



# Video Surveillance market assessment

*Case study*

# BA assisted a U.S. based communications company assess market opportunities in the global Video Surveillance market

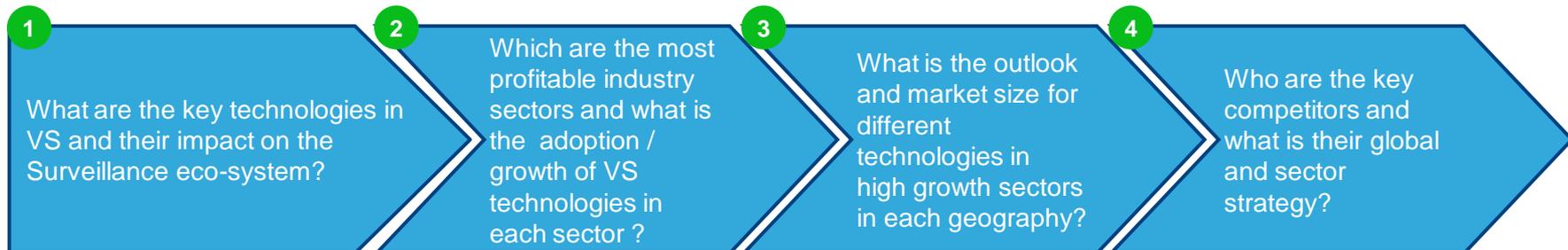
## Client Background

- The client is a US-based international communications equipment company that produces wireless equipment, electronic systems, and terrestrial and space borne antennas for use in the government, defense, and commercial sectors
- The client wanted to enter the Video Surveillance(VS) industry, particularly in Storage, Integration and Video Analytics
- The client engaged BA to analyze the global Video Surveillance market so as to narrow down the growth sectors in Video Surveillance in each geography

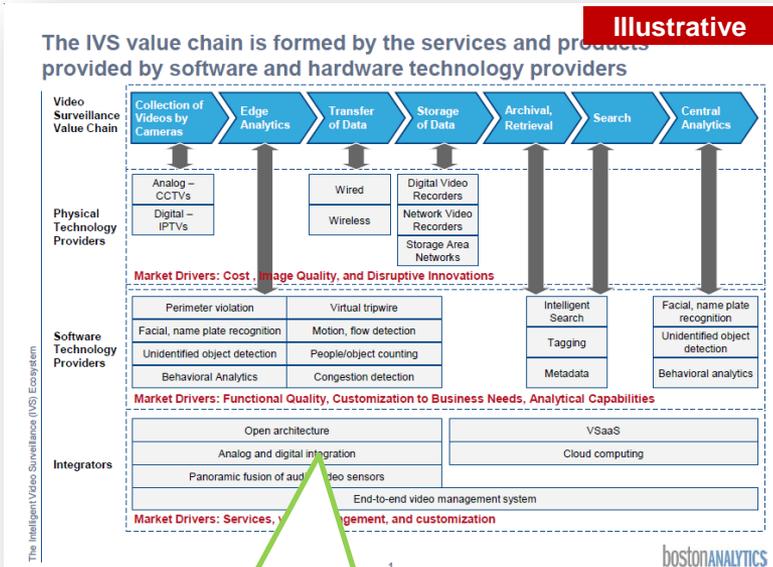
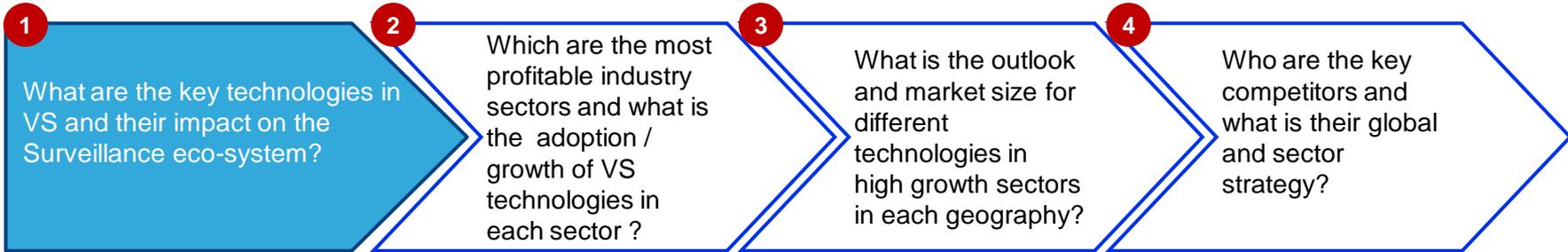
## Key Highlights

