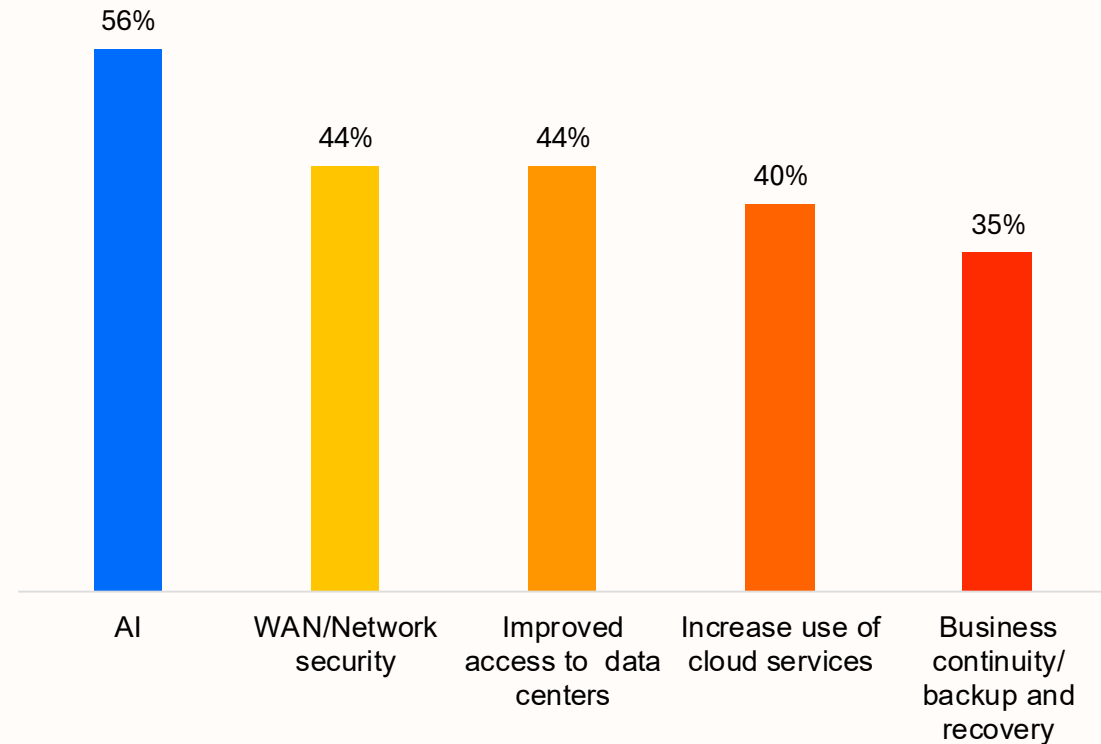
Budgets for connectivity have been increasing...

37.5% of enterprises have increased their connectivity budget by **more than 10 percent** over the last two years



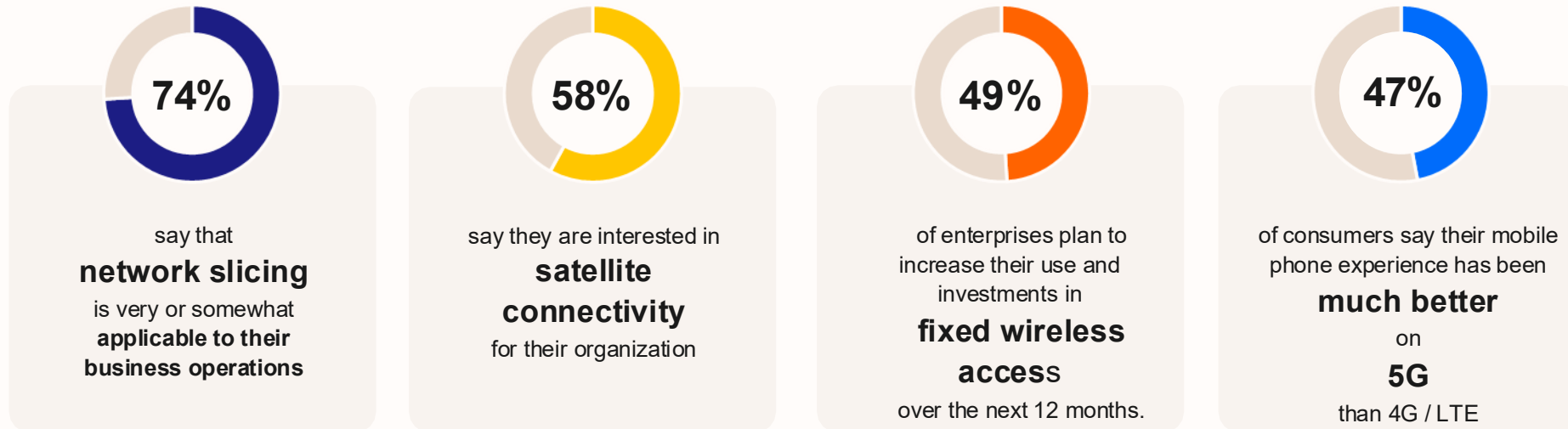
44% of businesses expect to increase connectivity budgets for 2026

