

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

> ****Industry:**** Tires, Components & Aftermarket (Automotive & Transportation)
> ****Source:**** https://www.mordorintelligence.com/industry-reports/automotive-transmission-market(https://www.mordorintelligence.com/industry-reports/automotive-transmission-market)
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Executive Market Summary

Market Metric	Details
Base Market Size	USD 163.39 billion
Projected Forecast (2031)	USD 163.39 billion
Growth Rate (CAGR)	5.12 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

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

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

! [Automotive Transmission Market Share by Transmission Type, 2025](images/chart_4.png)

! [Automotive Transmission Market Share by Propulsion Technology, 2025](images/chart_5.png)

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

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

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Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market Overview

Study Period
|

2019 - 2031
|

Market Size (2026)
|

USD 163.39 Billion
|

Market Size (2031)
|

USD 209.73 Billion
|

Growth Rate (2026 - 2031)
|

5.12 %
|

Fastest Growing Market
|

South America
|

Largest Market

Asia-Pacific

Market Concentration

Medium

Major Players

*Disclaimer: Major Players sorted in no particular order

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Market Overview

Automotive Transmission Market Analysis by Mordor Intelligence

The automotive transmission market size is expected to grow from USD 155.04 billion in 2025 to USD 163.39 billion in 2026 and is forecast to reach USD 209.73 billion by 2031, growing at a 5.12% CAGR during the forecast period (2026-2031). Growth hinges on the rapid pivot from manual gearboxes toward software-defined, electrified drivelines, reinforced by tighter Corporate Average Fuel Economy standards in the United States and parallel mandates across the European Union and China. Automatic units retained demand leadership, yet dual-clutch systems are outpacing all rivals as performance-minded buyers seek sub-200-millisecond shifts without sacrificing fuel economy. Passenger-car domination continues, but light commercial fleets are electrifying more quickly as e-commerce logistics firms retrofit vans with automated manual transmissions to address driver shortages.

Key Report Takeaways

- * By transmission type, automatic systems led the automotive transmission market, accounting for a 41.03% revenue share in 2025. Meanwhile, dual-clutch units are forecast to grow at a 5.89% CAGR through 2031.
- * By vehicle type, passenger cars accounted for 64.79% of the automotive transmission market share in 2025; light commercial vehicles posted the fastest growth at a 5.62% CAGR through 2031.
- * By propulsion technology, internal-combustion engines accounted for 72.94% of the automotive transmission market size in 2025, yet fuel cell electric vehicles registered the highest 6.34% CAGR through 2031.
- * By sales channel, OEM fitments dominated the automotive transmission market with a 90.88% share in 2025, whereas the aftermarket expanded at a 6.21% CAGR through 2031.
- * By geography, the Asia-Pacific region led the automotive transmission market with a 43.67% revenue share in 2025, while South America is projected to post the fastest growth at a 6.28% CAGR through 2031.

Key Market Trends

Market Trends and Insights

Drivers Impact Analysis of Automotive Transmission Market*

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

Rapid Growth of Hybrid and BEV E-axle

|

+1.5%
|

Global, with China and Europe leading adoption

Short term (≤ 2 years)

Tightening Global CO₂ Regulations

|

+1.2%

Global, with EU and North America leading

Medium term (2-4 years)

Consumer Shift Toward Automatic and DCT

|

+0.8%
|

Asia-Pacific core, expanding to emerging markets
|

Long term (≥ 4 years)
|

Commercial-Vehicle Demand for AMT

|

+0.6%

North America and Europe primarily

Medium term (2-4 years)

Silicon-Carbide Inverter Cost Decline

|

+0.4%

Global, with early adoption in premium segments

Long term (≥ 4 years)

Software-Defined "shift-by-wire" Enabling OTA Feature Monetization

|

+0.3%

North America and Europe initially

Medium term (2-4 years)

Competitive Landscape

Competitive Landscape

The top five suppliers accounted for a significant portion of the global passenger-car volume in 2025, indicating moderate concentration. JATCO focused on CVT leadership, while Hyundai Transys captured internal demand for six-speed and hybrid models.