- BA outlined all the hardware and software technologies, and technology providers, that form the Video Surveillance value chain
- BA analyzed the global outlook for key sectors like public security and transportation, and the geographic outlook for the same for key geographies
- BA also analyzed the client's key competitors from different segments and core competencies
- BA provided it's analysis on the market outlook and the direction that each geography –sector was expected to take over a five year horizon

## Key Business Questions



# BA identified the VS ecosystem by in-depth analysis of technologies used in Video Surveillance and their applications and adoption



The VS eco-system was mapped with the main technologies used. The technologies were then segregated according to hardware, software and integration requirements

Each technology at each level was drilled down to define its presence and level of adoption in each sector

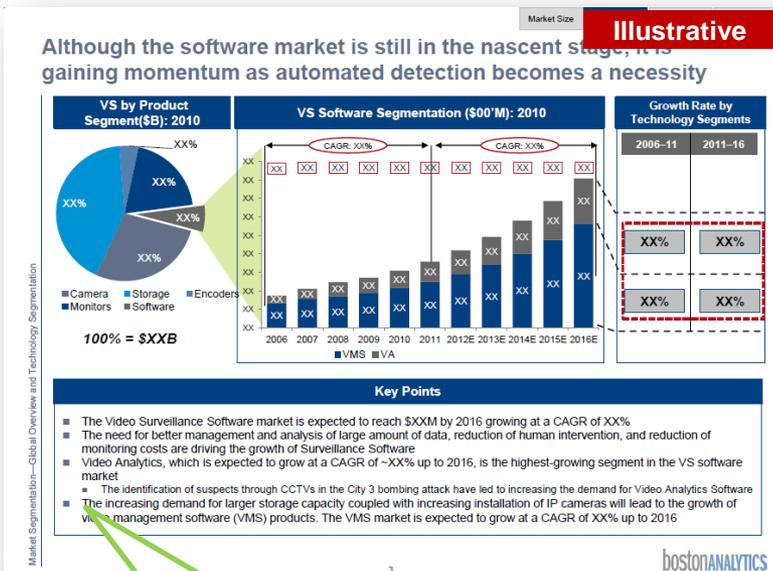
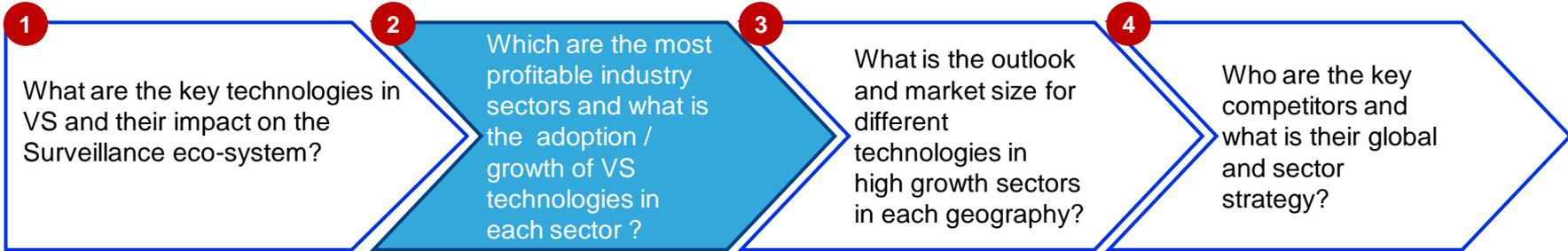
**Illustrative**

new technologies, Analytics finds wide acceptance in Public and Transportation, however VSaaS shows slow adoption

