

## Section 6 Trends in platforms

### 1. Market trends

In 2024, looking at the market capitalization of major players in the global ICT-related market, Microsoft, which was ranked second in 2023, surpassed Apple to take the top spot, as it accelerated its AI strategy through a partnership with the U.S.-based Open AI, fueling expectations for demand in generative AI. NVIDIA also made significant progress, rising to third place, buoyed

by strong performance and anticipated expansion in demand for semiconductor-related products in the generative AI space. Other companies, such as Taiwan Semiconductor Manufacturing, involved in the semiconductor sector, are being positively evaluated in the stock market (**Figure 2-1-6-1**).

**Figure 2-1-6-1 Changes on the top 15 companies by market capitalization in the global ICT market**

2023				2024					
Company name	Major business	Country or region	Market capitalization (100 million dollars)		Company name	Major business	Country or region	Market capitalization (100 million dollars)	
Apple	Hardware, software, services	US	25,470	↑	Microsoft	Cloud service	US	31,420	
Microsoft	Cloud service	US	20,890	↓	Apple	Hardware, software, services	US	26,380	
Alphabet/Google	Search engine	US	13,030	↑	NVIDIA	Semiconductor	US	23,750	
Amazon.com	Cloud service, e-commerce	US	10,270		Amazon.com	Cloud service, e-commerce	US	18,670	
NVIDIA	Semiconductor	US	6,650	↓	Alphabet/Google	Search engine	US	18,660	
Meta Platforms/ Facebook	SNS	US	5,370		Meta Platforms/ Facebook	SNS	US	12,820	
Tencent	SNS	China	4,690		↑	Taiwan Semiconductor Manufacturing	Semiconductor	Taiwan	6,350
Visa	Payment	US	4,600		↑	Broadcom	Hardware, semiconductor	US	6,260
Taiwan Semiconductor Manufacturing	Semiconductor	Taiwan	4,530		↓	Visa	Payment	US	5,650
Mastercard	Payment	US	3,440			Mastercard	Payment	US	4,440
Samsung Electronics	Hardware	The Republic of Korea	3,280			Samsung Electronics	Hardware	The Republic of Korea	3,960
Broadcom	Hardware, semiconductor	US	2,610		↑	Oracle	Cloud service	US	3,470
Alibaba	e-commerce	China	2,570		↓	Tencent	SNS	China	3,440
Oracle	Cloud service	US	2,450		new	Salesforce	Cloud service	US	2,970
Cisco Systems	Hardware, security	US	2,100		new	Advanced Micro Devices (AMD)	Semiconductor	US	2,890

The figures for 2023 are as of March 31, 2023, and the ones for 2024 are as of March 27, 2024.

(Source) \*Acquired from Wright Investors' Service, Inc<sup>1</sup>

Comparing the 2022 revenues of major platforms in Japan, the U.S., and China<sup>2</sup>, Amazon leads with 514 billion dollars, marking a 2.9-fold increase from 2017 (**Figure 2-1-6-2**). Alibaba from China has experienced a significant growth of 5.4 times compared to 2017, with

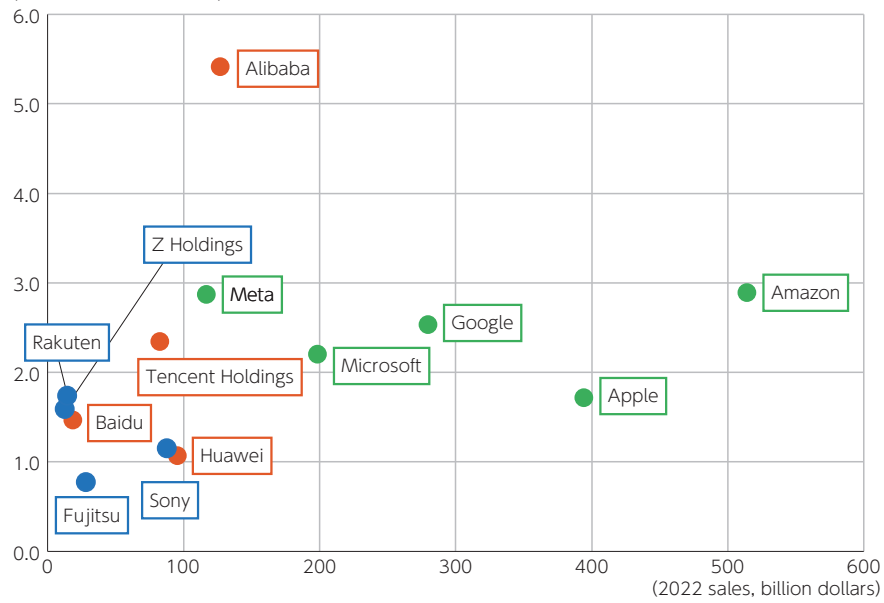
revenues of 126.9 billion dollars. On the other hand, Japanese companies, with smaller scales, show comparatively lower growth: Rakuten at 1.7 times, Z Holdings at 1.6 times, Sony at 1.2 times, and Fujitsu at 0.8 times.

