

Global Cybersecurity Market

Forecast to 2025, and Covid-19 Impact
By Security (Application, Cloud, Endpoint, Network, and ICS & Content)
By Solutions (Antivirus/Antimalware, Encryption, DLP, UTM, Firewall, and Others)

January 2021

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Objective & Scope

Objective: To assess the Global Cyber Security market, identify the key growth opportunities, and understand the competitive scenario

Scope coverage

Focus Products

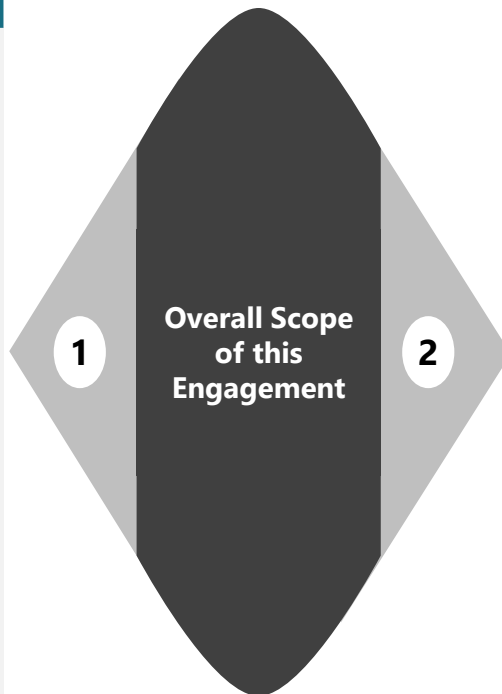
- Security Solution (Antivirus/ Antimalware, Data loss protection, disaster recovery, Encryption, Firewall)
- Security Type (Application security, cloud security, Endpoint security, Network security)

Focus End-use Sectors

- BFSI
- Utilities
- Manufacturing
- Healthcare
- Information Technology
- Telecom
- Defense Security
- Others (Retail, Oil & Gas, etc.)

Focus Geography

- Global
 - North America
 - Europe
 - Asia Pacific
 - (Others) Middle East & Africa



Scope of study

- Overview Cybersecurity market
- Detailed assessment of the key end-use sectors for cybersecurity market – current state & outlook
- Current and forecast market for cybersecurity (2020 – 2025)
- Segmentation of the market by end-use sector, security solution, security type, etc.
- Key trends analysis to understand the potential impact on the cybersecurity market
- Analysis of the key drivers and challenges impacting the market growth
- Competitive landscape within the global cybersecurity market
- Profiles of the key manufacturers like Cisco system Inc., Checkpoint software Technologies, Fortinet Inc, etc.

1.3 Research Methodology

- Preliminary data was gathered using extensive secondary research and information from proprietary databases
- Insights on the market drivers and challenges, and suppliers, their solutions, key developments and so on were developed



Primary Research

- Analyzed data through qualitative research techniques and derived key insights to streamline the study flow
- Data is presented in a module based approach

Secondary Research



- Insights were developed through primary interviews with industry stakeholders, related to cybersecurity market and key suppliers
- The stakeholders included senior personnel from cybersecurity vendors, distributors, end-user company procurement personnel across different sectors and industry experts
- This data was triangulated with the insights developed through secondary research

