

THE MARKET OF IOT PLATFORMS – DOMINATED BY COMPLEXITY AND FAST EVOLUTION

PI World Gothenburg 2019

Together, we are the leading European research and consulting firm in the fields of digital transformation, software and IT services

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Founded in 1976, **PAC** became the leading European-based market analyst firm delivering focused and objective responses to the growth challenges of software & IT services vendors worldwide.

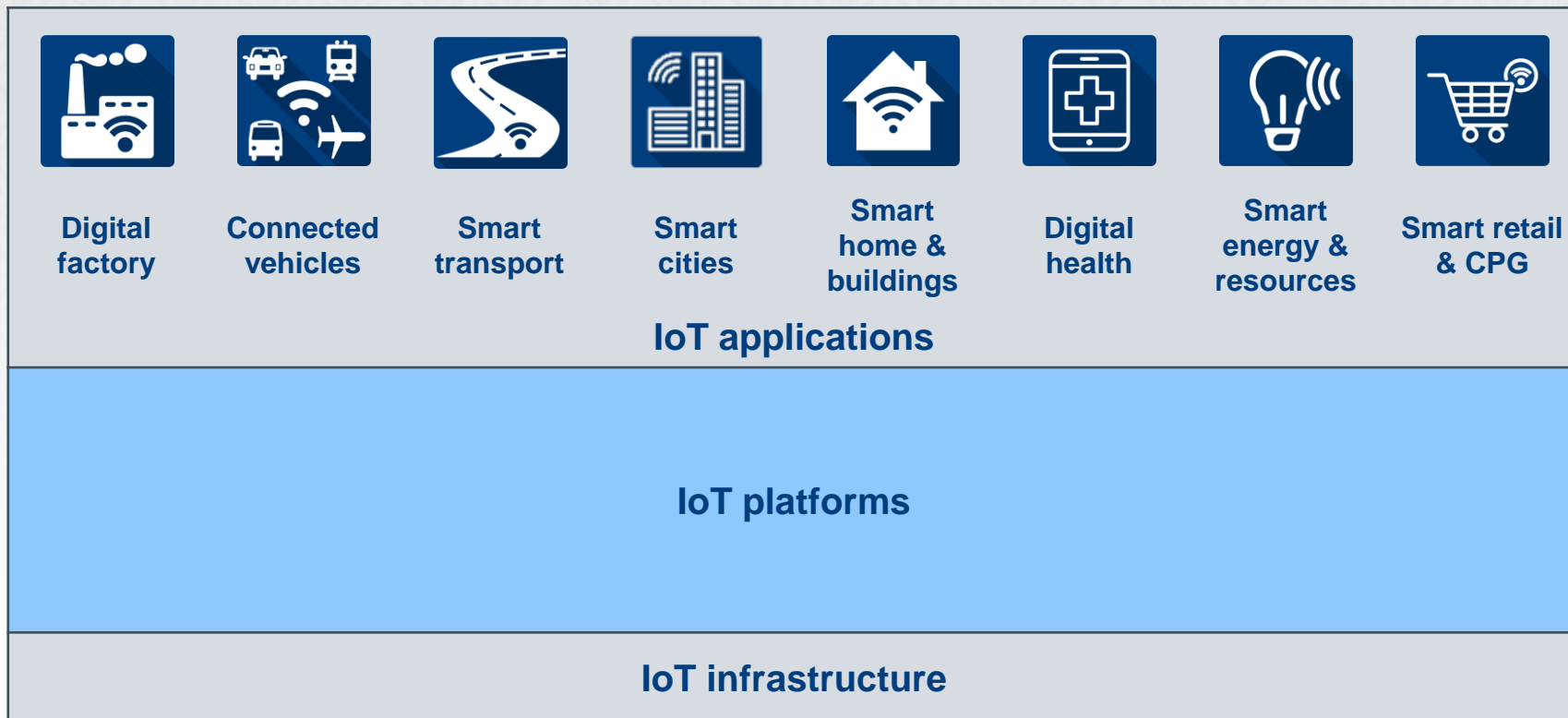


Founded in 1973, **CXP** is a research and consulting firm focusing on enterprise software solutions expertise for IT users in French-speaking countries.

