

Automotive Telematics System Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> **Industry:** Connected Cars, Software & Cockpit (Automotive & Transportation)

> **Source:** <https://www.mordorintelligence.com/industry-reports/automotive-telematics-system-market>

> **Scraped Date:** 2026-09-17

Executive Market Summary

Market Metric	Details
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Base Market Size	USD 11.47 billion
Projected Forecast (2031)	USD 11.47 billion
Growth Rate (CAGR)	12.38 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

![Major players in Automotive Telematics System industry](images/chart_2.png)

![Automotive Telematics System Market Size](images/chart_3.png)

![Automotive Telematics System Market Share by Service, 2025](images/chart_4.png)

![Automotive Telematics System Market Share by Vehicle Type, 2025](images/chart_5.png)

![Automotive Telematics System Market Growth Rate by Region](images/chart_6.png)

![Automotive Telematics System Market Concentration](images/chart_7.png)

![Icon](images/chart_8.png)

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![GPTW](images/chart_19.png)

Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market Overview

Study Period	2021 - 2031
Market Size (2026)	USD 11.47 Billion
Market Size (2031)	USD 20.56 Billion
Growth Rate (2026 - 2031)	12.38 %
Fastest Growing Market	Asia-Pacific

Largest Market | North America |

Market Concentration | Medium |

Major Players*Disclaimer: Major Players sorted in no particular order

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Market Overview

Automotive Telematics System Market Analysis by Mordor IntelligenceAutomotive telematics system market size in 2026 is estimated at USD 11.47 billion, growing from 2025 value of USD 10.21 billion with 2031 projections showing USD 20.56 billion, growing at 12.38% CAGR over 2026-2031. Rising regulatory requirements for in-vehicle emergency calls, falling connectivity costs, and the shift toward software-defined vehicles are expanding baseline connectivity across model ranges. Commercial operators are turning to telematics to offset fuel volatility and driver shortages, which lifts demand for fleet-management platforms capable of doubling digit fuel savings and crash reduction. Growth opportunities also stem from electric-vehicle charging optimization, vehicle-to-grid services, and emerging API marketplaces that let third parties purchase anonymised data streams.

Key Report Takeaways

- * By service, fleet management led with 25.05% revenue share in 2025, whereas V2X & OTA updates are projected to expand at a 31.02% CAGR to 2031.
- * By sales channel type, OEM-fitted systems accounted for 66.45% of the automotive telematics market share in 2025, while the aftermarket is set to grow at 19.2% CAGR through 2031.
- * By connectivity solution, embedded architectures held 69.40% of the automotive telematics market size in 2025 and are advancing at a 27.1% CAGR.
- * By vehicle type, passenger cars contributed 63.62% of 2025 revenue; light commercial vehicles are forecast to grow at 17.9% CAGR between 2026-2031.
- * By end-user, fleet operators captured 32.70% of 2025 revenue, whereas car-sharing and mobility providers will record the fastest growth at 24.85% CAGR.
- * By geography, North America maintained a 26.90% revenue share in 2025; Asia-Pacific is rising at a 20.9% CAGR on the back of Chinese and Indian digitisation mandates.

Key Market Trends

Global Automotive Telematics System Market Trends and InsightsDrivers Impact Analysis*

Driver | (~) % Impact on CAGR Forecast | Geographic Relevance | Impact Timeline

- Government eCall Mandates | +2.1% | Europe, Russia, Brazil, spillover to APAC | Medium term (2-4 years) |
 - Fleet-Optimization Amid Fuel Volatility | +1.8% | Global; focus on North America & Europe | Short term (≤ 2 years) |
 - Usage-Based-Insurance Adoption | +1.5% | North America, Europe, core APAC markets | Medium term (2-4 years) |
 - EV Charging-Network Integration | +1.2% | China, EU, California | Long term (≥ 4 years) |
 - Monetization of In-Vehicle Data | +0.9% | Developed markets | Long term (≥ 4 years) |
 - UNECE OTA-Cyber-Security Regulations | +0.7% | Europe; global harmonization | Medium term (2-4 years) |
- Source: Mordor Intelligence |

Competitive Landscape

Competitive Landscape

Competition sits at a moderate level of concentration as factory-fit solutions from global automakers—including General Motors, Stellantis, Ford, and Toyota—overlap with specialist aftermarket providers such as Verizon Connect, Geotab, Trimble, and TomTom. Pure-play players emphasise data analytics and open-API ecosystems that appeal to enterprise fleets, while Tier-1 suppliers like Continental, Bosch, ZF, and Harman embed 5G and cybersecurity capabilities directly into telematics control units. Technology conglomerates—including LG Electronics and Qualcomm—supply cloud, edge-compute, and AI toolchains that allow smaller brands to white-label end-to-end platforms.

