



## **Worldwide Enterprise WLAN Market Sees Moderate Growth in the First Quarter of 2018 with Uncertainty in the Year Ahead, According to IDC**

### ***Enterprise WLAN Market Grew 5.5% Year Over Year in 1Q18***

**FRAMINGHAM, Mass., June 5, 2018** – The combined consumer and enterprise wireless local area network (WLAN) market segments decreased 1.3% year over year in the first quarter of 2018 (1Q18) with worldwide revenues of \$2.24 billion. According to results published in the International Data Corporation ([IDC](#)) [Worldwide Quarterly WLAN Tracker](#), the enterprise segment grew 5.5% year over year in 1Q18 to \$1.31 billion. Enterprise WLAN growth held steady in 1Q18 after posting a 5.7% growth rate for the full year 2017. Demand for network refreshes, digital transformation (DX) initiatives, and the new ways businesses are engaging with customers via wireless networks are positive indicators for continued growth in 2018.

The 802.11ac standard now accounts for 83.2% of dependent access point unit shipments in the enterprise segment and 95.1% of dependent access point revenues. This marks 802.11n becoming obsolete in the enterprise and paves the way for the 802.11ax standard coming later this year and ramping up significantly next year.

Meanwhile, consumer WLAN market revenue decreased 9.3% in 1Q18, finishing at \$938.6 million. In 1Q18, the 802.11ac standard accounted for 44.9% of shipments and 72.4% of revenue. 802.11ac remained a bright spot in the consumer WLAN segment in 1Q18 with revenues increasing 6.5% year over year and shipments increasing 28.9%.

"There continues to be diverging trends in the enterprise and consumer WLAN markets," said [Brandon Butler](#), senior research analyst, [Network Infrastructure](#) at IDC. "While the enterprise segment continues to see steady growth thanks to continued digital transformation projects, the consumer market remains challenged due to increased price erosion and less aggressive refreshes of WLAN equipment."

From a geographic perspective, the enterprise WLAN market saw its strongest 1Q18 growth coming from the Asia/Pacific (excluding Japan) (APeJ) region, which grew 15.9% year over year in 1Q18. Standouts in the region included the People's Republic of China (PRC) – the largest market in the region – growing 14.4% and India increasing 47.4% year over year. Japan's enterprise WLAN market grew 43.4%. Central and Eastern Europe (CEE) also experienced

strong growth, increasing 17.0% on an annualized basis in 1Q18. Russia, the region's largest market, was up 20.1% while Poland, the second largest market in the region, grew 27.0%.

Other regions had mixed results. Western Europe's enterprise WLAN market increased 4.7% year over year and the Middle East & Africa (MEA) region grew revenue 5.1% during the same period. In Western Europe, Germany's market grew 12.8% while Sweden was up 12.9%. Latin America and the United States each declined with the Latin America market down 6.1% and the U.S. market – the largest market in the world - down 2.5%.

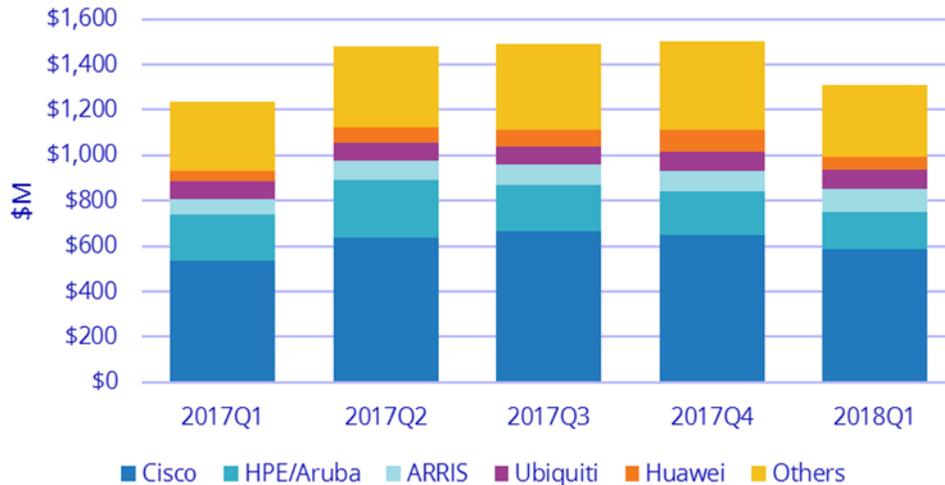
"While WLAN is a fairly mature market in the U.S., there are still opportunities for significant growth in other parts of the world, which is expected to help fuel growth in the broader market throughout the coming year," said [Petr Jirovsky](#), research manager, [Worldwide Networking Trackers](#). "Meanwhile, the coming introduction of 802.11ax will lead to a new wave of refresh cycles for enterprises, providing an expected boost to the market starting later this year or early next year."

#### ***Key Enterprise WLAN Company Updates:***

- **Cisco's** worldwide enterprise WLAN revenue increased 9.2% year over year in 1Q18. Cisco's worldwide market share was 44.9% in 1Q18, up from 43.4% in 4Q17. IDC believes that the Meraki cloud-managed WLAN portfolio remains one of the primary growth drivers for Cisco.
- **Aruba-HPE** (excluding its OEM business and excluding H3C as of 2Q16) revenues fell 18.3% year over year in 1Q18. Aruba-HPE's market share stands at 12.6% in 1Q18, down from 16.2% in 1Q17.
- **ARRIS/Ruckus** performed very well in 1Q18 and grew 40.4% year over year and 10.4% sequentially. ARRIS/Ruckus now accounts for 7.6% of the enterprise WLAN market, its highest share since 1Q16.
- **Ubiquiti** recorded another quarter of strong growth in 1Q18, increasing 13.9% year over year. Ubiquiti accounted for 6.6% of the enterprise market in 1Q18, up from 6.1% in 1Q17.
- **Huawei** once again experienced very strong growth in 1Q18, increasing 18.7% over 1Q17, while claiming 4.1% market share.

Figure 1

### Worldwide Top 5 Enterprise WLAN Companies, 2017Q1 - 2018Q1 Revenue (\$M)



Source: IDC 2018

The IDC [Worldwide Quarterly WLAN Tracker](#) provides total market size and vendors share data in an easy-to-use Excel Pivot Table format. The geographic coverage includes eight major regions (USA, Canada, Latin America, Asia/Pacific (excluding Japan), Japan, Western Europe, Central and Eastern Europe, Middle East and Africa) and 58 countries. The WLAN market is further segmented by product class, product type, product, standard, and location. Measurement for the WLAN market is provided in factory revenue, customer revenue, and unit shipments.

For more information about IDC's Worldwide Quarterly WLAN Tracker, please contact Kathy Nagamine ([knagamine@idc.com](mailto:knagamine@idc.com)).

#### **About IDC Trackers**

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