



IoT Commercial Adoption Survey 2019 Results



March 2020

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Executive Summary

- > IoT is real and adoption is growing, if slower than the hype would indicate. Just **under 40% are deploying IoT solutions today** and another 22% plan to start deploying IoT within the next 2 years.
- > **Caution rules in the IoT market**, with 30% of organizations planning to spend **less \$100K** in the next year.
- > **IoT investment is on the rise**, with **40%** of organizations planning to **increase** their IoT spending in the next fiscal year.
- > **Open source is 'eating' IoT** with **60%** of companies factoring **open source** into their IoT deployment plans
- > **Hybrid clouds** lead the way for IoT deployments. Overall, **AWS, Azure, and GCP are the leading IoT cloud platforms** for IoT implementations.

Introduction

The objective of the IoT Commercial Adoption Survey was to gain a better **understanding of the IoT industry landscape by identifying the requirements, priorities, and challenges faced by organizations that are deploying and using commercial IoT solutions.** From October 7 to December 2, 2019, **366 individuals participated in an online survey.**

The survey was heavily promoted on the Eclipse Foundation's various social media channels, the Eclipse Foundation and Eclipse IoT Working Group websites, as well as on the Eclipse IoT member company websites, social media platforms, and communication streams.



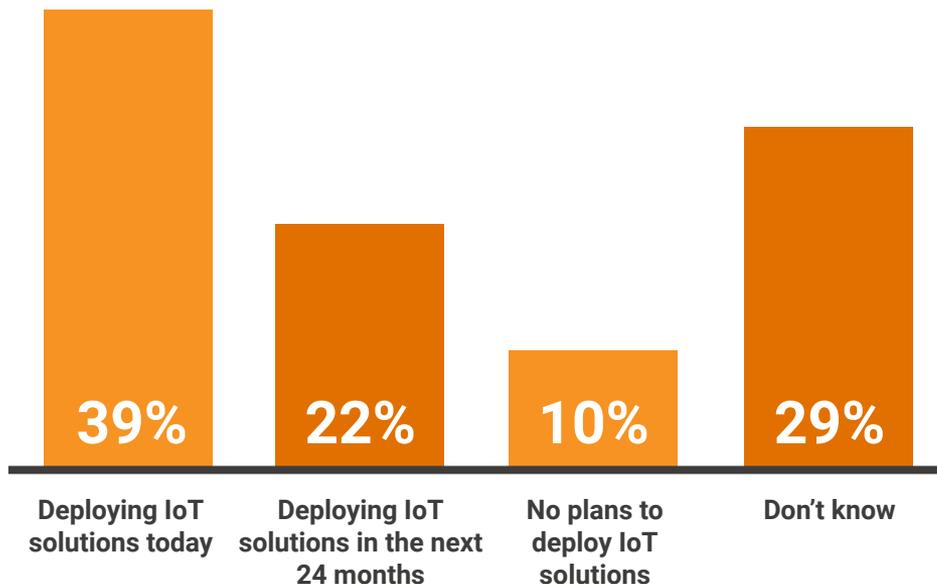


IoT is real and adoption is growing, if somewhat slower than the hype would indicate.

A plurality of respondents – just under **40%** – are deploying IoT solutions today.

Another **22%** plan to start deploying IoT in the next 24 months.

Future plans for deploying IoT solutions



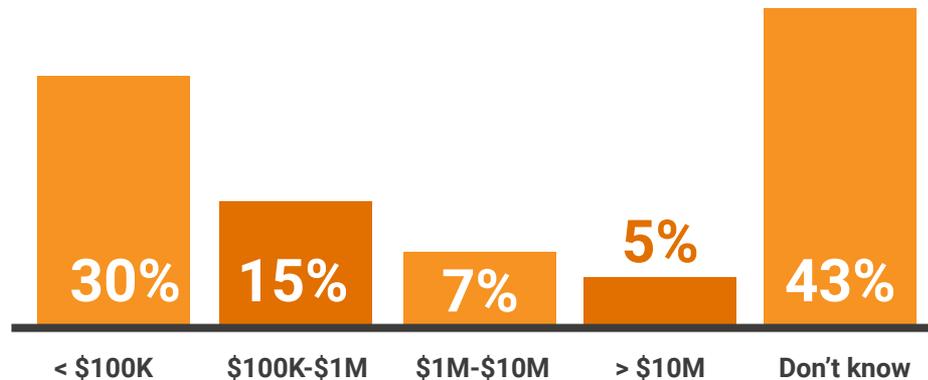


With 30% of organizations planning to spend <\$100K in the next fiscal year, caution rules in the IoT market landscape.

