

According to ABI Research the global wireless connectivity market (excluding cellular) is to reach over 10 billion annual IC shipments by 2021, with various IoT verticals such as smart home devices creating new opportunities.



While smartphone continue to represent the biggest market, technologies such as Bluetooth mesh networking, emerging wifi protocols, 802.15.4 enhancements (such as ZigBee 3.0 and Thread) and the growing need for multiprotocol connectivity system on chips (SoCs) are main market drivers. For instance, the analyst predicts Bluetooth will be in 60% of total devices by 2021, with mobile phones making less than 45% of total Bluetooth shipments.

Bluetooth Smart is forecast to be in 16% of devices by 2021 thanks to strong growth in smart home and beacon application as well as "significant" presence in connected home and wearable devices.

Meanwhile wifi will see "most significant" growth in IoT verticals such as wearables, automotive and smart home, among others. The technology is currently branching into new frequency bands, including 802.11ad (WiGig) and sub-1GHz HaLow (802.11ah), opening new opportunities in low-power IoT devices, sensors and home networking.

ABI says 47% of all devices shipped in 2021 will have wifi.

Also finding success in smart home are the 802.15.4-based ZigBee and Thread-- the analyst

forecasts shipments of devices carrying the technology will see a CAGR of 60% between 2016 and 2021. The technology also finds use in energy management and smart city applications, including building automation, smart metering, smart lighting and industrial applications, accounting for over 28% of devices by 2021.

However the main the main market driver, particularly in IoT verticals, is combo ICs.

“These solutions can help eliminate the need for multiple connectivity ICs, reduce complexity and cost, and give manufacturers greater flexibility in targeting multiple applications and use cases using a single SoC,” ABI concludes. “Devices incorporating multiprotocol chipsets will be more future-proof and faster to market. Ultimately, this will enable greater scalability and afford OEMs more flexibility and confidence when designing a connected device.”

Go [ABI Research Forecasts Wi-Fi, Bluetooth, 802.15.4, NFC, and GNSS Markets to Reach More Than 10 Billion Annual IC Shipments by 2021](#)