Planned Areas of Investment



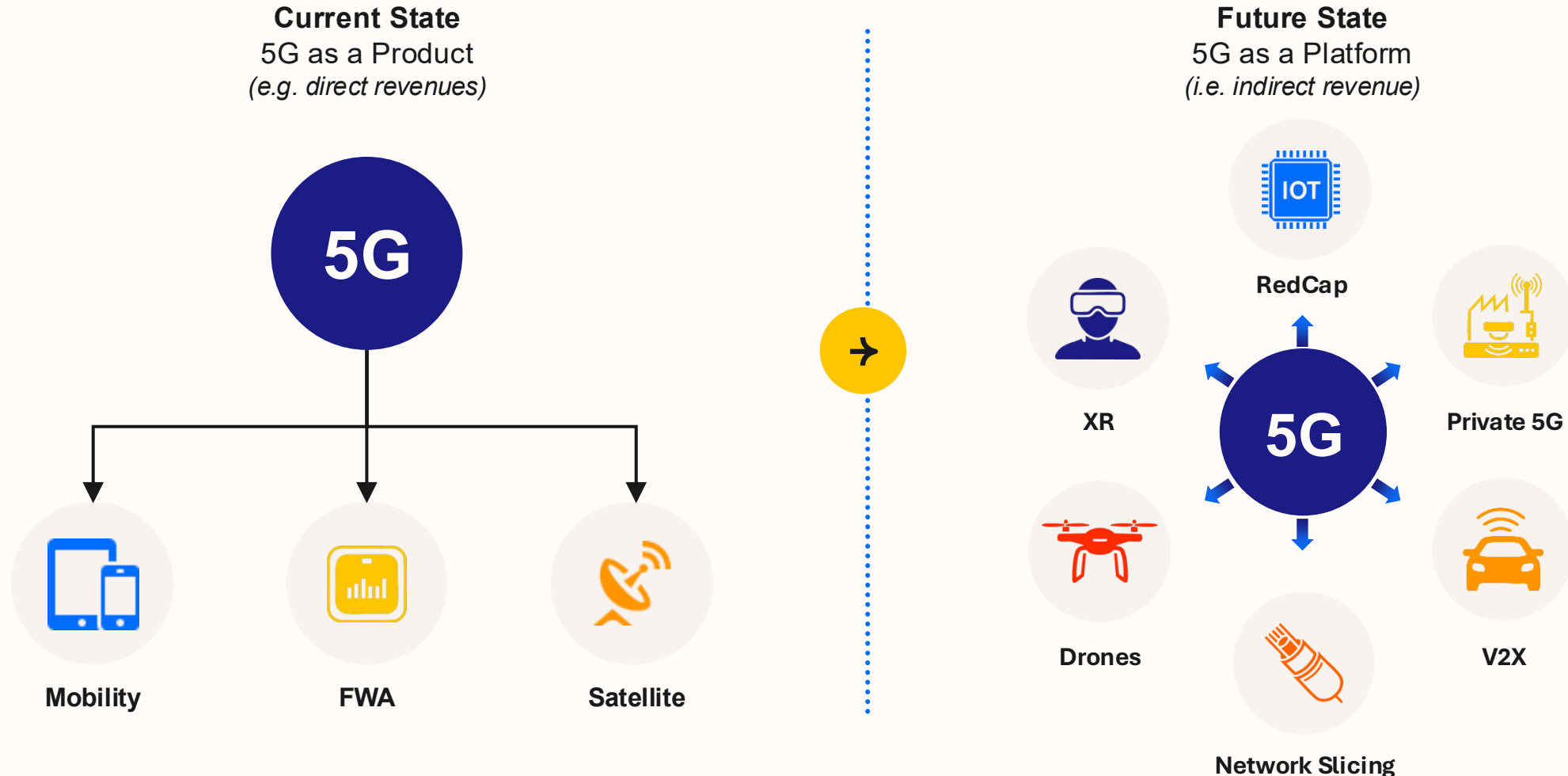
Enterprise appetite for advanced cellular solutions remains strong but new business models needed