Synthesis of findings



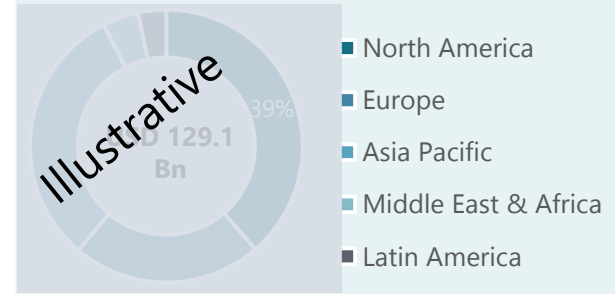
2. Summary

2.1 Cybersecurity Market Analysis

Market Analysis

- The global cybersecurity market was valued at USD 129.1 Bn in 2019, and it is expected to reach USD xx Bn by 2025, at a CAGR of 10.9% from 2020 to 2025. The growth is mostly driven by the rising adoption of online platform, e-commerce, and the emergence of disruptive technologies such as Artificial Intelligence (AI), Internet of Things (IOT), Blockchain, BYOD (Bring your own devices) and others
- The increasing adoption of M2M(machine2machine)/IoT connections drive the demand growth for cybersecurity solutions in enterprises. Many emerging business models and applications are focused on reducing device costs allowing more adoption of IoT, and connected devices, such as connected cars, machines, meters, wearables, and consumer electronics
- The ongoing several smart city projects and initiatives are likely to create strong opportunities for cybersecurity solution. At least 30 global smart cities are expected to built by 2025; 50% of these will be from North America and Europe
- Cybersecurity spending is increasing in countries such as India, Italy, Spain, Canada, Africa, and others. The rising demand for enterprise security solutions from sectors including banking, financial services and insurance (BFSI), Telecom, Healthcare, and government and defense are expected to drive the market demand for various cyber security solutions
- Key players such as Checkpoint, Cisco, Broadcom Trend micro, Fortinet and others are expanding their global footprint by entering into partnerships, and acquiring other companies. There are also several new/improved products and services being launched in this space driving the robust demand for cybersecurity solutions

Cybersecurity 2019 by Region



Key Cybersecurity Players in 2019



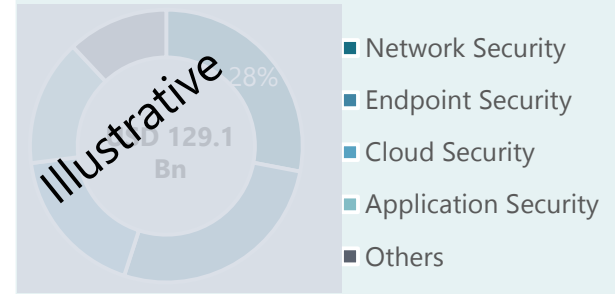
2. Summary

2.2 Solution Type

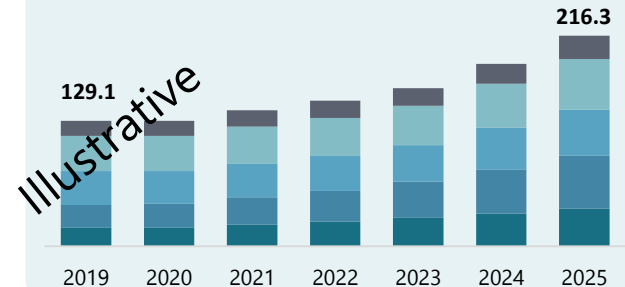
Solutions Type

- Cybersecurity solutions market is majorly contributed by network security and endpoint security. The market size was valued at USD 224.2 Bn in 2019 and is projected to reach USD 284.2 Bn by 2025, growing at a CAGR of 4.5%.
- Vendor's focus on cloud security solutions is expected to drive the growth of the market.
- Enterprises are constantly innovating and upgrading their product offerings to cater to the increasing network security demand.

Cybersecurity 2019 by Solution Type



YoY Cybersecurity Solution USD Bn 2019-2025



2. Summary

2.3 End User Vertical Assessment

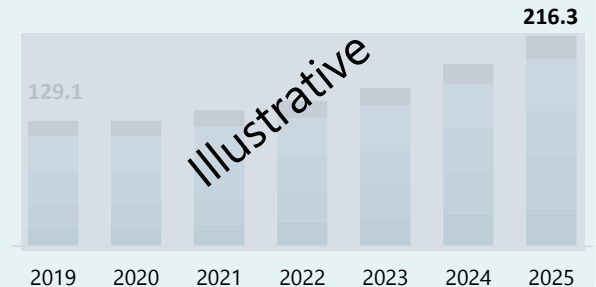
End User Market Analysis

- The cybersecurity end use market was majorly dominated by BFSI, IT, and Defense & security
 - Financial institutions are highly vulnerable to cyber threats
 - IT services providers are highly vulnerable to cyber threats
 - Defense & security organizations are highly vulnerable to cyber threats
 - Critical infrastructure providers are highly vulnerable to cyber threats
 - Healthcare providers are highly vulnerable to cyber threats
 - Telecom providers are highly vulnerable to cyber threats
 - Manufacturing providers are highly vulnerable to cyber threats
 - Utilities providers are highly vulnerable to cyber threats
- Due to the increasing number of cyber threats and vulnerabilities there is a major focus on adopting cyber security solutions in the sector

Cybersecurity 2019 by End-Use Type



YoY Cybersecurity End Use USD Bn 2019-2025



3. Global Cybersecurity Market

3.1 Impact of COVID-19

Impact of COVID-19 on Key IT Sub-sectors



Cyber Security

- The usage of cloud services has scaled multifold during the pandemic. The exchange of critical organizational information over digital platforms has exposed businesses to huge cyber risks and data breaches
- Increased phishing scams, WHO website attacks, and cybercriminals targeting zoom domains have been witnessed recently
- The current as well as future holds a strong environment for cybersecurity space with the entire world now moving to digital environment