Smaller innovators target white-space niches. Punch Powertrain's dedicated hybrid gearbox enables 130 km/h electric cruising, making it an appealing option for European cities that are enforcing diesel bans. Schaeffler's 100 kW P2+ module enables automakers to retrofit existing eight-speed cases, thereby shortening launch cycles by a year.

Technology leadership now revolves around software. Continental's shift-by-wire unlocks subscription revenues and hardens cybersecurity. Magna filed a 2024 patent for an integrated coolant pathway that trims e-axle mass by 4.2 kilograms. Meanwhile, ZF's ReLife and Allison's ReTran aim to dominate remanufacturing as sustainability metrics rise. Competitive intensity thus pivots from volume share to IP depth and software monetization within the evolving automotive transmission market.

Automotive Transmission Industry Leaders

*

ZF Friedrichshafen AG

*

Aisin Corporation

*

Schaeffler AG

*

Magna International Inc.

*

JATCO Ltd.

*

*Disclaimer: Major Players sorted in no particular order

Scope Methodology P Space

This market covers the value of automotive transmission systems supplied for on-road vehicles, including manual, automated, and automatic variants, and counted at the point of component and system supply into the vehicle ecosystem.

Scope exclusions: We exclude powertrain parts outside the transmission assembly (for example, complete engines, standalone differentials, and EV traction motors) and we also exclude maintenance and repair services.

Segmentation Container

*

By Transmission Type

*

Manual Transmission

*

Intelligent Manual Transmission (iMT)

*

Automated Manual Transmission (AMT)

*

Automatic Transmission (AT)

*

Dual-Clutch Transmission (DCT)

*

Continuously Variable Transmission (CVT)

*
Others (Planetary, 2-speed EV gearboxes etc.)

*
By Vehicle Type

*
Passenger Cars

*
Light Commercial Vehicles

*
Medium and Heavy Commercial Vehicles

*
Buses and Coaches

*
By Propulsion Technology

*
Internal-Combustion Engine (ICE)

*
Hybrid Electric Vehicle (HEV/PHEV)

*
Battery Electric Vehicle (BEV)

*
Fuel Cell Electric Vehicles (FCEV)

*
By Sales Channel

*
Original Equipment Manufacturer (OEM) Factory-Fit

*
Aftermarket/Remanufactured

- *
By Geography

- *
North America

- *
United States

- *
Canada

- *
Rest of North America

- *
South America

- *
Brazil

*
Argentina

*
Rest of South America

*
Europe

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Germany

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United Kingdom

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France

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Italy

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Spain

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Russia

*
Rest of Europe

*
Asia-Pacific

*
China

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Japan

*
India

*
South Korea

*
Rest of Asia-Pacific

*
Middle East and Africa

*
Turkey

*
United Arab Emirates

*
Saudi Arabia

*
South Africa

*

Rest of Middle East and Africa

Frequently Asked Questions

What is the projected value of the automotive transmission market by 2031?

The market is forecast to reach USD 209.73 billion by 2031, growing at a 5.12% CAGR.

Which transmission type is expected to grow the fastest through 2031?

Dual-clutch transmissions are set to register the quickest 5.89% CAGR, driven by their efficiency and rapid shift capability.

How are tightening fuel-economy rules shaping transmission design?

Regulations such as U.S. CAFE and Euro 7 push automakers toward eight-plus-speed automatics and hybrid-dedicated gearboxes that keep engines in peak efficiency ranges.

Why are automated manual transmissions gaining traction in heavy trucks?

AMTs reduce driver training time, improve fuel economy up to 5%, and help fleets cope with chronic driver shortages.

Which region leads global revenue, and which is growing fastest?

Asia-Pacific leads with 43.67% of 2025 revenue, while South America is the fastest-growing at a 6.28% CAGR to 2031.

What role does software play in modern transmissions?

Shift-by-wire systems enable over-the-air feature unlocks, allowing OEMs to sell subscription-based driving modes without hardware changes.