

## Industry Grows +5.6% In 2024

The connector industry had a reasonably good year in 2024, increasing sales by +5.6%. Orders were also positive, up +8.6% year-over-year. Order backlog was \$21.3 billion at year end, up \$270 million from 2023's ending backlog of \$21.0 billion

The following table shows the percentage change in orders and sales by region of the world.

### Percentage Change 2023 versus 2024

Region	Orders	Sales
North America	11.2%	6.8%
Europe	-7.3%	-3.2%
Japan	-2.8%	-13.8%
China	18.0%	12.1%
Asia Pacific	27.4%	19.2%
ROW	0.9%	-15.7%
<b>Total World</b>	<b>8.6%</b>	<b>5.6%</b>

### Results by Region

The industry shipped \$86.5 billion in 2024, up from \$81.9 billion in 2023.

### 2023 and 2024 Connector Sales By Region with Percent Change

Region	2023	2024	Percent Change
North America	\$18,840.8	\$20,124.7	6.8%
Europe	\$17,992.7	\$17,417.3	-3.2%
Japan	\$4,683.7	\$4,035.8	-13.8%
China	\$24,977.1	\$28,003.5	12.1%
Asia Pacific	\$11,310.0	\$13,483.5	19.2%
ROW	\$4,049.8	\$3,412.9	-15.7%
<b>Total World</b>	<b>\$81,854.1</b>	<b>\$86,477.7</b>	<b>5.6%</b>

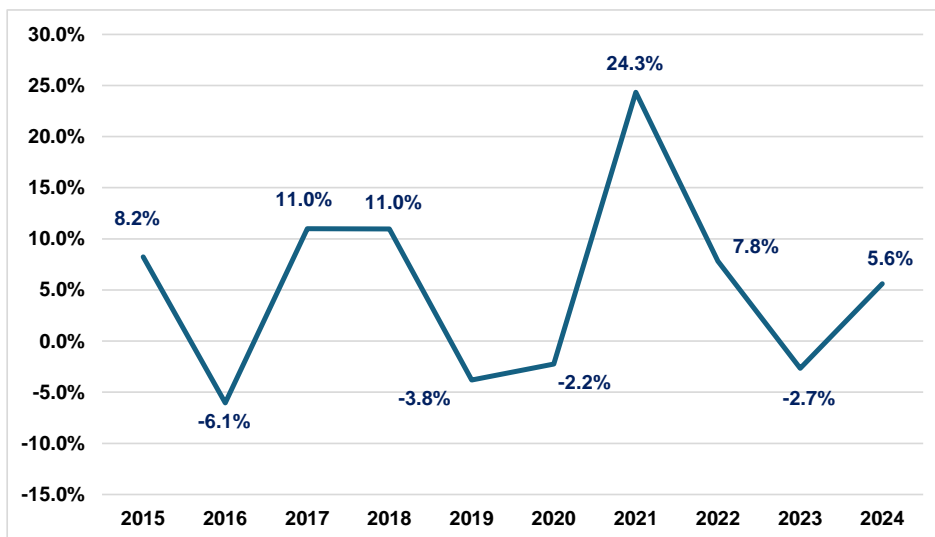
\$ in Millions

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### 2024 Compared to Past Results

Sales growth of +5.6% is slightly better than the past 10-year compound annual growth rate (CAGR) of +4.5%.

The following chart compares connector sales performance over the last 10 years. We have experienced a low of -6.1% in 2016 and a high of +24.3% in 2021. There were four down years and six growth years.



### 2024 Results by Market Sector

During the past 10 years, the growth markets were automotive, industrial, and military/aerospace. These markets were the most profitable and therefore very desired by connector companies.

In 2024, computer & peripherals and telecom/datacom markets were the fastest growing. Note the table below that illustrates computer & peripherals up +10.7% and telecom/datacom up +9.8%.