AI & Big Data

- With the growing advancements in big data analytics, application of AI is likely to increase, especially across sectors including health informatics, BFSI, E-commerce, and retail, etc.
- COVID-19 seems to have accelerated AI's replacement of humans as a factor of production
- AI will be useful in data analysis, tracking, predictions, treatments, consumer patterns, and so on



Cloud Services

- Work from home and online education has surged the demand for expanding virtual private network (VPN) and providing collaboration capabilities to combat unexpected disruptions
- By the end of March 2020, the maximum number of daily meeting participants using Zoom crossed more than 200 Mn

Strategies Adopted By Top It Companies Post Pandemic



Remote automation will be the future for IT World



Enhancing customer experience Through Digitalization



Artificial intelligence Will be the new norm



Block chain to solve global supply chain concerns



Autonomous technology in controlled environment

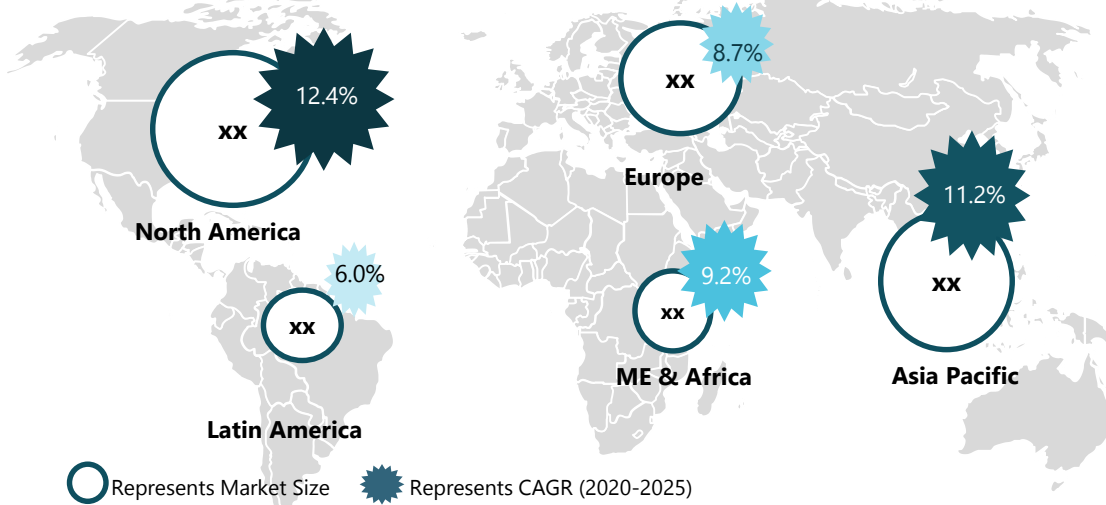


Digital Twin – extending capabilities beyond asset management

Global Cybersecurity Market Scope

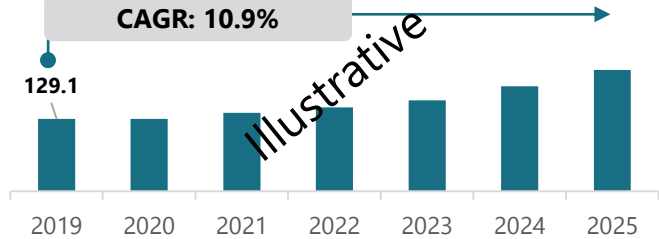
Cybersecurity Market Across Regions

Cybersecurity Market, USD Bn, 2019 and CAGR 2020-2025- By Region

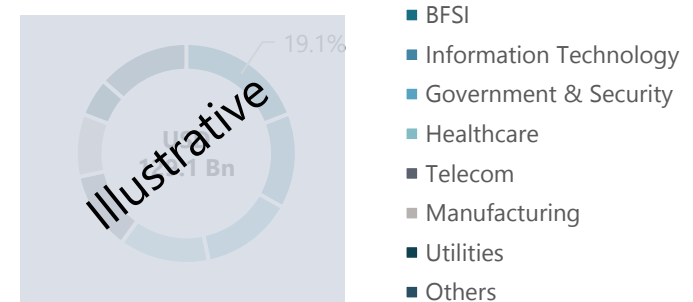


- Global Cybersecurity market is expected to grow at a CAGR of 10.9% from 2020 to 2025
- North America dominates the global cybersecurity solutions market in 2019. It is further expected to gain in the next five years to reach USD xx Bn
- Banking, Finance & Insurance, Information Technology, Healthcare and defense sectors together contributed 60% to the global cybersecurity solutions market in 2019

