The Global Automotive OEM Telematics Market

7th edition

The Global Automotive OEM Telematics Market is the seventh consecutive report from Berg Insight analysing the latest developments on the connected car market worldwide. This strategic research report from Berg Insight provides you with 325 pages of unique business intelligence including 5-year industry forecasts and expert commentary on which to base your business decisions.

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The installed base of embedded OEM telematics systems to reach 377 million units by 2026

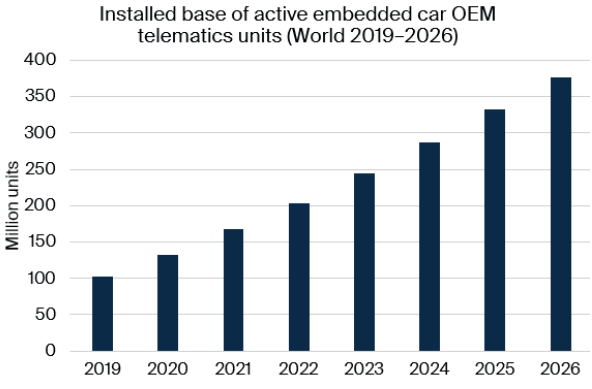
Telematics is a broad term that may be applied to a wide range of automotive connectivity solutions. Berg Insight's definition of a car telematics system in this report is an automatic system designed for passenger cars that incorporates some form of cellular communications. Mobile networks have enabled online connectivity with two-way communications at the same time as GPS technology has been commoditised to the extent that satellite positioning can be integrated into virtually any device. Automotive manufacturers can choose between several connectivity options when creating connected car services, which are not mutually exclusive. The main options are embedded telematics devices, tethered devices and integrated smartphones. Connectivity and intelligence can be built into the car in the form of embedded systems. Solutions relying on integrated smartphones leverage the connectivity and intelligence built into the smartphone. Carmakers often use a combination of these options to address different customer requirements and keep pace with the rapid development of mobile technology.

Several categories of car telematics applications are now offered on a commercial basis by most leading carmakers. Examples include eCall and roadside assistance, stolen vehicle tracking (SVT), vehicle diagnostics, over-the-air updates, connected navigation and infotainment, Wi-Fi hotspots as well as concierge services and convenience applications. Convenience applications mainly rely on embedded telematics devices to enable remote control of vehicle functions such as door lock/unlock, vehicle preconditioning (heating or cooling of the passenger compartment before a trip), EV charging management and finding the last parking position. Several other applications also exist, for instance usage-based insurance, leasing and rental fleet management as well as electronic toll collection and road charging. Carmakers are also gradually exploring in-vehicle commerce platforms and data exchanges to offer telematics data to third-party service providers. During the past years, carmakers have supported third-party service providers with APIs enabling data access and SDKs for application development.

The connected car is a major trend in the automotive industry and virtually all of the world's leading carmakers have launched mass-market services in key regions. The drivers behind the adoption of OEM telematics are both commercial and regulatory. Regulatory initiatives related to safety and security will have a decisive effect on the adoption of OEM telematics in Europe. The EU's eCall initiative and Russia's ERA-GLONASS have made an automatic emergency call device a mandatory safety feature in all new car models sold. In North America, commercial services have driven the adoption of OEM telematics services that have evolved from being a differentiator to a mainstream feature now offered by nearly all the leading car brands on a majority of their models.

Berg Insight estimates that about 62 percent of all new cars sold worldwide in 2020 were equipped with an OEM embedded telematics system, up from 51 percent in 2019. North America is the most advanced market in terms of premium telematics services with an attach rate of 77 percent. The EU+EFTA region is picking up pace and had an attach rate of 72 percent. Other developed markets such as Japan and South Korea currently have attach rates of approximately 55 percent. China has emerged as an important market for telematics services with an attach rate of about 60 percent in 2020. In other regions, the attach rate is relatively low at about 20 percent. GM, BMW, Toyota, Ford, Mercedes-Benz and Stellantis are the leading adopters of embedded telematics, widely offering the technology as a standard feature across models and geographies. GM has offered telematics services for more than two decades, offering the technology as an integral part of its value proposition in North America, Europe and China. BMW introduced its ConnectedDrive service in North America and Western Europe in 1997. Other major car brands offering embedded telematics on a broad scale include Hyundai, Volkswagen, Volvo Cars, Renault, JLR and Tesla.

Berg Insight estimates that total shipments of embedded OEM telematics systems reached almost 41.1 million units worldwide in 2020. Growing at a compound annual growth rate of 11.0 percent, the shipments are expected to reach 76.9 million units in 2026. During the same time, the attach rate of embedded telematics units is forecasted to increase from about 62 percent in 2020 to 91 percent at the end of the forecast period. The number of telematics subscribers using embedded systems is forecasted to grow at a compound annual growth rate of 19.0 percent from 132.8 million subscribers in 2020 to 376.8 million in 2026.



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New data on car populations and new car registrations worldwide.