Companies are hesitant to heavily invest before seeing a ROI.

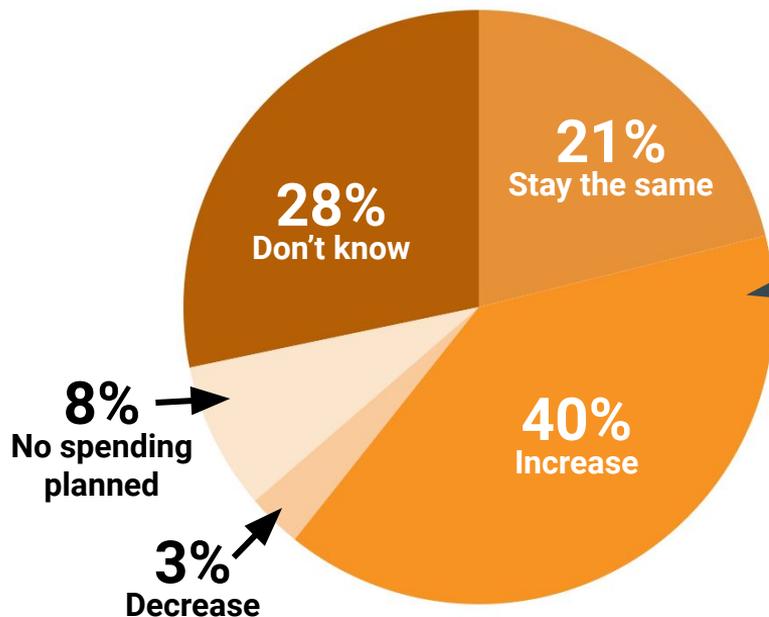
If the 7% of companies planning to spend \$1M-\$10M are an indication, the money will follow.

Planned spend on IoT solutions within the next fiscal year





How do you expect your organization's spending on IoT solutions to change next fiscal year?



40% of organizations plan to increase their IoT spend in the next fiscal year.



What industrial categories best describe the type of IoT solutions you have deployed or will deploy?



1. Energy management



2. Building automation



3. Connected / smart cities



4. Industrial automation

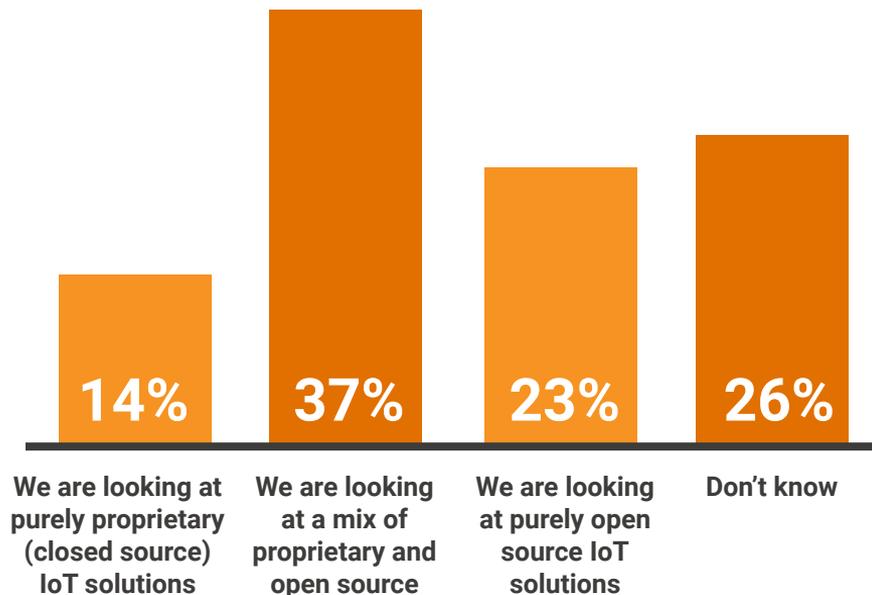


5. Agriculture

IoT is clearly a powerful ally in the fight against **climate change**, since energy management, building automation, and smart cities all can contribute to significant reductions in greenhouse gas emissions.



What are your plans for implementing IoT solutions based on open source technology?



60% of companies are factoring open source into their IoT deployment plans. This clearly means the dominant IoT platforms in the market will either be open source or based on an open source core.

What is your organization's preferred pricing model for consuming IoT platform services?



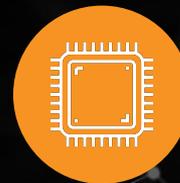
Per Device

21%



Hybrid

17%



Per CPU/node

8%

Per device (**21%**), hybrid (**17%**), and per CPU/node (**8%**) are the top 3 preferred pricing models for consuming IoT platform services.



