Enterprise WLAN Market Grows a Solid 25% in First Quarter of 2021, According to IDC

The combined consumer and enterprise WLAN market increased 16.7% year over year.

NEEDHAM, Mass., June 8, 2021 – Revenues in the enterprise segment of the wireless local area networking (WLAN) market grew a robust 24.6% year over year in the first quarter of 2021 (1Q21). In the consumer-class WLAN market, revenues increased 11.7% in the quarter, giving the combined enterprise and consumer WLAN markets year-over-year growth of 16.7% in 1Q21, according to the International Data Corporation (IDC) Worldwide Quarterly Wireless LAN Tracker.

The 24.6% growth in the enterprise-class segment of the market builds on a strong end of the year in 2020, with fourth quarter 2020 revenues increasing 10.3% year over year. Combined, two strong quarters in a row indicate that enterprises have begun to recover from pausing or cancelling WLAN infrastructure investments in the previous quarters of 2020.

Growth in the enterprise WLAN market continues to be driven by the latest Wi-Fi standard, known as Wi-Fi 6 or 802.11ax. For the first time in the enterprise segment of the market, Wi-Fi 6 access points (AP) made up more than half (50.5%) of the revenues in the dependent AP product segment, up from 43.7% in the previous quarter. Wi-Fi 6 products made up 37.1% of dependent AP shipments, up from 32.2% in the previous quarter. Wi-Fi 5 products, also known as 802.11ac, made up the vast balance of remaining dependent AP sales.

Meanwhile, the consumer-class WLAN market continued to perform well in 1Q21, although at a slower growth rate than what was seen in much of 2020. The consumer-class WLAN market increased 11.7% in revenues and 5.0% in

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unit shipments. Wi-Fi 6 products continued to grow in the consumer market, rising to 20.3% of the consumer segment's total revenue, up from 16.2% in 4Q20. Wi-Fi 5 APs still make up the majority of revenues (66.2%) and unit shipments (61.8%).

"The enterprise WLAN market showed a strong rebound in the first quarter of 2021. As vaccines continue to roll out across the globe, organizations are preparing their enterprise networks for workers, customers, students, and other patrons to return to their campuses and they're investing in enterprise-class WLAN technology to enable connectivity," said Brandon Butler, senior research analyst, Network Infrastructure, IDC. "Despite a pause in some Wi-Fi investments in 2020, WLAN technology remains one of the foundational technologies for businesses across the globe today."

From a geographic perspective, the enterprise WLAN market saw growth across all major regions of the world. Growth was particularly strong in the Asia/Pacific region: the market in China grew 41.2% year over year, while Japan's market increased 111.8% as preparations are underway to host the Olympics this year. Across the rest of the region, annual growth reached 19.3% with Australia recording a 27.4% increase year over year.
Growth was also strong in the Americas where the U.S. market increased 24.1%, Canada's market grew 29.3%, and the Latin America region increased 23.8%.

In Europe, results were more mixed but still positive. The Western Europe market increased 15.8% year over year with strength from Germany's market, which grew 25.9%. Central and Eastern Europe increased 3.9% while the Middle East and Africa region was up 2.6% year over year.

"Growth was positive across most regions of the world in the first quarter of 2021, which is a strong indication that the enterprise WLAN market is recovering from 2020," noted Petr Jirovsky, research director, Worldwide Networking Trackers. "IDC expects growth to continue in the remaining quarters of 2021 as the impact from the COVID-19 pandemic continue to wane and enterprises look to invest in mobility and connectivity solutions."

Key Enterprise WLAN Vendor Updates:

- Cisco's enterprise WLAN revenues increased 21.2% year over year in 1Q21. Cisco is the market share leader with 44.4% share, up from 38.9% share in 4Q20.
- HPE-Aruba revenues rose 27.7% year over year in 1Q21. The company's market share increased to 14.8%, up from 14.1% in the previous quarter.
- Ubiquiti enterprise WLAN revenues increased 18.8% year over year in 1Q21, giving the company 9.1% market share.
• CommScope (formerly ARRIS/Ruckus) revenues increased 21.3% year over year in 1Q21, giving the company 5.0% market share.
• H3C revenues increased 11.9% for the Chinese vendor, giving the company 3.2% market share.

The IDC Worldwide Quarterly Wireless LAN Tracker provides total market size and vendor share data in an easy-to-use Excel Pivot Table format. The geographic coverage includes nine major regions (USA, Canada, Latin America, Asia/Pacific (excluding Japan and China), People's Republic of China, 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.
About IDC Trackers

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