Industrial Edge Networking Components – 2020

Report Excerpts
Executive summary

- The world market in 2019 is estimated to have been $2.86 billion.
- In 2020, revenues are forecast to decline by 3.4%; overall, from 2019 to 2024, revenues are forecast to grow at a 7.1% compound annual growth rate (CAGR). The decline in 2020 is the result of the economic meltdown due to COVID-19.
- Unit shipments are forecast to grow at a 6.7% CAGR from 2019 to 2024, while the ASP is forecast to increase at a 0.4% CAGR.

Note: This document is an excerpt; please contact Omdia for the full report.

Industrial edge networking components by product type

Industrial edge networking components by region

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Cisco leads every segment of the industrial networking market

- **Cisco leads the market for industrial edge networking components.**

  - **50%** Wireless access point market share
  - **45%** Industrial routers market share
  - **22%** Managed Layer 2 switches market share
  - **33%** Managed Layer 3 switches market share
In 2017, Cisco became the leader in industrial edge networking components market with a 19% market share in terms of revenues and maintained its number one position going into 2019.

Cisco has not only maintained its market position but has also managed to increase its market share to 20%.

It is worth mentioning that Cisco is enjoying the highest growth among the leading companies and is particularly strong in the Americas.
World: Market share estimates comparison for layer 2 managed switches between 2018–2019

Cisco – increasing its market share

- Cisco is maintaining its market dominance in managed switches – layer 2 market since 2016.
- Cisco successfully captured additional market share from its competitors in 2019.

Layer 2 managed switches market share
Revenue (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>Cisco</th>
<th>Siemens</th>
<th>Belden</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>20.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>22.0%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2018 market size: $991 million
2019 market size: $1058 million

+1.5%
Cisco leads in layer 3 switch market

- Cisco has dominated layer-3 managed switches market for many years now and it continues to lead this market.
- To put things in perspective the market share of Cisco for layer-3 managed switches is approximately twice to that of the number 2 player.

**Layer 3 managed switches market share**

<table>
<thead>
<tr>
<th></th>
<th>Cisco</th>
<th>Siemens</th>
<th>Westermo</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>31.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>32.5%</td>
<td></td>
<td></td>
<td>+1.5%</td>
</tr>
</tbody>
</table>

2018 market size: $181 million  
2019 market size: $199 million
Cisco – the single most dominant player in router market

- Cisco has a clear dominance in this market and has approximately 44% of the market share.
- The closest competitor has nearly 36% less market share than Cisco.
World: Market share estimates comparison for WAP between 2018–2019

Cisco owns half of this market

- Cisco has a clear dominance in this market and has half of the market share.
- The closest competitor has nearly 36.5% less market share than Cisco.

<table>
<thead>
<tr>
<th>Year</th>
<th>Cisco Share</th>
<th>Siemens Share</th>
<th>Moxa Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>48%</td>
<td>10%</td>
<td>4%</td>
</tr>
<tr>
<td>2019</td>
<td>50%</td>
<td>10%</td>
<td>4%</td>
</tr>
</tbody>
</table>

2018 market size: $240 million  
2019 market size: $264 million

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