IDC MarketScape

IDC MarketScape: Worldwide Managed Edge Services 2026 Vendor Assessment

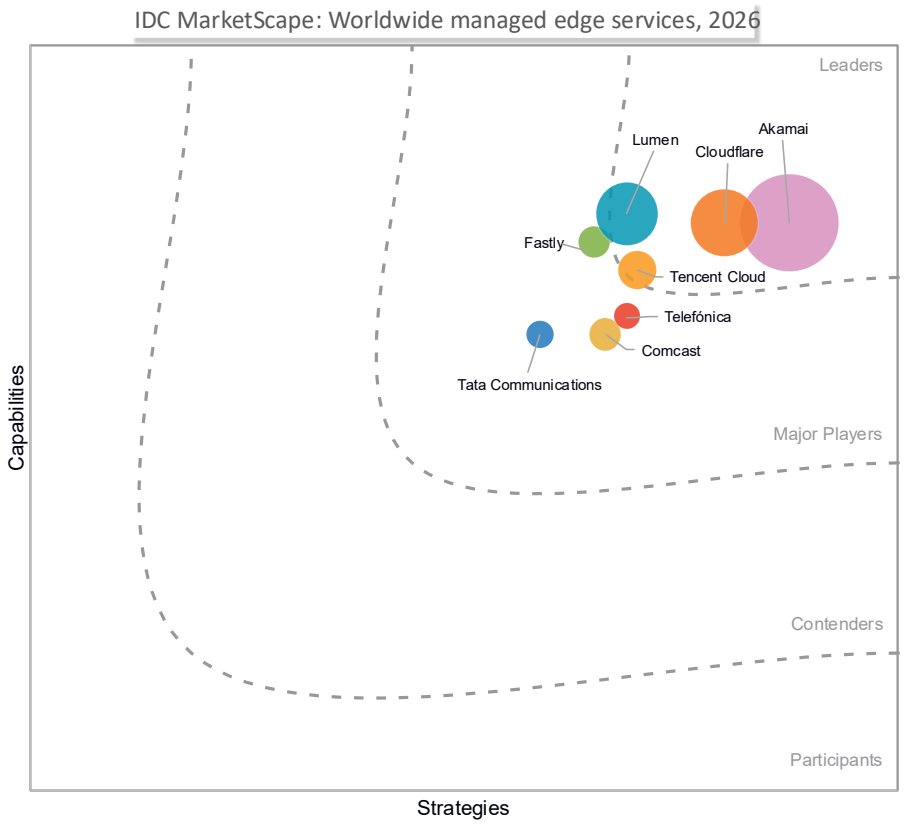
Ghassan Abdo

THIS EXCERPT FEATURES LUMEN AS A LEADER

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape: Worldwide managed edge services vendor assessment



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Please see the Appendix for detailed methodology, market definition, and scoring criteria.

ABOUT THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Managed Edge Services 2026 Vendor Assessment (Doc# US54122426).

IDC OPINION

This study utilizes the IDC MarketScape methodology to evaluate eight global service providers offering managed edge services.

The managed edge services market is undergoing a structural transformation driven by three converging forces: the emergence of AI inference workloads that demand low-latency and high-performance distributed compute infrastructure, the growing enterprise and regulatory pressure for data sovereignty and geographic control over where workloads execute, and the rising cost and complexity of centralized public cloud architectures, which are pushing enterprises to reexamine where compute, storage, and application logic should reside. Together, these forces are elevating managed edge services from a performance optimization tool into a core strategic infrastructure decision for distributed enterprises across every major vertical.