How would you describe your IoT cloud strategy?



Hybrid cloud

26%



Private cloud

22%



Public cloud

20%



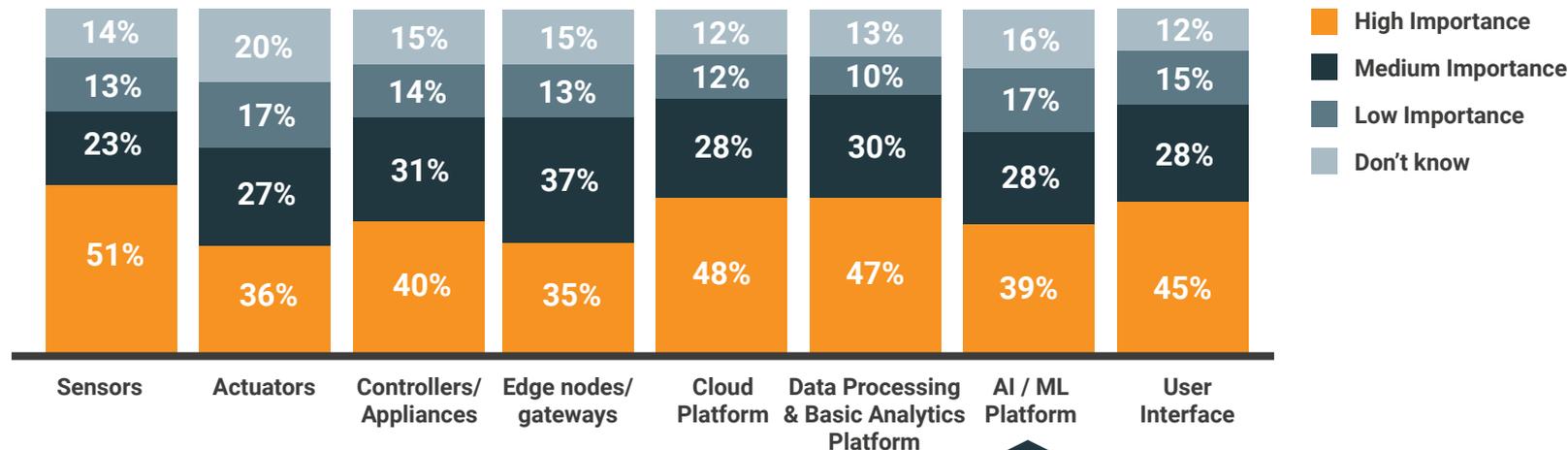
Multi-cloud

10%

Hybrid IoT cloud strategies lead the way (i.e. composed of two or more distinct cloud infrastructures such as private and public) at 26%. Private/on-premises cloud infrastructure ranks a close second at 22%, with public cloud at 20%. Multi-cloud comes in at just under 10%.



How would you rank the importance of the following technology components in your IoT solutions?



The fact that less than 40% of respondents identified Artificial Intelligence (AI) and Machine Learning (ML) as concerns of high importance to them shows that it is still early days for that segment of the market. It is possible that most organizations do not have the right skill sets to leverage AI / ML internally.



Top 3 cloud platforms that organizations intend to use for IoT implementations



Google Cloud Platform

The top 3 cloud platforms that organizations intend to use for IoT implementations are **Amazon AWS IoT**, **Microsoft Azure IoT**, and **Google Cloud Platform**.

AWS
37%

Azure
31%

Google Cloud Platform
27%



Top 3 important industry groups related to the IoT strategy of respondents



Eclipse IoT

51%

**Apache Software
Foundation**

44%

Linux Foundation

43%

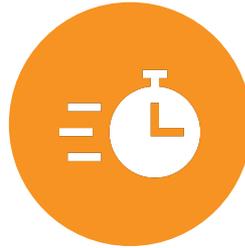
Eclipse IoT/Eclipse Foundation, Apache Software Foundation, and the Linux Foundation were ranked highest as the most important industry groups as it relates to the IoT strategy of respondents.