Cellular networks are essential to delivering innovative solutions to customers and meaningful revenues to telco vendors. But delivering solutions produce measurable business outcomes means more partnerships, fewer egos, and integrated revenue share models so network capex can delivery material revenues.



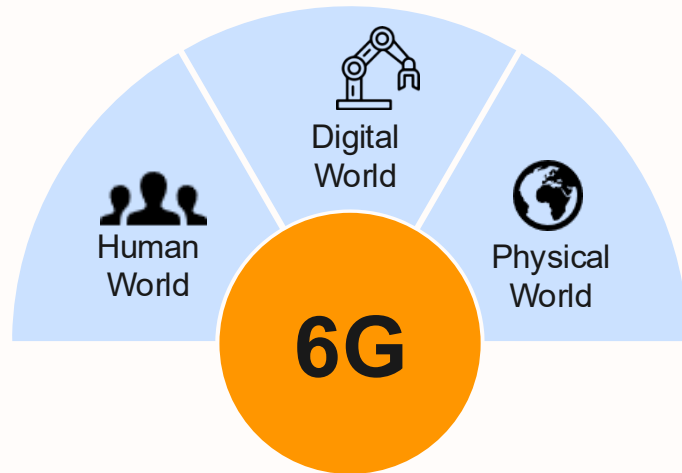
5G advanced – Converting performance into revenue

Realizing 5G's revenue potential requires a shift from viewing 5G as something to be sold and instead acknowledging 5G's role as a platform and enabling accelerator for other technology-based solutions. However, doing so will require new business models that incorporate greater flexibility in partnerships, integration, and revenue sharing.



Getting ready for 6G

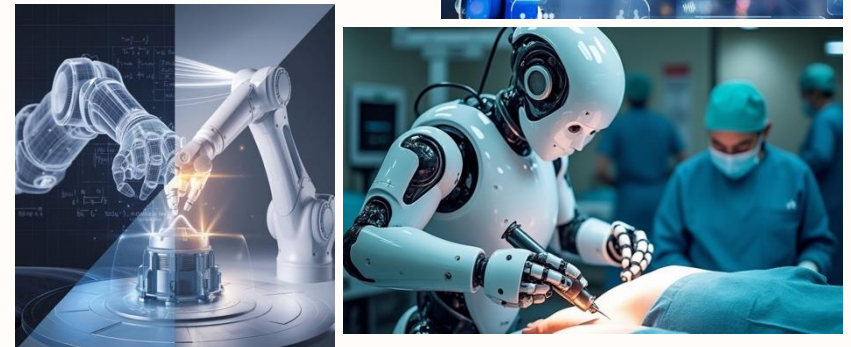
6G will be more than just connectivity. It will provide the legs for dragging AI out of the datacenter, providing the springboard for physical AI.



