

Industrial Edge Networking Components Intelligence Service

Industrial Edge Networking Components Report – 2019

March 2019

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Executive summary

Table ES1: The market for industrial edge networking components by product: World

Revenues - 2018 and 2023 (\$ million)			
Product Type	2018	2023	CAGR 18-23
Protocol converters	160	341	16.4%
IIoT gateways	55	274	37.7%
IPCs based gateway	121	552	35.5%
Unmanaged switches	443	779	12.0%
Managed switches - layer 2	986	1,892	13.9%
Managed switches - layer 3	179	345	14.1%
Routers	263	481	12.8%
Wireless access points	238	439	13.0%
Connectors/cable sets	205	428	15.9%
	2,650	5,530	15.9%

Data issued: March 2019
Source: IHS Markit

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Table and Figure ES1 show a summary of the world market revenues for industrial edge networking components. The world market in 2018 is estimated to have been \$2.65 billion.

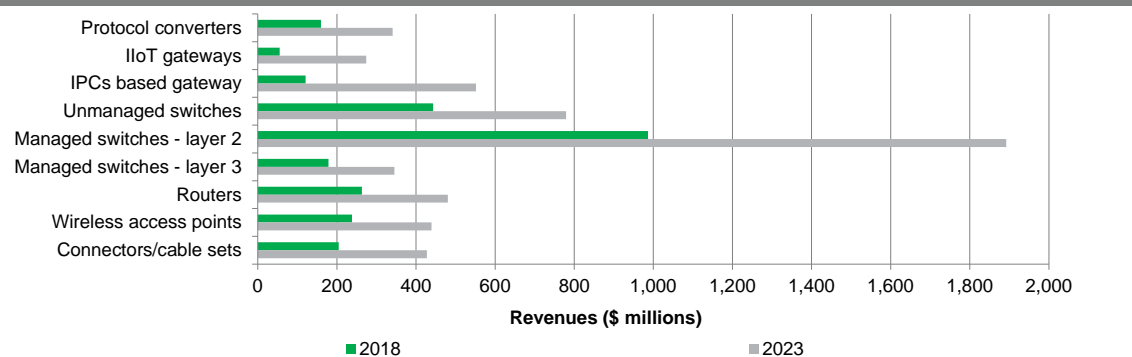
In 2019, revenues are forecast to grow by 16.3%; overall, from 2018 to 2023, revenues are forecast to grow at a 15.9% compound annual growth rate (CAGR).

Unit shipments are forecast to grow at a 15.2% CAGR from 2018 to 2023, while the ASP is forecast to increase at a 0.7% CAGR.

Figure ES2 compares 2018 and 2023 revenues for the three major regions.

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

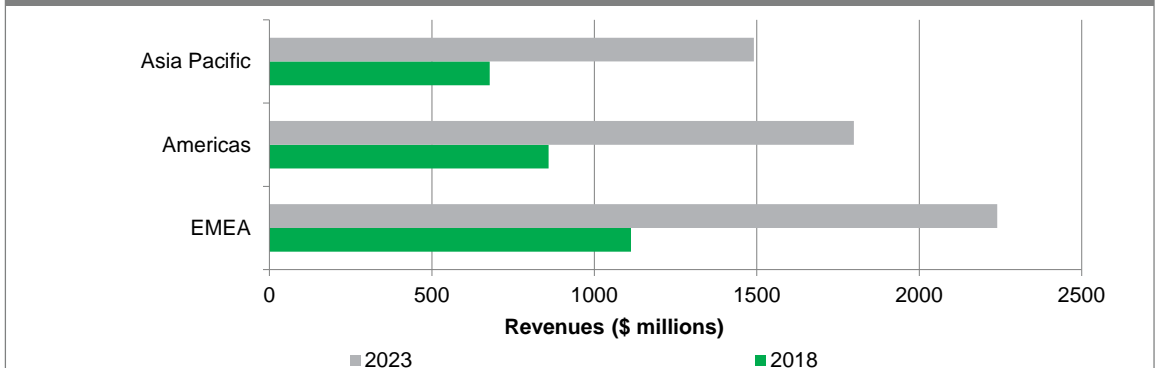
Figure ES1: The market for industrial edge networking components by product type: World



