

Intelligent Transportation System Industry Set to Triple from USD 41.7 Billion in 2024 to USD 124.8 Billion by 2035- TMR

Global Intelligent Transportation System Market to Grow from USD 41.7 Billion in 2024 to USD 124.8 Billion by 2035 Driven by Rapid Urbanization | Report by TMR

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EINPresswire.com/ -- Intelligent
Transportation System Market Outlook
2035

The global [intelligent transportation system \(ITS\) market](#) is witnessing strong growth, driven by the rising need for smart mobility solutions and efficient traffic management. Valued at

US\$ 41.7 Bn in 2024, the industry is projected to expand at a CAGR of 10.22% between 2025 and 2035. By the end of 2035, the market is expected to reach US\$ 124.8 Bn, fueled by advancements in connected vehicles, smart infrastructure, and AI-driven traffic systems. Growing investments in urban mobility and government initiatives for sustainable transportation are further boosting the outlook.

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Intelligent Transportation
System Market to Generate
USD 124.8 Billion in
Revenues by 2035
Supported by Growth in
Connected Vehicles and
Smart Infrastructure”

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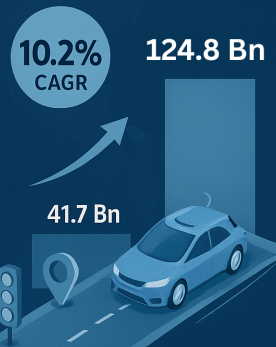
INTELLIGENT TRANSPORTATION SYSTEM MARKET



THE GLOBAL INTELLIGENT TRANSPORTATION SYSTEM MARKET

The global intelligent transportation system industry was valued at **US\$ 41.7 Bn** in 2024

The global intelligent transportation system market is estimated to grow at a **CAGR of 10.22%** from 2025 to 2035 and reach **US\$ 124.8 Bn** by the end of 2035



Intelligent Transportation System Market Outlook
2035

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Analysts' Perspective on the Intelligent Transportation System Market

The global intelligent transportation system (ITS) market is poised for significant growth, driven by rapid urbanization,

rising traffic congestion, and the pressing need for improved road safety. Governments across the world are investing heavily in smart mobility solutions such as Advanced Traffic Management Systems (ATMS), Advanced Traveler Information Systems (ATIS), and Vehicle-to-Everything (V2X) communication technologies.

Widespread adoption of IoT, AI, and cloud-based analytics has enabled real-time traffic monitoring, predictive maintenance, and intelligent traffic control with automated decision-making. These advancements not only reduce travel time but also enhance commuter experience. Additionally, stringent regulations aimed at lowering road accidents and curbing vehicular emissions are accelerating ITS deployment in leading economies such as the United States, Germany, Japan, and China.

The growing integration of autonomous and connected vehicle technologies with ITS platforms is further fueling market expansion. Key industry players—including Siemens, Kapsch TrafficCom, Thales Group, and Cubic Corporation—are investing extensively in AI-driven traffic management, automated tolling, and smart public transport networks.

However, certain challenges persist. High initial investment costs, interoperability issues among different ITS units, and cybersecurity concerns are slowing adoption, particularly in developing regions where infrastructure funding is limited. Despite these hurdles, the market outlook remains positive, supported by advancements in 5G connectivity, edge computing, and blockchain-based secure transport management systems.

Regional smart city initiatives in North America, Europe, and Asia-Pacific are creating new growth avenues for ITS adoption. Countries such as China and India are witnessing rapid progress through government-led programs promoting intelligent transport, electric mobility, and digital traffic management solutions.

The convergence of ITS with electromobility and Mobility-as-a-Service (MaaS) is also reshaping transportation ecosystems. Emerging trends such as autonomous ride-sharing, integrated mobility platforms, and smart parking solutions are expected to further accelerate market growth, paving the way for more sustainable and efficient urban transport systems.

Intelligent Transportation System Market Overview

Intelligent Transportation Systems (ITS) utilize next-generation technologies such as IoT, AI, big data analytics, and V2X communication to enhance the efficiency, safety, and sustainability of modern transport networks. By integrating predictive analytics, automation, and digital infrastructure, ITS enables seamless interaction between vehicles, commuters, and infrastructure. This holistic approach is a cornerstone of smart cities and sustainable urban mobility, making transportation systems more intelligent, connected, and resilient.

Analysis of Key Players in the Intelligent Transportation System Market

The global intelligent transportation system (ITS) market is characterized by intense competition, with leading players focusing on technological innovation, strategic partnerships, and large-scale deployments to strengthen their market presence.

