

Global Genset Growth Outlook: Revenue, Fuel Mix, and Regional Shifts to 2035

An analytical outlook on how power reliability needs, fuel transition pressures, and shifting end-user demand will reshape the genset market and growth opportunities

FOCUS POINTS

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3 GENSET OVERVIEW

4 GROWTH OPPORTUNITIES & CALL TO ACTION

5 KEY TAKEAWAYS

DISRUPTIVE SHIFTS

Top 3 Strategic Imperatives on the Genset Industry



Transformative Megatrends

WHY IT MATTERS

Renewables head to 45% of the global power mix by 2030, with generation up 60% and capacity auctions driving new supply deals.

FROST PERSPECTIVE

Gas gensets gain ground over the next 5 to 7 years as diesel matures and net zero targets bite around 2030.



Competitive Industry

WHY IT MATTERS

Data centre and hybrid genset demand is climbing. A few global leaders hold most of the market through emissions compliance, digital tools and fuel flexibility.

FROST PERSPECTIVE

Government backed developers lift investment, while large makers risk losing projects to smaller, faster rivals.



Disruptive Technology

WHY IT MATTERS

Newer engines cut lifecycle costs, hybrids stretch runtime off grid, and IoT monitoring enables predictive maintenance.

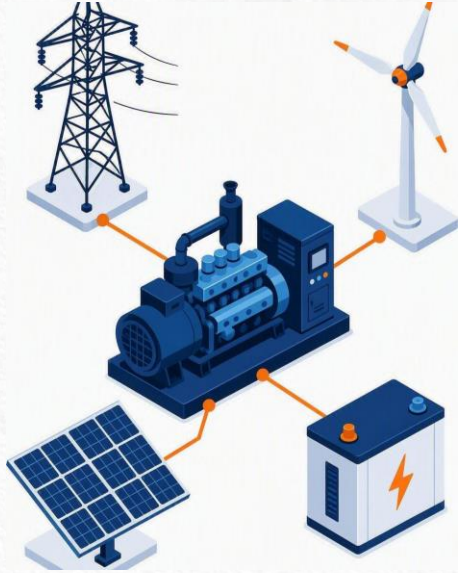
FROST PERSPECTIVE

Low emission engines running on gas and biodiesel make gensets a bridge to cleaner power.

DISRUPTIVE SHIFTS

Major Shifts Impacting the Evolution of the Gensets Industry

Five global trends are resetting how gensets are designed, sold and operated through 2026 and beyond.



1. Renewables and Decentralized Energy

Cleaner generation closer to the load pushes gensets into hybrid and backup duty.



2. Digitalization

IoT, edge computing and blockchain turn siloed data into uptime and new services.



3. Energy Storage

Batteries paired with gensets shave peaks, cut fuel burn and extend runtime.



4. New Business Models

XaaS, shared economy and outcome-based contracts replace one off equipment sales.



5. Electrification

Rising power demand and efficiency targets reshape sizing, fuel choice and emissions.

Gensets: 5 Major Trends, Global, 2026

DISRUPTIVE SHIFTS

Market Forces for Change

Four forces drive industry transformation, building resilience and lowering financial risk for customers.

	 Sustainability	 Digitalization	 Decentralization	 Business Models
WHAT	Cleaner and more energy efficient models	Unlock value trapped in siloed data	Stronger performance and less downtime	New ways to deliver customer outcomes
WHY	Reuse, repurpose and recycle materials	Simpler information and process flow	Easier access and remote monitoring	Reshape how operations are run
HOW	Decarbonization	Industry 4.0 and 5.0	Edge Computing	Anything-as-a-Service (XaaS)
	Energy Efficiency	Cloud and Cybersecurity	Blockchain	Data as a Service
	Circular Economy	AR and VR Operations	Ops Decentralization	Shared Economy
INFLUENCERS				
Innovation		Collaboration	Competition	Risk Mitigation
Market Policies				

GROWTH LANDSCAPE

Key Findings



Market Doubles Toward 2035

The global genset market grows from \$18.37 billion in 2025 to \$28.17 billion by 2035, a 4.4% CAGR. North America leads with a 30.8% share, while China and ASEAN together hold 26.4%.



