

WHITE PAPER

# Building the Business Case for 5G

## Executive Summary



Lead Analyst:

Ollie O'Donoghue

teknology Group, October 2021

Premium sponsors

**NTT DATA**

Trusted Global Innovator

**VERTICA**

Gold sponsor

**Telit**

**WINDRVR**

# INTRODUCTION

Simply put, we can expect 5G to become one of the most impactful and transformative innovations to hit the modern enterprise. Entire industries brace for significant disruption to the way they do business, from business unit upheaval to transforming the way existing technologies, people, and processes interact with each other.

Crucially, the benefits are clear for many – with executives building investment business cases around more responsive, secure, and stable networking capabilities. The majority anticipate real opportunities to boost services, drive down costs, and open new revenue streams while in the process enabling new digital capabilities – from greater sensor density on the shop or factory floor to the extension of operations beyond their traditional comfort zone.

Industries from Retail to Travel to Healthcare are pushing ahead on their adoption journeys. Many are already far into their roadmaps, benefiting from detailed and thoughtful strategies that align existing operations and technologies with the evolving possibilities presented by 5G. Many more are experimenting and exploring, finding experts and partners to help them build out a coherent plan. And others remain locked in a 'wait and see' stance, reluctant to invest or unsure of the right path to follow.

What remains clear from this research is that all are ready for considerable change – recognizing the significant impact the technology will have either directly on their core business model or indirectly through their partners and customers.

But how ready are the Telecommunications firms to meet this growing demand for enterprise 5G? While strategies are clear for many, several major market obstacles will make the next 24 months challenging for early adopters. Many are targeting industries that are still in the earliest stages of their adoption roadmaps. More pressingly, the earliest enterprise adopters are planning on Telecommunications partners bringing market-ready solutions to the space long before telcos intend to deliver.

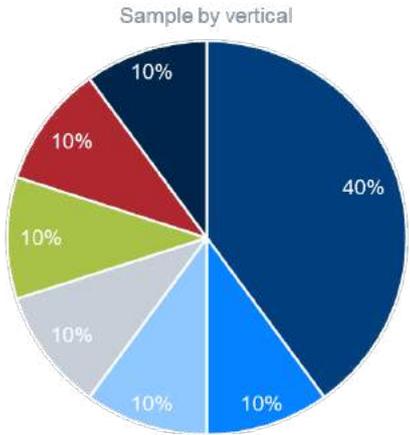
Evolving market dynamics will be analyzed deeply throughout this report as we seek to build a clear picture of how the market is developing.

We have separated this report into three sections to help us get to grips with a complex and evolving space. The first paints a picture of the broader structure, motivations and visions across enterprise and telecommunications executives, enabling us to compare and contrast the journeys from both the buy-side and the sell-side. The second section digs deeper into the enterprise sector and how our cohort of executives across verticals are pushing ahead with their 5G roadmaps. And finally, we conclude by analyzing the ability of the Telecommunications sector to meet the demand for enterprise solutions.

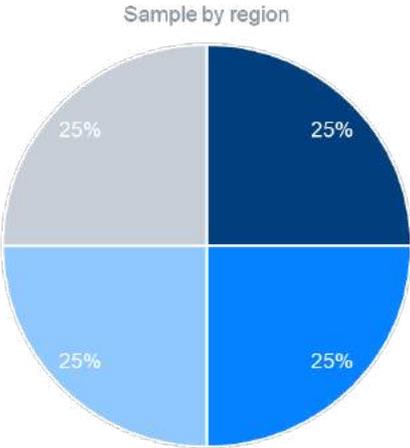
# METHODOLOGY

In this report, we have gathered data and insights from an extensive survey designed to deliver a detailed picture of the complex enterprise 5G market across Europe. To do this, we interviewed over 200 senior business leaders in France, Germany, Italy, and the UK. To help paint this picture, we also track the differences in demand and maturity across key verticals such as Healthcare, Banking, and Manufacturing, enabling us to balance a diverse cohort of enterprise executives with leaders from the Telecommunications space.