Key takeaways from this study include:

- **The managed edge market has entered its AI-defined phase.** Content delivery performance and network proximity — the traditional value propositions of managed edge — are now baseline expectations rather than differentiators. The competitive frontier has shifted to AI inference at the edge, where vendors are being evaluated on GPU availability, model deployment tooling, inference latency, and the ability to reduce token costs versus centralized cloud AI services.
- **No single vendor architecture dominates across all use cases.** This IDC MarketScape reflects a market served by three structurally distinct vendor types — content delivery network (CDN), telco, and cloud providers — each with genuine structural advantages in specific deployment contexts. CDN providers offer superior global scale, developer programmability, and security-plus-delivery convergence. Telco providers offer network-integrated latency, mobility-aware orchestration, and single-vendor connectivity-plus-compute accountability. Cloud providers offer unified public cloud and edge compute under a single control plane optimized for regulated and sovereign workloads.
- **AI inference economics are reshaping the build-versus-buy calculus for distributed enterprises.** The cost of running high-volume AI inference workloads on centralized public cloud infrastructure is driving a meaningful shift of inference

compute to edge and on-premises environments. Managed edge vendors that can demonstrate documented cost reduction versus centralized cloud inference — with predictable, consumption-aligned pricing and no egress penalties — are capturing a new category of enterprise budget that did not previously exist in the managed edge market. This dynamic is accelerating the convergence of managed edge and private cloud infrastructure procurement.

- **Data sovereignty has become a threshold procurement requirement, not a differentiator.** Regulatory frameworks, including GDPR, DORA, NIS2, and regional data residency mandates in markets across Europe, the Middle East, and APAC, have elevated geographic data control from a compliance checkbox to a procurement gate. Vendors without geographically granular node architectures, independently audited compliance certifications, and published data handling policies are increasingly excluded from regulated-market procurement processes before technical evaluation begins. This dynamic disproportionately benefits network operators and regional platform vendors with established local infrastructure footprints.
- **The fully managed service gap remains a competitive fault line.** A significant and underserved segment of enterprise demand — particularly in retail, manufacturing, financial services, healthcare, and government — requires end-to-end managed accountability: hardware procurement, zero-touch deployment, day 2 operations, SLA management, and incident response under a single contract. Vendors that close this gap will access a larger share of enterprise infrastructure budget, particularly as AI workload management complexity increases the operational burden on distributed IT teams.
- **Agentic AI is the next architectural inflection point for managed edge.** As enterprises deploy autonomous AI agents that generate, process, and act on data across distributed environments, the edge will increasingly become the preferred execution layer for agent workloads requiring sub-100ms latency, local data access, fine-grained policy control, and agent identity verification. Vendors developing purpose-built tooling for agent traffic management, agent inference orchestration, and agent identity at the edge are establishing early positioning in what IDC expects to become the dominant managed edge use case within the three- to five-year horizon of this assessment.
- **Pricing predictability provides a competitive advantage.** Variable egress fees, midcycle licensing changes, SKU proliferation, and hypervisor pass-through costs have made three-year TCO modeling unreliable for a meaningful share of enterprise buyers. Vendors offering flat-rate or consumption-aligned billing with no egress charges are responding to a genuine and growing enterprise procurement pain points.
- **Open-standards architecture is emerging as a board-level procurement criterion.** The post-consolidation licensing disruption in the hypervisor market has

elevated vendor lock-in risk from an IT concern to a governance and financial risk managed at the executive level. Vendors built on open source foundations — CNCF Kubernetes, open networking standards, and published migration tooling — with architecture designed to keep the exit door open are increasingly advantaged in regulated, sovereign, and cost-sensitive enterprise procurement processes.

- **Geographic expansion and partner ecosystem depth will determine the next competitive tier.** As enterprise managed edge demand grows in Western Europe, APAC, MEA, and LATAM, vendors that have invested in regional infrastructure, local compliance certifications, and channel and systems integrator partnerships will disproportionately capture growth in these markets.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

This IDC MarketScape included providers from all regions, the Americas, EMEA, and APJ, that met the following criteria:

- Delivery of managed compute, storage, and networking services at edge locations, whether on-premises enterprise sites, operator network locations, or globally distributed point of presence (POP) infrastructure
- Assumption of operational responsibility for the edge infrastructure life cycle, including provisioning, configuration, monitoring, maintenance, and incident response, under a defined service-level agreement (SLA)
- A commercially available managed edge service offering with documented customer deployments at the time of assessment
- A global or multiregional service footprint, or a demonstrated strategy for geographic expansion, reflecting the distributed nature of enterprise edge requirements

