



Key edge computing statistics

This article highlights nine top edge computing statistics demonstrating the predicted growth potential of the market alongside the verticals and regions in which we are seeing the highest numbers of edge deployments.

Henry Osborne, Consultant

1. The edge computing addressable market will grow to US\$445 billion in 2030

Our [market sizing forecast](#) predicts that the addressable edge market will grow from US\$9 billion in 2020 to US\$445 billion in 2030 at a CAGR of 48% over the 10 year period. All parts of the value chain (device, connectivity, application, integration and support and edge infrastructure) will grow over this forecasting period, but edge infrastructure will increase at the fastest rate. This segment will still represent a small fraction of total revenue in 2030 with edge enabled applications set to provide the greatest revenue opportunity.

2. N. America, Europe and East Asia will generate 88% of the revenue for edge services by 2030

Our [market sizing forecast](#) predicts that North America, East Asia & Pacific and Europe & Central Asia will be the leading markets for edge adoption. These three large regions consist of many High-Income Countries (HICs), with advanced economies which accounts for their more aggressive adoption of edge computing technologies. AT&T, Verizon, Vodafone, Tencent and China Unicom are some of the telcos who have been leading edge deployments in these regions.

3. 26% of network edge sites globally will be in China in 2026

The East Asia and Pacific region will host the largest amount of network edge data centres by 2026 overtaking North America which was the leader in 2022. Our [edge capacity forecast](#) predicts this will largely be driven by China with China Mobile being particularly aggressive in its role out of edge computing to save on backhaul costs as it does not itself own any long-haul traffic capacity. In contrast, we predict that European mobile operators will be much more conservative in the number of edge data centres deployed.

4. There will be just under 1,200 network edge data centres by 2026

There are currently just under 250 network edge data centres in 2022 and this is expected to rise to just under 1,200 by 2026 ([Edge capacity forecast](#)). Edge data centres are much smaller than core data centres and can deliver lower latency data processing. We define network edge centres as either being at the tower edge, outer edge or inner edge.

Find out more in our article: [Edge data centres: What and where?](#)

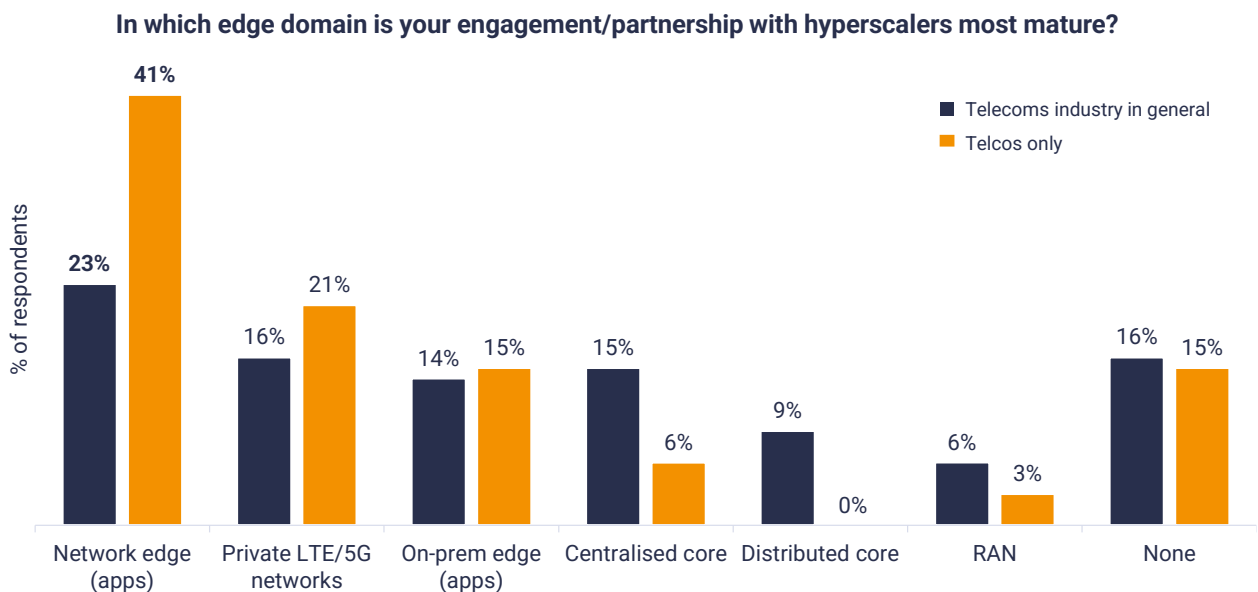
5. Annual spend by telcos will reach US\$11.6 billion in 2027

The total annual spend for telcos on Multi access edge computing (MEC) will go from \$5.4 billion in 2022 to \$11.6 billion in 2027 with a CAGR of 16.7% (Juniper). Telcos may choose to invest in their own edge computing infrastructure including servers, sensors, routers and other networking equipment. This will enable them to offer a range of edge computing services to their customers such as low latency video streaming and gaming.

