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
Revenue US$ millions

<table>
<thead>
<tr>
<th>Product Type</th>
<th>2019</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Connectors</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Gateways and protocol converters (IPC based gateway + IIoT gateway + protocol converters)</td>
<td>$500</td>
<td>$500</td>
</tr>
<tr>
<td>Router and WAP (Routers + WAP)</td>
<td>$1,000</td>
<td>$1,500</td>
</tr>
<tr>
<td>All types of switches (Unmanaged + layer 2 managed + layer 3 managed)</td>
<td>$2,000</td>
<td>$2,500</td>
</tr>
</tbody>
</table>

Industrial edge networking components by region
Revenue (percent)

- EMEA: 42%
- Americas: 32%
- Asia Pacific: 26%
Cisco leads every segment of the industrial networking market

- **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

Cisco leads the market for industrial edge networking components.
Market landscape for industrial edge networking components

Cisco – strengthens its market position

- 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.

Industrial Ethernet network components market share: Top 3

<table>
<thead>
<tr>
<th>Company</th>
<th>2018 Market Share</th>
<th>2019 Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cisco</td>
<td>19%</td>
<td>20%</td>
</tr>
<tr>
<td>Siemens</td>
<td>16%</td>
<td>18%</td>
</tr>
<tr>
<td>Moxa</td>
<td>12%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Total market size:
- 2018: $2.6 billion
- 2019: $2.9 billion
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](image)

- 2018 market size: $991 million
- 2019 market size: $1058 million
- Cisco market share: 20.5% (2018) vs 22.0% (2019)
- Siemens market share: 22.0% (2018) vs 20.5% (2019)
- Belden market share: 5.0% (2018) vs 5.0% (2019)

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World: Market share estimates comparison for layer 3 managed between 2018–2019

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.
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.
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.