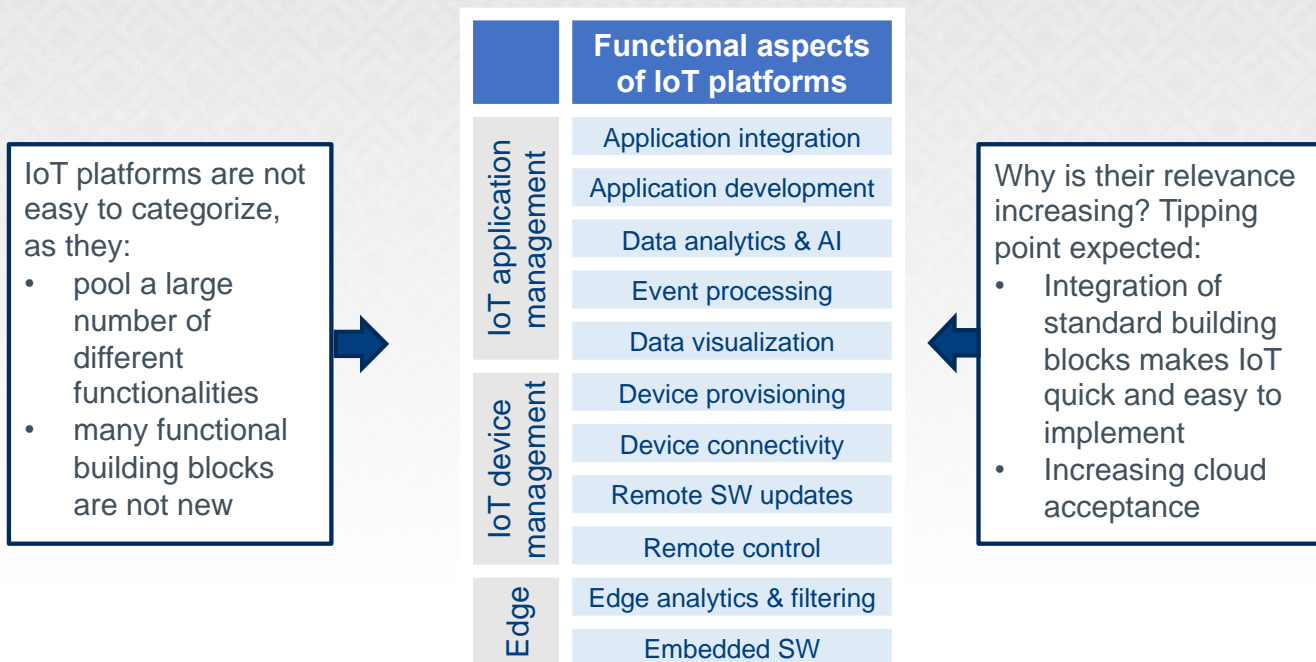
Founded in 2004, **Ardour Consulting** is a well-established advisory firm in Europe, helping IT organizations of large European firms in the fields of IT strategy, IT sourcing, and IT governance.

Introduction

Why are IoT platforms helpful?



IoT platforms reduce complexity through integrated capabilities, which gives you more agility to realize use cases



How to identify the right platform?

One IoT platform for everything would be perfect

“The best approach to IoT are individual development teams for the fast development of different use cases on a common platform.”

**Kieran O'Sullivan,
Director, Digital Transformation Delivery, Pfizer**

Identifying ONE IoT platform that covers all IoT use cases is a challenge

Challenges when selecting the right IoT platform

Identification of ONE IoT platform that covers and integrates all IoT use cases

- Today
- In the future

Finding a partner for sustainable business relations

- Trust
- Financial stability
- Reliability
- Product roadmap & innovation
- Partner ecosystem

Finding an easy-to-use platform

(fully integrated if possible)