## 2023 and 2024 Connector Sales By End-Use Equipment Sector with Percent Change

End-Use Equipment Sector	2023	2024	Percent Change
Computers & Peripherals	\$9,979.5	\$11,050.4	10.7%
Business/Office Equipment	\$875.4	\$878.3	0.3%
Instrumentation	\$2,364.8	\$2,428.4	2.7%
Medical	\$2,659.7	\$2,720.2	2.3%
Industrial	\$10,742.3	\$11,062.9	3.0%
Automotive	\$18,502.7	\$19,149.2	3.5%
Transportation	\$5,857.4	\$6,025.2	2.9%
Military/Aerospace	\$5,092.7	\$5,291.8	3.9%
Telecom/Datacom	\$18,991.4	\$20,860.9	9.8%
Consumer	\$3,744.4	\$3,890.5	3.9%
Other Equipment	\$3,043.8	\$3,119.9	2.5%
<b>Total World</b>	<b>\$81,854.1</b>	<b>\$86,477.7</b>	<b>5.6%</b>

\$ in Millions

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There are several reasons why computer & peripherals and telecom/datacom markets are the two market sectors witnessing the greatest growth.

- Growth in the use of artificial intelligence (AI), which has stimulated large scale investments in data centers and telecom.
- The drive towards the next generation of mobile networks, 6G. Slated to be 50 times faster than 5G, and offer microsecond latency, 6G is anticipated to be cheaper by using AI to aid in network selection.
- Expanded use of robots, including autonomous mobile robots (AMRs), humanoids, automated guided vehicles (AGVs), cobots, articulated robots, and hybrids, all designed to increase efficiency, improve safety, and accelerate processes, but requiring high-speed, dependable computational capabilities.
- On-going development of autonomous vehicles, consumer and commercial types. Autonomous vehicles will depend on real time data sharing between vehicles, networks, infrastructure and pedestrians, made possible by vehicle-to-everything (V2X) communication and robust wireless high-speed, reliable connectivity.

## 2025 Bishop Forecast

We believe 2025 will be another positive year with sales up +7.9%. Our prediction by region is noted below.

### 2023, 2024, and 2025 Connector Sales By Region with Percent Change

Region	2023	2024	Percent Change	2025	Percent Change
North America	\$18,840.8	\$20,124.7	6.8%	\$21,713.9	7.9%
Europe	\$17,992.7	\$17,417.3	-3.2%	\$17,934.5	3.0%
Japan	\$4,683.7	\$4,035.8	-13.8%	\$4,124.9	2.2%
China	\$24,977.1	\$28,003.5	12.1%	\$31,020.8	10.8%
Asia Pacific	\$11,310.0	\$13,483.5	19.2%	\$14,978.6	11.1%
ROW	\$4,049.8	\$3,412.9	-15.7%	\$3,502.6	2.6%
<b>Total World</b>	<b>\$81,854.1</b>	<b>\$86,477.7</b>	<b>5.6%</b>	<b>\$93,275.3</b>	<b>7.9%</b>

\$ in Millions

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In our opinion, the first half of 2025 will result in modest growth, driven by the previously mentioned robust backlog. We anticipate the second half to be strong, driven by several factors, including:

- An increase in consumer consumption and in turn spending, supported by increased wages.
- Lower interest rates, stimulating investments and consumer borrowing.
- A decline in inflation.

Because we are living in turbulent times, it is important to note that at any time the following occurrences could affect 2025's performance.

- Increase or change in governmental regulations.
- Availability of skilled employees.
- Change in geopolitical landscape.

## Five-Year Outlook

We believe the industry will achieve \$100 billion in sales in 2027. Our five-year outlook by region is noted below.

### 2025 and 2030 Connector Sales By Region with Five-Year CAGR

Region	2025	2030	5-Yr CAGR
North America	\$21,713.9	\$28,808.7	5.8%
Europe	\$17,934.5	\$23,043.5	5.1%
Japan	\$4,124.9	\$4,985.6	3.9%
China	\$31,020.8	\$44,286.7	7.4%
Asia Pacific	\$14,978.6	\$20,501.3	6.5%
ROW	\$3,502.6	\$4,259.0	4.0%
<b>Total World</b>	<b>\$93,275.3</b>	<b>\$125,884.8</b>	<b>6.2%</b>

\$ in Millions

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The connector industry will have sales exceeding \$125 billion by 2030, with China being the largest region, followed by North America.

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