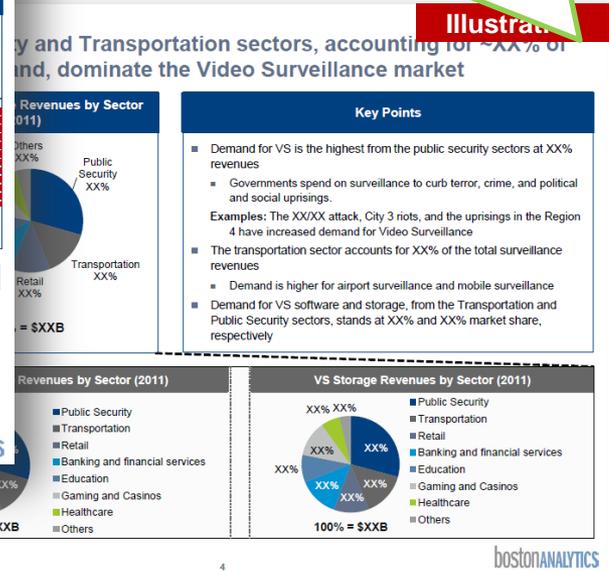
	Banking	Public Safety	Retail	Transportation	Education
Shift to IPTV Wireless N/w	High Low	High High	Low Low	Med High	Med Low
Perimeter mapping	✓		✓	✓	✓
Object detection	✓	✓		✓	✓
Facial recognition		✓		✓	
Name plate recognition		✓		✓	
Behavioral analytics	✓	✓	✓		✓
Flow detection		✓		✓	
Motion Detection	✓	✓			✓
VSaaS/Cloud Adoption	Low	Low	High	Low	High
Fusion of audio, video, other sensors(A)	High	High	Low	Med	Low

Success of the technology is measured in terms of PoD (probability of detection) and FAR(False Alarm Rate).  
 ■ A successful VA application has both high PoD, that allows for higher detection rates, and a low FAR, so that minimal false alarms, reduce the amount of resources spent on responding and verifying the alarms  
 ■ Simpler VA like Motion detection, that only maps the changes in the pixels, have a higher success rate, up to XX  
 ■ More complex VA, like facial recognition, have around XX% success rate, when the cameras are positioned at their optimal angle, and in optimal conditions of light, wind, background etc  
 ■ With increasing complexity, the success rate drops drastically, as both the PoD decreases, and FAR increases

# BA analyzed the growth trends of each technology for each major industry sector, in-line with the core competencies of the client