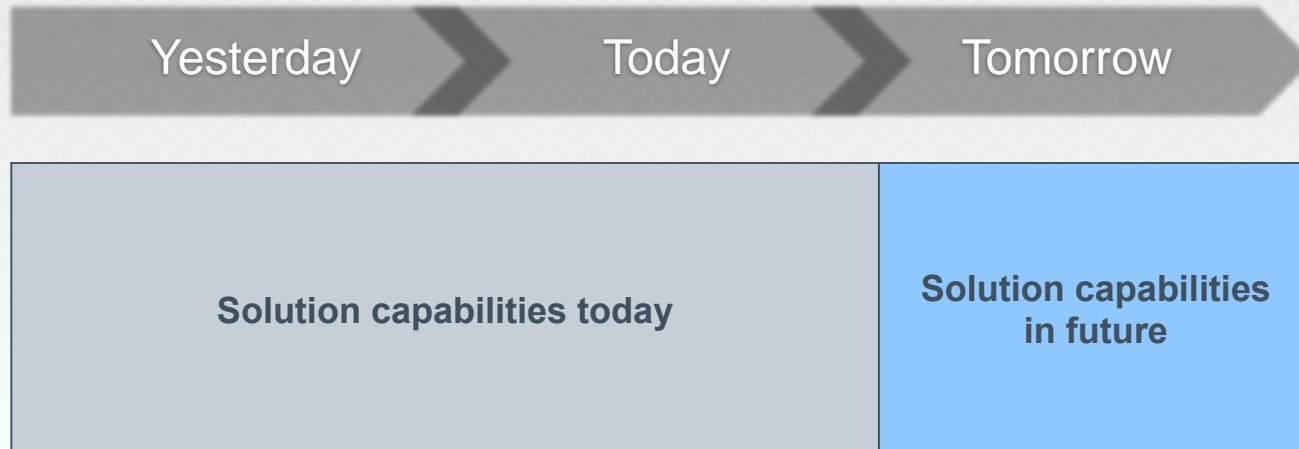
All IoT platforms have their sweet spots and limitations

Avoiding vendor lock-in

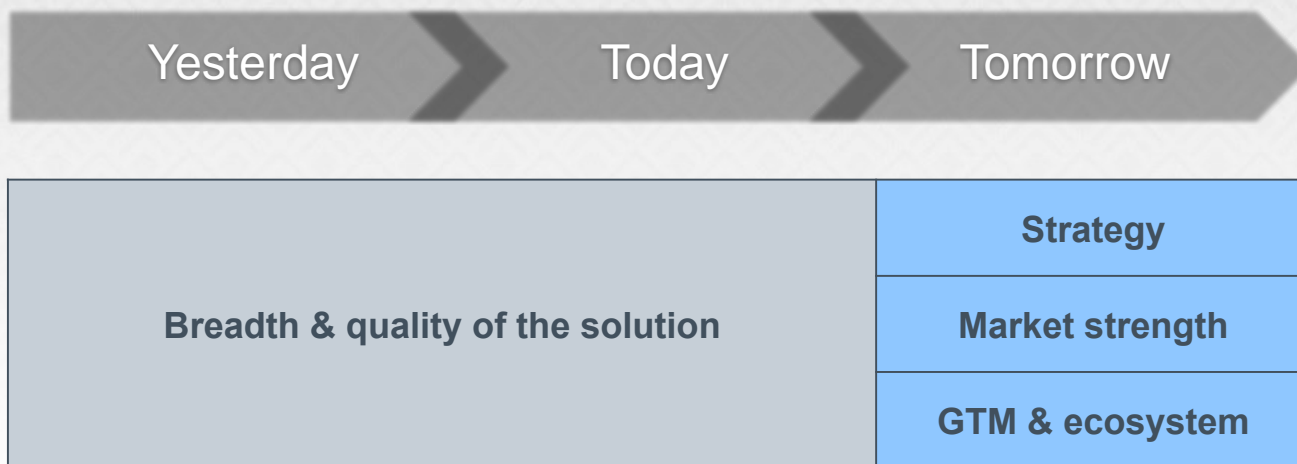
Overview of the most relevant evaluation criteria

Competence				Market strength
Strategy	Breadth of solution	Go-to-market	Quality of the solution	Market position & client relationship
<p>The approach to “survive” the consolidation process:</p> <ul style="list-style-type: none">• strategic focus• stringent activities• partners	<p>Quantitative platform capabilities:</p> <ul style="list-style-type: none">• features• new functions• use cases covered	<p>Setting up a competitive market approach:</p> <ul style="list-style-type: none">• partner ecosystem• IoT labs• starter kits• training & test	<p>Qualitative platform capabilities:</p> <ul style="list-style-type: none">• USP• user-friendliness• maturity level• client references	<p>Market positioning and power of enforcement:</p> <ul style="list-style-type: none">• financial strength• market coverage• partners• client access

Comparing features & functions is no longer sufficient – in a fast-paced world, the speed of innovation is even more important

