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AUTOMOTIVE

Infotainment systems have become major selling point for automakers: report

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Jaguar's in-dashboard shell app

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Consumer behavior and interest in in-vehicle infotainment systems is drastically shifting the luxury auto industry, forcing automakers to up their standards in terms of connectivity.



A new report from BIS Automotive is showing that a compound annual growth rate of 7.5 percent is expected to propel the in-car infotainment market to \$52.2 billion by 2022. The growth of technology has prompted consumers to demand more innovation when it comes to capability beyond performance in their vehicles.

Infotainment in cars

Consumer interest in connectivity while on the road, safety concerns and improved offerings from OEMs at affordable price points has positively shifted the infotainment market. The infotainment market will likely grow 7.5 percent from 2017 to 2022.

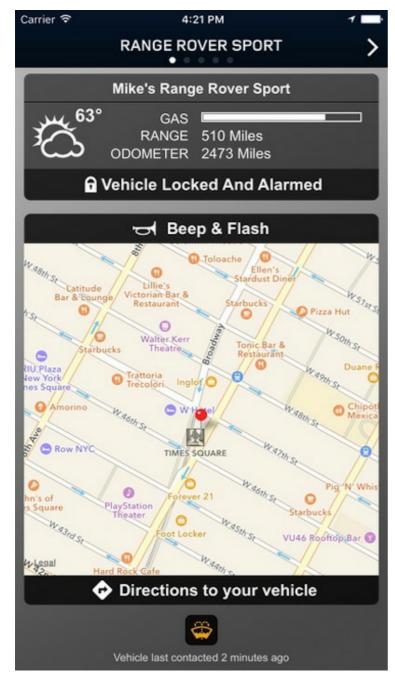


Jaguar infotainment system

Another factor is the increase in disposable income for affluent consumers, who are willing to spend more for luxuries such as infotainment systems.

Infotainment systems include luxuries such as in-dashboard navigation, rear seat entertainment, quality audio systems and music streaming, traffic and weather conditions, entertainment applications and parking information.

This interest has also expanded the passenger vehicle growth rates, ahead of commercial vehicle growth. The increase in production and sales for passenger cars is subsequently supporting the growth of infotainment systems.



Land Rover infotainment system with mobile connectivity

Other factors such as declining fuel prices, low industry growth rate, emergence of electric and hybrid electric vehicles and more are also making an impact on these numbers.

Automakers and infotainment

Manufacturers and auto brands are flocking to include their own versions of infotainment systems.

For instance, British automaker Jaguar has increased its stake in connected automobile programs with a \$15 million investment in a next-generation cloud services platform.

Jaguar has invested in CloudCar to continue its goal of developing connected driver experiences within its models. Jaguar's first model to be integrated with CloudCar technology will be the upcoming Jaguar I-Pace, the automaker's first fully electric vehicle (see more).

German automaker Mercedes-Benz also helped drivers of its E-Class vehicles easily find parking, among other enhanced capabilities.

Mercedes partnered with INRIX, Inc., a connected car service and movement analytics, to assist drivers in locating off-street parking in Europe, and in the United States later this summer. The parking assistance feature has been incorporated into Mercedes' COMAND infotainment system (see more).

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