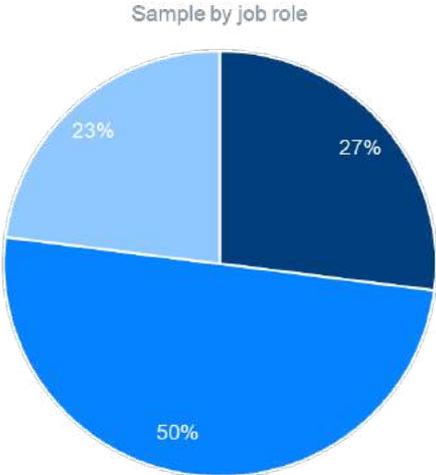
Furthermore, to track differences in decision-making, strategy and vision across the region, we have balanced the sample between IT and Technology leaders and business executives. Ensuring we can round out our view of this complex and rapidly evolving market without bias to a specific stakeholder group. Teknowlogy and the study sponsors conducted this research in 2021 – and all respondents advised they are decision-makers in their companies' ongoing 5G projects.



- Telecom
- Banking and Insurance
- Healthcare
- Manufacturing
- Retail and Wholesale
- Transport
- Utilities



- France
- UK
- Germany
- Italy



- Senior Manager
- CIO
- C-Suite

## KEY FINDINGS



**Enterprise optimism is high**, with 85% of respondents expecting 5G to transform the sector they operate in for the better



**...but many enterprises don't have clear strategies** to support their 5G roadmap. Only 34% of enterprises have a clear plan, and many more are still at an early experimental phase.



**And telcos aren't much better.** Only 35% of telcos have a clear strategy in place for 5G. The majority are exploring the value 5G can offer alongside their other investments.



**Nevertheless, executives from both sides are clear on measuring success;** the majority of enterprises and telcos will attach revenue generation targets to 5G to measure the success of their projects.



**Enterprises and telcos also agree on the revenue they anticipate**, with both sides of the market expecting revenue boosts in excess of 5% over the next five years.



**Project timelines are tight** – most enterprises plan to implement 5G solutions within the next 24 months, and half plan to implement in less than a year.



**Worryingly, telcos are following similar timelines.** The majority plan to implement 5G solutions within 24 months, creating a potential overlap between buy-side demand and the sell-side supply.



**IT still runs the show**, despite 5G becoming more central to business narratives. For both enterprises and telcos, the CIO's office remains the center of decision-making.

## ABOUT NTT DATA

NTT DATA is a leading IT services provider and global innovation partner headquartered in Tokyo, with business operations in over 50 countries. Our emphasis is on long-term commitment combining global reach with local intimacy to provide premier professional services varying from consulting and systems development to outsourcing. NTT Data works with telecoms and enterprises across the globe to deliver innovative 5G solutions ranging from Open RAN, Mobile Private Networks (MPN) through to applications and managed services.

More information on our 5G offerings and services can be found at <https://5g.nttdata.com/>.



## ABOUT TELIT

Telit offers the world's most comprehensive portfolio of high-performance IoT modules, connectivity services and software. Our innovative spirit, decades of experience, deep industry insights and unmatched IoT technology expertise is the foundation of everything we do.

We help customers and partners who require best-in-class performance with our uncompromising engineering practices and design methodologies that exceed stringent environmental requirements and industry standards. Our IoT experts have pioneered a successful end-to-end system approach that assures that all the pieces work together seamlessly when connecting 'things to apps' – from device management to connectivity management and data management... and everything in between.



