Intelligent Transportation Systems Market Valued an Estimated $30billion

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According to a recent report published by Transparency Market Research, the Intelligent Transportation Systems (ITS) market, which is still in its developmental and experimental stages, could hold a market value of an estimated $30.2 billion by 2019. In the next five years, this market could observe growth at a CAGR of 11.1%.Â

The demand of ITS systems is on a rise throughout the globe owing to the many benefits provided by even the basic ITS mechanisms - the need for managing traffic congestion in metropolitan areas being one of the prime reasons.

But beyond traffic management, ITS systems also help in maintaining road safety, reducing the number of accidents and increasing the mobility of the overall transport system. Added mobility also results in reduction of use of fuel and naturally to the reduction of carbon emission to the environment. Reduced fuel consumption leads to economic development of a country.

Product-wise, the section of advanced transportation management systems (ATMS), the devices used for traffic control and management, are currently the most popular market segment of the industry. In 2012, this segment accounted for nearly 42.1% revenues of the total global revenues of the ITS industry. The product segment of advanced vehicle pricing that includes systems for electronic toll collection, congestion pricing, etc. also possess huge potential for growth. Â

The area of automotive telematics is another major segment of potential ITS application. The huge demand for navigation systems and vehicle positioning systems from both vehicle owners as well as manufacturers could result in significant growth opportunities for this market.Â Â Â

Geographically, the ITS industry has the region of North America as its major revenue generator. In 2012, this region had an estimated 42.2% shares of the total global revenues of this industry. Particularly in the US, promotional activities and government initiatives have resulted in an increased demand for ITS systems in both the private as well as public sectors.

As for many other industries, the future seems bright for the global ITS industry as well in the Asia Pacific region. Huge investments are expected in the industry from countries such as Thailand, Malaysia, China and India. Additionally, the huge development in the ITS market is also expected from countries in the Middle East, Africa and South America, owing to the possibilities of economic growth provided by the ITS industry for these countries.

The global market of ITS systems is very competitive with a large number of domestic as well as multinational players. Some of the major market leaders include Kapsch TrafficCom AG(Austria), Siemens AG (Germany), Hitachi Ltd (Japan), TomTom NV (Netherlands), Q-Free ASA (Norway), Xerox (U.S.), Denso Corp (Japan), etc.Â