



Global Commercial Vehicle Telematics Market to Reach US\$11.2 Billion by 2015, According to New Report by Global Industry Analysts, Inc.

GIA announces the release of a comprehensive global report on Commercial Vehicle Telematics market. Focus on next generation vehicle telematics applications, such as in-vehicle terminal assistance, automatic vehicle identifier systems, incident detection systems, fleet operation management systems and remote vehicle diagnostics in the post recession period will stimulate world commercial vehicle telematics market to reach US\$11.2 billion by the year 2015.

San Jose, CA (Vocus/PRWEB) January 06, 2011 -- Telematics has transcended its image from being a vehicle accessory to currently being perceived as an indispensable mobile navigation service. The growing emphasis on convenience, safety, and efficiency has narrowed the focus onto the use of telematics in the transportation sector. The incorporation of telematics with safety & security (emergency warnings and vehicle repairs), navigation & traffic information, multimedia (video & music), and information & commerce (stock trading, news, online banking) and other information services makes it a favorite among vehicle owners.

The soft business climate in the automotive industry, one of the worst hit industries by the recession, pushed the market for commercial vehicle telematics into the red in the year 2009. All of the factors, which brought down the automotive industry, such as, declines in new vehicle sales/registrations, restricted access to credit, falling business confidence index, weakened financial strength & budgets and ensuing postponements of purchases, also played instrumental roles in dragging down growth in the market. Commercial vehicles have been especially impacted with fleet owners focusing on maintaining existing vehicle fleets rather than purchase new vehicles. Additionally, since demand for light commercial vehicles is largely dependent on end-user industries like, logistics, distribution and service sectors like plumbing, home improvement, and emergency services, among others, low levels of economic activity, and reduced municipality/government spends, took its toll on the market. For instance, the recession has come down especially hard on the transportation industry inducing reductions in passenger and cargo traffic. The trucking industry withstood the maximum impact with freezing of consumer spending and slowing levels of economic activity resulting in the collapse of production & trade. Reduced size of loads, and half loads quelled the immediate need for fleet expansion in the trucking industry.

In addition to scaling back on vehicle miles traveled, fleet owners also resorted to reducing the number of cars in their fleet, especially 'grey fleet'. Vehicle fleet shrinkage witnessed during the years 2008 and 2009 resulted in reducing the demand for fleet management systems including commercial vehicle telematics hardware and services. Automotive aftermarket for in-vehicle electronics such as, telematics packages and Global Positioning System (GPS) also witnessed significant erosions in growth as investments were largely confined to just necessities. New telematics technologies, therefore, experienced lethargic growth in 2009 due to the extra cost involved in implementation of these systems. Subscription based telematics services also witnessed declines as a result of fall in new subscriptions and postponement of renewals of existing subscriptions. The instability of the automotive industry in short has had a direct impact on the market for navigation technologies and solutions including telematics.

However, growth in the market has made a quick and rapid rebound in the year 2010 largely due to improving economic conditions, technology developments and falling costs. Interestingly, the rebound in growth is led primarily by encouraging demand from transportation and logistics companies wherein during times of economic hardships, like the present, the focus reverts towards reducing the cost of vehicle fleet management.

And new telematic technologies, in this regard, allow fleet owners to reduce costs by cutting down unnecessary business mileage, boost productivity and improve customer service. Volatile fuel prices, which are forecast to rally up when the economy rebounds, will offer added business case for telematics technology growth, and adoption, given its ability to reduce energy/fuel costs and expand profit margins for fleet owners.

Growing consumer awareness and education over the importance of telematics technologies will drive adoption of CVT systems market in the upcoming years. The need for effective vehicle tracking technology/solutions to enable real-time dispatch fleet operations is expected to continue driving growth of telematics services in diverse application areas such as, cargo delivery, public transportation like taxis, and emergency service vehicles, among others. Revenues for [Telematics \(TM\) Services](#) market in US are expected to surge at a CAGR of 13.5% during the analysis period. The upcoming years will also witness accelerated evolution of telematics as an established standard on vehicles as smart energy management spirals to the top of the priority list, among both automakers and consumers alike. In this regard, the role played by navigation in reducing energy/fuel consumption will rise in importance. The development of electric vehicles will additionally offer added impetus to growth as the need for determining vehicle location, re-fuelling stations, battery swap stations is more pronounced for batteries powered vehicles. In addition to the OEM market, growth will also be driven by telematics aftermarket sector where retrofitting these solutions in existing vehicle fleets represents an immense opportunity in itself.

The United States and Europe account for a major share of the global [Commercial Vehicle Telematics](#) market, as stated by the new market research report. CV telematics demand across all regional markets is forecast to increase at a double-digit rate during the period 2011 through 2015, thanks to the massive synchronized liquidity injections by major governments, and favorable government mandates that require vehicles to be equipped with emergency services. Growth in the market will be driven by the potential for widespread use, and promotional support extended by governments. For example, Japanese government policy to promote intelligent transport systems has led to increased uptake of vehicle information and communication systems (VICS). European demand for [TM Hardware](#) is expected to increase at a CAGR of 7.9% during the analysis period. In the future, emerging economies will play a greater role in CV telematics industry's prospects. This has especially been the case in Asia, where emerging countries are leading the recovery.

Major players in the marketplace include AirIQ, ATX Group, ETAS Group, MinorPlanet Systems, OnStar Corporation, Punch Telematix, QUALCOMM, WebTech Wireless, and Wireless Matrix Corporation, among others.

The research report titled “Commercial Vehicle Telematics: A Global Strategic Business Report” announced by Global Industry Analysts, Inc., provides a comprehensive review of market trends, issues, drivers, company profiles, mergers, acquisitions and other strategic industry activities. The report provides market estimates and projections (in US\$ Million) for major geographic markets including the United States, Canada, Japan, Europe, Asia-Pacific, Latin America and Rest of World. North American and European markets are further analyzed by TM Hardware and TM Services.

For more details about this comprehensive market research report, please visit – http://www.strategy.com/Commercial_Vehicle_Telematics_Market_Report.asp

About Global Industry Analysts, Inc.

[Global Industry Analysts, Inc., \(GIA\)](#) is a reputed publisher of off-the-shelf market research. Founded in 1987, the company is globally recognized as one of the world’s largest market research publishers. The company



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