

Space Propulsion Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> **Industry:** Space Economy, Satellites & Propulsion (Aerospace & Defense)
> **Source:** https://www.mordorintelligence.com/industry-reports/space-propulsion-systems-market(https://www.mordorintelligence.com/industry-reports/space-propulsion-systems-market)
> **Scraped Date:** 2026-09-17

Executive Market Summary

Market Metric	Details
Base Market Size	USD 34.19 billion
Projected Forecast (2031)	USD 34.19 billion
Growth Rate (CAGR)	7.94 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

! [Major players in Space Propulsion industry](images/chart_2.png)

! [Space Propulsion Market (2025 - 2030)](images/chart_3.png)

! [Space Propulsion Market: Market Share by Propulsion Technology, 2025](images/chart_4.png)

! [Space Propulsion Market: Market Share by Satellite Mass Class, 2025](images/chart_5.png)

! [Space Propulsion Market CAGR (%), Growth Rate by Region](images/chart_6.png)

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Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market Overview

Study Period	2020 - 2031
Market Size (2026)	USD 34.19 Billion
Market Size (2031)	USD 50.11 Billion
Growth Rate (2026 - 2031)	7.94 %

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

Space Propulsion Market Analysis by Mordor Intelligence

The space propulsion market size in 2026 is estimated at USD 34.19 billion, growing from 2025 value of USD 31.68 billion with 2031 projections showing USD 50.11 billion, growing at 7.94% CAGR over 2026-2031. The expansion stems from three reinforcing forces: (1) large sovereign constellation programs that order propulsion systems in the hundreds, (2) private-sector races to field crewed missions beyond low Earth orbit, and (3) the sharp drop in cost per launch enabled by reusable rockets. Demand flows from heavy-lift launchers, deep-space probes, small-satellite constellations, and the emerging logistics layer of space tugs, driving sustained capital investment in chemical, electric, and experimental nuclear engines. Technology procurement cycles now emphasize bulk orders of standardized modules, shorter integration schedules, and lifetime fuel efficiency, all of which reward suppliers able to scale production without sacrificing reliability. Export-control tightening, xenon scarcity, and a still-immature refueling infrastructure moderate near-term growth, yet progress in nuclear-thermal demonstrators and in-situ propellant production keeps the long-run outlook positive for the space propulsion market

Key Report Takeaways

- * By propulsion technology, liquid fuel engines accounted for 56.92% of the space propulsion market share in 2025, while electric propulsion is projected to post a 10.13% CAGR through 2031.
- * By component, thrusters commanded 47.31% of the space propulsion market size in 2025; power processing units are expected to expand at an 8.51% CAGR to 2031.
- * By platform, satellites accounted for 57.76% of the revenue in 2025; space tugs represent the fastest-growing category, with a 9.09% CAGR through 2031.
- * By satellite mass class, large satellites (>1 ton) captured 52.35% of the space propulsion market size in 2025, whereas nano satellites (≤50 kg) are advancing at a 9.60% CAGR.
- * By geography, North America accounted for 42.12% of the space propulsion market share in 2025; the Asia-Pacific region stands out with the highest regional CAGR of 8.98% through 2031.

Key Market Trends

Global Space Propulsion Market Trends and InsightsDrivers Impact Analysis*

Driver	(~) % Impact on CAGR Forecast	Geographic Relevance	Impact Timeline
Government mega-constellation funding surge	+1.8%	North America and Europe, global spill-over	Medium term (2-4 years)
Commercial crewed-mission race (Moon/Mars)	+1.5%	North America and Europe, Asia-Pacific build-up	Long term (≥ 4 years)
Falling launch costs from reusable vehicles	+1.2%	Global	Short term (≤ 2 years)
DARPA and ESA nuclear-thermal demonstrators	+0.9%	North America and Europe	Long term (≥ 4 years)
Orbital debris-removal mandates	+0.7%	Global, early adoption in Europe	Medium term (2-4 years)

In-situ propellant production R&D | +0.6% | North America core, Asia-Pacific expansion | Long term (≥ 4 years) |
Source: Mordor Intelligence |

Competitive Landscape

Competitive Landscape Innovation and Partnerships Drive Future Success

The space propulsion market is moderately concentrated. Aerojet Rocketdyne (L3Harris Technologies, Inc.), Space Exploration Technologies Corp., and Northrop Grumman dominate the launch and deep-space contracts, leveraging deep engineering benches and certified production processes. Rocket Lab, Exotrail, ThrustMe, and Bluebird gain share in commercial constellations by offering rapid-production electric thrusters at price points attractive to NewSpace operators. Patent filings for Hall effect and alternative-propellant thrusters rose 45% in 2024, evidencing a wave of intellectual property generation.

Vertical integration is the leading strategic theme. SpaceX manufactures engines, chambers, turbo-pumps, and control electronics under one roof, squeezing margins for component specialists. In response, suppliers either partner, like Phase Four pairing with Redwire to merge propulsion and bus manufacturing, or pursue mergers that marry thrusters with PPUs. Nuclear-thermal efforts require specialized fuel fabrication and reactor vessel expertise, favoring conglomerates with defense nuclear portfolios.

Market entry barriers remain high for launch-vehicle propulsion; still, electric thruster niches spawn newcomers funded by venture capital targeting CubeSat and OTV segments. Regulatory filters such as ITAR tilt US defense programs toward incumbents, while Europe's push for sovereignty insulates its suppliers. Growing demand for standardized refueling interfaces and debris-removal propulsion presents green-field territory where neither legacy primes nor startups hold dominant sway, leaving competitive outcomes open over the forecast horizon.

Space Propulsion Industry Leaders* Space Exploration Technologies Corp.

* ArianeGroup GmbH

* Blue Origin Enterprises, L.P.

* Northrop Grumman Corporation

* Aerojet Rocketdyne (L3Harris Technologies, Inc.)

* *Disclaimer: Major Players sorted in no particular order

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Component Component 3 Scope Of The Report Bottom

Global Space Propulsion Market Report Scope Electric, Gas based, Liquid Fuel are covered as segments by Propulsion Tech. Asia-Pacific, Europe, North America are covered as segments by Region. By Propulsion Technology Electric |
Gas Based |
Liquid Fuel |

Segmentation Accordion Item

By Geography North America | United States |
| Canada |
Asia-Pacific | Australia |
| China |
| India |
| Japan |

- | South Korea |
- | New Zealand |
- | Singapore |
- | Rest of the Asia-Pacific |
- Europe | France |
- | Germany |
- | Russia |
- | United Kingdom |
- | Rest of Europe |
- Rest of the World | Brazil |
- | Iran |
- | Saudi Arabia |
- | United Arab Emirates |
- | Rest of the World |

Frequently Asked Questions

How fast will the space propulsion market grow through 2031?

It is forecast to register a 7.94% CAGR, increasing from USD 34.19 billion in 2026 to USD 50.11 billion in 2031.

Which propulsion technology shows the highest growth momentum?

Electric engines lead with a projected 10.13% CAGR, buoyed by small-satellite constellations and efficiency gains.

What share of global revenue did North America hold in 2025?

North America accounted for 42.12% of total revenue, powered by NASA and Department of Defense budgets.

Which satellite mass class is expanding quickest?

Nano satellites (≤ 50 kg) exhibit a 9.60% CAGR as operators adopt distributed, low-risk architectures.

Which platform category is posting the fastest revenue growth?

Space tugs are forecast to rise at a 9.09% CAGR due to demand for orbital logistics and debris mitigation.

Why are reusable rockets important to propulsion demand?

They slash launch costs, allowing satellites to install heavier, higher-performance propulsion systems without breaching mass budgets.