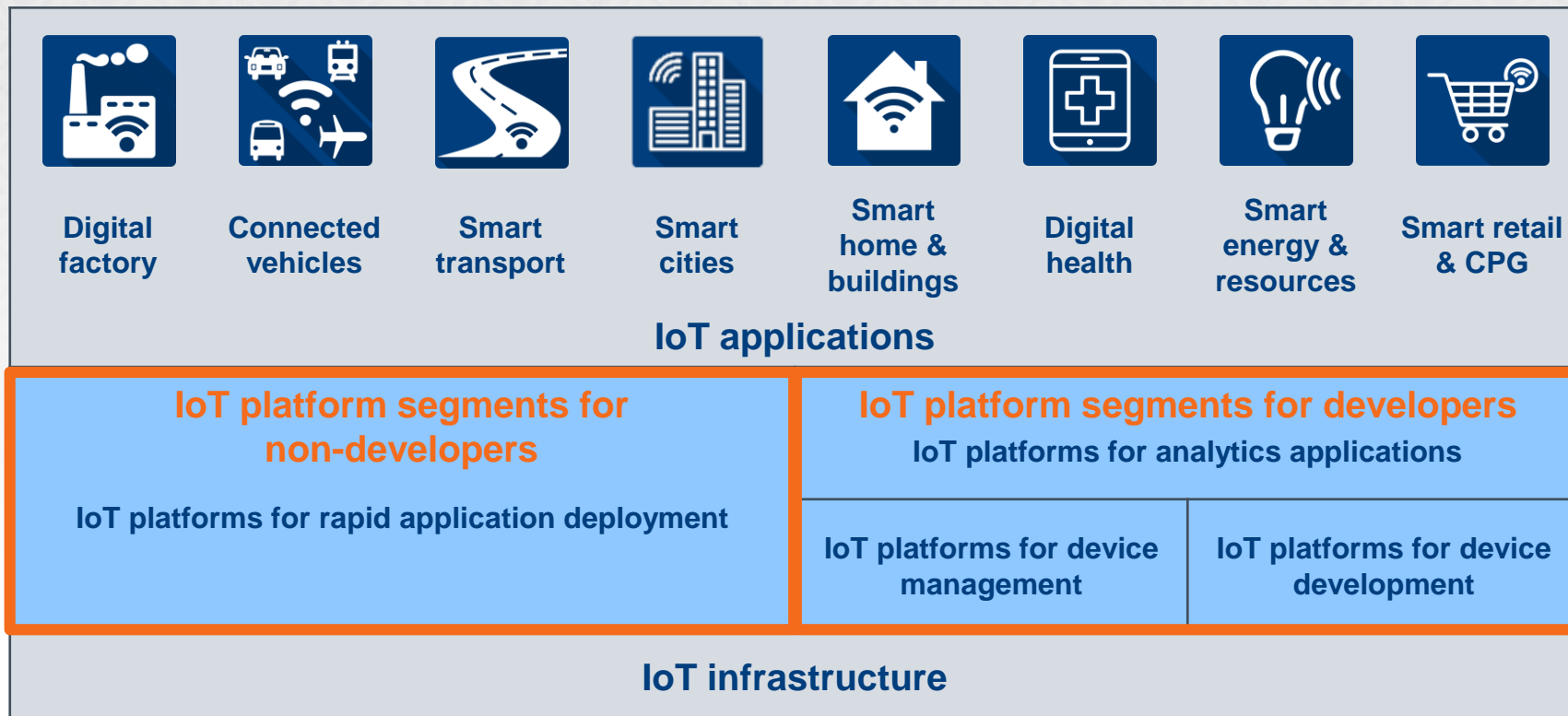


Anticipating future capabilities is the main challenge today – ecosystems are a key enabler