Strategic partnerships define market evolution. LG Electronics invested USD 60.5 million in a Mexican telematics factory, adding 400 jobs to shorten North American supply chains. HERE Technologies expanded its HD mapping collaboration with fleet-management vendors to deliver centimeter-level lane guidance. Cybersecurity vendors capitalize on UNECE R155 compliance audits, offering managed threat-detection services embedded at the TCU and gateway levels. White-space niches such as agricultural equipment, micro-mobility, and off-highway machinery attract start-ups that bundle ruggedized sensors with cloud dashboards.

Technological differentiation hinges on multi-radio (satellite, cellular, Wi-Fi) connectivity, edge-compute offload, and AI-driven predictive models. 5G Release 17 features like reduced-capability NR devices allow cost-effective rural coverage, while vehicle-edge containerization supports low-latency sensor fusion essential for assisted-driving functions. The race to secure developer mindshare intensifies, with OEMs and Tier-1s launching app stores offering SDKs, documentation and revenue-sharing terms. Success factors now encompass data-governance maturity and the ability to provide cross-domain digital twins linking vehicles, infrastructure and energy grids.

Automotive Telematics System Industry Leaders* Robert Bosch GmbH

* Continental AG

* Denso Corporation

* Harman International (Samsung)

* Verizon Connect

* *Disclaimer: Major Players sorted in no particular order

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Scope Methodology P Space

This market is sized as the revenue generated from in-vehicle telematics systems and related services that capture, transmit, and use vehicle data for functions like navigation, safety, diagnostics, and fleet tracking across passenger and commercial vehicles.

Scope exclusions: stand-alone infotainment head units that do not enable two-way vehicle data transfer are not counted.

Segmentation Container

- * By Service* Infotainment and Navigation
- * Fleet Management
- * Safety & Security
- * Diagnostics and Prognostics
- * Insurance Telematics
- * V2X and OTA Updates

- * By Sales Channel Type* OEM-fitted
- * Aftermarket
- * By Connectivity Solution* Embedded
- * Integrated-smartphone
- * Tethered / Portable
- * By Vehicle Type* Two-Wheelers
- * Passenger Cars* Hatchbacks
- * Sedans
- * SUVs and MPVs
- * Light Commercial Vehicles
- * Medium and Heavy Commercial Vehicles
- * By End-User* Private Consumers
- * Fleet Operators
- * Insurance and Leasing Firms
- * Car-Sharing and Mobility Providers
- * By Geography* North America* United States
- * Canada
- * Rest of North America
- * South America* Brazil
- * Argentina
- * Rest of South America
- * Europe* Germany
- * United Kingdom
- * France
- * Italy
- * Spain
- * Russia
- * Rest of Europe
- * Asia-Pacific* China
- * Japan
- * India
- * South Korea
- * Rest of Asia-Pacific
- * Middle East and Africa* Egypt
- * Turkey
- * Saudi Arabia
- * United Arab of Emirates
- * Rest of Middle East and Africa

Frequently Asked Questions

What is the current size of the automotive telematics market?

The market generated USD 11.47 billion in 2026 and is forecast to reach USD 20.56 billion by 2031, growing at a 12.38% CAGR.

Which service category holds the largest share of the automotive telematics market?

Fleet-management platforms lead with a 25.05% revenue share in 2025, thanks to proven fuel savings and safety benefits.

Why is Asia-Pacific the fastest-growing region for automotive telematics?

Chinese connected-car mandates and Indian commercial-vehicle digitization policies are driving a 20.9% CAGR in Asia-Pacific adoption.

How do OEM-fitted and aftermarket channels compare?

OEM-fitted systems captured 66.45% of 2025 revenue, but aftermarket solutions are expanding at 19.2% CAGR as older fleets retrofit connectivity.