EXECUTIVE SUMMARY

Most organizations readily contain some location component within their business data. However, that remined unused – or used sub-optimally – until the emergence of Location Intelligence (LI) technologies. The Location Intelligence industry has seen substantial increase in its uptake during the past decade. It has transformed its value proposition from being a map-based visualization tool to something that plays a critical role in driving data analytics and business intelligence. In the process, not only has the industry seen higher adoption within its existing user segments, but has also found takers from other end-use industries.

Growing prominence of new technologies such as Artificial Intelligence (AI), Cloud Computing, Augmented/Virtual Reality (AR/VR), Internet of Things (IoT), HD maps, etc. which will be further strengthened by 5G, has helped LI in two prime ways – a) it helped LI improve is products, services and its delivery, b) enabled it to reach out to more users in more ways. The ever-increasing focus on new application areas such as autonomous mobility and shared economy-based businesses are going to make LI even more pervasive than today, since such applications have a fundamental requirement to be location aware.

LI industry has grown from nearly US$ 9 billion in 2014 to around US$ 22 billion in 2018 in terms of market size. It is expected to continue its impressive growth rate in the future as well. By 2022, it is likely to almost double its 2018 numbers. The industry itself can be sub-divided into four major categories: a) hardware b) software/platforms, c) 'location data and map content' and d) 'solutions and services'. Among these, the last two categories account for nearly two-third of the market, which is expected to further solidify in the future since these sections are growing at a relatively faster pace..

Among the user industries that are expected to expected to emerge as the biggest market of future for LI, retail, logistics, mobility, smart cities, real estate, etc. are the most popular ones. North America, followed by Asia Pacific, is the biggest market for LI. These two regions are expected to maintain their leadership in the foreseeable future as well. While Asia Pacific region benefits from the sheer number of users and sensor devices, North America benefits from its ability to attract the best talent from the world over, which gives it an advantage in developing cutting-edge products.

Along its path to rapid growth, the industry is also faced with a number of profound challenges such as the gradual regulatory transition towards more stringent data privacy laws around the world, availability of timely and accurate location data, lack of skilled manpower and limited awareness about LI among its prospective users. The industry can deal with most of these challenges by becoming more collaborative with its user industries, bringing in transparent mechanisms to assure the consumers of their data protection, reaching out to the academia and research institutes to nurture new talent and partnering with players across the value chain of the next industrial revolution.

The industry has already proved its potential to the users, and in future its going to gradually become a key contributor to business intelligence solutions in most of its prospective industries.