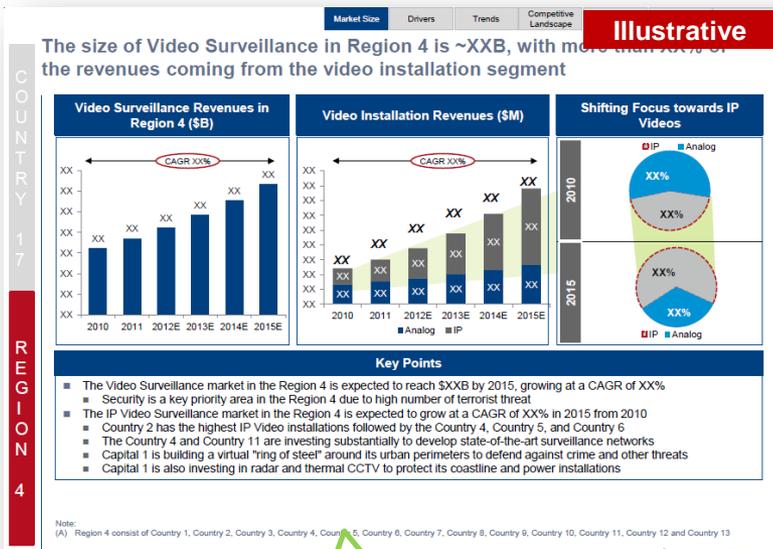
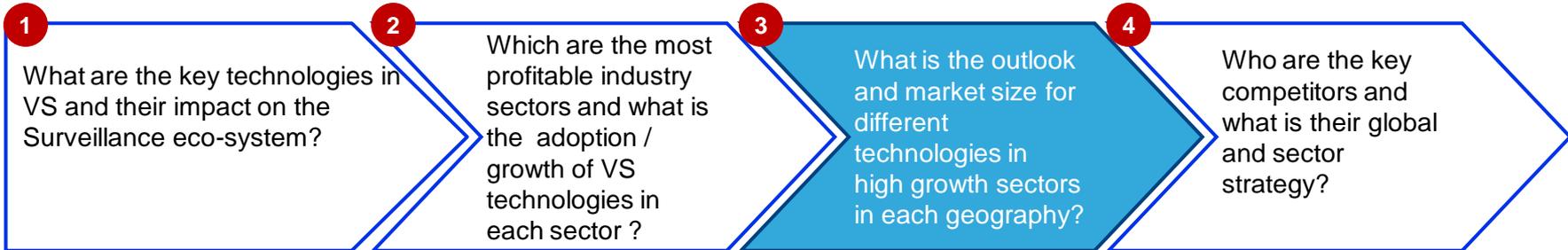


Sector-technology mapping was used to showcase growth of each technology in different sectors

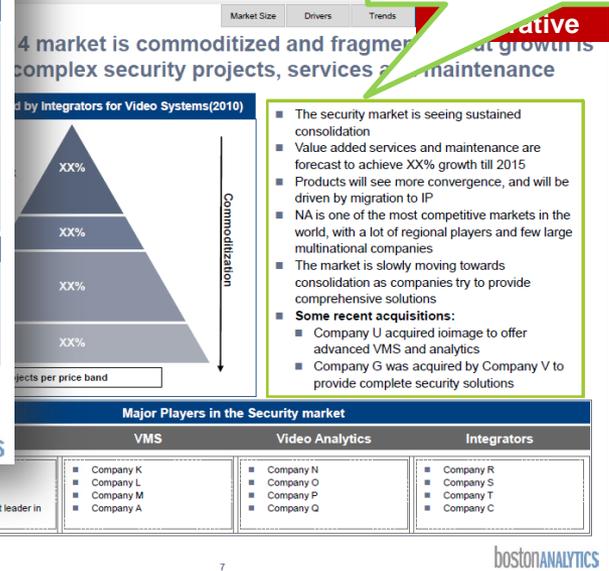


Global growth of key technologies and expected future growth and trends were analyzed

# BA analyzed different geographies by sector, technologies, trends, drivers and business environment



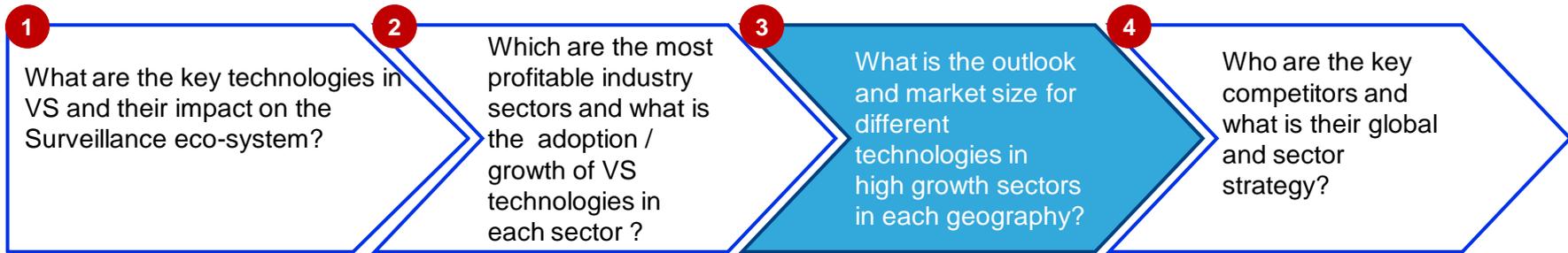
The business environment in each geography was analyzed with respect to the competitive landscape, business environment and major competitors



