

The Connected Vehicle Technology Market is Projected to Reach \$76.5 Billion by 2030 Driven by Robust Industry Expansion

*The Business Research Company's
Connected Vehicle Technology Global
Market Report 2026 – Market Size,
Trends, And Forecast 2026-2035*

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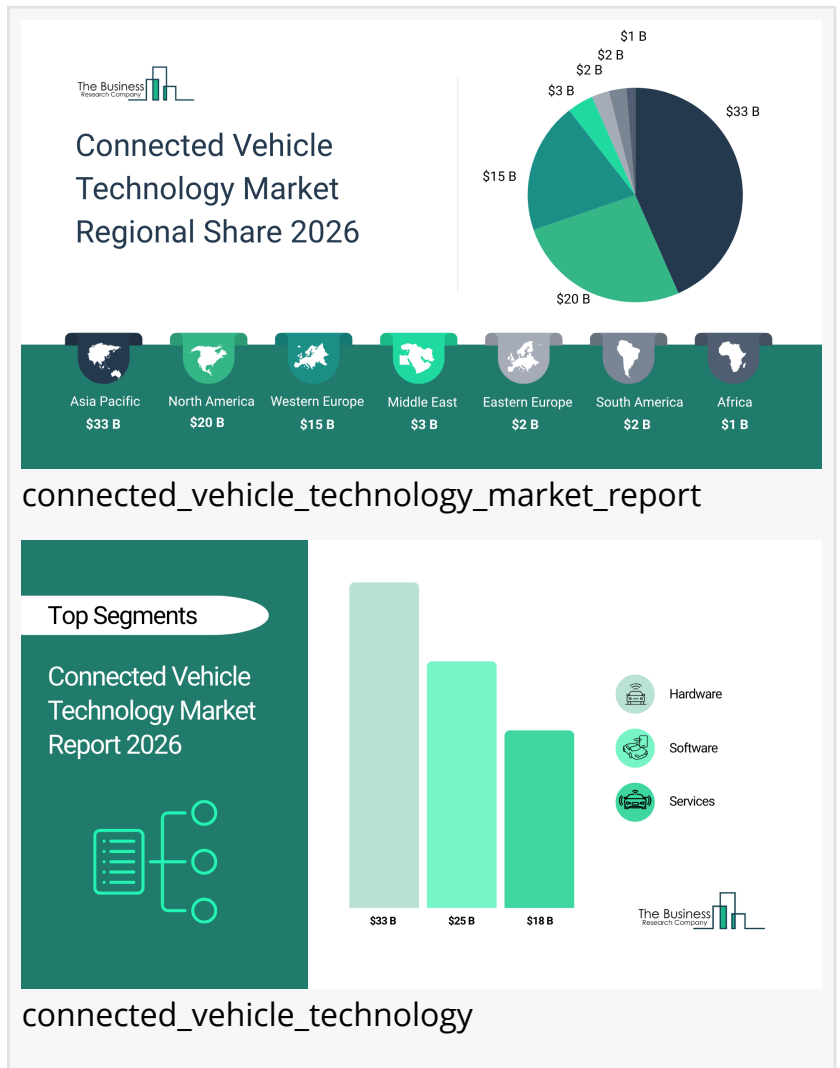
/EINPresswire.com/ -- The [connected vehicle technology market](#) is rapidly evolving, driven by breakthroughs in communication systems and vehicle connectivity solutions. As automotive and tech industries converge, this sector is set for significant expansion, influencing how vehicles communicate, operate, and deliver enhanced user experiences. Let's delve into the market's size, regional leadership, key segments, growth drivers, and competitive landscape shaping this transformative industry.

Market Size and Outlook for Connected Vehicle Technology

The connected vehicle technology market is projected to exceed \$76 billion by 2030. This figure represents roughly 29% of the broader Telematics market, which itself is expected to be valued at approximately \$268 billion by the same year. Within the vast Information Technology industry, anticipated to reach \$13,788 billion by 2030, connected vehicle technology will account for nearly 1% of total market value, underscoring its growing significance in the digital ecosystem.

