



The Broad Benefits of 5G

Enable Automotive Decision-makers to Pursue Near-Term Deployments

Although 5G Networks Are Just Emerging, Automotive Decision-makers Are Already Seeing Their Potential

Among automotive decision-makers:



As their primary reasons for deployments, decision-makers cite:


5G's support for higher bandwidth
28%


Reduced latency
11%


Enabling new connected use cases
11%

Source: 2021 U.S. IoT Technology Decision-Maker Survey, June 2021

Early Deployments in 5G Will Drive Better Long-Term Returns on Investments

Much like any business deploying new technologies, the 51% of the enterprises that have or are planning to deploy 5G within the next 24 months will likely pay an upfront, hardware price premium to equip 5G in their near-term vehicle programs. Organizations should not scrutinize the additional, incremental 5G costs today; instead they should focus on how 5G can help them find and prioritize opportunities to deliver greater lifetime value for their internal stakeholders, partners, and customers.

IDC's research supports the need for automotive organizations to understand, pursue, and deploy 5G in their vehicle programs as early as possible. This is driven by the fact that 5G is not just an incremental, generational upgrade of cellular technologies and networks; 5G introduces a set of new capabilities and features that will allow manufacturers to further rely on connectivity and vehicle data to drive real-time decision making and unlock new business and customer loyalty opportunities. The conversation needs to go beyond the ability to satisfy today's use cases, which 4G and legacy networks can support. In effect, 5G is a way to ensure the broadest possible support for tomorrow's use cases.



Automotive organizations continue to evolve and extend vehicle data and connectivity use cases throughout all facets of their businesses.

Automotive Decision-makers Don't See a Single, Silver Bullet Attribute Driving 5G Adoption

As automotive organizations deploy or plan to deploy 5G, it's clear that there are many different primary motivations for its adoption. For instance, respondents indicated that improvements in bandwidth, latency, or support for new use cases were all primary reasons for their shift to 5G. And this makes sense as 5G should not be viewed as a point technology but as a configurable connectivity platform and enabler that can help automotive manufacturers harness the power of data to improve decision making and customer outcomes. This evolution in thinking—to evaluate 5G not by individual attributes but rather by the “sum of its parts”—is critical for an industry with program lead times that can often surpass 18 to 24 months and whose vehicles often remain on the road for ten or more years. And as automotive organizations continue to evolve and extend vehicle data and connectivity use cases throughout all facets of their businesses, they need to ensure that they have deployed the widest, broadest possible network foundation to be successful. 5G provides that foundation and will support today's use cases as well as enable the next generation use cases of tomorrow.

Message from the Sponsor

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