



Global IoT Market To Reach \$330 Billion By 2025

The Internet of Things in Smart Cities is growing at a rate of almost 23% per year, causing a feeding frenzy of Big Tech firms clamoring for their share. However, this is largely an artificial market created by Big Tech firms themselves, none of whom qualify as legitimate urban planners. □

TN Editor

Zion Market Research has published a new report titled **“IoT in Smart Cities Market by Component (Solution and Service), by Application (Lighting, Traffic, Utilities, Public Safety, Environmental Monitoring, and Others), and by End-User (Information and Technology, Telecommunication, Government, Automation, Energy, and Others): Global Industry Perspective, Comprehensive Analysis, and Forecast, 2018-2025”**. According to the report, the global [IoT in smart cities market](#) was valued at around USD 79.3 billion in 2018 and is expected to reach approximately USD 330.1 billion by 2025, at a CAGR of slightly above 22.6% between 2019 and 2025.

The worldwide development of smart cities is trending majorly. Smart cities are formed by the integration of advanced technologies, such as

geospatial technology, the blockchain, Internet of Things (IoT), and artificial intelligence, among others. Internet of Things (IoT) holds prime importance as compared to other IT technologies. In smart cities, IoT provides the perfect platform for uninterrupted communication of data that is generated from smart electronic devices.

According to a study, by 2050, more than 70% of the global population is anticipated to live in cities. This instantaneous urge of urbanization is constraining the existing infrastructure and has resulted in the rapid development of smart cities. To cope up with the rapidly emerging demand for smart cities, the worldwide adoption of IoT solutions is trending for communication enhancement, cost reduction, and advancement of services. Moreover, the rising number of smart connected devices is expected to create new growth opportunities for the IoT in smart cities market in the upcoming years. The worldwide smart city spending accounted for nearly USD 14.85 billion in 2015. However, the security and privacy issues related to IoT may hinder the IoT in smart cities market growth globally. IoT solutions are highly preferred for accurate communication and management of data generated from connected devices in smart cities.

The global IoT in smart cities market is segmented on the basis of component, application, and end-user. The component segment is majorly classified into solution and services. The solution segment includes security, remote monitoring, analytics, network management, and RTLS. By application, the market is classified into lighting, traffic, utilities, public safety, environmental monitoring, and others. Public safety is expected to grow remarkably over the forecast timeframe. By end-user, the market includes information and technology, telecommunication, government, automation, energy, and others. The information and technology segment is projected to dominate the market in the future.

North America is anticipated to dominate the global IoT in smart cities market in the future, owing to the significant presence of leading market players, strict government regulations, various technological advancements, and huge investments made for technological adoption. The U.S. is projected to hold the largest market share in the region, as it

is the corporate headquarters of many prominent market players, such as IBM, Cisco, Intel, Microsoft, Honeywell, Schneider Electric, and Quantela. Furthermore, the penetration of smart electronic devices, such as smartphones that rely on IoT solutions, is primarily contributing to the IoT in smart cities market growth. Nearly 715 million units of IoT-based consumer electronic devices were installed in the U.S. recently.

The European IoT in smart cities market is mainly driven by the early adoption of innovative technologies. The European Union is taking substantial initiatives in smart city development for improvisation of urban lifestyle, which has concurrently escalated the market demand for IoT solutions. In 2017, nearly 33.1% of smart cities projects were pioneered by Europe, by initiating more than 84 projects. Moreover, the influence of IoT solutions for smart cities is peaking in the region. The European IoT sector is expected to account nearly USD 2,103 billion in the future.

Asia Pacific is likely to witness rapid IoT in smart cities market growth in the upcoming years, owing to the rising number of smart cities initiatives and various developments witnessed related to IoT solutions across the region. IoT solutions for smart cities are increasingly being adopted in developing Asian countries, such as India and China, for various applications including smart lighting, smart parking, smart waste management, and smart traffic management. In the region, South Korea holds a substantial market share due to the growing adoption of IoT devices. In 2016, South Korea accounted for nearly 18 million IoT connected devices and has the region's highest number of IoT connected devices.

In Latin America, IoT solutions are significantly adopted for traffic management in smart cities. This can be attributed to the increasing automotive concentration and the implementation of various IoT-based traffic solutions in the region. The growing IoT spending is likely to play a vital role in driving the region's IoT in smart cities market. Numerous programs have been initiated by the government for traffic control due to the increasing rate of vehicle congestion across the region. The escalating IoT spending is significantly driving the IoT in smart cities market in the Middle East and Africa. Over the forecast time period, 15%

growth in the region's IoT spending is anticipated.

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