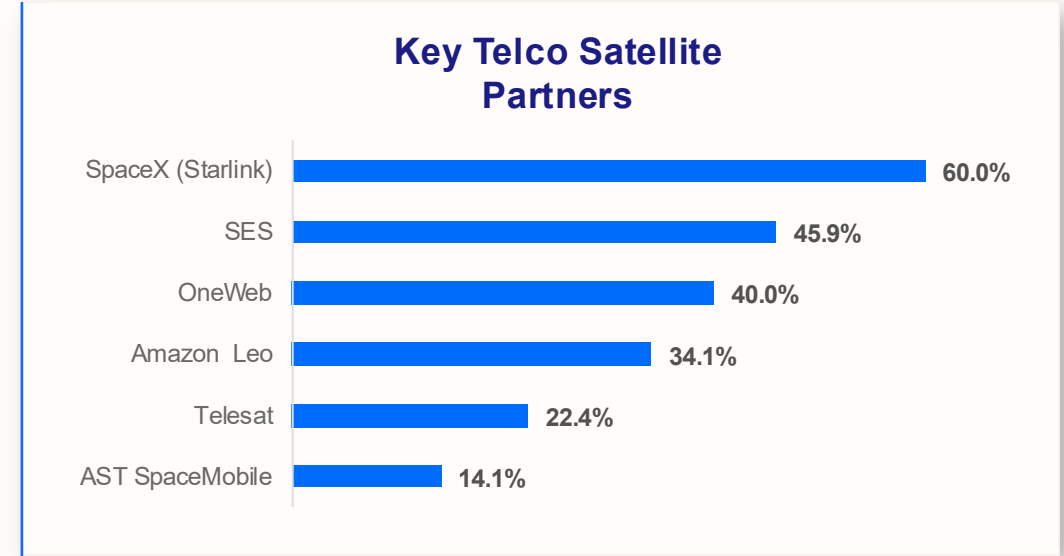
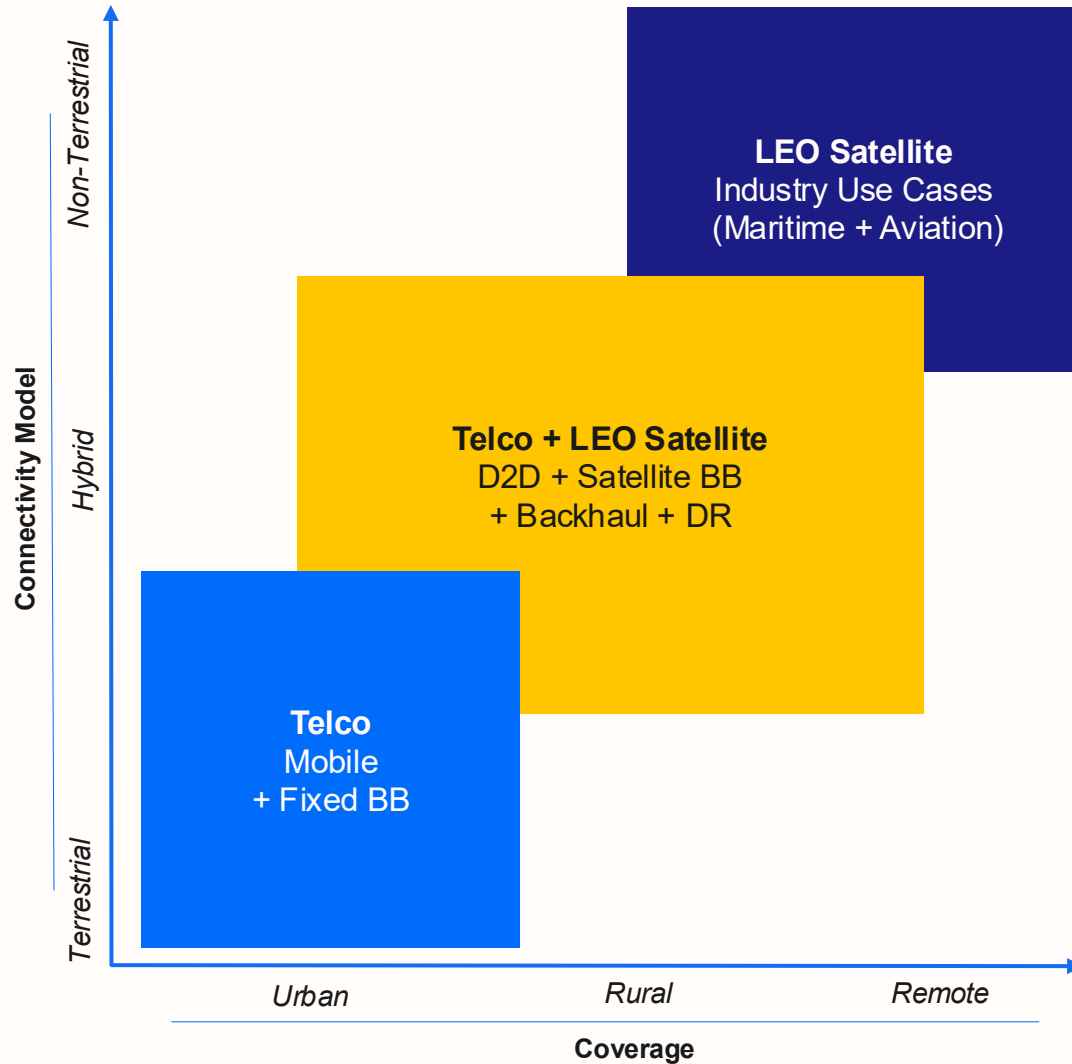
Key Features of 6G