Reliability Drives Demand

Economic recovery, unmet energy demand, and the rising business cost of outages remain the strongest growth drivers for diesel and gas gensets.



Shipments Keep Rising

Unit shipments grow at a 4.0% CAGR through 2035, with a 4.7% lift in 2025. Diesel still accounts for 64.6% of units by 2035.



Diesel Holds the Revenue Lead

Diesel takes 82.8% of 2025 revenue and reaches \$23.09 billion by 2035 at 4.3%. Gas holds 17.1% and grows faster to \$5.08 billion at 4.9%.

GROWTH LANDSCAPE

Regional Drivers Impacting the Generators Market

Regional demand is shaped by infrastructure gaps and energy transition priorities.

Gensets: Top 3 Regional Trends, Global, 2025 to 2035

North America

Aging grid • Efficiency gains
• Digitalization

Europe

Environment • Efficiency gains
• Digitalization

Russia and CIS

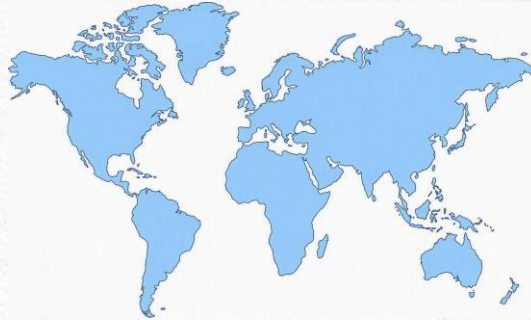
Grid gaps • Population • Environment

East Asia

Grid gaps • Population • Environment

Latin America

Urbanization • Economic growth • Population



China

Economic growth • Population • Environment

Africa

Grid gaps • Urbanization • Economic growth

Middle East

Grid gaps • Population • Environment

India and South Asia

Urbanization • Population • Economic growth

ASEAN

Urbanization • Population • Economic growth

ANZ and Pacific

Urbanization • Population • Economic growth

GENSET OVERVIEW

Global Revenue Outlook

WHAT IS DRIVING THE MARKET



Demand Base Widens

Outage costs and data centre power needs keep backup demand firm.



Diesel Stays Dominant

Diesel holds about 82% of revenue and still leads on units in 2035.



Gas Grows Faster

Cleaner fuel rules and hybrids lift gas to a 4.9% CAGR.



Technology Lifts Value

Hybrid and smart controller designs improve efficiency.



TOP 7 REGIONS BY REVENUE

87% of 2025 global revenue

North America

China

Europe

ASEAN

India and South Asia

Middle East

Latin America

Global Gensets

2025

2035

Total Revenue

\$18.37 B

\$28.17 B

Revenue CAGR 2025 to 2035

4.4%

Unit Shipments

416.6 K

618.7 K

Diesel Revenue

\$15.22 B

\$23.09 B

Gas Revenue

\$3.15 B

\$5.08 B

Fuel Revenue Mix, 2025



83% diesel

17% gas

Fuel Revenue Mix, 2035



82% diesel

18% gas

GENSET OVERVIEW

North America Revenue Outlook

WHAT IS DRIVING THE MARKET

**Grid Stress Drives Backup**

Severe weather and grid instability keep outage risk high across sectors.

**Data Centres Lead Demand**

Hyperscale and AI led builds anchor high capacity genset orders.