Global Cybersecurity Market (2019-2025) – USD Bn



Global Cybersecurity Market by End-Use Sector



3. Global Cybersecurity Market

3.4.1 Key Industry Growth Drivers

Key Industry Growth Drivers (1/2)



Impact of Digital Transformation

- The world is experiencing a digital transformation with organizations and governments increasing IT spending to evolve with the advancement of technology
- Use of big data, autonomous vehicles, virtual assistants, cloud computing, and IoT/connected devices will increase our susceptibility to cyberattacks. Technologies such as 5G will lead to a rapid increase in the number of connected devices and will lower latency, and as these technologies reach maturity, cyber risks will become a key concern
- Cybersecurity will help create a robust self-defending network by leveraging likes of AI and blockchain



Increasing Sophistication of Attacks

- The increasing sophistication of cyber attacks can put even the most protected security operations under threat. Cybercrimes are expected to cost businesses globally more than USD 6 Trillion annually by 2021
- Cybercriminals are continuously sophisticating their attacks from tailored ransomware and custom coding to living-off-the-land or sharing infrastructure to maximize their opportunities
- Enterprise threats are expected to increase in complexity, while mixing traditional risks with new technologies, like AI in business frauds
- With the ever impending cyber attacks, the cybersecurity solutions are also getting advanced in order to stay abreast of the impacts, using AI and machine learning to sense them beforehand



Outsourcing of Cybersecurity Services

- Having an in-house cybersecurity team increases the cost for the company leading to diversion of resources, when the company needs to focus on the core competencies of the business
- The growing outsourcing of cybersecurity solutions to a specialized Security Operations Centers has increased the demand for security solutions
- A cybersecurity solutions provider will be able to provide specific expertise that cannot be catered to internally within the organization

3. Global Cybersecurity Market

3.4.1 Key Industry Growth Drivers

Key Industry Growth Drivers (2/2)



Government Regulations and Investment

- Countries across the world require the organizations to follow certain regulations in order to mitigate the risk of cyber attacks. Increased compliance and regulatory requirements such as the EU's General Data Protection Regulation calls for action from companies, thereby aiding the awareness and the subsequent sales
- Apart from cyberattacks on businesses, state-sponsored attacks are also anticipated to increase going ahead, with states and national security bodies across various regions developing sophisticated cyber attack technologies for both defense as well as offense strategies
- The budget for cyber defense is increasingly becoming an integral part of the overall defense budget of a nation. The governments of various countries are also forming partnerships with private companies to develop capabilities to disrupt and defeat malicious cyber activity



Increased Use of Mobile Phones

- Excessive use of mobile commerce has led to mobile security being one of the key concerns from cybersecurity point of view
- Mobile payment options are popping up everywhere, leading to significant spike in identity thefts as cyber criminals seek to exploit the convenience of point-of-sale transactions
- The coming years will witness an increase in mobile threats, with hackers taking advantage of unsecured public Wi-Fi networks to tap into users' web sessions and steal identity data and log-ins. Use of malware hidden in ordinary-looking apps to steal confidential data is on the rise as well
- Demand for Anti-malware, specifically for mobile phones, is expected to significantly increase providing newer avenues for cybersecurity solution providers to earn more revenue

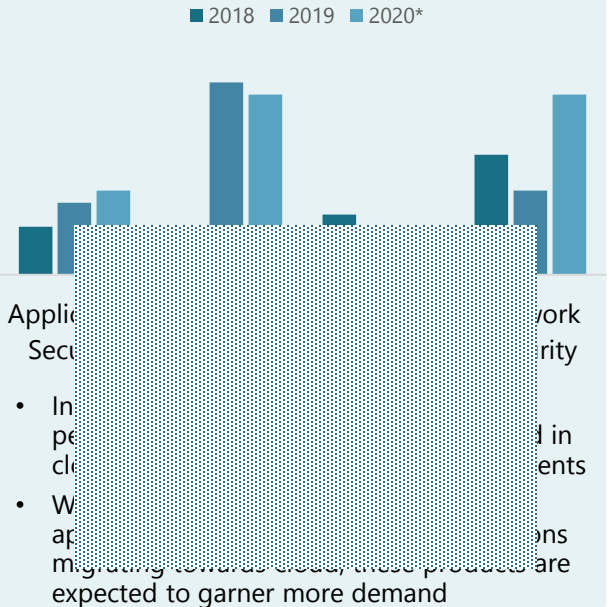
3. Global Cybersecurity Market

3.5.5 Competition Landscape - Products and Services

Key Developments in Product & Services

- Evolving, cybersecurity threats and sophisticated cyberattacks involving malware, phishing, machine learning, etc. are increasing the demand for cybersecurity products and services
 - As businesses move towards digital transformation, the demand for cybersecurity products and services will grow
 - Several cybersecurity products and services are being launched by key players in the market
- Following are the key developments in the cybersecurity market:
- AI and ML**
- AI and ML are being used to detect and prevent cyberattacks
- Ransomware**
- With the increase in ransomware attacks, there is a growing demand for ransomware protection products and services
- Endpoint Protection**
- EDR (Endpoint Detection and Response) products are being launched by key players in the market to help organizations detect and respond to endpoint threats

