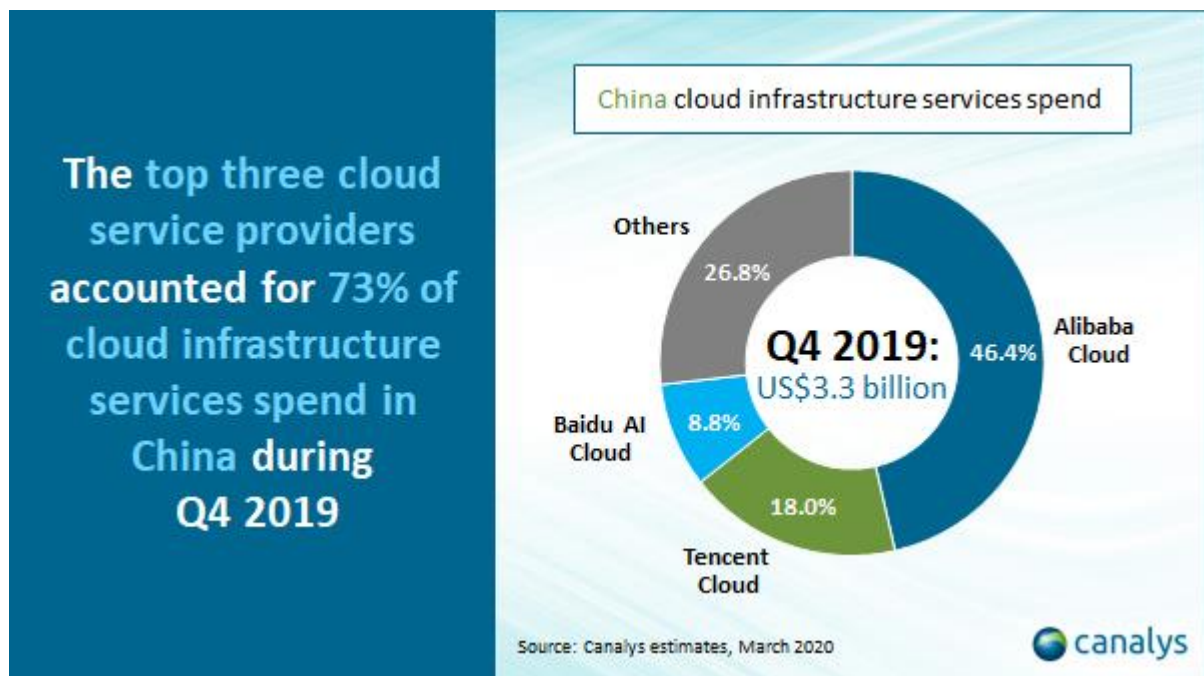


Canalys: China cloud companies quick to help combat coronavirus

Shanghai (China), Bengaluru (India), Singapore, Reading (UK) and Portland (US) – Wednesday, 18 March 2020

Canalys estimates that China's cloud infrastructure services market grew 66.9% in Q4 2019, as total spend reached US\$3.3 billion. China represented 10.8% of the worldwide total, making it the second largest market. Alibaba Cloud remained the leading cloud service provider in Q4 2019, accounting for 46.4% of total spend. Tencent Cloud increased its share to 18.0%, while Baidu AI Cloud moved into third place with an 8.8% share. All three cloud companies responded quickly to the coronavirus (COVID-19) outbreak in China at the beginning of 2020, providing access to on-demand compute, artificial intelligence and other services to support government departments, businesses, research institutes and students.



“The benefits of cloud computing were demonstrated by the leading cloud service providers in response to the escalating coronavirus crisis,” said Yih Khai Wong, Senior Analyst. “They rapidly deployed continuity measures for organizations and established resource-intensive workloads to

analyze vast datasets. Cloud companies opened their platforms, allowing new and existing customers to use more resources for free to help maintain operations. They provided free access for research institutions to accelerate drug screening for potential vaccines. Students also benefited by accessing online learning tools setup on the platforms after schools were closed. This set the precedent for technology companies around the world that offer cloud-based services in their response to helping organizations affected by coronavirus.”

Alibaba Cloud offered credits to organizations to buy its Elastic Compute Service, cybersecurity and other services. It made its AI-powered platform available for free to research institutions to accelerate gene sequencing, protein screening and related work in treating and preventing coronavirus. Tencent Cloud also made its platform available to research teams from universities across the country. It launched Cloud Office Portfolio to support remote working, which includes Tencent Meeting and WeChat Work. Both audio and video chat tools were available for free during the epidemic to support businesses and students. Baidu AI Cloud made its online doctor consultation platform free for any medical queries, which handled over 15 million interactions. Similarly, Baidu AI Cloud opened its platform and AI algorithm for free to research institutions, while it developed mapping tools to track the initial spread of the virus to aid local response efforts.

For full-year 2019, cloud infrastructure services spend in China increased 63.7% to exceed US\$10.7 billion. Alibaba Cloud was ranked number one, accounting for 46.1% of the market. Tencent Cloud was the second largest, with a 17.3% share. AWS was third, followed by Baidu AI Cloud. The outlook is positive for 2020, as organizations will assess their business continuity measures when we reach the end of this current situation and look to shift more applications to the cloud. The cloud companies that were quick to support existing and new customers over the last three months will stand to gain the most.

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