**Offices Add Volume**

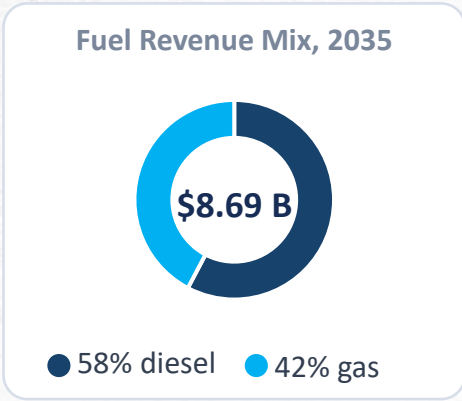
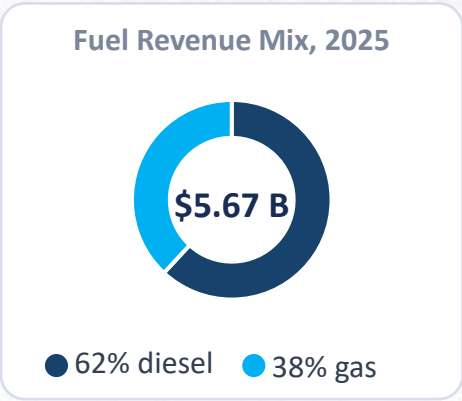
Offices and commercial sites take about 11% of 2025 revenue.

**United States Anchors Growth**

US revenue moves from \$4.93 B to \$7.73 B at a 4.6% CAGR to 2035.

North America Gensets	2025	2035
Total Revenue	\$5.67 B	\$8.69 B
Revenue CAGR 2025 to 2035	4.4%	
Unit Shipments	173.7 K	265.6 K
Diesel Revenue	\$3.51 B	\$5.01 B
Gas Revenue	\$2.16 B	\$3.67 B

END USER MIX, 2025			
GAS		DIESEL	
Residential	29%	Data Centres	28%
Data Centres	25%	Other Industrial	26%
Other Industrial	11%	Oil and Gas	12%
Healthcare	8%	Other Commercial	8%
Oil and Gas	7%	Telecom	8%
Office Buildings	7%	Residential	6%
Others	14%	Others	14%



GENSET OVERVIEW

China Revenue Outlook

WHAT IS DRIVING THE MARKET



Industrial Base Anchors Demand

Heavy industry and manufacturing keep industrial the largest revenue sector.



Data Centres Grow Fastest

Cloud, colocation and AI builds lift demand for units above 300 kW.



Commercial and Public Add Volume

Commercial, public and infrastructure spending drives units above 500 kW.



Hybrids and Digital Gain Ground

Diesel with solar and storage, plus IoT monitoring, are gaining traction.

END USER MIX, 2025

GAS		DIESEL	
Other Industrial	43%	Other Industrial	33%
Oil and Gas	27%	Data Centres	21%
Data Centres	10%	Oil and Gas	11%
Public and Infrastructure	7%	Other Commercial	10%
Residential	6%	Telecom	6%
Office Buildings	2%	Office Buildings	5%
Others	5%	Others	14%

China Gensets	2025	2035
Total Revenue	\$2.58 B	\$4.86 B
Revenue CAGR 2025 to 2035	6.5%	
Unit Shipments	49.5 K	90.2 K
Diesel Revenue	\$2.37 B	\$4.55 B
Gas Revenue	\$0.22 B	\$0.31 B

Fuel Revenue Mix, 2025



● 92% diesel ● 8% gas

Fuel Revenue Mix, 2035



● 94% diesel ● 6% gas

GENSET OVERVIEW

Europe Revenue Outlook

WHAT IS DRIVING THE MARKET



Data Centres Challenge Industrial

Data centres rival industrial revenue and overtake it before 2030.



Regulation Shapes Growth

Emission rules and renewables hold revenue growth to 2.5% a year.



Commercial And Offices Add Volume

Offices and commercial sites take 8% of diesel revenue as gas nears \$0.42 B in 2025.



Germany Leads, Digital Spreads

Germany stays the top country market as IoT enabled gensets become standard.