Products & Services Launched in 2019 & 2020 By Key cybersecurity Companies



* Transaction considered till June'20

3. Global Cybersecurity Market

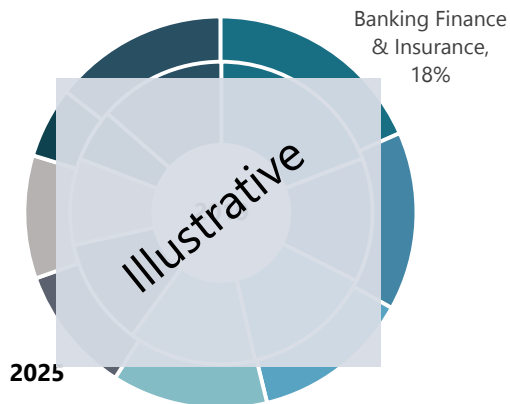
3.5.7 Competition Landscape - Key Activities by Companies in M&A

Key Mergers & Acquisitions			
Acquisitions by Broadcom	Acquisitions by Broadcom	IBM	Cisco
Acquisition of Symantec for ~ USD 10.7 Bn (Nov 2019)	Acquisition of CA, Inc for ~ USD 18.8 Bn (Nov 2018)	Acquired Red Hat for USD 34 Bn (July 2019)	Announced that it is set to buy Thousand Eyes (May 2020)
<ul style="list-style-type: none"> Broadcom Inc., has completed the acquisition of Symantec for ~ USD 10.7 Bn. The acquisition is expected to be completed by the end of 2019. The acquisition is expected to be completed by the end of 2019. The acquisition is expected to be completed by the end of 2019. Threat Intelligence and Security, Endpoint Protection and other solutions 	<ul style="list-style-type: none"> Broadcom Inc., acquired CA 	<ul style="list-style-type: none"> IBM acquired Red Hat, an open source technologies 	<ul style="list-style-type: none"> Cisco is in the process to

4.1 Cybersecurity End-Use Sectors

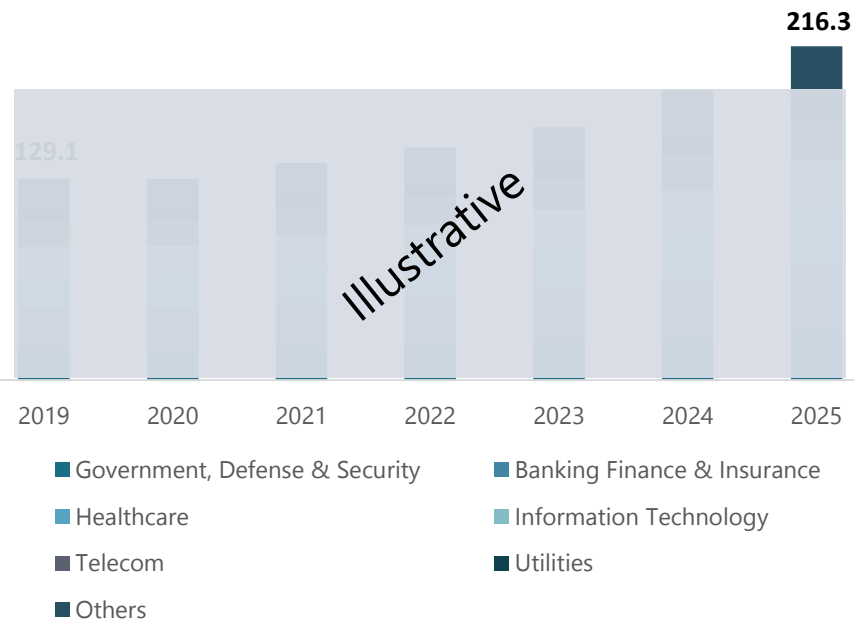
Cybersecurity Market By End Use

Global Cybersecurity Market Share by End Use (2019 and 2025)



Healthcare and manufacturing industries are expected to gain in market share for cybersecurity solutions marginally from 2019 to 2025. These two sectors will grow at a CAGR of 13.3% and 12.6% between these years