- **AI Native Architecture** – enabling autonomous self-optimization and resource management
- **Integrated Sensing** – every cell tower is a radar station, mapping the physical area around it
- **Trust & Security** – incorporating quantum-resistant encryption and blockchain to push authentication to the edge
- New spectrum, speed, latency, and energy efficiency gains

- December 1979** ● 1G launched by NTT
- July 1992** ● 2G launch from Radiolinja in Finland
- October 2001** ● 3G by NTT DoCoMo in Tokyo
- December 2009** ● 4G launched by TeliaSonera in Stockholm & Oslo
- April 2019** ● 5G launched by South Korea & U.S.
- 2030?** ● Rel. 19 expected to be frozen in late 2028, early 2029



From terrestrial to hybrid: LEO's growing role in telco networks



Starlink has established an early lead as the preferred satellite partner for telcos, driven by its scale of deployment and its ability to deliver connectivity performance comparable to high-speed terrestrial broadband.



LEO satellite capacity is being positioned for network backhaul and D2D services

Internet of Things



- IoT connections
- Satellite IoT solutions

Enterprise and Backhaul



- Enterprise resilience
- Private networks
- Satellite backhaul

Residential Broadband



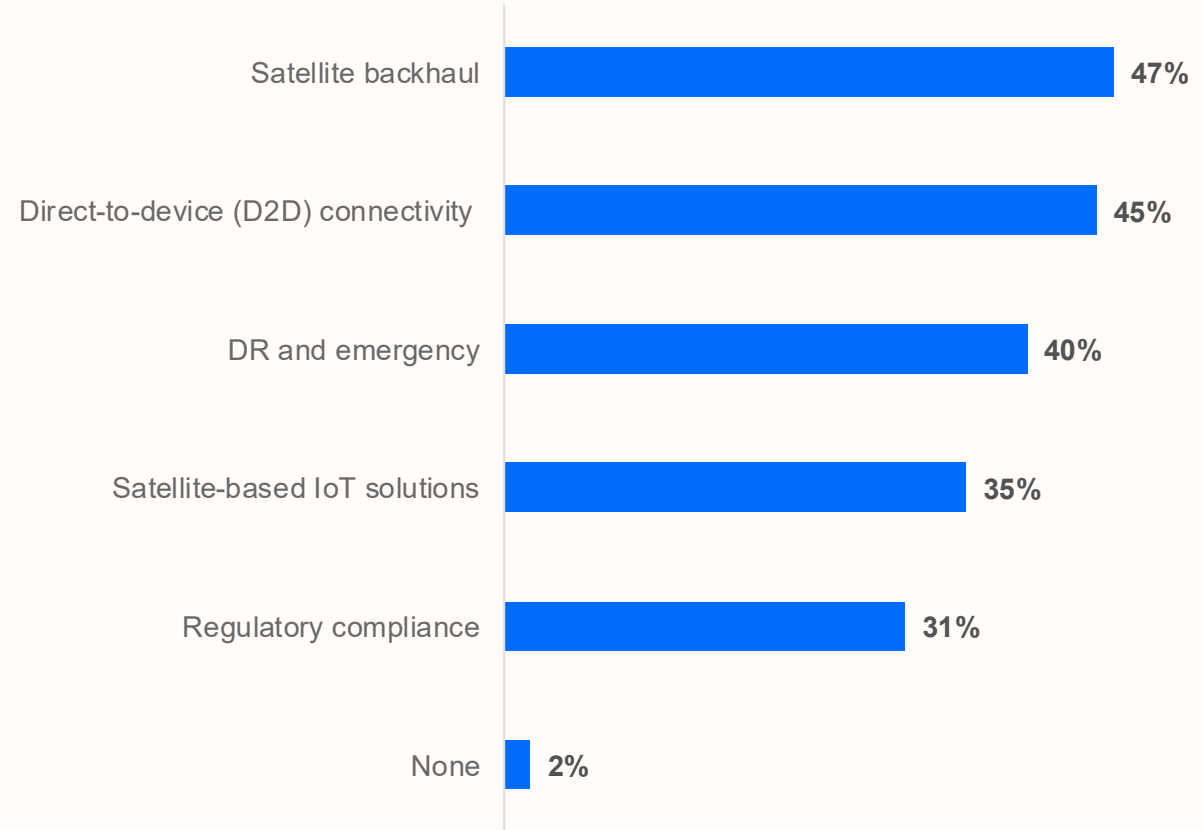
- Broadband for customers in rural and underserved locations