Prominent companies such as

- Indra Sistemas SA
- Denso Corporation
- Siemens AG
- Cisco Systems, Inc.
- Thales Group
- Kapsch TrafficCom AG
- Cubic Corporation
- IBM Corporation
- Garmin Ltd.

HERE Technologies, TomTom International BV, Honeywell International Inc., Atos SE, Intel Corporation, Econolite Group, Inc., Schneider Electric SE, Samsung Electronics Co., Ltd., Hitachi, Ltd., NEC Corporation, TransCore LP, Q-Free ASA, and Fujitsu Limited are driving advancements in AI-powered traffic management, IoT-enabled smart infrastructure, and cloud-based analytics.

Collaboration between technology providers, governments, and transport authorities is further accelerating large-scale smart city deployments. Companies are also aligning with sustainability goals by integrating ITS solutions with EV charging infrastructure, public transport modernization, and carbon management programs.

The market report profiles each of these players based on their company overview, financial performance, business strategies, product portfolio, operational segments, and recent strategic developments.

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Key Developments in the ITS Market

- January 2024: Kapsch TrafficCom AG signed a contract with Germany's Autobahn GmbH for a Cooperative Intelligent Transport Systems (C-ITS) project valued at EUR 7 million, with potential expansion up to EUR 36 million. The initiative involves equipping mobile barrier boards at temporary construction sites with ITS roadside stations.
- August 2023: Siemens AG introduced a next-generation smart traffic management system powered by artificial intelligence for real-time traffic monitoring and response optimization.

- July 2024: Cisco Systems, Inc. partnered with Sology to upgrade roadways and intersections, combining Cisco's advanced networking solutions with Sology's transportation expertise to enhance traffic safety and efficiency.

Key Growth Drivers

1. Urbanization & Traffic Congestion – Rising vehicle numbers are pushing governments toward ITS deployment.
2. Road Safety Regulations – Increasing emphasis on reducing accidents and fatalities through advanced monitoring.
3. Technological Advancements – Integration of IoT, AI, and V2X communication enabling real-time decision-making.
4. Smart City Projects – Large-scale investments globally in smart mobility infrastructure.
5. Environmental Sustainability – ITS adoption to reduce emissions and promote eco-friendly transport solutions.

Market Restraints & Challenges

- High Deployment Costs – Infrastructure and maintenance expenses are significant.
- Interoperability Issues – Standardization challenges across regions and technologies.
- Cybersecurity Threats – Increased connectivity exposes ITS networks to potential cyber risks.
- Complex Integration – Legacy systems may hinder seamless adoption of new technologies.

Market Segmentation

By System Type

- Advanced Traffic Management Systems (ATMS)
- Advanced Traveler Information Systems (ATIS)
- Advanced Public Transportation Systems (APTS)
- Commercial Vehicle Operations (CVO)
- Others

By End User

- Roadways
- Railways
- Air Transport
- Maritime Transport

By Region

- North America
- Europe
- Asia-Pacific
- Latin America
- Middle East & Africa

Market Trends & Innovations

1. Vehicle-to-Everything (V2X) Communication – Growing adoption for connected and autonomous vehicles.
2. AI & Predictive Analytics – Improving traffic forecasting and congestion management.
3. Cloud & Edge Integration – Enhancing real-time decision-making and scalability.
4. Green ITS Solutions – Promoting electric vehicle adoption and eco-friendly transport.
5. Public-Private Partnerships – Collaborations accelerating ITS infrastructure deployment.

Why Invest in This Report?

- Reliable market size and CAGR forecasts through 2035.
- Insights into technology trends, regulatory drivers, and adoption barriers.
- Comprehensive competitive landscape analysis.
- Identification of high-growth opportunities in key regions.
- Guidance on integration, cybersecurity, and interoperability challenges.

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Important FAQs with Answers

Q1. What was the global market size of intelligent transportation systems in 2024?

A1. The market was valued at US\$ 41.7 Bn in 2024.

Q2. What is the projected market size by 2035?

A2. The industry is expected to reach US\$ 124.8 Bn by 2035.

Q3. What is the CAGR for 2025–2035?

A3. The market is projected to grow at a CAGR of 10.22%.

Q4. Which are the major system types in ITS?

A4. ATMS, ATIS, APTS, and CVO systems are widely adopted.

Q5. Who are the key players in the market?

A5. Leading companies include Siemens, Thales, Cisco, Denso, Indra Sistemas, and Kapsch TrafficCom.

Q6. What innovations will shape the future of ITS?

A6. V2X communication, AI-driven analytics, cloud-edge integration, and green ITS initiatives will dominate.

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