Global Cybersecurity Market by End Use (2019-2025) – USD Bn

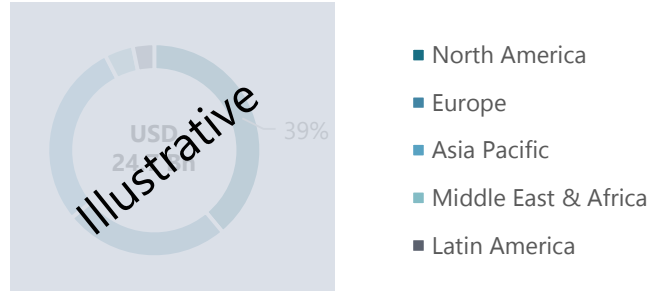


Key Cybersecurity End-Use Sectors

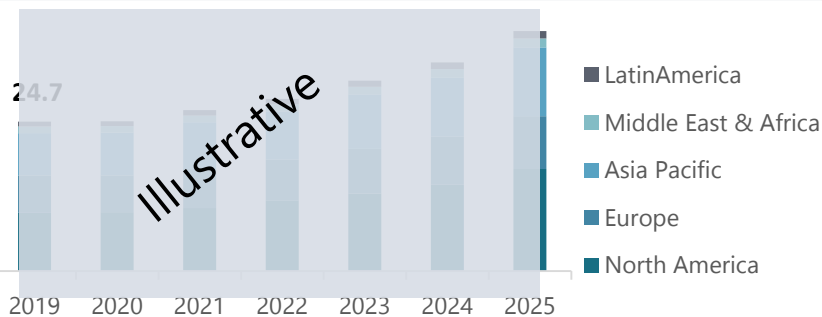
4.1.1 Banking & Finance (BFSI)

Overview of BFSI Sector

BFSI Segment – By Region (2019) - Percentage



BFSI Segment (2019-2025) – USD Bn



- The financial services industry is a top target for cyberattacks and these attacks are increasing in number and complexity. Financial firms have the
 - No sec Bar 1.4
 - Bes CA ma col
 - Inti The sus
 - Org imp up
 - Bar inv shi
- due to which cybersecurity has gained utmost importance

4.1 Key Cybersecurity End-Use Sectors

4.1.1 Banking & Finance (BFSI)

Overview of BFSI Sector

- The growing use of digital wallet and adoption of cloud-based technologies are raising the risk of cyberattacks.
- Increasingly, the threat landscape is becoming more complex and dynamic, with attackers using sophisticated techniques to exploit vulnerabilities.
- As a result, BFSI organizations are facing increasing pressure to invest in cybersecurity solutions to protect their assets and reputation.
- In addition, regulatory requirements are becoming more stringent, forcing organizations to implement robust security measures.
- Increasingly, threat intelligence solution is gaining traction in them

Impact of Covid-19 on BFSI Sector

- The COVID-19 pandemic has been connected to a 238% surge in cyberattacks against banks.
- European Central Bank (ECB) reported a 238% increase in cyberattacks against banks in 2020.
- In Asia, the impact of the pandemic has been particularly severe, with many banks reporting a significant decline in revenue.
- Along with the economic impact, the pandemic has also led to a significant increase in cyberattacks against banks.
- Due to the increased risk of cyberattacks, banks are investing heavily in cybersecurity solutions to protect their assets and reputation.
- With the help of these solutions, banks are able to increase flexibility without compromising security.