ADVICE FOR TECHNOLOGY BUYERS

The managed edge services market is at an inflection point. What was once a market defined primarily by content delivery performance and network proximity has expanded into a strategic infrastructure decision encompassing AI inference, data sovereignty, application modernization, and distributed compute governance. Buyers evaluating vendors in this IDC MarketScape should approach the selection process with a clear understanding of their workload requirements, operational model preferences, and regulatory obligations — as these three dimensions will do more to determine the right vendor match than any single technology feature. Further:

- **Define your edge use case before selecting a vendor.** The vendors in this IDC MarketScape serve meaningfully different use cases, and no single platform excels across all of them.

- **Treat AI inference readiness as a first-order evaluation criterion.** Buyers with active or near-term AI inference workloads should evaluate vendors on GPU availability at edge nodes, cold start performance, AI model deployment and life-cycle management tooling, and demonstrated customer case studies in relevant verticals — not on road map commitments alone.
- **Assess the fully managed service depth against your operational model.** Enterprise buyers across regulated industries — financial services, healthcare, public sector, and manufacturing — increasingly require vendors to provide end-to-end operational accountability: hardware provisioning, zero-touch deployment, day 2 managed operations, SLA management, and incident response under a single contract.
- **Evaluate data sovereignty and compliance posture as a procurement threshold, not an afterthought.** Regulatory mandates, including GDPR, DORA, NIS2, and regional data residency frameworks, have made data handling and geographic control a threshold requirement in many enterprise procurement processes, particularly in Europe and regulated APAC markets. Buyers should require vendors to document where data is processed, stored, and logged; how encryption key management is handled across regions; and which formal compliance certifications (ISO 27001, SOC 2, FedRAMP, and regional equivalents) are currently in place — not planned.
- **Scrutinize pricing predictability alongside headline price.** Buyers should prioritize vendors offering transparent, published pricing benchmarks; flat-rate or consumption-aligned billing models; and contractual protections against midcycle commercial changes.
- **Consider the strategic trajectory of the vendor, not just the current product.** Buyers should evaluate vendors not only on current capabilities but on the credibility and specificity of their innovation road map, their ecosystem of technology and channel partnerships, and the depth of their R&D investment. Vendors demonstrating clear, funded plans for edge federation; mobility-aware orchestration; agentic AI infrastructure; and hybrid cloud–edge integration will be better positioned to serve as long-term strategic partners as enterprise edge requirements mature.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

Lumen

Lumen is positioned in the Leaders category in this 2026 IDC MarketScape for worldwide managed edge services.

Lumen Technologies is a global technology company headquartered in Monroe, Louisiana, United States, with a heritage spanning decades through CenturyLink and Savvis. Lumen operates a large global fiber networks and delivers connectivity, security, cloud, and edge infrastructure services to enterprise, government, and wholesale customers across North America and internationally. Edge computing is a core investment area within Lumen's broader digital portfolio, and the company distinguishes itself among global telecommunications providers through early and sustained edge infrastructure investment.

Lumen defines edge as deploying compute, storage, and IT infrastructure at any endpoint — on premises, in Lumen datacenters and edge nodes at more than 55 locations, or in third-party facilities. The Managed Edge Services portfolio integrates compute, storage, connectivity, and managed operations into a single service experience underpinned by centralized orchestration, monitoring, and life-cycle management. Hardware partnerships span Dell, Supermicro, HPE GreenLake, and NetApp, while software partnerships include Broadcom and Nutanix. Security capabilities are integrated throughout, leveraging Lumen's Black Lotus Labs threat intelligence for DDoS protection alongside partnerships with Commvault, NetApp, and others for data protection and cyber-resiliency. The Alkira acquisition enhances cloud interconnectivity between edge compute endpoints, datacenters, and cloud-native applications. Professional services span day 0 assessments, solution design, deployment, migration, and ongoing managed operations across self-managed, comanaged, and fully managed models. The Lumen Connect platform provides centralized customer visibility, with a road map to add AI-driven recommendations and self-service private cloud provisioning.