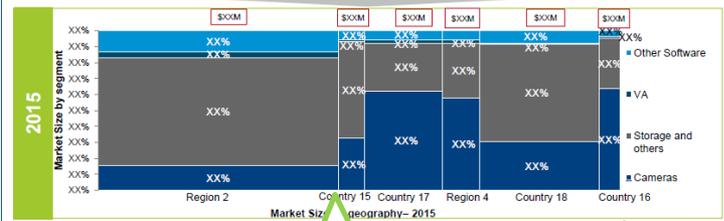
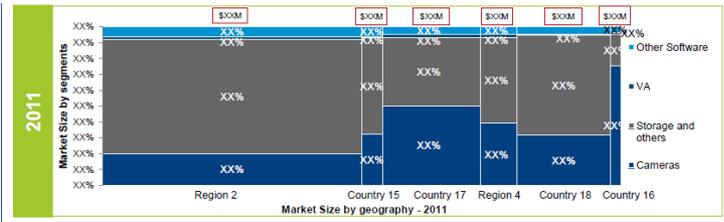
The security market is seeing sustained consolidation. Value added services and maintenance are forecast to achieve XX% growth till 2015. Products will see more convergence, and will be driven by migration to IP. NA is one of the most competitive markets in the world, with a lot of regional players and few large multinational companies. The market is slowly moving towards consolidation as companies try to provide comprehensive solutions. **Some recent acquisitions:** Company U acquired iomage to offer advanced VMS and analytics. Company G was acquired by Company V to provide complete security solutions.

Each geography was analyzed on the basis of size of the market, drivers, trends and sector outlook

# BA developed a maturity model to map the current and expected growth of different geographies, market size and business outlook



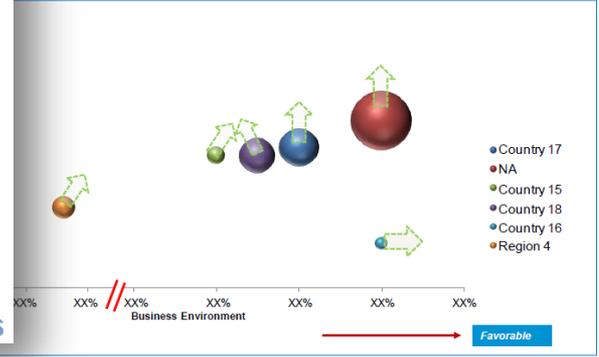
**Illustrative**  
Country 18 and Country 16 will be the fastest growing VS markets in the world, while Region 2 will witness greater adoption of VA



A five year comparison was made for each geography-technology to show the expected change in technology adoption and market size