Data issued: March 2019
Source: IHS Markit

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Figure ES2: The market for industrial edge networking components by region: World

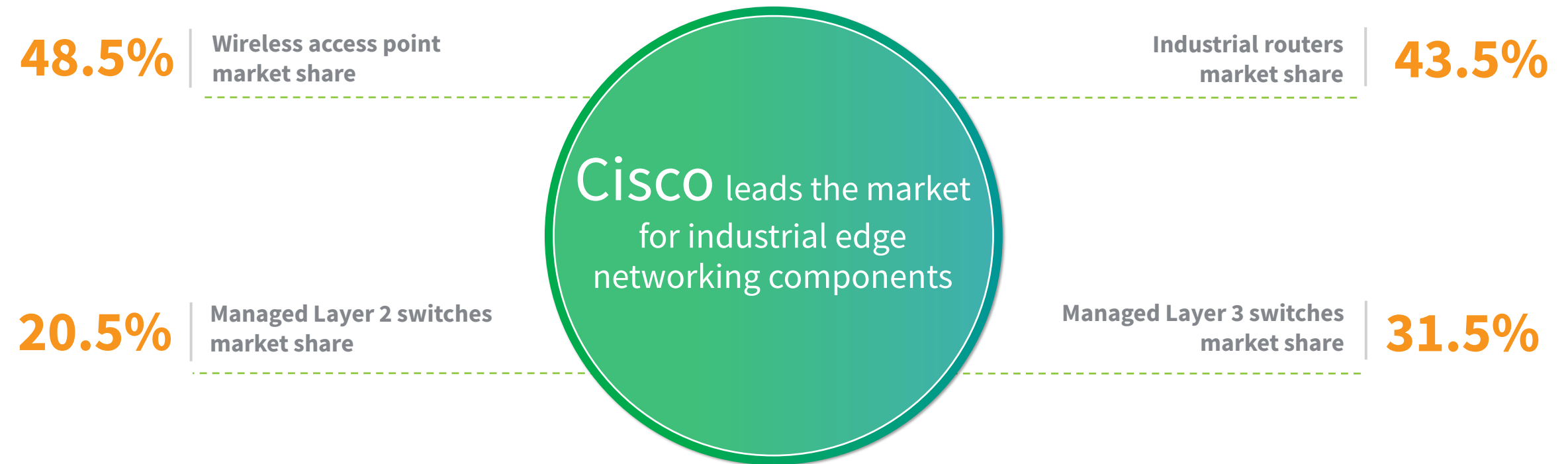


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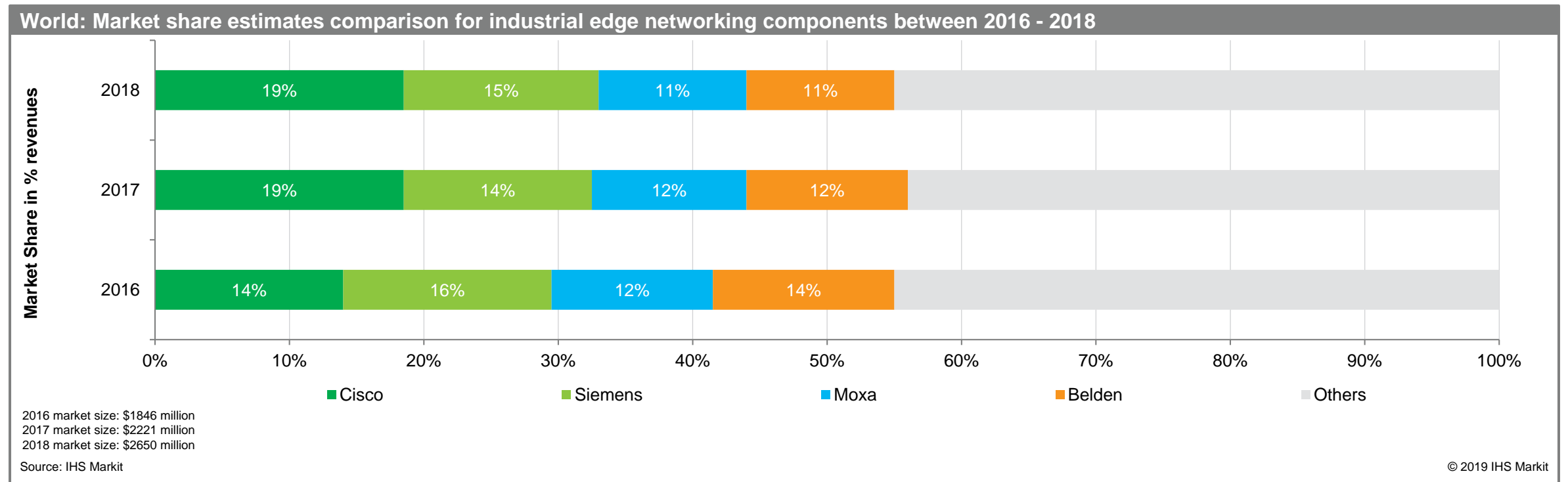
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2018 Industrial edge networking components market

