INTELLIGENT TRANSPORTATION SYSTEM (ITS) MARKET
- TRENDS, ADOPTION & WORLDWIDE FORECAST BY SYSTEMS & APPLICATIONS (2012 – 2017)
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1 INTRODUCTION

1.1 REPORT DESCRIPTION

The intelligent transportation systems market, as the name suggests, looks into technological aspects with regards to improvement of the overall infrastructure of transportation. Enhancement of the overall safety and security in the transportation sector has witnessed tremendous boost off late.

The ITS market covered in the report includes only the roadway transportation; as the rate of developments and improvements in the sector of roadway transportation is very high. This ITS market research report covers Advanced Traveler Information System, Advanced Traffic Management System, ITS-Enabled Transportation Pricing System, Advanced Public Transportation System, and Commercial Vehicle Operation. It also covers applications such as fleet management and asset monitoring, traffic monitoring, collision avoidance system, traffic signal control system, variable traffic message signs, parking availability system, and traffic enforcement cameras. Geographically, the report is segmented into North America, Europe, Asia-Pacific, and Rest of the World. These segments are further segmented into the major countries. The report forecasts the growth from 2012 to 2017, along with market size, list of leading players, the latest technology adopted, M&A's, and JV's of key players.
2 EXECUTIVE SUMMARY

Intelligent transportation systems have been constantly evolving over the decades after their introduction in 1980s. There have been huge advances and developments, both in terms of systems and the way they can be integrated altogether.

The burgeoning vehicle ownership, increase in population, and migration of villagers to the metropolitan cities are the major factors of traffic congestion. Traffic congestion reduces the efficiency of transportation infrastructure and also increases the travel time, fuel consumption, and air pollution. To overcome this problem, many countries like the U.S., Germany, U.K., Japan, etc. are deploying intelligent transportation system.

The overall transportation scenario is rapidly changing by the utilization of innovative technologies such as smart cards, information systems, on-board devices, etc. Advanced traffic management systems will enhance road transport significantly by improving safety and security. In security-related aspects, intelligent transportation system helps to prevent and respond to disaster and crisis situations arising from natural causes and human errors. It helps to keep a watch on transportation facilities and also to provide personal security for passengers using the public transport system.

The global market for intelligent transportation system is expected to grow at a CAGR of XX% from 2012 to 2017. Solutions to traffic congestion, government funding, better supply chain management, etc are the major drivers to this market. Intelligent transportation system offers feature like traffic prediction, analytics and decision support, advisory services, traveler information, ticketing, and fare collection. Modern tools like roadside sensors, radio frequency tags, and global positioning systems also assist in monitoring, and managing transport more effectively.

It is expected that the ITS market will grow in the next five years as many developing countries like China, India are in the favor of deploying ITS. The major players contributing to the market of ITS are Kapsch (Austria), Logica (U.K.), Q-Free (Norway), Thales (France), Sigtec (Australia), Efkon (Austria), and many more.
TABLE 1

GLOBAL INTELLIGENT TRANSPORTATION SYSTEM MARKET REVENUE, BY SYSTEMS, 2011 – 2017 ($BILLION)

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Source: MarketsandMarkets Analysis

The global intelligent transportation system market is estimated to grow from $XX billion in 2012 to $XX billion in 2017, at a CAGR of XX% from 2012 to 2017. The growth of the ITS system market is mainly due to increasing concern of countries in terms of decreasing traffic congestion and improving transport infrastructure. Advanced traffic management system is the major contributor to the overall market for intelligent transportation system; the market for advanced traffic management system is expected to reach $XX billion in 2017 from $XX billion in the year 2017 at a CAGR of XX%. Increasing numbers of vehicles and migration from rural areas to the metropolitan cities are the major reasons behind deployment of advanced traffic management system. Countries in Europe like Germany, U.K, France are more concerned in improving public transport; due to which they are deploying more advanced public transportation system.
TABLE 2

