Advanced Driver Assistance Systems - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2025 - 2030)

Market Report | 2025-06-01 | 100 pages | Mordor Intelligence

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Report description:

Advanced Driver Assistance Systems Market Analysis

The global ADAS market posted USD 38.54 billion in revenue in 2025 and is on course to reach USD 68.68 billion by 2030, expanding at a 12.25% CAGR. Robust regulatory mandates in the United States, the European Union, and China, rapid cost deflation in radar, camera, and LiDAR sensors, and the auto sector's migration to software-defined vehicle (SDV) platforms are the prime forces sustaining this growth. Automakers are bundling Level 2+ features on mid-segment vehicles while over-the-air (OTA) upgrade pathways increasingly generate recurring software revenue. Simultaneously, the expansion of semiconductor capacity in Asia and new 4-nanometer automotive system-on-chips enable higher sensor fusion accuracy, pushing the ADAS market deeper into mass-volume models. Competitive dynamics are shifting toward vertical platform plays in which Tier-1 suppliers, cloud hyperscalers, and fabless chip designers collaborate to control perception stacks, training data, and monetisable software services.

Global Advanced Driver Assistance Systems Market Trends and Insights

Stringent Safety Mandates Anchor Market Growth

Regulations now treat driver-assistance as mandatory infrastructure. The NHTSA requires automatic emergency braking on all new US light vehicles from September 2029, setting a baseline of roughly 17 million units per year. Europe's General Safety Regulation II has required intelligent speed assistance, lane-keeping assistance, and emergency braking on every new model

since July 2024, forcing OEMs to redesign electrical architectures for standardised ADAS functions. China integrated ADAS performance into its New Car Assessment Programme, linking five-star safety scores to sensor configuration and algorithm accuracy. These rules remove discretionary purchasing decisions and transform the ADAS market into a compliance-driven volume business, accelerating fitment rates across all price points.

AI-Based Sensor Fusion Unlocks Feature Bundling

Advances in on-chip neural networks now permit high-level perception on inexpensive processors. Mobileye's EyeQ6 Lite combines eight camera streams and 4-D radar inputs on a single 5-Watt device, lowering bill-of-materials costs for L2+ highway pilot packages. Bosch's integration of Microsoft's generative AI services enables predictive path planning that anticipates driver intent and cross-traffic manoeuvres. These developments allow OEMs to package adaptive cruise control, lane centering, and traffic sign recognition under one subscription, reducing per-feature hardware redundancy and increasing software margins.

High Sensor Suite Cost Remains a Barrier

Even with steep price declines, a complete L2+ sensor pack adds USD 2,000-4,000 to build cost for a B-segment hatchback. Insurance-sector data show radar replacement after minor collisions exceeding USD 900 per unit, while camera recalibration averages USD 450. These costs dampen consumer uptake outside premium tiers and slow retrofit demand in developing economies lacking repair infrastructure.

Other drivers and restraints analyzed in the detailed report include:

SDV Architectures Redefine Revenue Models / Sensor Cost Deflation Broadens Mass-Market Access / Weather Vulnerabilities Challenge Reliability /

For complete list of drivers and restraints, kindly check the Table Of Contents.

Segment Analysis

The ADAS market size for system-level solutions remains anchored by adaptive cruise control, which generated 22.41% of 2024 revenue thanks to its compatibility with existing electronic braking modules and consumer acceptance during long-distance travel. Automatic emergency braking is accelerating at a 16.21% CAGR, propelled by regulations that demand forward collision mitigation on all new vehicles. Suppliers now integrate pedestrian and cyclist detection in the same control unit, creating cross-segment economies of scale. Over the period to 2030, OEMs are expected to extend urban emergency braking to two-wheelers and light commercial vans, broadening safety coverage and raising fitment volumes.

