

Artificial Intelligence In Automotive Market to Reach USD \$97.68 Billion by 2029 at 53.6% CAGR

*The Business Research Company's
Artificial Intelligence In Automotive Global
Market Report 2025 – Market Size,
Trends, And Global Forecast 2025-2034*

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/EINPresswire.com/ -- How Big Is The
[Artificial Intelligence In Automotive
Market](#) In 2025?

In recent times, the market size for artificial intelligence in the automotive sector has seen a rapid expansion. Its expansion is projected to continue, with a rise from \$10.88 billion in 2024 to a staggering \$17.51 billion in 2025, boasting a compound annual growth rate (CAGR) of 61.0%.



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Several factors contribute to this growth during the historic period. This includes a higher demand for augmented user experience and convenience features, an increased awareness about these kinds of vehicles, the escalating adoption of AI within the automotive supply chain, a surge in the demand for autonomous vehicles, and a rise in the use of AI in car manufacturing.

The size of the artificial intelligence in the automotive market has seen a significant increase in the past few years. It is projected to escalate from \$10.88 billion in 2024 to \$17.51 billion in 2025, at a compound annual growth

rate (CAGR) of 61.0%. This expansion during the historical period is influenced by the escalating demand for improved client experience and convenience features, increasing consciousness around these vehicles, growing utilization of AI in the automotive supply chain, a surge in demand for autonomous vehicles, and an increase in the manufacturing of cars.

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What Are The Key Driving Factors For The Growth Of The Artificial Intelligence In Automotive Market?

The accelerating demand for self-driving vehicles is projected to drive the expansion of artificial intelligence in the automotive industry. An autonomous vehicle, which has the ability to function independently without human input by sensing its environment, is increasingly being developed with the help of AI. In order to sense and interpret the surroundings, make decisions, and operate the vehicle without human interaction, AI is being utilized. For example, according to predictions by the National Highway Traffic Safety Administration, a governmental agency based in the US, the number of autonomous vehicles on the roads is expected to reach 3.5 million by 2025, and 4.5 million by 2030. Consequently, the escalating demand for self-driving cars is leading to the growth of artificial intelligence in the automotive sector.

Who Are The Key Players In The Artificial Intelligence In Automotive Industry?

Major players in the Artificial Intelligence In Automotive Global Market Report 2025 include:

- Alphabet Inc.
- Toyota Motor Corporation
- Microsoft Corporation
- Ford Motor Company
- General Motors Company
- Bayerische Motoren Werke AG
- Honda Motor Co. Ltd.
- Tencent Holdings Ltd.
- Tesla Inc.
- Intel Corporation

What Are The Upcoming Trends Of Artificial Intelligence In Automotive Market In The Globe?

Top players in the [automotive AI industry](#) are concentrating on the creation of innovative solutions like AI-based digital merchandise to augment vehicle safety, optimize driver's experience, and facilitate self-driving features. AI-based digital products are essentially software solutions utilizing artificial intelligence to present smart features, custom experiences, and automation within digital platforms or devices. For example, in February 2024, Volkswagen Group, a Germany-based automotive manufacturing firm, established an AI laboratory within its premises to originate and nurture AI-infused digital goods, with vehicle infotainment and navigation applications amongst them. The primary intention is to advance Volkswagen's product portfolio by incorporating AI technology that delivers extra value, such as refined vehicle infotainment, navigation systems, predictive maintenance, and voice recognition. The lab also aspires to engineer a comprehensive digital ecosystem that links vehicles with exterior technology platforms.

What Segments Are Covered In The Artificial Intelligence In Automotive Market Report?

The artificial intelligence in automotivemarket covered in this report is segmented –

- 1) By Component: Hardware, Software, Services
- 2) By Process: Data Mining, Image Or Signal Recognition
- 3) By Technology: Computer Vision, Context Awareness, Deep Learning, Machine Learning, Natural Language Processing (NLP)
- 4) By Application: Semi-Autonomous vehicles, Fully-Autonomous Vehicles

Subsegments:

- 1) By Hardware: AI Chips And Processors, Sensors (Lidar, Radar, Cameras), Embedded Systems
- 2) By Software: Advanced Driver-Assistance Systems (ADAS), Autonomous Driving Software, Vehicle-To-Everything (V2X) Communication Software
- 3) By Services: Consulting And Integration Services, Maintenance And Support Services, Data Management And Analytics Services

View the full artificial intelligence in automotive market report:

<https://www.thebusinessresearchcompany.com/report/artificial-intelligence-in-automotive-global-market-report>

Which Region Is Expected To Lead The Artificial Intelligence In Automotive Market By 2025?

In the Artificial Intelligence In Automotive Global Market Report 2025, North America held the top spot as the biggest region in 2024. It is projected that the Asia-Pacific region will experience the most rapid growth in the forecasted period. The regions discussed in the report include Asia-Pacific, Western Europe, Eastern Europe, North America, South America, the Middle East, and Africa.

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Speak With Our Expert:

Saumya Sahay

Americas +1 310-496-7795

Asia +44 7882 955267 & +91 8897263534

Europe +44 7882 955267

Email: saumyas@tbrc.info

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Oliver Guirdham

The Business Research Company

+44 7882 955267

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