INTELLIGENT TRANSPORTATION SYSTEM MARKET REVENUE, BY GEOGRAPHY, 2011 – 2017 ($BILLION)

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Source: MarketsandMarkets Analysis

North America is estimated to generate revenue of $XX billion in 2012 and the number is expected to reach $XX billion in 2017 at a CAGR of XX% from 2012 to 2017. Europe is estimated to generate $4.78 billion in 2012 and expected to reach $XX billion in 2017 at a CAGR of XX% from 2012 to 2017. APAC is estimated to generate $XX billion in 2012 and forecasted to reach $XX billion in 2017 at a CAGR of XX% from 2012 to 2017.

Adoption of intelligent transportation system to overcome the traffic congestion problem and enhancement of the safety and security of road transport are the reasons behind the growth of intelligent transportation system market. APAC has the highest potential, expected to grow at a CAGR of XX% as developing countries like China, India, etc. have significant investment plan to deploy ITS.
3 MARKET OVERVIEW

3.1 INTRODUCTION

The term “Intelligent Transportation Systems (ITS)” refers to information and communication technology applied to transport infrastructure and vehicles that improve transport outcomes such as transport safety, transport productivity, travel reliability, informed travel choices, social equity, environmental performance, and network operation resilience.

FIGURE 1

OVERVIEW OF THE INTELLIGENT TRANSPORTATION SYSTEMS (ITS) MARKET

Source: MarketsandMarkets Analysis
3.2 MARKET DYNAMICS

3.2.1 SYSTEM ANALYSIS OF ITS

ITS is segregated into five major systems on the basis of its deployment in various countries. The figure shows the potential and the significance of the five different ITS systems in the overall market of ITS.

![FIGURE 2]

TARGET SYSTEMS OF ITS

The most attractive of all the systems of “ITS” is Advanced Traffic Management System (ATMS), Advanced Public Transportation System (APTS), and Electronic Pricing System. The rate of adoption of these systems in urban areas has been very high and will continue to be so. The other systems like Advanced Traveler Information System (ATIS) and Commercial Vehicle
Operation are eventually gaining momentum. The major focus of the government of different countries like U.S., Japan, Korea, Germany, and others is to reduce the congestion level in the urban areas, which is the major reason behind the deployment of the ATMS and ATIS systems. Developing countries like China, India, Middle East, and others have significant investment plans for the development of the expressways and highways, which will boost the market for electronic pricing systems in the ITS market.

3.2.2 LIFE CYCLE OF ITS MARKET BY SYSTEM

The life cycle of ITS market by systems includes five major systems like Advanced Traffic Management System (ATMS), Advanced Traveler Information System (ATIS), Electronic Pricing System, Advanced Public Transportation System (APTS), and Commercial Vehicle Operation.

![FIGURE 3](image)

LIFE CYCLE OF ITS BY SYSTEMS

Source: MarketsandMarkets Analysis
In the life cycle of the ITS market by system, commercial vehicle operation is in the introductory phase but it is expected that in the next five years there will be more deployment of this system. The major reason behind the growth in the commercial vehicle operation system is that the logistic companies are more concerned towards the improvement in the supply chain management. ATMS and ATIS are the two major systems placed in the growth phase of the life cycle as these two systems are the mostly deployed systems. The major reason behind the deployment of the ITS system is to improve the safety and security of the drivers and travelers of the vehicles, as well as to reduce the pollution caused by CO₂ emission.

**FIGURE 4**

**ITS MARKET: CURRENT AND POTENTIAL CONTRIBUTORS**

Countries like U.S., Germany, Japan and France are the major contributors in the overall market of ITS, where as countries like China, India, U.K. and Mexico are considered to be the potential countries for the deployment of ITS. The increasing projects of highway and expressway and government initiative towards the improvement of road transport in urban areas are the major reason behind the growth of ITS market in the next five years.
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