END USER MIX, 2025

GAS		DIESEL	
Residential	81%	Other Industrial	36%
Data Centres	12%	Data Centres	35%
Utilities	2%	Oil and Gas	8%
Telecom	1%	Other Commercial	7%
Healthcare	1%	Telecom	4%
Other Industrial	1%	Utilities	3%
Others	2%	Others	7%

Europe Gensets	2025	2035
Total Revenue	\$1.85 B	\$2.37 B
Revenue CAGR 2025 to 2035	2.5%	
Unit Shipments	34.0 K	39.9 K
Diesel Revenue	\$1.61 B	\$1.95 B
Gas Revenue	\$0.24 B	\$0.42 B

Fuel Revenue Mix, 2025



87% diesel 13% gas

Fuel Revenue Mix, 2035



82% diesel 18% gas

GENSET OVERVIEW

Latin America Revenue Outlook

WHAT IS DRIVING THE MARKET



Weak Grids Anchor Demand

Frequent outages and thin transmission keep backup demand firm across the region.



Industry and Oil & Gas Lead

Industrial plus oil and gas sites take over half of diesel revenue in 2025.



Commercial and Offices Add Volume

Offices and other commercial sites hold 11% of diesel and 10% of gas revenue.



Data Centres and Hybrids Rise

A small data centre base grows fast as diesel solar hybrids gain ground.

END USER MIX, 2025

GAS		DIESEL	
Other Industrial	78%	Other Industrial	43%
Other Commercial	10%	Oil and Gas	16%
Residential	6%	Data Centres	8%
Data Centres	1%	Other Commercial	8%
Telecom	1%	Residential	7%
Public and Infrastructure	1%	Telecom	5%
Others	3%	Others	13%

Latin America Gensets	2025	2035
Total Revenue	\$1.69 B	\$2.14 B
Revenue CAGR 2025 to 2035	2.4%	
Unit Shipments	26.0 K	31.1 K
Diesel Revenue	\$1.52 B	\$1.92 B
Gas Revenue	\$0.18 B	\$0.22 B

Fuel Revenue Mix, 2025



89% diesel 11% gas

Fuel Revenue Mix, 2035



90% diesel 10% gas

GENSET OVERVIEW

Middle East Revenue Outlook

WHAT IS DRIVING THE MARKET



Oil & Gas Sets The Pace

Oil and gas is the top end user, at 33% of diesel and 30% of gas revenue.



Commercial Property is the Quiet Second

Other commercial and offices together take 21% of diesel revenue in 2025.



Gas Stays Niche Despite Reserves

Gas holds under a tenth of revenue as cost and pipeline gaps slow uptake.



Hybrids and Remote Monitoring

Solar battery hybrids and IoT monitoring lift efficiency across both fuels.

Middle East Gensets	2025	2035
Total Revenue	\$1.70 B	\$2.06 B
Revenue CAGR 2025 to 2035	1.9%	
Unit Shipments	35.9 K	40.7 K
Diesel Revenue	\$1.54 B	\$1.86 B
Gas Revenue	\$0.16 B	\$0.20 B

Fuel Revenue Mix, 2025



Fuel Revenue Mix, 2035



END USER MIX, 2025

GAS		DIESEL	
Other Industrial	40%	Oil and Gas	33%
Oil and Gas	30%	Other Industrial	22%
Public and Infrastructure	8%	Other Commercial	18%
Residential	6%	Residential	6%
Other Commercial	5%	Public and Infrastructure	5%
Data Centres	5%	Healthcare	4%
Others	6%	Others	12%

GENSET OVERVIEW

ASEAN Revenue Outlook

WHAT IS DRIVING THE MARKET



Fastest Growing Region

Revenue climbs to \$2.56 B by 2035, the strongest growth of any region at 6.3% a year.



Telecom and Data Centres Scale

Telecom takes 20% of diesel revenue and data centres a further 12%.