Enterprise accounts represent most of the revenue, driven by complex multisite deployments, with midmarket a growing segment served through standardized managed edge, SD-WAN, and SASE solutions. For MNC accounts outside Lumen's footprint, the company relies on a partner-led model. Priority verticals include retail, manufacturing, healthcare, financial services, and public sector. Regional priorities are North America first, followed by APAC and EMEA. Customer satisfaction is tracked through a formal Voice of the Customer program.

Strengths

Lumen brings a combination of global fiber backbone, deep IT managed services heritage, and an integrated edge-to-cloud portfolio to the managed edge market. Key strengths include:

- **Global network natively integrated with edge and hybrid deployments.** Lumen delivers Managed Edge Services on infrastructure deeply integrated with its own global fiber backbone, enabling consistent performance, lower latency, and simpler operations compared with self-managed multivendor solutions.
- **Flexible infrastructure, management, and consumption models covering the full spectrum of enterprise operational maturity.** Lumen supports self-managed, comanaged, and fully managed service models with subscription and consumption-aligned pricing.
- **End-to-end life-cycle management with a single point of accountability.** Lumen provides centralized orchestration, monitoring, and analytics across edge, network, and cloud environments, with proactive, network-embedded support that identifies issues before they impact operations.
- **Network-embedded security powered by Black Lotus Labs.** Lumen's security capabilities are integrated within the network and edge platform, enabling threats to be detected and mitigated earlier in the stack compared with overlay solutions.
- **Growing AI inferencing at the edge portfolio with vertical-specific proof-of-concept engagements.** Lumen's Connected Ecosystem and Validated Design teams are actively developing and commercializing AI edge use cases in high-definition video analytics, computer vision for manufacturing quality inspection and logistics, and real-time media production. Case studies include a top 5 fast food chain and major content distribution partnerships, providing early-stage reference validation for the retail, media, and distributed enterprise segments.

Challenges

Lumen Technologies can benefit from the following recommendations:

- Prioritize packaging edge services into standardized, outcome-based bundles to shorten sales cycles, reduce reliance on bespoke proof-of-concept engagements, and improve the rate of conversion from pipeline to committed revenue.
- Accelerate self-service and developer ecosystem capabilities to close the gap with cloud-native competitors. As enterprise buyers increasingly expect programmable, API-first infrastructure management, executing on this road map at pace will be critical to winning digitally sophisticated accounts that may otherwise gravitate toward cloud-native or developer-first managed edge alternatives.
- Strengthen pricing transparency and expand international delivery to support growth beyond the North American core. While pricing flexibility is a stated differentiator, enterprise procurement teams cite the need for more predictable published benchmarks to reduce negotiation friction.

Consider Lumen when

Consider Lumen when an enterprise requires a fully integrated managed edge service where compute, storage, connectivity, and security are delivered on infrastructure natively embedded within a global fiber backbone — eliminating the performance overhead, vendor coordination complexity, and accountability gaps of multivendor edge architectures. Lumen is well suited to enterprises actively building AI inferencing capabilities at the edge — including high-definition video analytics, computer vision for manufacturing and logistics, and real-time media production — that require a managed infrastructure provider with the fiber network depth, hardware partnership breadth, and professional services capability to move from proof of concept to production at distributed enterprise scale.

APPENDIX

Reading an IDC MarketScape graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors,

publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market definition

IDC defines the worldwide managed edge services market as the delivery of compute, storage, networking, security, and application services at or near the edge of the network — at enterprise sites, telecommunications network locations, content delivery infrastructure nodes, or distributed third-party facilities — under a managed service model in which the vendor assumes operational responsibility for some or all of the infrastructure life cycle on behalf of the customer. Managed edge services are characterized by the vendor's active role in provisioning, configuring, monitoring, maintaining, and supporting the edge infrastructure, distinguishing them from self-managed edge deployments in which the enterprise retains full operational responsibility.