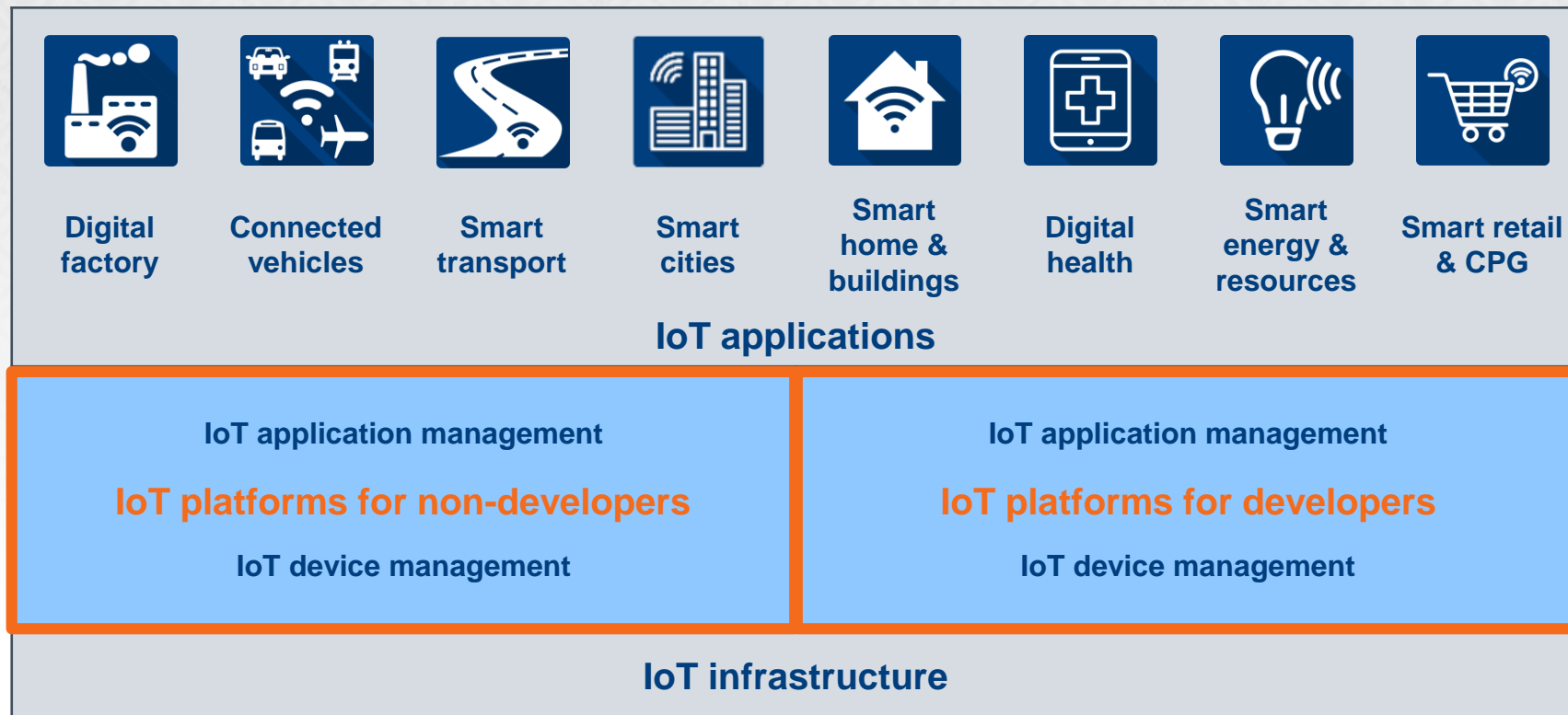
Market segmentation

Segmentation of the current IoT platform market

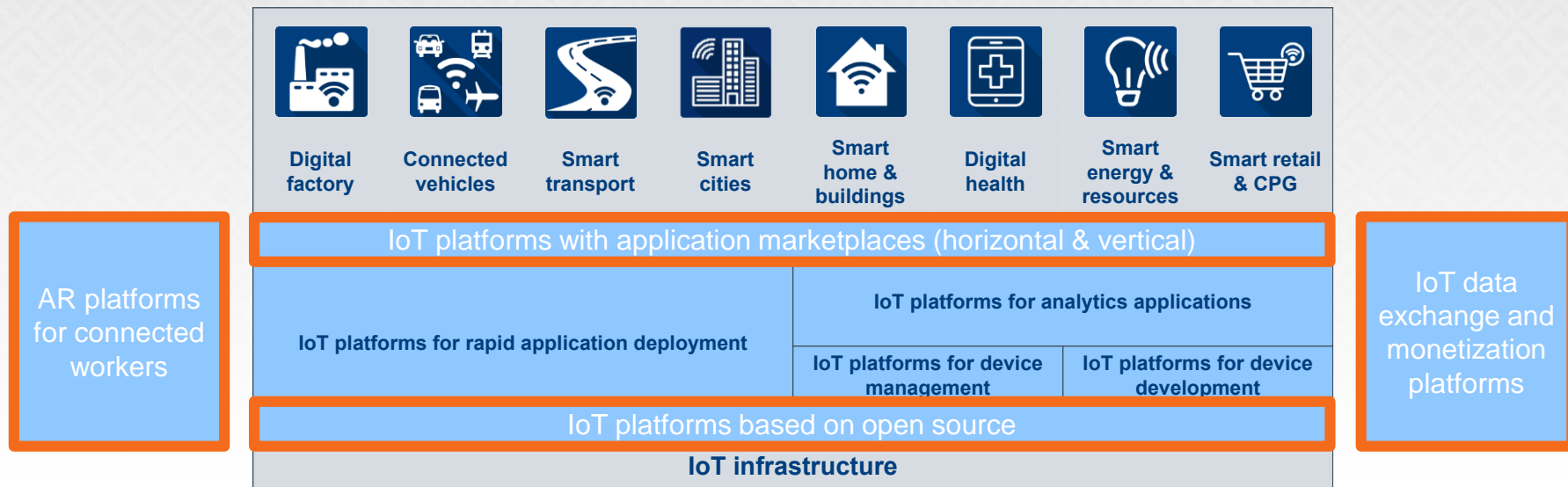


New trends in the market

Increasing consolidation of existing market segments



Newly emerging segments in the context of IoT platforms



Impact on the existing vendor landscape

Intensifying competition leads to market exits

Relevant acquisitions in the IoT platform space (2014-2018):