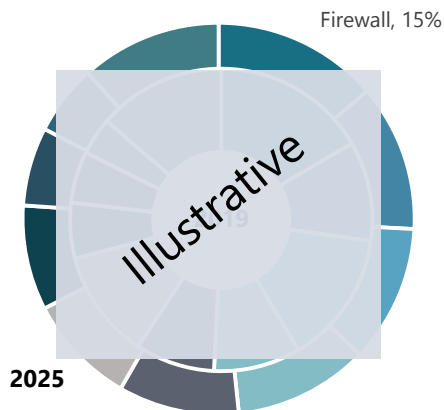


Assessment by Cybersecurity Solution

4.2 Cybersecurity By Solutions

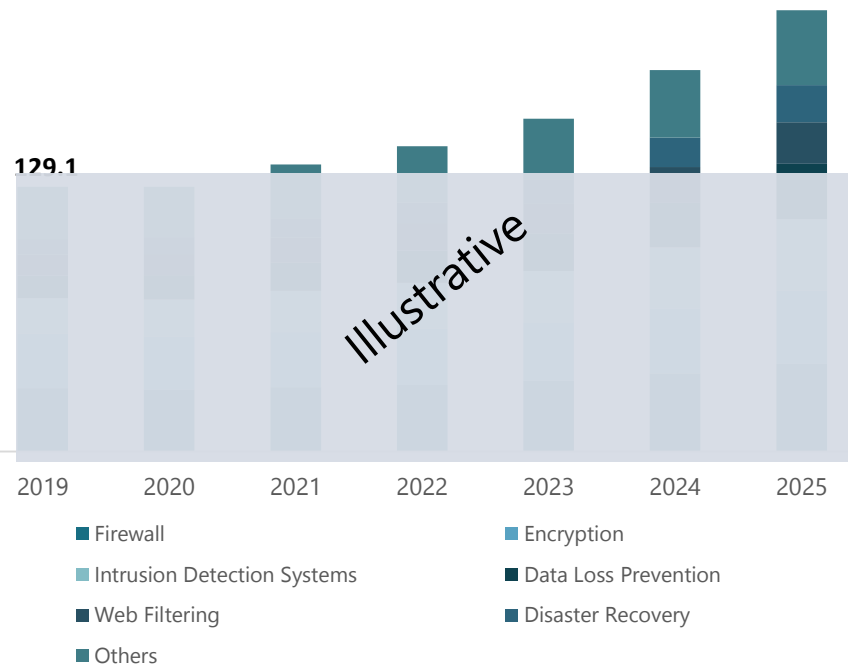
Global Cybersecurity Market By Solution

Global Cybersecurity Market Share by Solution (2019 and 2025)



Firewalls, Threat Intelligence, Encryption and Intrusion Detection Systems together contributed nearly 60% of the global cybersecurity market. Threat Intelligence and Intrusion Detection systems are likely to gain in share marginally by 2025

Global Cybersecurity Market by Solution (2019-2025) – USD Bn

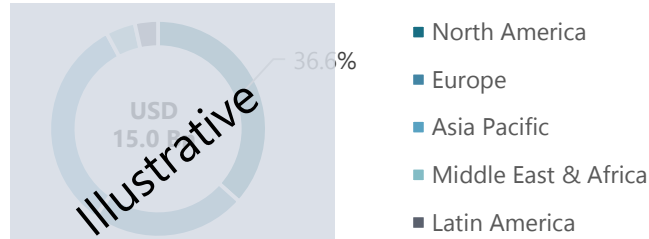


4.2 Cybersecurity Solution

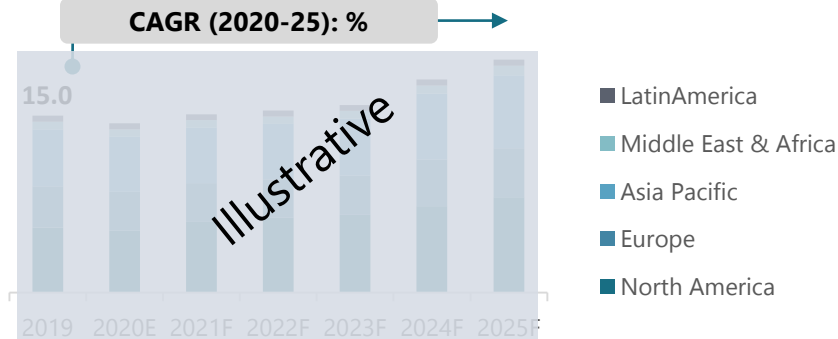
4.2.1 Antivirus/Antimalware

Overview of Antivirus/Antimalware

Antivirus/Antimalware – By Region (2019) - Percentage



Antivirus/Antimalware Segment (2019-2025) – USD Bn



- The global Antivirus/Antimalware market is valued at USD xx Bn in 2019 and is expected to grow to USD xx Bn by 2025
- W or an
- Inc sm se
- W co reg
- Inc pr
- No by an ad
- As e, especially in the mobile antimalware domain, largely due to high penetration rate of distinct mobile phone users (~67%), which is expected to reach xx Bn by 2025

4.2 Cybersecurity Solution

4.2.1 Antivirus/Antimalware

Overview of Antivirus/Antimalware

- In BFSI sector, demand for anti-malware products is high as malicious software holds financial data for ransom, intelligence, and other sensitive information.
- Govt. and corporates are increasingly aware of the risks of cyber threats and are investing in security solutions to protect their data.
- The malware threat landscape is evolving with the emergence of new threats and attack vectors.
- By the end of FY 2025, the antivirus/antimalware solutions are anticipated to be around USD xx Bn, with steady demand for solutions arising from around the globe.