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Asia-Pacific Emerges as the Leading Connected Vehicle Technology Hub by 2030

In 2030, Asia-Pacific is forecasted to be the largest regional market for connected vehicle technology, with a valuation of \$33 billion. The market size will grow from \$18 billion in 2025,

expanding at a compound annual growth rate (CAGR) of 13%. This expansion is fueled by strict regulatory mandates on vehicle safety and connectivity, rapid rollout of 5G networks and advanced vehicle-to-everything (V2X) communication technologies, the presence of key automotive manufacturers and tech innovators, and increased adoption of telematics-based fleet management and usage-based insurance. Additionally, growing demand for in-car infotainment, over-the-air software updates, and investments in autonomous vehicle testing across the USA and Canada also play a vital role in this growth.

The United States to Lead Country-Level Market for Connected Vehicle Technology

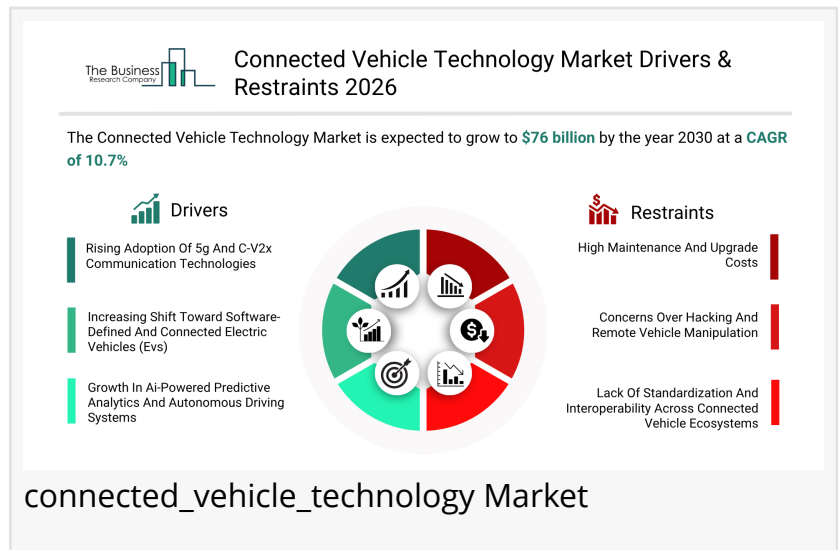
By 2030, the USA is expected to hold the largest country market share in connected vehicle technology, valued at \$17 billion. It will grow from \$11 billion in 2025 at a CAGR of 9%. Growth is driven by widespread deployment of intelligent transportation infrastructure and smart highway projects, integration of connected vehicle systems with digital payment and tolling platforms, and increased use of vehicle-to-infrastructure (V2I) traffic optimization solutions. Consumer demand for enhanced digital in-car services, rising automotive cybersecurity measures, and strong cooperation among automakers, telecom providers, and mobility tech firms further bolster the market.

Access The Detailed Connected Vehicle Technology Market Report Here

[https://thebusinessresearchcompany.com/report/connected-vehicle-technology-market-report?utm_source=EINPresswire&utm_medium=Paid&utm_campaign=Oct PR](https://thebusinessresearchcompany.com/report/connected-vehicle-technology-market-report?utm_source=EINPresswire&utm_medium=Paid&utm_campaign=Oct_PR)

Dominance of Hardware Segment Within Connected Vehicle Technology Market

The hardware component is set to be the largest segment within connected vehicle technology by 2030, accounting for 44% or \$33 billion of the total market. This segment's expansion is supported by widespread deployment of advanced telematics control units, embedded communication modules, sensor fusion, edge computing devices, smart dashboards, and digital cockpit hardware. The growth of connected electric vehicle architectures requiring specialized onboard units, continuous upgrades in vehicle infotainment and navigation systems, and OEM focus on factory-installed connectivity features drive demand in this area.