6. 41% of telcos believe the network edge is the most mature domain for telco-hyperscaler partnerships

Telcos are continuing to partner with hyperscalers particularly at the network edge with 41% of telcos believing it to be the most mature domain for their partnerships. This is taken from our [market sizing forecast](#) showing that telcos believe hyperscalers will play a large role in helping bring edge solutions to market for their customers. Hyperscalers have established developed cloud platforms as well as adjacent tools and capabilities that telcos can leverage.

Figure 1: Edge computing is the most mature domain for telco-hyperscaler partnerships



Source: STL Partners survey 2022, n=180

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7. Media, transport, and manufacturing verticals will account for 84% of the edge market in 2030

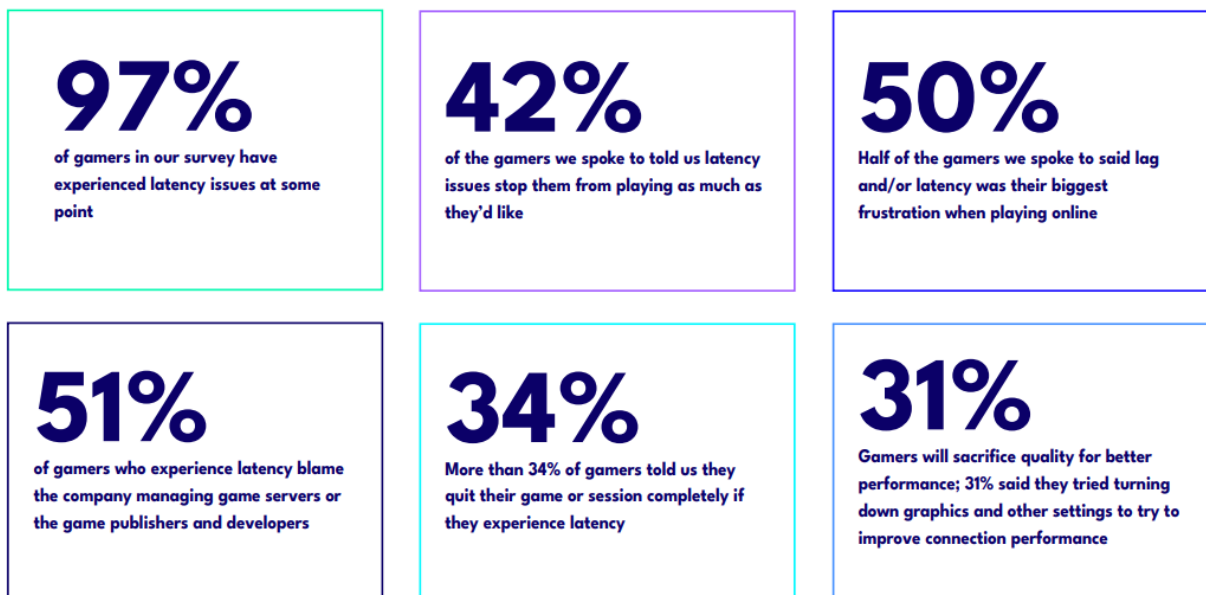
These three sectors as stated by our [market sizing forecast](#) are set to be the leading verticals for edge deployment by 2030 with the media & entertainment sector representing the largest revenue opportunity. Within this sector, edge computing will enable opportunities in cloud gaming, AR/VR gaming, Edge CDN and Edge ADN. Transport and manufacturing have also been early adopters with this trend set to continue through to 2030 with edge enabling revenue prospects in use cases such as Automated guided vehicles (AGVs).

Find out more about these use cases in our [edge computing use case directory](#)

8. 97% of online gamers have experienced latency issues

[Edgegap](#) have undertaken a survey to show that 97% of gamers are currently experiencing issues with latency when online gaming with 34% of gamers quitting the game or session if they experience any lag. This represents a revenue opportunity for telcos as edge computing will help to reduce the latency between the end user and device and the cloud where the game is hosted and being rendered.

Figure 2: Gamers are experiencing latency issues when online gaming



Source: [Edgegap](#)

9. 15 billion edge devices are currently deployed in field

Edge devices are an integral part of the edge ecosystem with over 15 billion devices now deployed in field, (IBM). Edge devices such as smart cameras and IoT devices allow the data to be processed and analysed closer on site rather than being transmitted over long distances. This improves the speed and efficiency of data processing allowing for response times of just a few milliseconds or sometimes even less than a millisecond. Edge devices in field also reduce the amount of data that needs to be transmitted over networks resulting both in reduced costs and improved security.

Find out more in our article: [Edge computing devices: what are they?](#)

The edge computing market is an ever evolving and changing space. This coupled with the parallel changes in the telecoms ecosystem make it a very exciting space to watch. As part of our [edge insights service](#) we will continue to update both our [edge computing market sizing forecast](#) and [edge computing capacity model](#) to reflect changes in the market.

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Or visit STL Partners' Edge Hub

www.stlpartners.com/edge-computing