



Essen, September 20, 2018

Figures, Data and Facts About the Security Industry:

## Further Strong Growth in the International Security Market

### Global Turnover with Security Products and Services Continues to Rise

According to the most recent forecasts by internationally active market analysts, the current and future growth in all the sectoral segments represented at Security Essen (from September 25 to 28, 2018) is and will be well above the global economy's rate of increase which the OECD (+3.7 percent) and the IMF (+3.9 percent) specified for 2018. The highest annual rises are expected in IT security with up to 13 percent. A figure of 10.1 percent is forecast for classic surveillance technology. Here, the analysts combine, above all, video surveillance, access control and the recognition or warding-off of intruders. However, above-average growth rates will also be achieved with constructional fire prevention (+9.7 percent) and in security services (+5.9 percent).

The global turnover of the sectors which will be represented at the world's leading fair for security, Security Essen, will add up to over US\$ 400 billion for 2018. The global danger of terrorism, urbanisation, the growing protection needs of the private households and the vulnerability of the IT processes are viewed as the strongest growth drivers for the non-military security market. In the security industry subsegment with the strongest turnover at present (classic services with guarding, alarm connections, cash in transit or security advice), a worldwide turnover of US\$ 240 billion is expected in 2020. In countries with low wage cost levels, it is primarily the greater demand for personnel guarding services which should ensure higher growth. In contrast, in the industrial states, the market should be stimulated by the increased need for advice, system integration and the monitoring of the ever more complex security systems.

### Rising Turnovers for Cloud Security and Secure Wireless Solutions

The growth engines for IT security are, above all, the threats caused by cyber crime and cyber terrorism as well as the more stringent requirements which the state, the economy and the end customers are setting on data security and data protection. In this respect, experts see, in particular, the dangers in the Internet of Things (IoT)



MESSE ESSEN GmbH  
Messeplatz 1  
45131 Essen | Germany  
Presse-Kontakt | Press Contact  
Kirsten Hemmerde  
Fon + 49.(0)201. 72 44-432  
kirsten.hemmerde@messe-essen.de  
Presse-Assistenz | Press Assistance  
Claudia Brügger  
Fon + 49.(0)201. 72 44-244  
Fax + 49.(0)201. 72 44-249  
presse@messe-essen.de  
Presse-Fotoservice |  
Press Photo Service  
Rainer Schimm  
Fon + 49.(0)201. 72 44-247  
rainer.schimm@messe-essen.de  
www.messe-essen.de  
www.security-essen.de  
Veröffentlichung kostenfrei –  
Beleg erbeten  
Publication free of charge –  
Copy requested

and with regard to the Industry 4.0 solutions as particular turnover drivers. Turnovers in the fields of cloud security and secure wireless solutions should, together, make up approx. 40 percent of the total market by 2022. Market analysts are assuming that security services, e.g. in the case of risk and weak spot management or access management, will account for 60 percent of the global turnover of nearly US\$ 100 billion at the end customers in 2018. The fact that companies and public institutions no longer consider themselves to be expertly or economically capable of guaranteeing the demanded security level themselves is being seen as an essential motive for the outsourcing. The sales of hardware and software products are correspondingly playing a secondary role in the current IT security market. The worldwide turnover in the fire prevention market which will also be present at Security Essen (i.e. in the case of fire and gas alarm systems, sprinkler technology, fire extinguishers, transmission technology and relevant installation and services) is currently approx. US\$ 62 billion. Here, sustained growth is being ensured, above all, by ever more stringent normative or statutory requirements and the rising technical level which is necessitating replacement investments in many places.

## **Increased Investments in External Surveillance Service Providers**

Video surveillance technology continues to be the most important turnover contributor in the global market for classic surveillance technology which is estimated at approx. US\$ 70 billion at present. Approx. 55 percent of the manufacturers' turnovers are accounted for by cameras and the relevant hardware and software equipment, 24 percent by access control and 21 percent by intruder alarm technology, perimeter surveillance and other surveillance technologies. Moreover, great leaps in turnover are still being expected in the largest market segment of surveillance technologies, video surveillance. In part, average growth rates up to 15.4 percent are being forecast until 2022. The circumstance that this is succeeding at falling prices for the core product, the camera, may primarily be attributed to the fact that, with the increasing utilisation of surveillance cameras, more is being invested not only in servers, storage devices and monitors but also in intelligent analysis technology or the users are increasingly calling upon Video Surveillance as a Service (VSaaS), i.e. external surveillance service providers.

## **Access Control Places Its Faith Increasingly in Biometrics and Smartphones**

At present, a growth rate of 8.0 percent per year is being forecast for access control. According to the information from the analysts, the growth drivers are, in particular, the increasing linking of the access control with the respective identity management systems in the economy and public institutions. Moreover, the growth is being promoted by the greater use of biometric methods and the growing utilisation of mobile devices as ID carriers. The business with Access Control as a Service (ACaaS), i.e. the outsourcing of the access control to service providers, will rise strongly. Disproportionate growth (+13.9 percent) is being expected in the electronic locks segment (global turnover in 2018: ~US\$ 1.3 billion). The mechanical locks field should grow by 4.5 percent per year (turnover in 2018: ~US\$ 6.0 billion). The expectations for perimeter and intrusion surveillance are also above the general economic growth. Here, the future annual rates of increase are estimated at 7.6 percent. Above all, the ever more stringent requirements on safeguarding critical infrastructures or commercial sites, especially in the transport and logistics sectors, are specified as important growth factors.

## **Smart Security Solutions in Demand for Private Households**

The further rise in the demand of the private households for security solutions is also good for the future development of the economic situation. In the field of home security, an average growth rate of 9.2 percent is expected for the next five years. In addition to rising protection needs, the fact that the security solutions are increasingly being viewed as "smart" is playing an essential role. For example, in the opinion of analysts, security functions today and in the future are and will be the most important turnover contributors in the smart home market which amounts to approx. US\$ 20 billion at present. A total of approx. US\$ 5.3 billion is currently being attributed to surveillance and security. Here, an average growth in turnover of 21.1 percent per year is being forecast for the next ten years.

Further information at: <https://www.security-essen.de>