## ABOUT VERTICA

As telecommunications operators roll out 5G services across the globe, data will continue to grow exponentially in volume, variety and velocity, driven primarily by the Internet of Things. Unifying disparate business and operational data stores and operationalizing AI & ML will be critical for operators hoping to deliver the quality of service consumers and enterprises expect. Vertica is the unified analytics platform that brings the broadest set of advanced analytic functions and in-database machine learning capabilities to your data, regardless of where it resides: in any cloud and on-premises, at the edge and in the core. 7 out of the top 10 telecommunications operators in the world rely on Vertica to address a wide range of advanced and predictive analytics use cases, including network monitoring and zero-touch network operations, customer behavior analytics, cybersecurity and fraud detection, monetizing IoT data, and more.

The Vertica logo is rendered in a bold, black, sans-serif typeface. The letters are closely spaced, and the 'V' and 'I' are particularly prominent. The logo is positioned above a thin, horizontal black line that spans the width of the text.

## ABOUT WINDRIVER

Wind River is a global leader in delivering software for intelligent systems. The company's technology has been powering the safest, most secure devices in the world since 1981 and is found in billions of products. Wind River offers a comprehensive portfolio, supported by world-class global professional services and support and a broad partner ecosystem. Wind River software and expertise are accelerating digital transformation of mission-critical intelligent systems that will increasingly demand greater compute and AI capabilities while delivering the highest levels of security, safety, and reliability.

To learn more, visit Wind River at [www.windriver.com](http://www.windriver.com)

WINDRIVER

---

## ABOUT PAC & TEKNOLOGY GROUP

teknowlogy Group is your partner of choice for European focused IT market data, insights and advice. It brings together the expertise of two research and advisory firms, each with a strong history and local presence in the fragmented markets of Europe: [CXP](#) and [PAC \(Pierre Audoin Consultants\)](#).

We are a content-based company with strong consulting DNA. We are the preferred partner for European user companies to define IT strategy, govern teams and projects, and de-risk technology choices that drive successful business transformation.

We have a second-to-none understanding of market trends and IT users' expectations. We help software vendors and IT services companies better shape, execute and promote their own strategy in coherence with market needs and in anticipation of tomorrow's expectations.

Capitalizing on more than 40 years of experience, we are active worldwide with a network of 50 experts.

For more information, please visit [www.teknowlogy.com](http://www.teknowlogy.com) and follow us on [Twitter](#) or [LinkedIn](#).



---

**Contact: Jean-Christophe Bodhuin**

**PAC – a teknowlogy Group Company**  
**2 Minton Place, Victoria Road**  
**Bicester, Oxfordshire**  
**OX26 6QB, UK**

**+44 (0) 7970 837152**

[info-uk@teknowlogy.com](mailto:info-uk@teknowlogy.com)  
[www.vendor.teknowlogy.com](http://www.vendor.teknowlogy.com)  
[www.sitsi.com](http://www.sitsi.com)

## **DISCLAIMER, USAGE RIGHTS, INDEPENDENCE AND DATA PROTECTION**

The creation and distribution of this study is supported by sponsors NTT DATA, Telit, Vertica, and Windriver.

For more information, please visit [www.sitsi.com](http://www.sitsi.com).

### **Disclaimer**

The contents of this study were compiled with the greatest possible care. However, no liability for their accuracy can be assumed. Analyses and evaluations reflect the state of our knowledge in October 2021 and may change at any time. This applies in particular, but not exclusively, to statements made about the future. Names and designations that appear in this study may be registered trademarks.

### **Usage rights**

This study is protected by copyright. Any reproduction or dissemination to third parties, including in part, requires the prior explicit authorization of the sponsors. The publication or dissemination of tables, graphics etc. in other publications also requires prior authorization.

### **Independence and data protection**

This study was produced by Pierre Audoin Consultants (PAC). The sponsors had no influence over the analysis of the data and the production of the study.

The participants in the study were assured that the information they provided would be treated confidentially. No statement enables conclusions to be drawn about individual companies, and no individual survey data was passed to the sponsors or other third parties. All participants in the study were selected at random. There is no connection between the production of the study and any commercial relationship between the respondents and the sponsors of this study.

# PAC

a teknowlogy group company