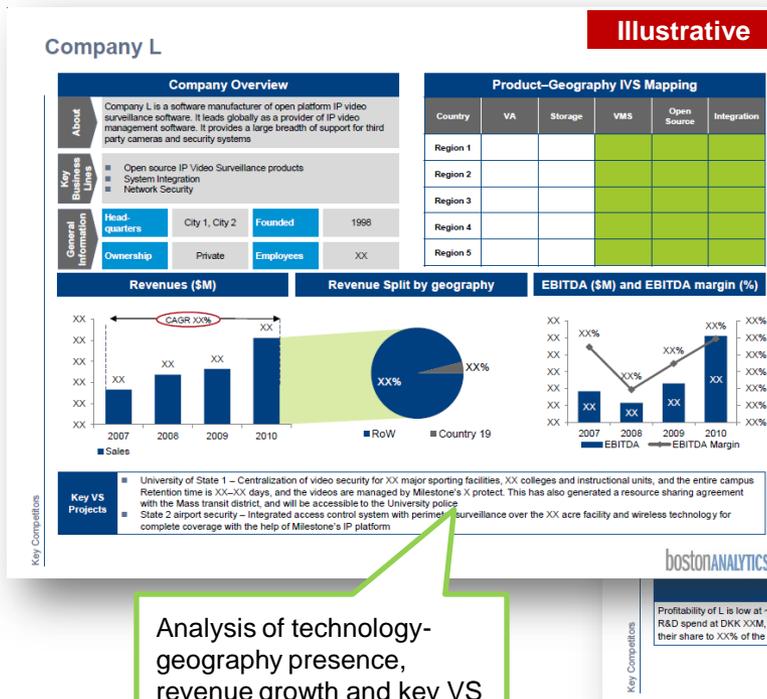
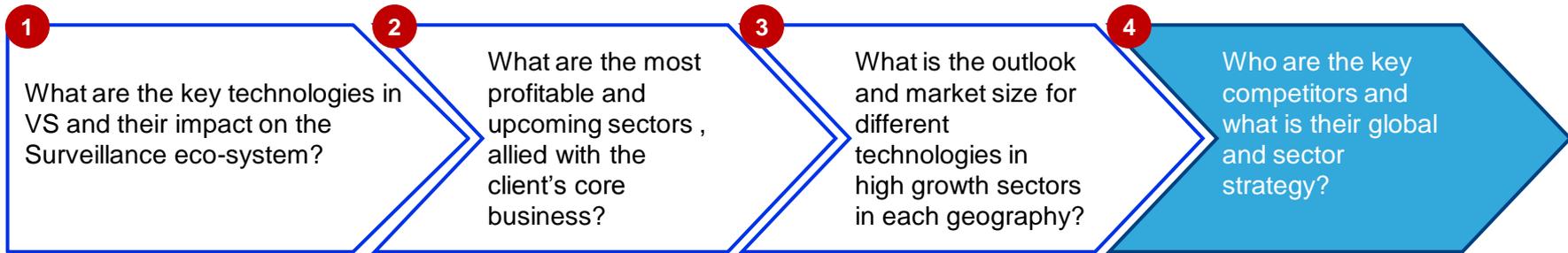
A technology-business maturity model was constructed to compare each geography and give a view on expected growth direction

**Illustrative**  
Country 18 are technologically more mature than other emerging countries; Country 15 is a lucrative market due to business conditions(A)(B)



Note:  
A: Size of the bubble indicates the size of the VS market  
B: The values on the graph have been calculated based on the study and research conducted by BA in the above countries. The parameters included are:  
• Business environment of a country has been calculated based on the parameters:- Market Demand for VS, competitive intensity in VS, Rate of software piracy, Ease of starting business, political stability, Infrastructure support and investor protection index  
• Technology Maturity of a country has been calculated based on parameters:- Adoption of IP surveillance in the country, Adoption of VS software technology, growth of integration capabilities, potential for technological innovations and Internet penetration  
• Detailed model in the Appendix

# BA defined each competitor on the basis of market size, technology, and derived the strategy driving the competitor's business



Analysis of technology-geography presence, revenue growth and key VS projects for each competitor was detailed out

The main driving strategy of the competitor was derived from its product, sector, investment and geographic strategies



For more information, please contact us at:

[contact@bostonanalytics.com](mailto:contact@bostonanalytics.com)

+1- 617-415-1691

[www.bostonanalytics.com](http://www.bostonanalytics.com)

**Boston Analytics** *(A division of Pythos Technology (P) Ltd.)*

**Boston**

396 Washington Street,  
Suite 351,  
Wellesley, MA 02481  
United States

**New York**

15 Schuyler Hills Road  
Loudonville NY 12211  
United States

**Gurgaon**

18th Floor, Tower-B,  
DLF Building No. 5  
DLF Cyber City, Phase-III  
Gurgaon – 122002  
Haryana, India

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