Australian Networking Infrastructure Market Recovers from COVID Bite – 5G Core Network Upgrades Play an Essential Role

IDC PRESS Release

SYDNEY, AUSTRALIA, 29th July 2021 - The Australian Networking Infrastructure market, comprising Ethernet Switch, Router and Wireless LAN hardware, has started recovering from the losses experienced in 2020 due to the COVID-19 pandemic, says technology research firm IDC. In the first quarter of 2021, the market experienced a year over year (YoY) growth of 16.9% and ended generating a total revenue of US$ 230.7 million. Although this revenue is not higher than the pre-COVID level (i.e. US$ 253.4m generated in Q1 2019), it is a positive sign of market recovery.

“After a dismal performance in 2020, the YoY growth is a positive sign for the Australian Networking Infrastructure market. It indicates that enterprises have started working on projects which were abandoned last year because of the uncertainty due to COVID-19. Also, chip shortages across the rest of the world are not having a major impact on the Australian market. Vendors have found ways to mitigate their supply chain issues here”, says Ahmar Karimullah, senior market analyst at IDC Australia.

The router market experienced the largest growth (28.6%) on a yearly basis mainly due to Telecom Service Providers increasing their spending on 5G core networks this quarter. However, revenue from the deployment of routers within enterprise decreased. IDC attributes this decline to increasing SDWAN solution deployments. The Australian SDWAN equipment market is important for connecting a hybrid workforce and it continues to grow every year. IDC forecasts the Australian SDWAN market to grow at a compound annual growth rate (CAGR) of 28.75% by 2024.
Looking at the Australian Networking Infrastructure market shares, Cisco led the market with a 60% share, followed by Hewlett Packard Enterprise (7%), Juniper (5%), Technicolor (3%) and Nokia (3%).

Looking at the ongoing projects in this market like mobile phone networks' 5G upgrades, NBN network upgrades and the trend of adoption of technology by enterprises to make processes proficient, IDC expects this market to grow at a CAGR of 6.15% by 2025.

- Ends –

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,100 analysts worldwide, IDC offers global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries. IDC’s analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly-owned subsidiary of International Data Group (IDG), the world’s leading tech
media, data and marketing services company. To learn more about IDC, please visit www.idc.com. Follow IDC on Twitter at @IDC and LinkedIn. Subscribe to the IDC Blog for industry news and insights: http://bit.ly/IDCBlog_Subscribe.

IDC is a subsidiary of IDG, the world’s leading technology media, research, and events company. Additional information can be found at www.idc.com. All product and company names may be trademarks or registered trademarks of their respective holders.

For more information contact:
Ahmar Karimullah (akarimullah)
akarimullah@idc.com
+61 2 9925 2298