



IoT connectivity disruptors: case studies and analysis (volume VI)



Ibraheem Kasujee

About this report

This report analyses and compares the IoT connectivity offerings of several IoT connectivity disruptors.¹ It outlines the companies' strategies for delivering IoT connectivity and discusses the implications of these approaches for other connectivity providers, including mobile network operators (MNOs) that are competing to supply IoT connectivity. It is based on several sources:

- interviews with key stakeholders in the IoT market
- Analysys Mason's internal research on the IoT connectivity market.

KEY QUESTIONS ANSWERED IN THIS REPORT

- How do IoT connectivity disruptors fund their growth initiatives?
- Which connectivity solutions do IoT connectivity disruptors deliver?
- Which horizontal and vertical solutions do IoT connectivity disruptors deliver in addition to connectivity?
- How do IoT connectivity disruptors differentiate their solutions and grow their IoT businesses?
- What are the strengths and weaknesses of the IoT connectivity disruptors?

CASE STUDIES

- Aeris
- Eseye
- KORE Wireless (KORE)
- Kajeet
- Onomondo
- Sierra Wireless
- Soracom
- Transatel
- Velos IoT (formerly JT IoT)
- Wireless Logic

WHO SHOULD READ THIS REPORT

- Traditional MNOs that are competing against IoT MVNOs in the IoT connectivity market.
- Alternative connectivity disruptors such as MVNOs that are competing in the global IoT connectivity market.
- Vendors that are supplying MNOs with IoT solutions.

Executive summary

The relationships between MNOs and IoT connectivity disruptors continue to evolve, and collaboration between these two groups is increasingly common.

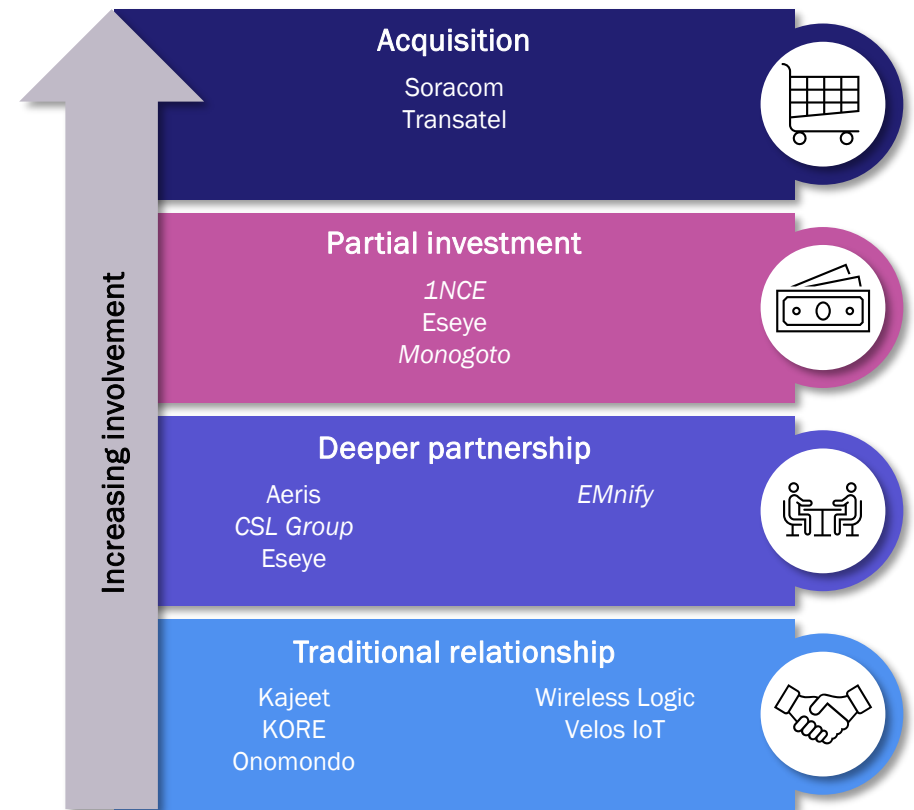
In this report, we examine the relationships between IoT connectivity disruptors and MNOs. This remains a traditional relationship based on wholesale agreements in some cases. However, other operators are choosing to partner with disruptors (such as Tele2 and CSL Group) and some are directly investing in or acquiring disruptors (such as NTT and Transatel).

This report is the sixth in a series of case studies on IoT connectivity disruptors.¹ It analyses the disruptors' IoT strategies and differentiators and assesses their strengths and weaknesses.