Historical data underline the regulatory inflection, between 2020-2024 the sub-segment posted 8.5% compound growth, but the NHTSA and EU mandates double that pace in the forecast window. Entry-level warning functions such as lane departure and forward collision alerts persist for low-cost trims, whereas advanced premium packages integrate 360-degree cameras, HD maps and AI-enabled predictive braking during intersection turns. This layered upgrade pathway encourages recurring OTA revenues and deepens platform stickiness for Tier-1 suppliers that own the perception stack.

Radar's 46.07% share underscores its robustness in rain, fog, and snow, attributes that secure its position as the primary trigger for automatic emergency braking. The ADAS market benefits from the commoditisation of 77 GHz front-corner radar modules now produced in 28-nanometer RF CMOS. Camera sensors, powered by sub-10 nm image-signal processors, are followed closely by enabling deep-learning perception architectures cost-effectively.

LiDAR, though still accounts for minimal market share, is the flash-growth element with a projected 21.35% CAGR. Solid-state, no-moving-parts architecture plus wafer-level optics lower variable cost to USD 350, making mid-segment SUVs the next target. For ADAS market share gains, LiDAR suppliers partner with OEM design studios to embed sensors into headlamp clusters, avoiding rooftop domes that hinder aesthetics. Ultrasonic and infrared retain niche duties for parking and night vision. A cross-trend of centrally fused signal processing is emerging, reducing wiring mass and enabling OTA-based algorithm improvements that prolong hardware cycles.

The Advanced Driver Assistance Systems Market Report is Segmented by System Type (Parking Assist Systems, Adaptive Front-Lighting, and More), Sensor Type (Radar, Lidar, and More), Vehicle Type (Two-Wheeler, and More), Level of Anatomy (L1, L2, and More), Sales Channel (OEM-Fitted and Aftermarket Retrofit), and Geography (North America and More). The Market Forecasts are Provided in Terms of Value (USD) and Volume (Units).

Geography Analysis

North America generated 34.33% of global revenue in 2024 as federal mandates, insurance incentives, and high SUV penetration created a receptive base for Level 2+ bundles. The United States incentivises ADAS deployment further through reduced liability premiums and positive NCAP scoring, while Canada aligns its Motor Vehicle Safety Regulations to US norms, ensuring cross-border model harmonisation. Major suppliers run validation fleets across Arizona, Michigan, and Ontario, collecting edge-case data that refines sensor-fusion algorithms for snow and glare conditions.

Asia-Pacific is the fastest-growing region at a 14.55% CAGR to 2030, propelled by China's aggressive "smart-vehicle" roadmap that awarded more than 300,000 L2+ licences in Q3 2023. Beijing's guidelines on HD map crowdsourcing encourage data-network effects that benefit domestic OEMs such as BYD and Xpeng. India's Production-Linked Incentive for semiconductor fabs and electronic components incentivises local ADAS ECU manufacturing, cutting bill-of-materials costs and quickening fitment among compact hatchbacks.

Europe continues at a steady growth rate under General Safety Regulation II, which obliges automakers to integrate nine safety functions on every new model. Germany's Bundesrat approved limited hands-off motorway driving at speeds up to 60 km/h, accelerating Level 3 debut timelines. France and Spain prioritise retrofit subsidies for heavy-duty truck fleets to meet Vision Zero accident targets. South America shows potential through 2030 as Brazil mandates electronic stability control on all new cars and evaluates lane departure alerts for 2027. Chile and Colombia roll out vehicle tax rebates tied to AEB fitment, spurring importers to specify radar on entry models.

List of Companies Covered in this Report:

Continental AG / Robert Bosch GmbH / DENSO Corporation / Aptiv PLC / ZF Friedrichshafen AG / Magna International / Valeo SA / Hyundai Mobis / Aisin Corporation / Mobileye (Intel) / NVIDIA Corporation / NXP Semiconductors / Infineon Technologies / Renesas Electronics / ON Semiconductor / STMicroelectronics / Hitachi Astemo / Autoliv Inc. /

Additional Benefits:

 The market estimate (ME) sheet in Excel format /
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