

Analysys Mason's predictions for activity in the satellite manufacturing and launch markets in 2024

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The satellite infrastructure landscape is set to change in 2024. Satellite manufacturers and launch service providers have been seeking to expand their skillsets and grow their market share to be more competitive, driven by the need for greater capabilities, more flexibility and lower costs. The gaps are narrowing between commercial and government markets, and between satellite and terrestrial markets. The number of new launch vehicles, satellite architectures and solutions that are expected to enter the market this year means that even a conservative perspective would find that space will become more accessible. This will drive further innovation, disruption and partnership, which will define the direction of the industry for years to come.

Analysys Mason hosted several panels at the most recent SATELLITE conference in Washington DC, and met with industry leaders. The conversations and announcements at the conference aligned with Analysys Mason's expectations for the year ahead. This article outlines Analysys Mason's top-five [satellite infrastructure](#), manufacturing and launch predictions for 2024.

Several next-generation heavy- and medium-class rockets will be launched to orbit

The [launch bottleneck](#) will finally begin to ease; many new rockets will be demonstrated this year. Arianespace announced at SATELLITE that it will launch its heavy-class Ariane-6 “[in the next 90–100 days](#)” (that is, July 2024). ULA's Vulcan Centaur, ISRO's GSLV, Mitsubishi's H-III, Space Pioneer's Tianlong-3 and even Virgin Galactic's SpaceShipTwo are also set to launch between May and July this year. Rocket Lab is planning Neutron's inaugural launch before the end of the year.

A number of medium-class launches are also expected this year from ABL Space Systems (RS1), Firefly (Alpha, in May), Gilmour Space (Eris, in April), ISAR Aerospace (Spectrum, in June), RFA One and Galactic Energy (Pallas 1, in November).

However, not all of these planned flights will go ahead in 2024, and those rockets that do fly may not successfully reach orbit. [Launch delays are common](#), and there are around ten failures every year. Analysys Mason expects that most of the planned heavy-class launches will go ahead in 2024, but that less than half of the medium-class test flights will proceed given the lack of heritage from the medium-class players and the better funding of the heavy-class players.

The number of GEO communications satellite orders will surpass that from last year

The geostationary (GEO) communications satellite market has suffered in recent years; the number of GEO communications satellite [orders was just 11, 11 and 7 in 2021, 2022 and 2023](#), respectively. Operators have exhibited caution regarding GEO satellites and have been intrigued or distracted by non-GEO incumbents such

as Starlink, OneWeb and Amazon's Kuiper. At the same time, manufacturers have been trying to [disrupt the GEO market](#) by unveiling smaller, cheaper and more flexible platforms. For example, Terran Orbital announced its [SmallSat GEO](#) at SATELLITE. This has led the prime manufacturers to design their own software-defined satellites with standardised hardware to gain time and cost efficiencies.

The GEO market was more diverse in 2023 than in previous years; Astranis and Swissto12 featured alongside typical competition. Analysys Mason predicts that the number of GEO communications satellite orders will increase in 2024, partially due to the improved confidence, competitiveness and readiness of this generation's suite of solutions, but also due to continued curiosity from non-traditional customers that are experimenting with GEO satellites and capacity as space becomes easier to access.

Several sovereign satellite communications programmes will be announced

There is a larger diversity of GEO satellite offerings today than ever before. Analysys Mason has also observed that satellites and space are increasingly becoming priorities for sovereign nations, and have been becoming stronger parts of national strategies for security, economic and political reasons.

At the same time, interest in satellite constellations for global coverage, interoperability and connectivity is also growing. There is demand for alternative solutions, either from a diversity of commercial offerings, spearheaded by Starlink's growing capacity, or for state-controlled architecture, especially in light of the [challenges during the Russia/Ukraine conflict](#). [Thaicom also partnered with Globalstar](#) in late 2023 in order to provide non-GEO satellite services to Thailand. Downstream deals of this nature are expected to continue, but the same demand will also drive new sovereign satellite orders as nations strive for independent capabilities.

Horizontal and vertical manufacturing integration will continue in an attempt to de-risk satellite manufacturing and launch

Space is becoming more accessible and, as a result, more competitive. The disparity between players in terms of market control, funding and project progress is not evenly distributed. Established and emerging players will compete very closely, while new players will find it very challenging to sustain operations long enough to become competitive. The space market is driven by technology development, which requires a long time and considerable funding. These pressures have inspired the vertical integration that has been seen in the industry in the last few years, including mergers from OneWeb and Eutelsat and acquisitions from Boeing and [Millenium Space Solutions](#). Internally, [vertical integration](#) is also proving to be important for managing supply chains, reducing costs and shortening timelines.

Commercialisation will continue and will drive new applications and technologies both in Earth's orbit and beyond

Satellite industry business models typically flow from government-to-government (G2G), to business-to-government (B2G) and eventually to business-to-business (B2B) and business-to-consumer (B2C). This process has been slow to develop given the very high entry costs. However, the trends driving the predictions above mean that businesses are increasingly more capable of serving the space market and demanding infrastructure of their own. The '[commercialisation of low-Earth orbit \(LEO\)](#)' was a driving force behind NASA's plans to expand beyond Earth, and the Commercial Lunar Payload Services (CLPS) programme enabled the industry to leap past G2G and apply B2G models to support the Artemis programme.

This trend will continue, and Analysys Mason predicts that several new commercial applications will be demonstrated and developed this year. These include in-orbit services such as [last-mile delivery](#) and [life extension](#), as well as more [commercial navigation services](#) and in-space manufacturing. As such, the market will demand increased capability, performance, flexibility and diversity in satellite technologies and services. Much of the initial funding is likely to come from government sources, but commercialisation will drive these capabilities beyond single-sovereign programmes.