- 2018: Munich RE buys relayr
- 2018: Siemens buys Mendix
- 2018: ARM buys Stream Technologies
- 2018: Google buys Xively from LogMeIn
- 2017: KUKA buys Device Insight
- 2017: Software AG buys Cumulocity
- 2016: SAP buys Plat.One
- 2016: Microsoft buys Solair
- 2015: AWS buys 2lemetry
- 2015: Autodesk buys seecontrol
- 2014: PTC buys ThingWorx

Market exits (2018-19)

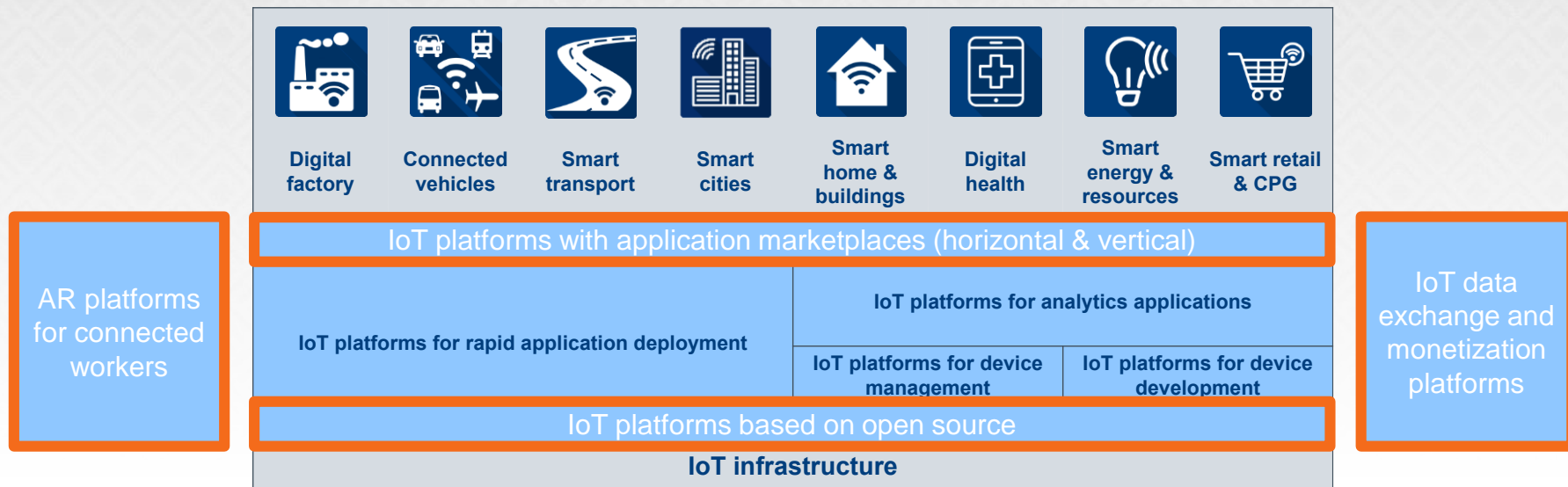
- Windriver
- Samsung
- (C3 IoT)
- (GE Digital)