Direct to Device (D2D)



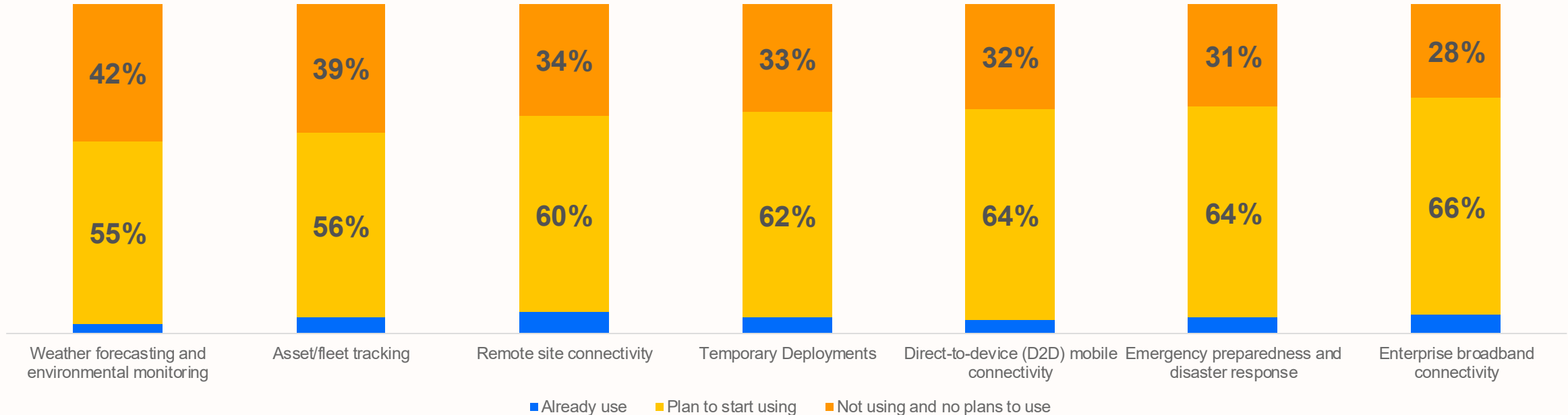
- Voice/text/data services directly to devices

Telco Primary Satellite Use Cases



Emerging enterprise demand for LEO: Priority use cases and adoption trends

In which of the following areas does your organization use or plan to use LEO satellite in the next two years?