Commercial Sites Punch Above Weight

Offices and other commercial hold 14% of diesel and most of the small gas pool.



Diesel Hybrids Take Over

Diesel keeps 99% of revenue as solar and battery hybrids spread.

END USER MIX, 2025

GAS		DIESEL	
Other Industrial	39%	Other Industrial	29%
Other Commercial	39%	Telecom	20%
Utilities	22%	Data Centres	12%
		Other Commercial	10%
		Public and Infrastructure	8%
		Healthcare	6%
		Others	15%

ASEAN Gensets	2025	2035
Total Revenue	\$1.39 B	\$2.56 B
Revenue CAGR 2025 to 2035	6.3%	
Unit Shipments	10.9 K	18.8 K
Diesel Revenue	\$1.38 B	\$2.55 B
Gas Revenue	\$12.9 M	\$13.4 M

Fuel Revenue Mix, 2025



● 99% diesel ● 1% gas

Fuel Revenue Mix, 2035



● 99% diesel ● 1% gas

GENSET OVERVIEW

India and South Asia Revenue Outlook

WHAT IS DRIVING THE MARKET



Construction Boom Lifts Demand

Public and infrastructure work takes 11% of diesel and 26% of gas revenue.



Offices and Commercial Expand

Other commercial plus offices reach 17% of diesel revenue as cities grow.



Data Centres Gain Momentum

Data centres hold 11% of diesel revenue after two years of rapid growth.



Solar Paired Diesel Expands

Weak grids in Pakistan pair diesel sets with record solar PV additions.

END USER MIX, 2025

GAS

Other Industrial	45%
Public and Infrastructure	26%
Oil and Gas	11%
Residential	6%
Data Centres	5%
Office Buildings	3%
Others	4%

DIESEL

Other Industrial	37%
Public and Infrastructure	11%
Other Commercial	11%
Data Centres	11%
Telecom	7%
Oil and Gas	6%
Others	17%

India and S Asia Gensets	2025	2035
Total Revenue	\$1.18 B	\$1.83 B
Revenue CAGR 2025 to 2035	4.5%	
Unit Shipments	23.9 K	35.8 K
Diesel Revenue	\$1.13 B	\$1.76 B
Gas Revenue	\$51 M	\$71 M

Fuel Revenue Mix, 2025



96% diesel 4% gas

Fuel Revenue Mix, 2035



96% diesel 4% gas

GROWTH OPPORTUNITIES & CALL TO ACTION

GO 1



Cloud Connected IoT Services

- Partner with cloud providers on predictive maintenance and efficiency, with managed 24/7 deployments.
- Add billing history, usage forecasts, security updates and flexible terms to build loyalty.

GO 2



Partnerships That Open Markets

- Use local partner expertise and field presence to widen reach and protect supply continuity.
- Ally with component makers and government backed projects to speed technology transfer.

GO 3



Products Built For Data Centres

- Team with technology firms and data centre builders, or buy smaller innovators, to sell complete power packages.
- Scale R&D in compact modular gensets, storage and liquid cooling for edge and hyperscale sites.

KEY TAKEAWAYS

01

Market Reaches \$28.2 Billion By 2035

Revenue climbs from \$18.4 B in 2025 at 4.4% a year, with shipments up 4.0% to 618,700 units.

02

Diesel Leads While Gas Grows Faster

Diesel holds 82.8% of 2025 revenue and reaches \$23.1 B by 2035, but gas and dual fuel gain at 4.9% a year.

03

North America Leads, Asia Adds Volume

North America takes 30.8% of 2035 revenue, while China and ASEAN together hold 26.4%.

04

Data Centres and Weak Grids Anchor Demand

Severe weather, ageing grids and load from data centres, healthcare and industry keep backup demand firm.

05

Hybrids and Services Decide The Winners

Emissions rules, fuel flexibility and IoT enabled services separate the leaders from the rest.