

The truck refrigeration unit market to reach \$15B by 2025

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The truck refrigeration unit market is estimated to be USD 10.5 billion in 2018 and is projected to reach USD 15.0 billion by 2025, at a CAGR of 5.21%. The demand for refrigeration unit is driven by the increasing demand for frozen and chilled products and increasing sales of commercial vehicles. However, cabin comfort norms are acting as restraints for the refrigeration unit market as cabin comfort is no more an optional technology for trucks, mainly in developed regions. The Light Commercial Vehicle (LCV) segment is estimated to be the largest truck refrigeration unit market, by vehicle type. In terms of vehicle type, the Light Commercial Vehicle (LCV) segment is estimated to dominate the refrigeration unit market in 2018 and is anticipated to remain dominant in the vehicle type segment during the forecast period. LCVs are mostly preferred for the transportation of perishable goods within the city, and with a rising urbanization rate, especially in developing countries, the refrigeration unit market is expected to grow in the coming years. However, as per an industry expert's insights, for fitment of the frozen refrigeration unit require certain power output of light trucks as frozen refrigeration unit comes with high capacity compressor. So, the refrigeration unit fitted in LCV is economical, which would offer lucrative business opportunities with low investment. The roof mount system segment is estimated to grow at the fastest rate in the LCV refrigeration unit market by type. The roof mount system segment is estimated to be the fastest light commercial vehicle refrigeration unit market during the forecast period. The reasons attributed to the growth of this system are enhanced operational efficiency, simple working mechanism, lightweight, compact size, and low maintenance cost among others. On the other hand, the split systems are economical compared to the roof mount system, and hence, presently it has a higher adoption rate in the developing countries of Asia Pacific. However, owing to its benefits over the split system, the roof mount systems are projected to dominate during the forecast period. Asia Pacific is estimated to be the largest truck refrigeration unit market during the forecast period. The Asia Pacific region is projected to lead in the truck refrigeration market during the forecast period owing to the presence of countries such as India, China, and Japan, which have a substantial consumption of frozen and chilled products. Countries such as India and China are trying to improve their cold storage infrastructure in order to prevent wastage of items. According to a leading supplier of the refrigeration unit, approximately USD 1.34 billion worth vegetables and fruits in India (which is the second largest producer of fruits and vegetables) are wasted every year. Furthermore, increasing consumer demand for frozen food items has fueled the growth of supermarkets and quick-service restaurants such as KFC, Burger King, Subway, Taco Bell, Pizza Hut, and McDonald's among others in the region. This has led to an increase in the sales of consumer-ready items. Thus, to maintain the shelf life of perishable commodities, the demand for refrigeration unit is expected to remain significant in the coming years. In-depth interviews were conducted with CEOs, marketing directors, innovation and technology directors, and executives from various key organizations operating in the refrigeration unit marketplace.

- By Company Type: System Manufacturer - 45%, Tier I - 35%, and Others - 20%
- By Designation: C level - 40%, D level - 35%, Other - 25%
- By Region: The Americas - 40%, EMEA - 35%, Asia Pacific - 25%

Note: Others includes sales managers, marketing managers, and product managers
Note: Tier-1 companies are component suppliers, and other companies are fleet owners, bodybuilders, and association among others

Some of the key players in the truck refrigeration unit market are Daikin (Japan), Carrier (US), Thermo King (US), Denso (Japan), Webasto (Germany), Mobile Climate Control (Sweden), Subros (India), Sanden (Japan), Klinge (US), and Utility Trailer (US). The study includes an in-depth competitive analysis of these key players in the truck refrigeration unit market, with their company profiles, SWOT analysis of the top 5 companies, recent developments, and key market strategies.

Research Coverage
The truck refrigeration unit market has been segmented on the basis of vehicle type (LCV, M&HCV, trailer, bus), LCV [by type (roof mount, split system), application (frozen, chilled), industry (frozen food, pharma drugs & chemicals, and ambulance & passenger transport)], trailer size (20-feet, 40-feet, and others), bus length (<8 meters, 8–12 meters, >12 meters), and region [Asia Pacific (China, Japan, India, South Korea, Thailand), EMEA (UK, Germany, France, Spain, Russia, Turkey,

and South Africa), and The Americas (US, Canada, Mexico, Brazil).



The increasing demand for frozen and chilled items will drive the truck refrigeration unit market

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However, as per an industry expert's insights, for fitment of the frozen refrigeration unit require certain power output of light trucks as frozen refrigeration unit comes with high capacity compressor. So, the refrigeration unit fitted in LCV is economical, which would offer lucrative business opportunities with low investment.

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The roof mount system segment is estimated to be the fastest light commercial vehicle refrigeration unit market during the forecast period. The reasons attributed to the growth of this system are enhanced operational efficiency, simple working mechanism, lightweight, compact size, and low maintenance cost among others.

On the other hand, the split systems are economical compared to the roof mount system, and hence, presently it has a higher adoption rate in the developing countries of Asia Pacific. However, owing to its benefits over the split system, the roof mount systems are projected to dominate during the forecast period.

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The Asia Pacific region is projected to lead in the truck refrigeration market during the forecast period owing to the presence of countries such as India, China, and Japan, which have a substantial consumption of frozen and chilled products. Countries such as India and China are trying to improve their cold storage infrastructure in order to prevent wastage of items.

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in India (which is the second largest producer of fruits and vegetables) are wasted every year. Furthermore, increasing consumer demand for frozen food items has fueled the growth of supermarkets and quick-service restaurants such as KFC, Burger King, Subway, Taco Bell, Pizza Hut, and McDonald's among others in the region. This has led to an increase in the sales of consumer-ready items. Thus, to maintain the shelf life of perishable commodities, the demand for refrigeration unit is expected to remain significant in the coming years.

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