Growth Drivers

Market Expansion

- Rural connectivity growth
- Emergency services adoption

Enterprise Solutions

- Mining and industrial IoT
- Smart city infrastructure

Infrastructure

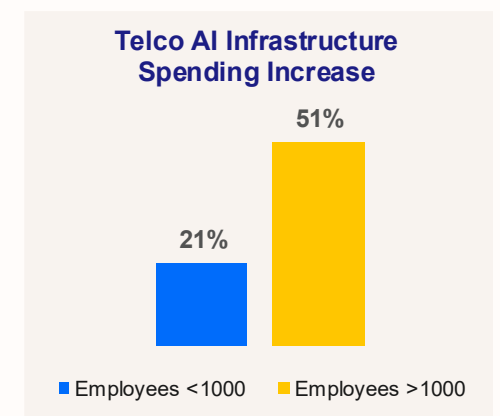
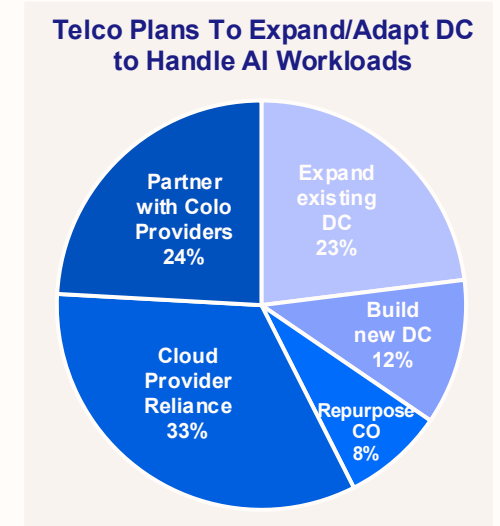
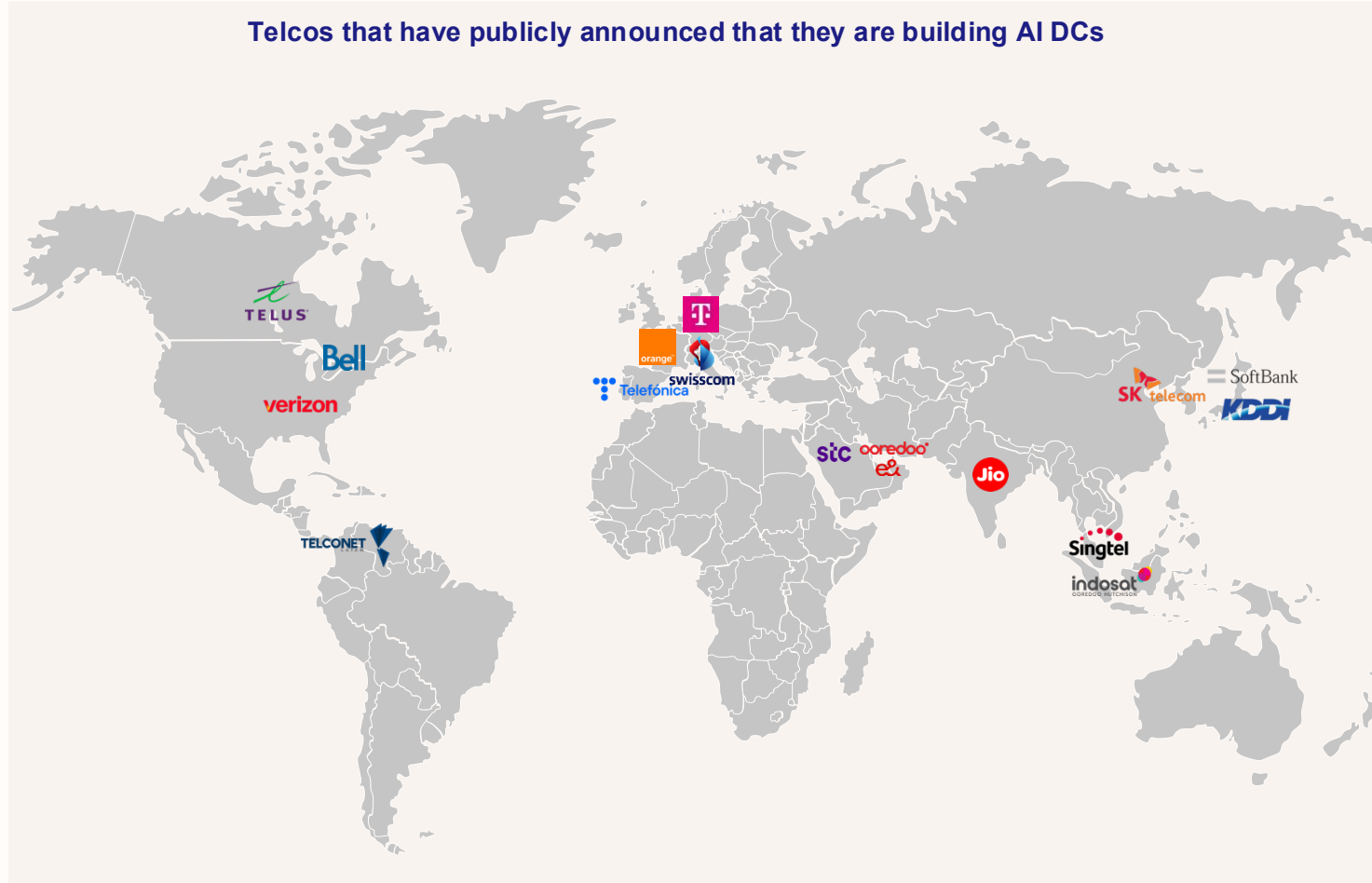
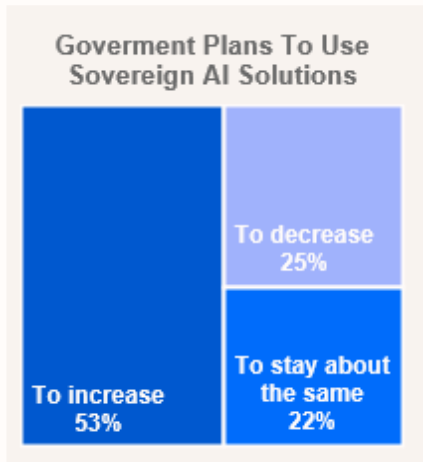
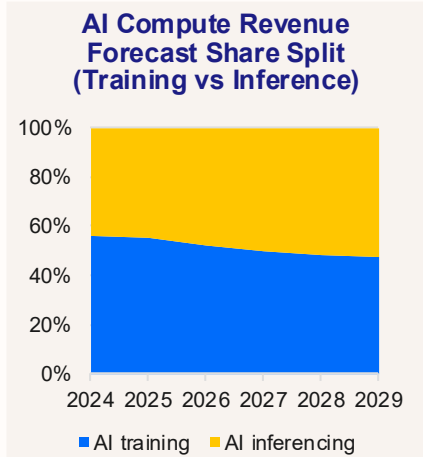
- Ground station expansion
- Hybrid network integration

