

Future of Semiconductor Industry

HONGKONG, CHINA, May 4, 2023 /EINPresswire.com/ -- Many industry observers were taken aback by [the semiconductor sector](#)'s fortitude during the COVID-19 pandemic, confirming the world's growing reliance on cutting-edge technology. The majority of the top research companies forecast that the semiconductor business would increase by just one percent by the year 2022, or even in the first few months. According to estimates, industry-wide profits will decrease by 5% to 10% year over year when extensive lockdowns are adopted. The semiconductor industry will see sales growth of 6.5% in 2020 after demonstrating excellent resilience throughout the crisis.

The COVID-19 effect has shown to be particularly company-specific; the semiconductor industry's performance differs greatly from company to company. While more diversified semiconductor companies have shown a trend of soaring revenue, some smaller companies are in customers or end markets that have been severely affected by the epidemic. As a result, sales have fallen precipitously for these companies.

However, the semiconductor industry is upbeat when looking at the ecosystem as a whole and the prospects for the future. Due to their customarily lengthy R&D and product development timelines, semiconductor companies place a high priority on business continuity and resilience, making them well-positioned to withstand the effects of COVID-19. As semiconductor-driven technologies and associated cloud infrastructure become more and more integrated into all facets of life—from business to education to healthcare to entertainment—the future of semiconductors is full with limitless development prospects.

The majority of product categories have room for expansion, according to poll respondents. MEMS and sensors were chosen as the top growing product. Second place went to RF/mixed signals, followed by GPU/[MCU](#)/MPU. Consumer, business, and industrial device technology penetration as well as widespread 5G and IoT adoption will continue to fuel rapid revenue and investment development. Because these components are being used more frequently in vehicles at all levels of assistance and autonomy, the automotive industry is another sector that is fueling growth for these products.

Analog/RF/mixed-signal will continue to be a significant source of income as it is a crucial component of power management. It's not surprising that the use of wireless technology and personal computers is becoming more and more important because so many workers and students now study and work virtually. Additionally, technology is a bigger part of our daily lives, and every new laptop, tablet, phone, and PC sold has a strong battery life to support it. And the best tool to manage it is an analog system.

Microprocessors (containing GPU, MCU, and MPU) continued to be the third-ranked growth product and experienced the highest increase in importance compared to other products over the previous year. In order to enable compute-intensive use cases and virtualize employee offices, businesses are investing in GPUs to power cloud, server, and data center technologies.

Two crucial applications from the previous poll, wireless communications and the Internet of Things, tied for first place as the top applications boosting semiconductor revenue growth in 2019. COVID-19 has increased both consumer and industry interest in 5G communications. The need for high-speed wireless bandwidth is currently increasing due to frequent use. According to survey respondents, COVID-19 has encouraged customers to include important technologies into their products, like 5G and the Internet of Things. New IoT use cases are already being driven by the 5G network and infrastructure construction that had already begun prior to COVID-19. In order to achieve the simultaneous development, it has become necessary to design sensors and software that are stronger. In the next two years, according to 72% of industry leaders, 5G will be the primary element driving industry revenue growth. This percentage was only 50% in the survey from the previous year.

The automotive industry will continue its importance in the upcoming year despite the economic slump and the rise in demand for telecommuting brought on by the new crown epidemic. It is anticipated that the automotive sector will rank as the third largest application driving semiconductor revenue growth.

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