<sup>1</sup> <https://www.corporateinformation.com/#/tophundred>

<sup>2</sup> Sales of Japanese and Chinese companies were converted to dollars by using the average rate of the respective year.

Figure 2-1-6-2 Sales of platform providers in Japan, the U.S. and China

(2022 sales / 2017 sales)



(Source) Prepared based on Statista data

## 2. Trends in major platform providers

The major platform companies in the U.S. and China are leveraging their respective strengths to focus on new areas and businesses, including generative AI and the metaverse. In particular, multiple platforms are in-

vesting in the development of generative AI, and it is anticipated that generative AI will be utilized in various scenarios in the future (Figure 2-1-6-3).

**Figure 2-1-6-3 Trends with major platform providers in the U.S. and China**

< The U.S. >

Key areas	Company	Business overview and areas	New areas and businesses
Advertising, search	Alphabet (Google)	It provides the largest search engine service in the world, and is developing a massive economic sphere including cloud and devices focused mainly in search advertising.	Google is enhancing its services by integrating conversational AI "Gemini" (formerly known as Bard) with Google Search, Gmail, YouTube, and other platforms.
E-commerce	Amazon	It is one of the largest e-commerce operator in the world, with a huge economic sphere centered on cloud services (AWS).	AWS is advancing the use of generative AI in its strong areas, such as generative AI-related services on AWS and shopping assistant AI.
SNS, apps	Meta (Facebook)	The company provides one of the world's largest social media services. In 2021 it changed its name to Meta Platforms to promote its metaverse business.	It is advancing the deployment of generative AI across our entire business, including AI chatbot "Meta AI" and various social networking services.
Communications devices, terminals	Apple	It is the world's largest manufacture and retailer of the internet and digital home appliances. The company has developed a massive economic sphere centered on iPhone and other devices.	It is expanding its business with the iPhone at its core, and the future developments of the XR market will be closely watched to see if the MR headset "Apple Vision Pro" can revitalize it.
Terminals, cloud	Microsoft	It is one of the largest software vendors in the world. The company has a massive economic sphere centered on software and cloud services such as Windows and Office.	It is focusing on leveraging generative AI, expanding partnerships with OpenAI, and aiming to introduce generative AI services in various scenarios.

< China >

Key areas	Company	Business overview and areas	New areas and businesses
Advertising, search	Baidu	It is the largest search engine operator in China. The company is focusing on collaboration with various business areas along with AI technology development by abundant data obtained by searching service.	In August 2023, the generative AI service "ERNIE Bot" was publicly released, aiming not only to enhance its own products but also to build an ecosystem by providing AI technology to various companies.
E-commerce	Alibaba	It is the world's largest e-commerce operator based on gross merchandise volume. The company is leveraging data technology to provide services ranging from marketing to logistics and payments.	In March 2023, the company announced its plan to split its business into six segments. Amidst the slowdown in domestic e-commerce growth, it is focusing on cross-border e-commerce, public cloud, and AI businesses.
SNS, apps	Tencent	It is the China's largest social media app platformer. The company has built a massive digital ecosystem to provide payment services, games and other services based on "WeChat" .	In September 2023, it released in-house developed large-scale language model "Kongen" and are focusing on implementing AI into own services, as well as dedicating efforts to the development of image and video generation AI.
Communications devices, terminals	Huawei	It is a leading global communications device vendor with operations in the following areas: ICT infrastructure, device, cloud service and digital energy.	The 5G smartphones released in August 2023 have been performing well, and the company is focusing on expanding its device business while also venturing into the EV sector, aiming for business diversification.

(Source) Prepared based on published materials by each company



**Figure (related data) Sales of major platform providers in the U.S. and China by business**

Source: Prepared based on financial results material released by each company

URL: <https://www.soumu.go.jp/johotsusintokei/whitepaper/ja/r06/html/dashu.html#f00251>

(Data collection)