Overview of Market Segmentation by Communication, Vehicle, Application, and End Use

The connected vehicle technology market is segmented by communication type into vehicle-to-vehicle, vehicle-to-infrastructure, vehicle-to-pedestrian, and other communication methods. Vehicle segmentation includes passenger cars and commercial vehicles. Application-wise, the market covers telematics, infotainment, emergency response, navigation, and other uses. For end users, the market is divided into original equipment manufacturers (OEMs) and aftermarket sectors.

Anticipated Growth Rate of Connected Vehicle Technology Market Through 2030

The market is expected to grow at a compound annual growth rate (CAGR) of 11% leading up to 2030. This steady growth reflects increasing adoption of advanced connectivity solutions and innovative vehicle technologies.

Key Factors Driving Growth in Connected Vehicle Technology Market

The rapid adoption of 5G and Cellular Vehicle-to-Everything (C-V2X) communication technologies is a major growth driver. These technologies provide high-speed, low-latency, and reliable data exchange between vehicles, infrastructure, pedestrians, and cloud platforms, enabling applications such as real-time traffic monitoring, remote diagnostics, and over-the-air updates. As automakers integrate 5G-enabled telematics and connectivity modules, demand for connected vehicle platforms and communication hardware rises significantly, supporting 1.5% annual market growth.

Another critical factor is the shift toward software-defined vehicles and connected electric vehicles (EVs). Modern EVs rely heavily on software for battery management, vehicle functions, and user experience enhancements. Connectivity allows for remote software updates, vehicle health monitoring, and optimized charging, which drives demand for onboard communication modules, cloud-based management systems, cybersecurity, and connected mobility services. This transition is projected to add around 1.0% to the market's annual growth rate.

Growth in AI-Powered Analytics and Autonomous Vehicle Systems as a Market Catalyst

Advancements in artificial intelligence (AI) and autonomous driving technologies are accelerating market growth. AI-powered predictive analytics use data from connected vehicles to forecast maintenance needs, optimize routes, and improve overall efficiency. Autonomous systems depend on continuous communication among vehicles, sensors, cloud platforms, and infrastructure. Increased investments by automakers and fleet operators in AI-enabled mobility solutions drive demand for advanced connectivity platforms and data processing tools, contributing roughly 0.8% annual market growth.

Promising Growth Opportunities Across Hardware, Software, and Services Segments

The connected vehicle technology market's main opportunities lie in the hardware, software, and services segments, which together are expected to contribute over \$31 billion by 2030. Growth in these areas is fueled by integration of cloud-native automotive platforms, edge computing, AI-

driven predictive maintenance, subscription-based in-vehicle digital offerings, connected fleet management, real-time data monetization, and collaborations between automakers and digital service providers. These trends enhance intelligent mobility ecosystems and seamless in-car digital experiences.

From 2025 to 2030, the hardware market is projected to increase by \$13 billion, software by \$13 billion, and services by \$5 billion. The market features a diverse range of global automotive OEMs, technology suppliers, and telematics developers. Companies are focusing on advanced vehicle-to-everything (V2X) communications, real-time analytics, cloud connectivity, integrated infotainment, and cybersecurity combined with 5G technologies. Emphasis on regulatory compliance and autonomous driving integration remains crucial for competitive advantage.

Market Leader and Key Industry Players in Connected Vehicle Technology

Continental AG is identified as the market leader, holding a 4% share of global sales in 2025. The company's automotive technologies division offers a broad portfolio of connectivity solutions, telematics, V2X communication platforms, digital cockpit technologies, and advanced driver assistance systems that support real-time data exchange and smart mobility.

Other major players include Qualcomm Technologies Inc., Aptiv PLC, DENSO Corporation, Mobileye Global Inc., HARMAN International, NXP Semiconductors N.V., Robert Bosch GmbH, LG Electronics Inc., Samsung Electronics Co., Ltd., Ericsson, Siemens AG, Huawei Technologies Co., Ltd., Infineon Technologies AG, Microsoft Corporation, Cisco Systems, Verizon Connect, Intel Corporation, TomTom International B.V., and AT&T.