Comprehensive overview of the car OEM telematics value chain and key applications.

In-depth analysis of market trends and key developments.

Detailed profiles of 21 major car OEMs and their telematics propositions.

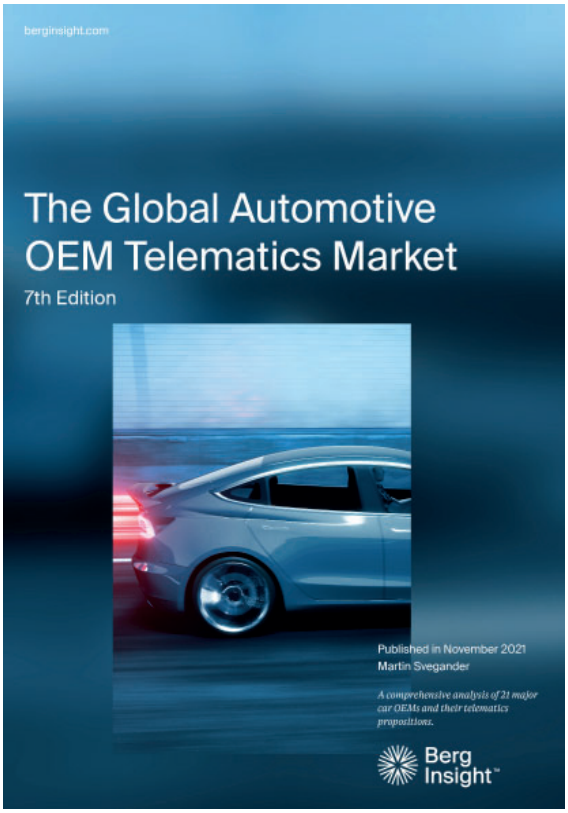
Updated market forecasts by region lasting until 2026.

The report answers the following questions

- What is the current status of the car OEM telematics industry?
- Which are the key OEM telematics applications?
- Which are the leading telematics service providers?
- How are mobile operators and MVNOs positioning themselves in the telematics value chain?
- What telematics offerings are available from the leading car OEMs today?
- What business models are used by car OEMs?
- How will the market evolve in Europe, North America, Latin America, Asia-Pacific and MEA?
- How will autonomous cars, electric vehicles and carsharing change the need for connectivity?

About Berg Insight's IoT market research

Our market reports offer comprehensive information and analysis on key IoT technologies and markets, addressing important concerns including total addressable market, market penetration, market shares, industry landscape, regulatory environment, market trends and forecasts. Our research portfolio today comprises more than 50 items, where each market report focuses on a specific vertical application area or cover horizontal themes. All market reports come with complementary data sets in Excel format that can be easily analysed and converted into tables and charts. We offer a range of different license options together with bundled packages and subscriptions to suit your specific needs.



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The Global Automotive OEM Telematics Market

What are the latest trends on the global car OEM telematics market? Berg Insight estimates that nearly 62 percent of all cars sold worldwide in 2020 were equipped with OEM embedded telematics. Examples of applications include eCall and roadside assistance, stolen vehicle tracking, vehicle diagnostics, connected navigation and infotainment, Wi-Fi hotspot, convenience applications, over-the-air updates, in-vehicle payments, UBI and rental fleet management. Get up to date with the latest industry trends in this new 325-page report.

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The Global Automotive OEM Telematics Market is the foremost source of information about the rapid adoption of car telematics. Whether you are a car manufacturer, telematics service provider, telecom operator, content provider, investor, consultant, or government agency, you will gain valuable insights from our in-depth research.

AUTHOR

Martin Svegander

Martin leads the automotive research programme at Berg Insight and is recognised as a thought leader in the connected car ecosystem. He performs strategic analysis of OEM and aftermarket car telematics services, data monetisation services such as insurance telematics and shared mobility, among many other topics. Martin's research has been widely quoted in IoT industry magazines and other major publications such as Financial Times, The Wall Street Journal, The Times and The New York Times. Martin holds a Master of Science in Industrial Engineering and Management from the Institute of Technology, Linköping University, Sweden and joined Berg Insight in 2017.

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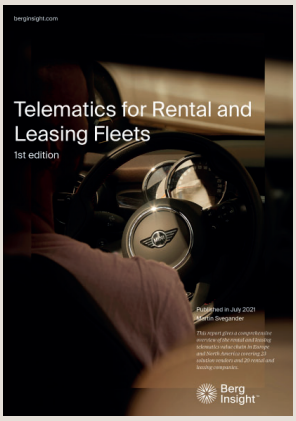

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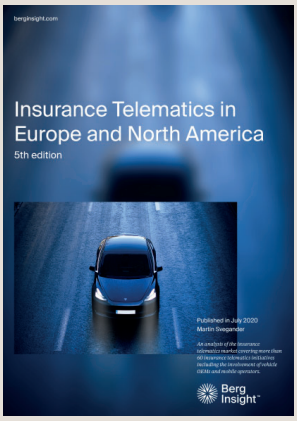

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