The edge, for the purposes of this assessment, is defined as any location where compute, storage, or application logic executes outside of a centralized hyperscale cloud datacenter and in closer geographic or network proximity to the users, devices, data sources, or physical operations that generate and consume that workload. This definition intentionally spans a broad range of physical and logical locations, including:

- **Far edge and on-premises enterprise locations:** Customer-owned or co-located facilities such as retail stores, factory floors, branch offices, hospital sites, and government installations, where workloads must execute locally due to latency, data sovereignty, connectivity, or operational requirements
- **Near edge and metro locations:** Telecommunications network facilities, carrier-neutral datacenters, and operator-owned edge nodes located within metropolitan areas, typically within single-digit milliseconds of the end users or devices they serve
- **Network edge and POP infrastructure:** Globally distributed points of presence operated by CDN-native and network platform vendors, where content delivery, security inspection, application acceleration, serverless compute, and AI inference are executed as close as possible to end users across a broad geographic footprint

IDC recognizes that the managed edge services market is not a single, homogeneous category but a convergence zone where multiple established infrastructure categories — content delivery networks, telecommunications managed services, enterprise private cloud, and distributed AI infrastructure — are intersecting and, in some cases, competing for the same enterprise workloads and budgets. The vendors assessed in this IDC MarketScape reflect this diversity, spanning CDN-native platforms, telco-native operators, and enterprise IT platform vendors, each bringing structurally distinct architectural approaches, go-to-market models, and customer value propositions to the market

Market analysis

The managed edge services market is undergoing a structural transformation driven by three converging forces: the emergence of AI inference workloads that demand low-latency and high-performance distributed compute infrastructure, the growing enterprise and regulatory pressure for data sovereignty and geographic control over where workloads execute, and the rising cost and complexity of centralized public cloud architectures, which are pushing enterprises to reexamine where compute, storage, and application logic should reside. Together, these forces are elevating managed edge services from a performance optimization tool to a core strategic infrastructure decision for distributed enterprises across every major vertical.

IDC defines managed edge services as the delivery of compute, storage, networking, security, and application services at or near the edge of the network — at enterprise sites, telecom network locations, or distributed infrastructure nodes — under a managed service model in which the vendor assumes operational responsibility for some or all of the infrastructure life cycle. This definition intentionally spans a wide range of architectural approaches, from CDN-native platforms converging delivery, security, and serverless compute on globally distributed POP networks to telco-native operators embedding compute directly into 5G and fiber infrastructure to enterprise IT platform vendors delivering unified private cloud and edge compute under a single control plane. The breadth of vendor types assessed in this IDC MarketScape reflects the reality that managed edge is not a single, homogeneous market — it is a convergence zone where multiple infrastructure categories are intersecting and, in some cases, competing for the same enterprise workloads.

The AI inflection is the most consequential development in the managed edge market since the transition from hardware appliances to software-defined delivery. Enterprise demand for AI inference at the edge is being driven by three practical imperatives. First, latency: Generative AI applications, computer vision workloads, real-time decision systems, and autonomous operations require sub-100ms response times that centralized cloud inference cannot reliably deliver at scale. Second, cost: Token-based pricing models from centralized AI providers make high-volume inference economically unsustainable for many enterprise use cases, creating a strong incentive to migrate inference workloads to owned or managed edge infrastructure where compute costs are predictable. Third, sovereignty: Regulated industries including financial services, healthcare, and government require that sensitive data used in AI inference — patient records, transaction data, and surveillance feeds — remain within defined geographic or jurisdictional boundaries, a requirement that public cloud AI services cannot satisfy in many markets.

IDC observes that the vendors best positioned in this market are those that have moved beyond treating edge compute as an extension of their legacy infrastructure category —

whether CDN, telecom, or enterprise IT — and have instead built or are building platform architectures specifically designed for the converged requirements of AI inference, security, programmability, and distributed life-cycle management.