KEY IMPLICATIONS

- The number of IoT connectivity disruptors that MNOs have acquired or invested in is small, but there is some evidence of mutual benefits.
- Smaller MNOs that lack the resources to invest in disruptors can form partnerships to use disruptors' capabilities.
- Some disruptors, such as KORE and Wireless Logic, have reached such a scale as to be seen as serious competitors to MNOs.

Figure 1: Overview of the various types of relationships between MNOs and IoT connectivity disruptors²



Source: Analysys Mason

¹ See Analysys Mason's [IoT MVNOs: case studies and analysis \(Volume I\)](#), [IoT MVNOs: case studies and analysis \(volume II\)](#), [IoT MVNOs: case studies and analysis \(volume III\)](#), [IoT connectivity disruptors: case studies and analysis \(Volume IV\)](#) and [IoT connectivity disruptors: case studies and analysis \(Volume V\)](#). ² Players in italics are profiled in previous editions of this report.

Eseye: analysis

Eseye's strategy to develop services beyond connectivity is yielding results, but it could do more to draw attention to its differentiators, such as its hardware capabilities.

Eseye has grown its base of IoT connections base by 50% since 2020 to more than 3 million. This rapid growth is partly due to its white-label IoT platform that it licenses to key partners (such as TELUS) to enable the partners' own global IoT offers. Eseye has more partnerships in the pipeline, which will help to further increase its connection base.

Eseye has also differentiated its IoT offer by shifting its focus to developing a cloud-based core network and platform to license to customers to complement its connectivity offer. Eseye's renewed emphasis on developing compatible IoT hardware could also help to differentiate its IoT proposition. Integrated hardware and connectivity offers are a key requirement for many enterprises, and Eseye has greater expertise in this area than most of its competitors. It could do more to market these capabilities.

Nevertheless, all of these differentiators can be replicated by Eseye's competition and indeed, some of its larger rivals are developing similar software and connectivity solutions. Eseye's revenue growth has not kept pace with the growth in its number of connections, which suggests that most of its revenue is still generated from its connectivity offer rather than its platform.

Figure 9: Key strengths and weaknesses

Strength	Description
Routes to market	Eseye has several routes to market including systems integrators, chipset/module vendors and MNOs (via the white labelling of its platform).
IoT connectivity capabilities	Eseye has been able to diversify its revenue stream thanks to its new connectivity management platform and PaaS offering for MNOs.
MNO backing	Eseye has the backing of TELUS, a large MNO. Only a handful of IoT MVNOs have a large MNO as an investor.

Weakness	Description
Size/scale	Eseye does not yet have the same level of resources to develop and deliver new solutions as some competitors.
Brand and marketing	Eseye could do more to improve its brand and raise awareness of some of its key differentiators.

Source: Analysys Mason



Executive summary

Analysis

Case studies

About the author and Analysys Mason

About the author



Ibraheem Kasujee (Analyst) is a member of the *Operator Business Services and IoT* research team in London, and contributes to the *IoT Services* and *Private Networks* research programmes. He has written on topics including private LTE/5G networks, IoT eSIMs and iSIMs and LPWA networks, and has conducted research on IoT verticals such as smart metering and smart buildings. Ibraheem holds a BSc in economics from the University of Warwick, and wrote his dissertation on the impact of technology on sleep.