Top 3 concerns/priorities for deploying IoT solutions



Data Security
26%



Performance
19%



**Data Collection
& Analytics**
17%

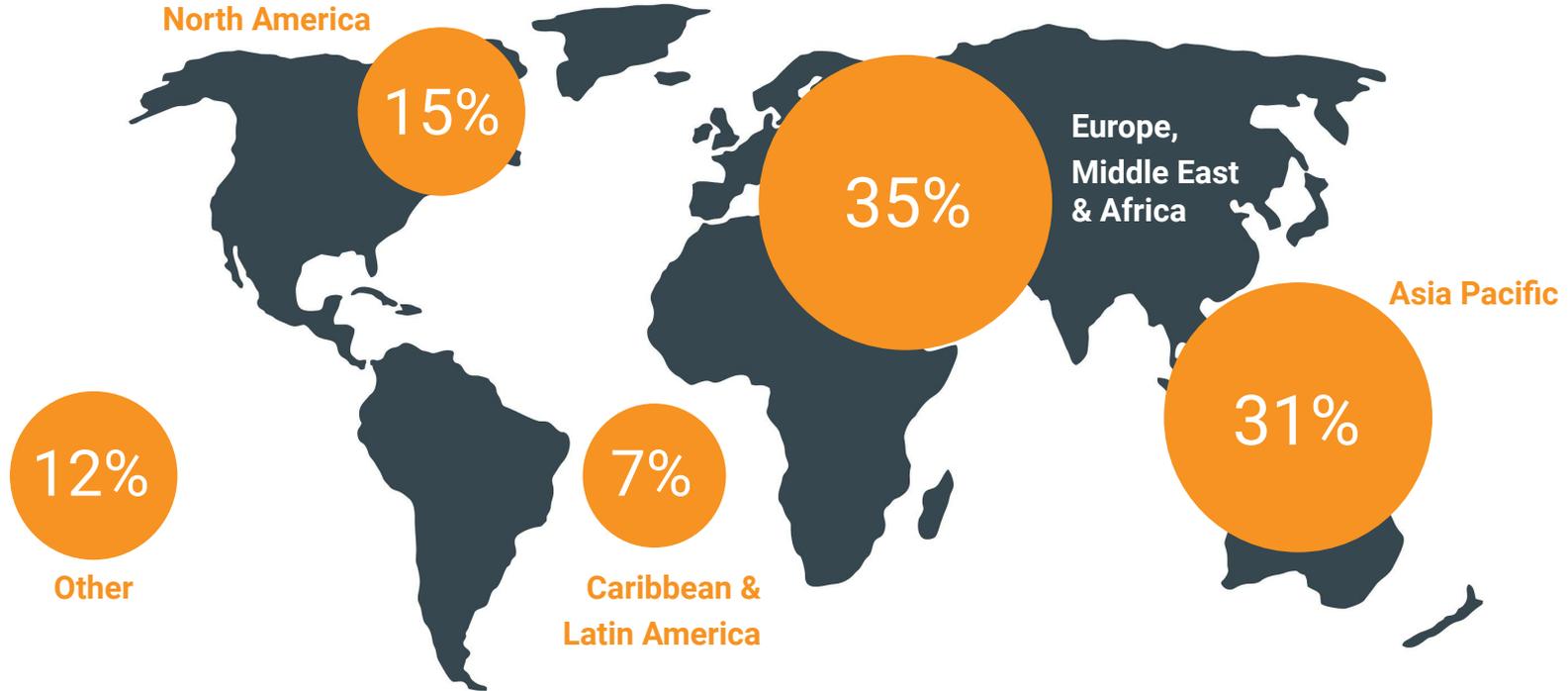
Data security, performance, data collection & analytics are the top 3 concerns for deploying IoT solutions.

