Automotive Communication Technology Business Outlook

According to **market database**, Collected data is processed and make a more appropriate prediction on traffic and accident-prone zone and providing faster accessibility for an ambulance and police vehicles. The data is collected by various modules like Controller Area Network (CAN), Ethernet, Flexray , Local Interconnect Network (LIN), Media Oriented Systems Transport (MOST), these are mainly used in power-train, body control & comfort. **Global market database** shows a paradigm shift being witnessed in the industry with the introduction of self-driving cars. Firms offering Self Driving cars are going on a massive test program to begin early roll-out, like a big American firm starting its test run in Atlanta, USA. Cites are rolling the red carpet to cash in on this. With many cities building or funding test track.

According to **business outlook**, the global automotive communications technology market is estimated at USD 5.84 billion in 2017. **Market intelligence platforms** show the growing demand for comfortable and safer vehicles from the customer along with technological strides being made is fueling the growth of the market.

Segment-wise analysis

Automotive communication different buses are used for effective communication. Buses like Controller Area Network (CAN), Ethernet, Local Interconnect Network (LIN), Flexray, and Media-Oriented Systems Transport (MOST) are a few. CAN and Ethernet have a larger market share. According to **Global market database**, CAN bus has a larger share of market. This is due to the low cost of integration and flexible data transfer rate. However **Competitor Database** indicates that the adoption is in line with the cost of technology and other associated cost.

According to **Global market database** need for use of communication technology in cars is heavily influenced by car type. The luxury car segment uses max communication technology to offer premium services. **Market Database** predicts the economy section of the automobile market to be growing at a healthy rate. As the market becomes more competitive, firms are offering advanced technologies in the passenger and semi-luxury segments.

According to **business outlook** from GMD, automobile communication technology has a wide array of applications ranging from powertrain, body control & comfort, infotainment & communication to safety. Due to government regulations on safety, the use of communication technology is growing in the safety segment.

Market Factors for Automotive Communication Technology

The key drivers in the market are the increasing electronic components and their complexity, as the complexity of the system rises, the volume of data generation increases accordingly. Stricter

government regulations for safety are further boosting the demand. As automobile sales rise in the US so does the demand for Automotive Communication Technology. The emergence of autonomous vehicles is expected to further boost the demand, due to the vast amount of volume of data generated and analyzed in them. As the luxury segment in automobiles grows, so does the demand for automotive communication technology grows with it.

The market is completely dependent on automobile sales, any dent in the auto industry is also felt here. The auto industry is affected badly due to Covid-19 and the restriction that followed. Year on Year (YoY) growth in the auto sector has decreased by 12%. As the complexity of the system increase, their reliability decreases. Which makes replacement and maintenance costly. Also as the number of nodes increase, the overall cost of the system increases. According to **Global market database**, A major concern is with cybersecurity, as systems are increasingly being interconnected. The possibility of remote hack also increases with it.

The US market Perspective

According to the Global **market database**, The automotive communication technology market in the US is growing at a healthy rate. Stringent government policy aimed at safety and emission is boosting the demand. As more firms are researching autonomous vehicles, the demand is further expected to increase. **Competitor Database** indicates that many auto firms are forming a strategic alliance with tech firms to explore new offerings. As the US is one of the largest markets for passenger cars, it is well-positioned to witness healthy growth in the automotive communication technology market.

Business Outlook tools shows the US is investing heavily in autonomous vehicles. From tech giants, traditional automakers, to ride-sharing giants, are investing heavily in the research and development of autonomous vehicles. According to GMD's **Competitor Database,** A major player has spent over USD 3.5 Billion on research & development. Delivery and logistics firms are developing unmanned terrestrial vehicles to optimize last-mile delivery. Autonomous vehicles use maximum communication technology devices. This is because of the volume of data generation and integration of different platforms for smooth running.