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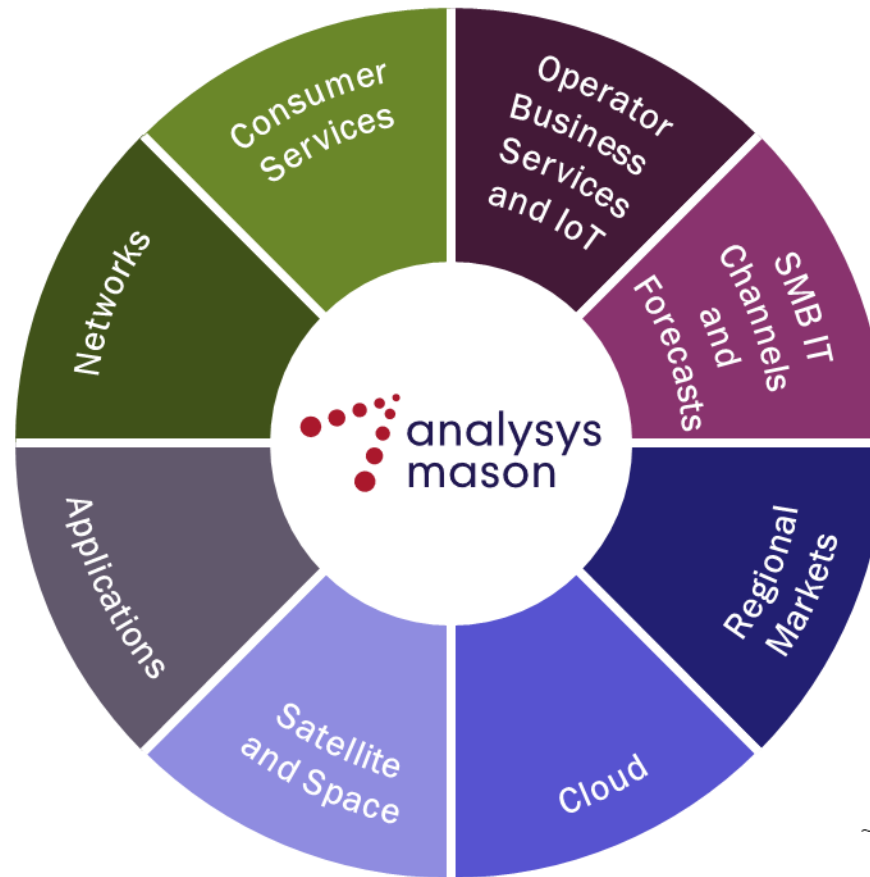
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 - European Telecoms Market Matrix
 - European Country Reports
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 - Operator historical data

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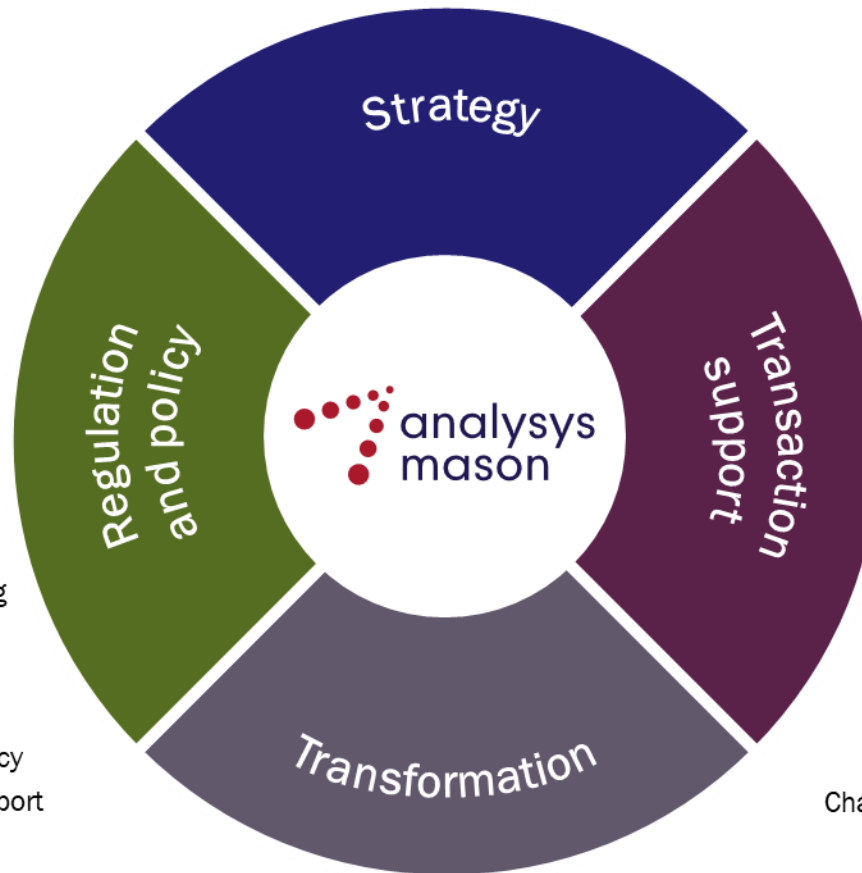
Strategy

- Corporate growth strategy
- Business unit strategy
- Infrastructure strategy



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- Accelerating digital transformation of society
- Price controls and cost modelling
- Regulatory accounting
- Regulatory benchmarking and analysis
- Spectrum management and policy
- Expert witness and litigation support
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