Evolution of collaboration in the IoT platform market



Vendors are repositioning in new areas



IOT PLATFORMS FOR INDUSTRIAL APPLICATIONS

Key evaluation criteria

Technology-related:

- Real-time data management capabilities
- Out-of-the-box connectivity to many different industrial devices
- Open marketplace with many industrial applications for different use cases

Ecosystem-related:

- A strong ecosystem of application development partners (this gives users fast and easy access to diverse and innovative applications, enabling them to boost the operational efficiency of their connected devices)

Growth-related :

- Strategic focus and activities in the last 12 months (partner strategy)
- A strong existing client base (this attracts new application development partners)

Technology-related:

- Real-time data management capabilities
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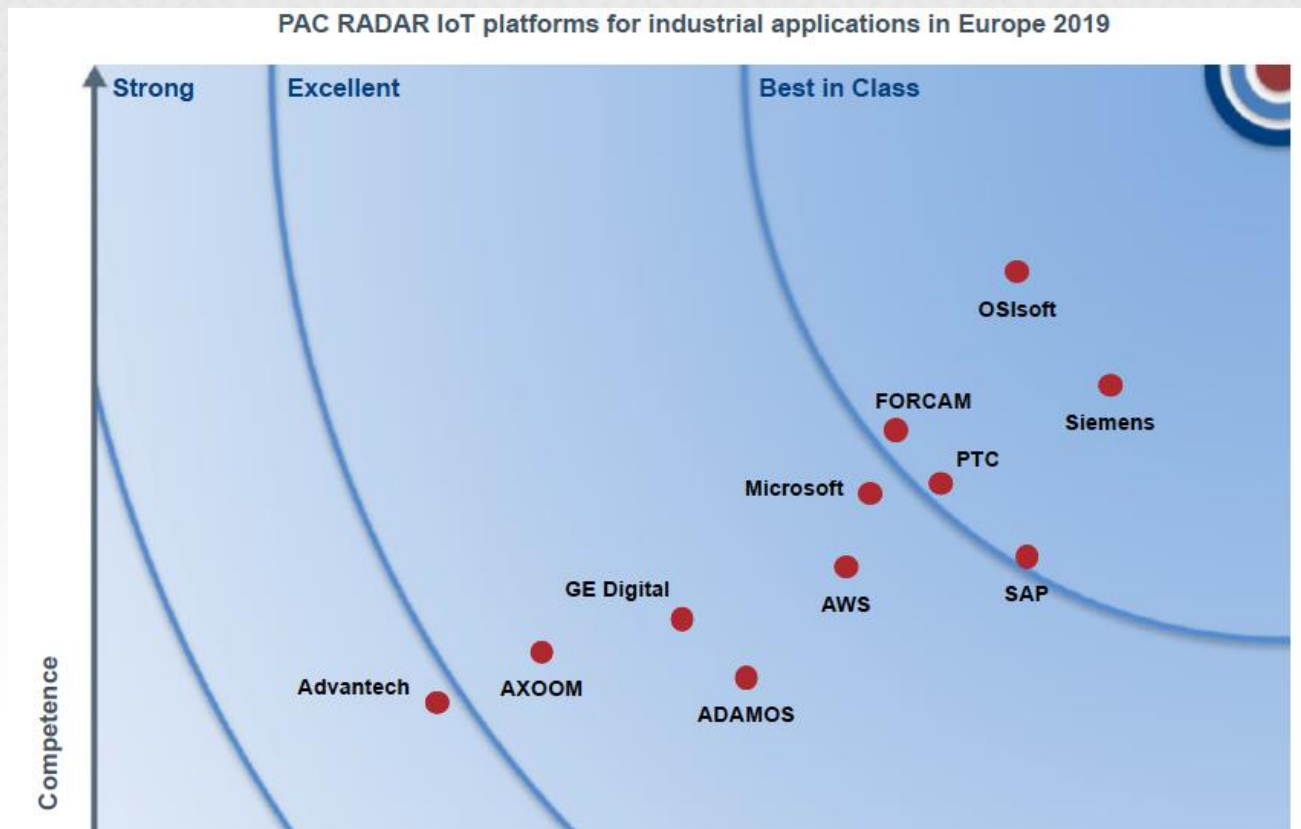
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Any questions?

Thank you!



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