Several important market dynamics will shape competitive positioning over the next three to five years. First, the fully managed service gap remains a meaningful differentiator. Enterprise buyers across traditional industries consistently articulate demand for end-to-end managed accountability — hardware, software, deployment, and day 2 operations under a single SLA. Vendors that close this gap will access a larger share of enterprise budget, particularly in regulated verticals where IT teams lack the capacity or expertise to self-manage distributed edge infrastructure. Second, the intersection of managed edge and agentic AI will accelerate. As enterprises deploy autonomous AI agents that generate, process, and act on data across distributed environments, the edge will become the preferred execution layer for agent workloads requiring low latency, local data access, and fine-grained policy control. Vendors that develop purpose-built tooling for agent identity, agent traffic management, and agent inference at the edge will establish a durable competitive advantage in the next wave of enterprise AI infrastructure procurement. Third, data sovereignty is becoming a market-segmenting force in Europe and regulated APAC markets. Vendors with geographically granular node architectures, independently audited compliance certifications, and published data handling policies will access enterprise procurement processes that are increasingly closed to vendors that cannot meet these thresholds. This dynamic disproportionately benefits network operators and regional platform vendors with established local infrastructure.

LEARN MORE

Related research

- *Top 5 Trends in Managed Edge and Content Delivery Services, 2026* (IDC #US53507126, February 2026)
- *Market Analysis Perspective: Worldwide Managed Edge and Content Delivery Services, 2025* (IDC #US53763425, September 2025)
- *Worldwide Managed Edge Services Forecast, 2025-2029* (IDC #US53507526, June 2025)
- *Managed Cloud Services for Private Cloud Edge Computing* (IDC #US52144725, May 2025)
- *IDC's EdgeView, 2025: Executive Summary* (IDC #US52088525, April 2025)
- *Inference at the Edge: Implications for Service Providers* (IDC #US53114325, March 2025)
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Synopsis

This IDC study provides a vendor assessment of the worldwide managed edge services market using the IDC MarketScape model. The assessment evaluates eight vendors — Akamai, Cloudflare, Comcast, Fastly, Lumen, Tata Communications, Telefónica, and Tencent Cloud — across a comprehensive set of capability and strategy criteria spanning platform architecture, AI and compute readiness, security integration, pricing model, customer service delivery, vertical alignment, and go-to-market strategy.

The managed edge services market is at a strategic inflection point. What began as a market defined by content delivery performance and network proximity has evolved into a critical infrastructure category encompassing distributed AI inference, data sovereignty, application modernization, and autonomous compute governance. Enterprise demand is being reshaped by three converging imperatives: the economics of AI inference, which favor distributed edge execution over centralized cloud at scale; the tightening of data sovereignty and regulatory compliance requirements across major markets; and the accelerating cost and complexity of hyperscaler-dependent architectures, which are driving enterprises to seek more predictable, sovereign, and operationally accountable infrastructure models.

IDC's assessment finds that the vendors best positioned in this market are those that have made the architectural transition from their legacy infrastructure category — whether CDN, telecom network, or enterprise IT — toward platforms purpose built for the converged requirements of AI inference, security, programmability, distributed life-cycle management, and regulatory compliance. Competitive differentiation in this market is increasingly defined

not by any single capability dimension but by the depth of platform integration across these requirements, the operational model flexibility offered to enterprise buyers, and the credibility of the vendor's innovation trajectory as the market continues to evolve rapidly toward agentic AI infrastructure, edge federation, and mobility-aware compute.

"The managed edge market has passed its inflection point. AI inference, data sovereignty, and the rising cost of centralized cloud are not future trends — they are active procurement drivers reshaping enterprise infrastructure decisions today. The vendors that will define this market over the next five years are those building platforms where security, compute, networking, and AI are not integrated as an afterthought but designed as a single architectural fabric from the ground up. For enterprise buyers, the question is no longer whether to invest in managed edge — it is which architecture, which operational model, and which vendor partner is best positioned to carry them through a period of rapid and consequential change in how and where compute happens," says Ghassan Abdo, research VP, Worldwide Telecom, IDC.

ABOUT IDC

International Data Corporation (IDC) is the premier global market intelligence, data, and events provider for the information technology, telecommunications, and consumer technology markets. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries. IDC's analysis and insight help IT professionals, business executives, and the investment community make fact-based technology decisions and achieve their key business objectives.

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