Cisco leads and continues to grow market share

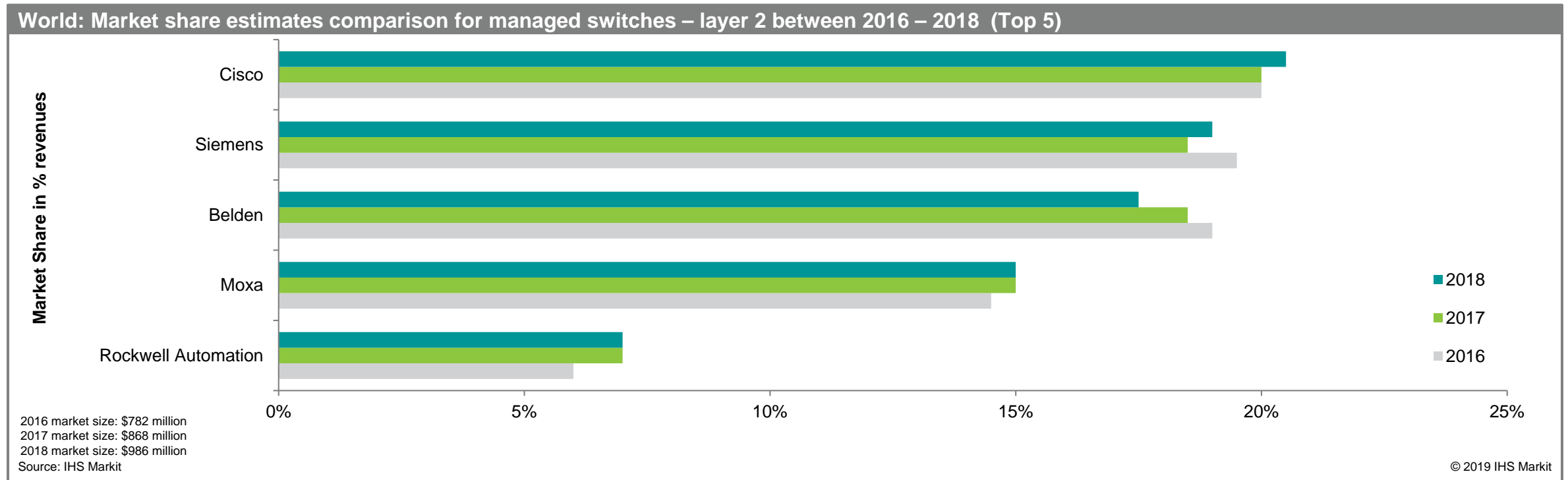


Market landscape for industrial edge networking components



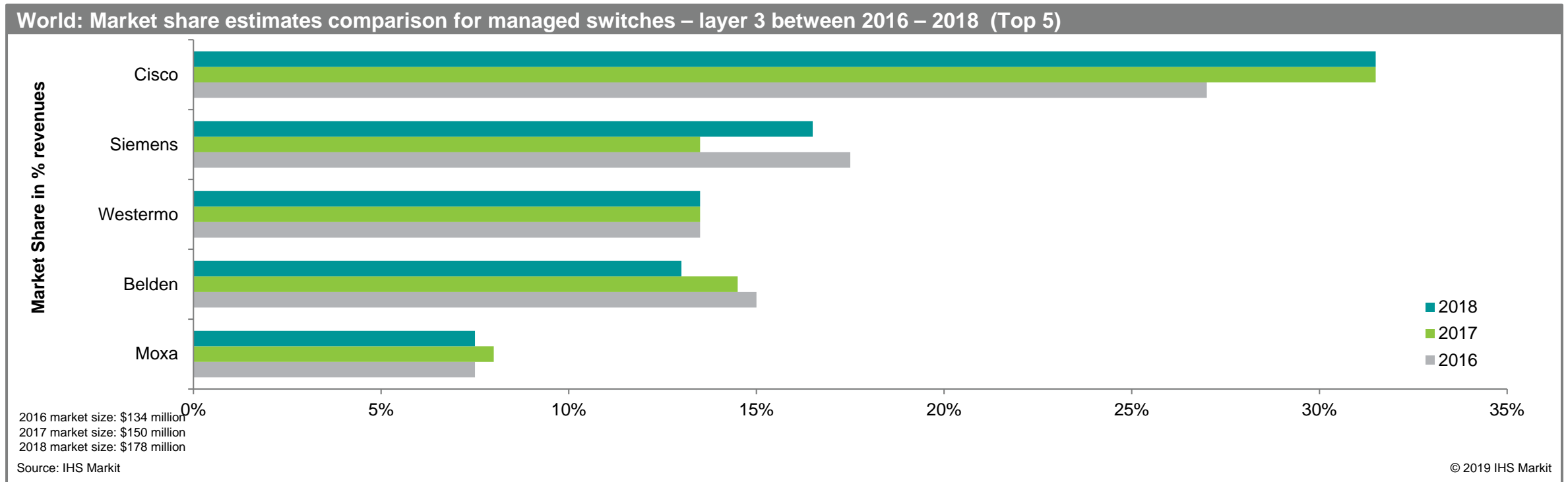
- In 2017, Cisco became the leader in industrial edge networking components market with a 19% market share in terms of revenues and maintained its number one position going into 2018.