Demographics

Regions



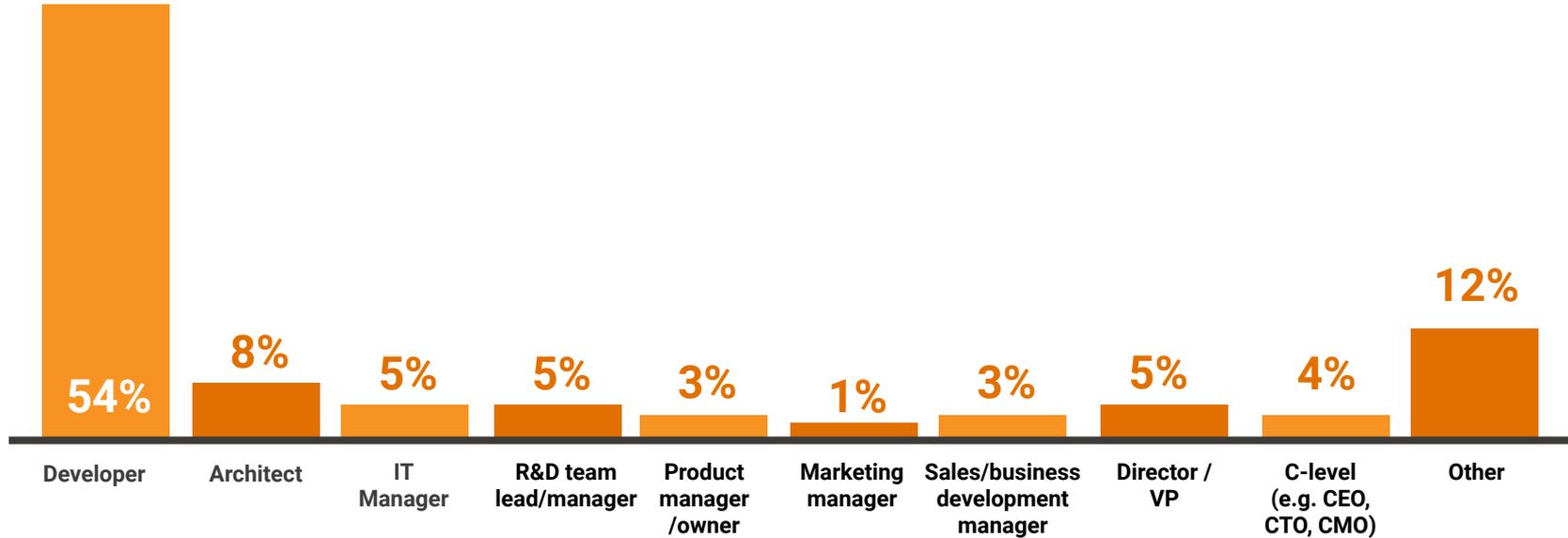
What region are you located in?



Roles



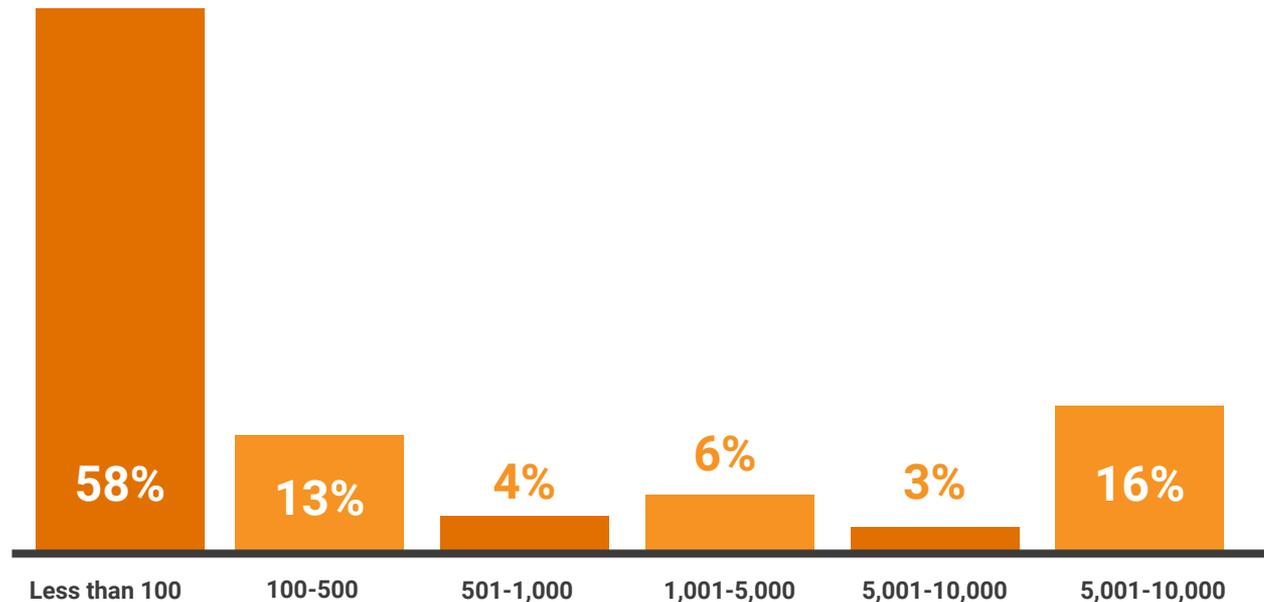
What best describes your role?



Employees



How many employees work in your organization?



Industries



What industry do you work in?



Automotive
8%



Agriculture
2%



Education
11%



Energy/Utilities
5%



Financial Services
5%



Government
4%



Healthcare & Pharmaceutical
3%



**Hospitality / Hotels
& Leisure**
1%



**IT /
Telecommunications
/ Software**
41%



Manufacturing
4%



**Professional
Services**
3%



**Retail & Consumer
Services**
1%



**Transportation /
Logistics**
1%



Other
11%



Thank you!

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