Technology Evolution

- Direct-to-Device services
- Advanced antenna systems



Sovereign AI and the shift to inferencing is transforming traditional telcos into national AI factories



Distributed infrastructure, low latency, and regulatory trust strongly position telecom operators to become trusted providers of sovereign AI in their region



Essential guidance

- **Prioritize agile, future-ready connectivity architectures**
Align infrastructure to evolving enterprise and industry needs, enabling AI-driven transformation and greater operational flexibility.
- **Position for sovereign AI leadership**
Leverage distributed infrastructure and trusted environments to support sovereign AI initiatives, scaling capabilities for AI workloads and real-time inferencing.
- **Adopt hybrid and satellite-enabled connectivity**
Integrate LEO satellite capabilities to extend coverage, support IoT, and enhance resilience- particularly for remote, rural, and mission-critical environments.
- **Shift to platform-based monetization models**
Move beyond connectivity as a product to enable new digital services, leveraging platforms, ecosystem partnerships, and integrated revenue models.
- **Drive innovation and revenue**
By adopting open, programmable 5G wireless networks to deliver differentiated services while unlock new monetization opportunities.



 IDC
The logo icon for IDC, consisting of five horizontal white bars of varying lengths, stacked vertically to form a stylized globe or sphere.

DIRECTIONS

The word "DIRECTIONS" in a bold, white, sans-serif font. The letter "O" is replaced by a stylized globe icon, which is a yellow circle with a blue arrow pointing to the right, overlaid on a blue circle.