- It can be observed from the chart above that Cisco's share is growing continuously while that of other companies is either declining or staying constant.
- 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 managed switches – layer 2 between 2016 – 2018



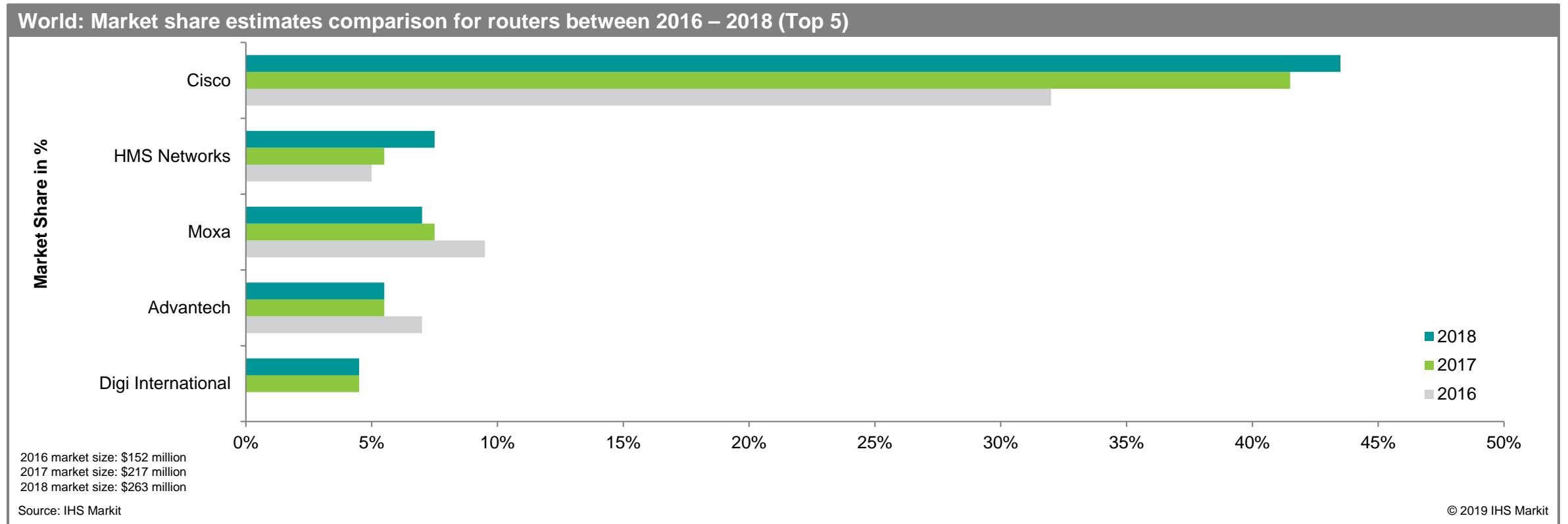
- Cisco is maintaining its market dominance in managed switches – layer 2 market since 2016
- Belden has lost its market share to its competitors

