

## Smart phones and pads fuel wireless LAN growth

### ➤ Canalys Q2 2011 wireless LAN market report

Palo Alto, Singapore and Reading (UK) - for immediate release

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Canalys today announced that the total enterprise wireless LAN market, including access points and controllers, was worth \$757 million in Q2 2011, with 1.6 million units shipped. This is a 35% increase from the same time last year, when the market was worth \$561 million. The need for pervasive Wi-Fi connectivity due to the proliferation of mobile devices, especially smart phones and pads, was a key driver of market growth this past quarter.

To support advancing app and Internet use on smart phones and pads, expanding wireless LAN coverage in private and public environments, such as education campuses, offices, hotels, airports, hospitals, retail outlets and manufacturing facilities, generated ongoing revenue opportunities. The shift to the 802.11n standard, which augments bandwidth and access point coverage areas to support a higher density of devices, also contributed to market growth, by driving a healthy refresh cycle in existing wireless LAN environments.

North America and Asia Pacific were the fastest growing wireless LAN regions year-on-year at 42.9% and 45.7% respectively. Even the challenging EMEA market grew 30.7% year-on-year. All industry sectors registered solid increases in wireless LAN networking, with extensions a frequent source of growth.

Moving forward, the hospitality field will continue to roll out wireless LANs to entire conference facilities and lobbies, as well as supporting in-room services. Educational environments, meanwhile, are expected to expand their deployments to include a greater number of classrooms, dormitories and lecture theaters. Regardless of the industry, service providers are progressively turning to Wi-Fi technologies to help support their mobile users' demand for data, as cellular networks become overburdened.

As more wireless-only devices hit the market - and consumers bring those devices into the enterprise - building and maintaining the appropriate wireless LAN environment has become a vital business consideration. Canalys forecasts worldwide pad shipments will grow from 45 million units in 2011 to over 113 million in 2015, and worldwide smart phone shipments will increase from 455 million units to 864 million in the same period.

'Without a suitable wireless LAN strategy, a business will soon find its existing networking deployments overwhelmed,' said Canalys Analyst Alex Smith. 'There is a lot of hype around the cloud, but the first step in taking advantage of shared resources is ensuring that the maximum number of users and devices can access them.'

The top five wireless LAN vendors in Q2 2011 were Cisco, Aruba Networks, Motorola Solutions, HP Networking and Meru Networks. All vendors reported strong growth, but Cisco remained the leader with year-on-year shipment revenue up 35.6% and a slight market share increase to 53.7% from 53.4%.

Aruba Networks, including sales through OEM partner Alcatel-Lucent, was Cisco's closest challenger, growing above average at 41.5% to capture 14.6% of the market. Motorola Solutions, meanwhile, showed

the strongest growth among the top five, up 52.3%, thanks to its retail, transport and leisure industry sales. Building on its 2008 acquisition of wireless LAN specialist Colubris Networks and its 2010 purchase of 3Com, HP Networks accounted for 7.8% of total shipment revenue in Q2 2011.

‘As consumers boost both public cloud investment and mobile device adoption in the enterprise, the real winners will be wireless LAN vendors capable of steering government and business organizations to the right networking environments,’ said Smith. ‘Before there was the cloud, there were wireless LANs, and they are still hugely important today.’

### About the Canalys Enterprise Networking Analysis Service

The Canalys [Enterprise Networking Analysis service](#) examines the critical issues facing enterprise networking vendors and service providers, while delivering clear recommendations for action. As technology convergence increasingly dominates customer solutions, Canalys delivers a 360° view of the communications, data, mobility, storage, security and channel markets transforming the networking landscape. The service provides detailed router, switch and WLAN equipment statistics - by channel - all in one database.

Building on Canalys’ strong channel community, the service gives insight into the players having the most effect on customer sales, especially in emerging markets. By monitoring both the consumer and enterprise mobility markets, Canalys offers a unique perspective on the growing demand for bandwidth and traffic management.

### About Canalys

Canalys delivers smart market insights to IT, channel and service provider professionals around the world. Our customer-driven analysis and consulting services empower businesses to make informed decisions and generate sales. We stake our reputation on the quality of our data, our innovative use of technology and our high level of customer service.

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