

Artificial Intelligence of Things (AIoT) Market Set to Hit \$1.3 Trillion by 2032 | 30.2% CAGR

AIoT market expands rapidly as intelligent automation, edge analytics, and connected ecosystems reshape industries and drive data-driven decision-making.

WILMINGTON, DE, UNITED STATES, December 6, 2025 /EINPresswire.com/ -- According to a new report [Artificial Intelligence Of Things \(Aiot\) Market](#) Size, Share, Competitive Landscape and Trend Analysis Report, by Component (Hardware, Software, Services), by Deployment (On-Premise, Cloud), by Industry Vertical (Retail, Agriculture, Logistics, BFSI, Automotive and Transport, Healthcare, Manufacturing, Others), by Application (Video Surveillance, Inventory Management, Predictive Maintenance, Supply Chain Management, Others), by End User (B2B, B2G, B2C): Global Opportunity Analysis and Industry Forecast, 2023 - 2032, The global artificial intelligence of things (AIoT) market was valued at \$126.1 billion in 2023, and is projected to reach \$1.3 trillion by 2032, growing at a CAGR of 30.2% from 2024 to 2032.

The Artificial Intelligence of Things (AIoT) market is emerging as a transformative force by combining the real-time connectivity of IoT with the advanced decision-making capabilities of AI. This convergence enables systems to autonomously sense, process, and act on data, enhancing operational efficiency across consumer electronics, manufacturing, healthcare, and smart city infrastructures. Organizations are increasingly integrating AI into connected devices to reduce latency, improve accuracy, and optimize processes.

The rise of 5G networks, proliferation of edge devices, and rapid advancements in machine learning models have accelerated AIoT adoption globally. Businesses are leveraging these technologies to enable predictive operations, streamline workflows, and enhance product intelligence. As digital transformation intensifies across industries, AIoT is becoming central to creating scalable, secure, and self-learning ecosystems.

□□□□□□□□ □□□□ □□□ □□□□□□□□: <https://www.alliedmarketresearch.com/request-sample/A180781>

□□□□□□ □□□□□□□□

A key driver of the artificial intelligence of things market is the growing demand for automation in industries seeking to minimize downtime and maximize productivity. AI-powered IoT systems enable predictive maintenance, real-time monitoring, and production automation, significantly reducing operational costs.

Another major factor boosting market growth is the expansion of smart consumer devices. AI-enabled wearables, home automation systems, and connected appliances are enhancing user experiences by offering personalized, adaptive functionalities fueled by real-time data analytics.

Advancements in edge AI are also reshaping the AIoT landscape. Shifting data processing closer to the source reduces latency, increases security, and enables faster decision-making—benefits crucial for applications such as autonomous vehicles, robotics, and mission-critical industrial systems.

However, data security and privacy concerns continue to challenge market expansion. Integrating AI with IoT devices increases vulnerability points, driving the need for strong cybersecurity frameworks, encrypted communications, and regulatory compliance.

Additionally, interoperability issues across diverse IoT devices and platforms present integration challenges. To overcome this, companies are investing in standardized protocols, AIoT platforms, and cloud-edge hybrid architectures that support seamless connectivity and centralized management.

□□□□□□ □□ □□□□□□: <https://www.alliedmarketresearch.com/connect-to-analyst/A180781>

□□□□□□ □□□□□□□□

The artificial intelligence of things market is segmented by component (hardware, software, and services), deployment mode (cloud and edge), application (smart manufacturing, smart home, healthcare, retail, transportation, and energy), and industry verticals. Hardware such as sensors and processors dominates initial investment, while AI-driven software platforms deliver advanced analytics, automation, and cognitive intelligence, fueling long-term value creation across sectors.

Based on industry verticals, the manufacturing segment is projected to register the highest growth rate during the Artificial Intelligence of Things (AIoT) market forecast period. It is also expected to remain the fastest-growing segment, driven by the rising adoption of automation, predictive maintenance, and smart manufacturing initiatives. AIoT solutions in manufacturing integrate AI algorithms with IoT-enabled devices to monitor equipment performance, anticipate maintenance requirements, and optimize production workflows in real time. These capabilities significantly enhance operational efficiency and productivity, thereby propelling the segment's expansion within the artificial intelligence of things market.

□□□□□□□□ □□□□□□□□

Regionally, North America dominated the market in 2023, supported by its strong technological infrastructure, high innovation capacity, and substantial investments in AIoT technologies. The region benefits from a dynamic ecosystem of AIoT companies, advanced research institutions, and technology hubs that foster rapid development and implementation of AIoT solutions across

various industries. Conversely, Asia-Pacific is expected to witness the fastest growth during the forecast period, driven by accelerating digital transformation initiatives. The region's focus on Industry 4.0, smart city development, and connected infrastructure projects is fueling robust demand for AIoT solutions. These advancements are enabling organizations to address evolving challenges, unlock new efficiencies, and leverage emerging opportunities, thereby boosting the overall growth of the global artificial intelligence of things market.

More information: <https://www.alliedmarketresearch.com/purchase-enquiry/A180781>

Market Players of AIoT Industry

The market players of AIoT industry operating are Microsoft Corporation, SAP SE, Alphabet (Google Inc.), Bosch.IO GmbH, Williot, Hitachi, Ltd., International Business Machines Corporation, Siemens AG, GE Vernova, Terminus Group, Falconry Inc and Amazon Web Services, Inc. These major players have adopted various key development strategies such as business expansion, new product launches, and partnerships, which help to drive the growth of the [AIoT market](#) size globally.

Market Segments of AIoT Industry

- By component, the basic hardware segment accounted for the largest AIoT market share in 2023.
- By deployment mode, the cloud segment accounted for the largest artificial intelligence of things market share in 2023.
- By industry vertical, manufacturing segment accounted for the largest AIoT market share in 2023.
- By application, video surveillance segment accounted for the largest AIoT market share in 2023.
- According to the artificial intelligence of things market analysis, region-wise, North America generated the highest revenue in 2023.

Disk Storage System Market

Disk Storage System Market

<https://www.alliedmarketresearch.com/disk-storage-system-market>

Personal And Entry Level Storage (PELS) Market

<https://www.alliedmarketresearch.com/personal-entry-level-storage-PELS-market>

Phablets and Superphones Market

<https://www.alliedmarketresearch.com/phablets-superphones-market>

Context-Rich System Market

<https://www.alliedmarketresearch.com/context-rich-system-market>

Digital Intelligence Platform Market

<https://www.alliedmarketresearch.com/digital-intelligence-platform-market>

Heterogeneous Mobile Processing & Computing Market

<https://www.alliedmarketresearch.com/heterogeneous-mobile-processing-and-computing-market>

David Correa

Allied Market Research

+ +1 800-792-5285

[email us here](#)

Visit us on social media:

[LinkedIn](#)

[Facebook](#)

[YouTube](#)

[X](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/873135128>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2025 Newsmatics Inc. All Right Reserved.