World: Market share estimates comparison for managed switches – layer 3 between 2016 – 2018



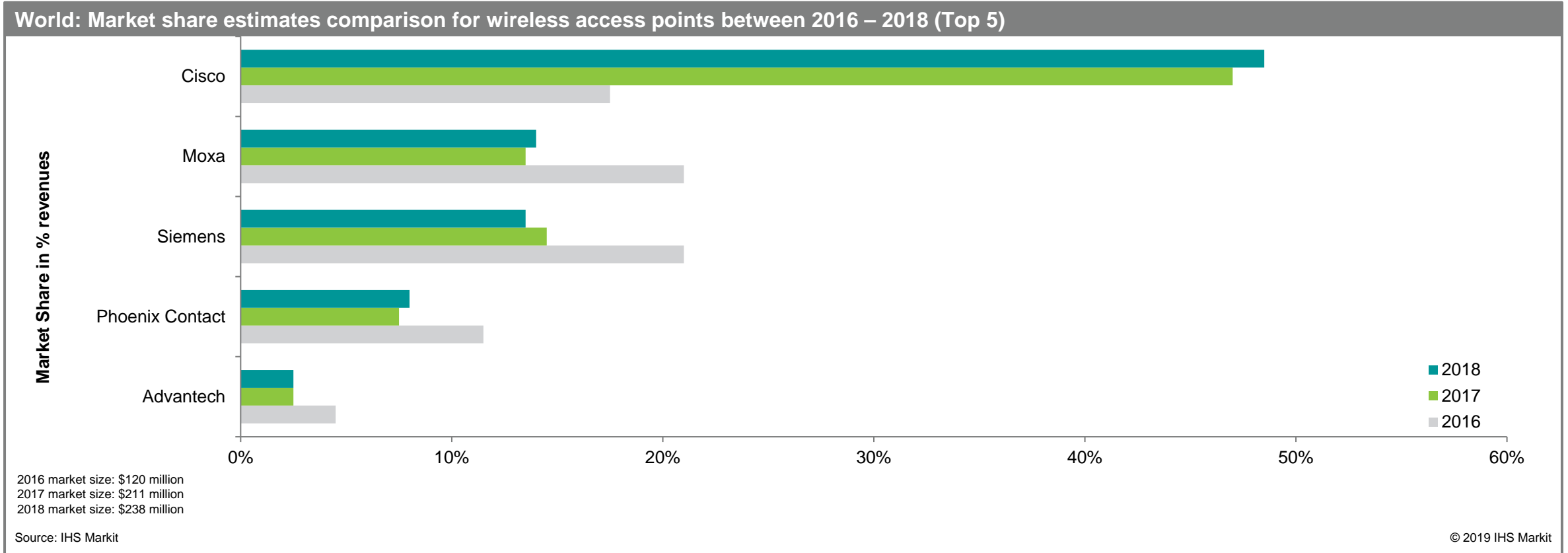
- Cisco has dominated layer-3 managed switches market for many years now and it continues to lead this market
- To put things in perspective the market share of Cisco for layer-3 managed switches is approximately twice to that of the number 2 player

World: Market share estimates comparison for routers between 2016 – 2018



- 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 2016 – 2018



- Cisco has a clear dominance in this market and has approximately nearly half of the market share
- The closest competitor has nearly 34.5% less market share than Cisco

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