Market Concentration and Competitive Dynamics

The connected vehicle technology market is moderately fragmented, with the top 10 players capturing 21% of total revenue in 2025. High entry barriers stem from complex software integration, stringent cybersecurity and data privacy regulations, and the need for reliable, low-latency communication in connected mobility. Leading firms maintain their positions through diverse portfolios, strong partnerships with OEMs, global supply chains, and continuous innovation in telematics, infotainment, and connectivity technologies. As demand grows for advanced V2X and real-time data communication, strategic alliances and regional expansion will further enhance competitiveness.

Raw Material Suppliers Supporting the Connected Vehicle Technology Ecosystem

Key suppliers of raw materials and components include Qualcomm Incorporated, NVIDIA Corporation, Intel Corporation, NXP Semiconductors N.V., Texas Instruments Incorporated, Infineon Technologies AG, STMicroelectronics N.V., Renesas Electronics Corporation, Broadcom Inc., Analog Devices Inc., Microchip Technology Incorporated, Marvell Technology Inc., Rohm Semiconductor, Panasonic Holdings Corporation, Sony Semiconductor Solutions Corporation, Samsung Electronics Co. Ltd., Huawei Technologies Co. Ltd., Bosch Mobility Solutions, Continental AG, Aptiv PLC, Valeo S.A., Denso Corporation, ZF Friedrichshafen AG, TomTom N.V., and HERE Technologies.

Leading Wholesalers and Distributors in the Connected Vehicle Market

Major distribution channels include Arrow Electronics Inc., Avnet Inc., Ingram Micro Inc., Tech Data Corporation, Synnex Corporation, Future Electronics Inc., Digi-Key Electronics, Mouser Electronics Inc., RS Group plc, Farnell Global Trading Limited, TTI Inc., ScanSource Inc., Westcon Group, Exclusive Networks SA, ALSO Holding AG, Esprinet S.p.A., Redington Limited, Macnica Inc., EET Group A/S, Mindware FZ LLC, Logicom Public Limited, ASBIS Enterprises PLC, Bechtle AG, CDW Corporation, and Insight Enterprises Inc.

Key End Users Driving Market Demand

The connected vehicle technology market serves a diverse range of end users, including Tesla Inc., General Motors Company, Ford Motor Company, Toyota Motor Corporation, Volkswagen AG, BMW Group, Mercedes-Benz Group AG, Stellantis N.V., Hyundai Motor Company, Nissan Motor Company Limited, Honda Motor Co. Ltd., Kia Corporation, Uber Technologies Inc., Lyft Inc., Didi Global Inc., Grab Holdings Limited, Baidu Inc., Amazon.com Inc., Apple Inc., Google LLC, Microsoft Corporation, Cisco Systems Inc., Ericsson AB, and Verizon Communications Inc.

Emerging Competitive Trends Transforming the Connected Vehicle Market

The adoption of dual-tier connected services models is reshaping user experiences by expanding service accessibility and facilitating flexible monetization of digital in-vehicle features. For example, in April 2026, Stellantis N.V. introduced a two-tier connected vehicle service, including a basic connect one package alongside a subscription-based advanced services tier. This approach supports scalable adoption, boosts customer engagement, and allows continuous upgrades to digital mobility offerings.

Strategies Companies Employ to Maintain Market Leadership

Leading companies focus on developing connected vehicle platforms that enable seamless real-time data exchange and V2X connectivity. They are leveraging AI, edge computing, and sensor fusion technologies to improve vehicle safety and navigation. Expanding telematics and cloud ecosystems enhances monitoring and maintenance capabilities, while integrating cybersecurity with 5G connectivity strengthens data protection and system reliability. These strategic priorities aim to secure competitive advantages in the fast-evolving smart mobility sector.

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- Market attractiveness scoring and analysis
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- Company scoring matrix graphics and tables
- Excel-based forecasting dashboards
- Market hotspots infographics
- Key technologies and future trend analysis
- Updated graphics and tables

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