Key End-use Markets



Banking & Finance



Government & Security



Retail

Key Antivirus/Antimalware Suppliers

- Several Antivirus/Antimalware vendors such as McAfee, Symantec, Kaspersky, Bitdefender, Avast among others are developing advanced solutions to protect users from deep threats and zero-day attacks.
- These solutions are designed to detect and block threats in real-time, reducing the risk of data breach and financial loss.
- The market is expected to grow significantly over the next few years, driven by the increasing threat of malware and the need for robust security solutions.

Key Suppliers





Assessment by Security Type

4.3 Cybersecurity By Solutions

Global Cybersecurity Market By Security

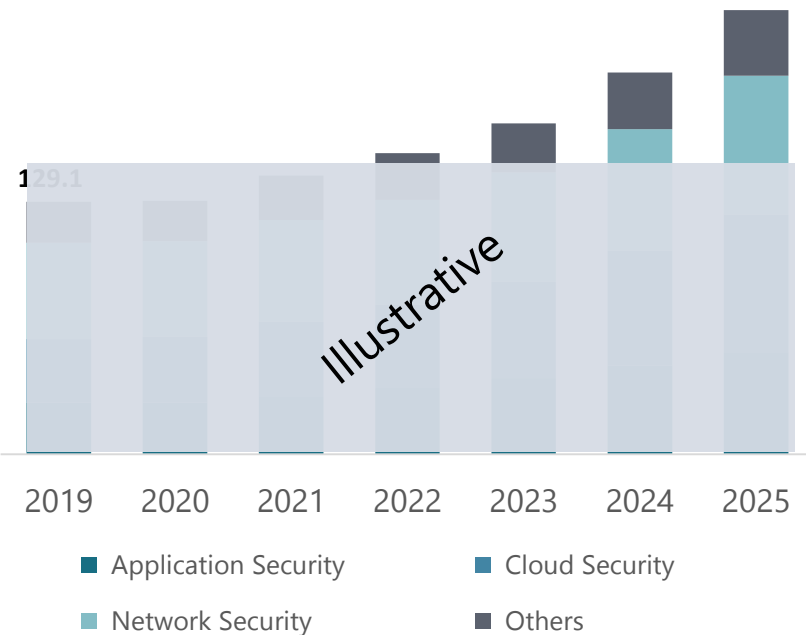
Global Cybersecurity Market Share by Solution (2019 and 2025)



2025

Network, Cloud and Endpoint security are the key contributors to the cybersecurity solutions market in 2019. In the next five years, Cloud and Application securities are likely to gain in share due to increased adoption

Global Cybersecurity Market by Solution (2019-2025) – USD Bn



Overview of Endpoint Security

USD 34.1 B

39.6%

34.1%

26.3%

Illustrative



34.1

Illustrative

Legend:

- Latin America
- Middle East & Africa
- Asia Pacific
- Europe
- North America

2019 2020E 2021F 2022F 2023F 2024F 2025F

- 25

4.3 Cybersecurity Security Type

4.3.1 Endpoint Security

Overview of Endpoint Security

- Banking & Finance end-use sector forms the backbone of any economy and any kind of data breaches in the sector can have a significant impact on the economy.
- Government data is highly sensitive and any breach can have a significant impact on the country's security.
- Medical data is highly sensitive and any breach can have a significant impact on the patient's privacy.
- The healthcare sector is highly regulated and any breach can have a significant impact on the patient's safety.
- By the end of 2020, the number of devices connected to the internet is expected to reach 26 billion.

Key End-use Markets



Banking & Finance



Government & Security



Healthcare

Key Endpoint Security Suppliers

- Several Endpoint vendors such as Microsoft, Symantec, Trend Micro, Sophos, Crowdstrike, among others, are developing solutions to protect endpoints.
 - Microsoft's Windows Defender is a built-in security solution that provides real-time protection against malware and other threats.
 - Symantec's Endpoint Protection is a comprehensive security solution that provides real-time protection against malware and other threats.
 - Trend Micro's Endpoint Protection is a comprehensive security solution that provides real-time protection against malware and other threats.
- enterprises to manage a large number of devices, which are used by their employees

Key Suppliers



Microsoft



Symantec



TREND MICRO



5. Supplier Profiles

5.1 Cisco Systems Inc

Company Overview

Company Snapshot & Business Overview

Company Information

Established	1984
Company Type	Public (CSCO)
Primary Industry	Communications Equipment
Headquarters	California, United States
Country Presence	95
# of Employees	77,500 (2020)

Key Company Personnel

Chairman & CEO	Charles Robbins
SVP, Emerging Technologies & Incubation	Liz Centoni

Financial Information (2020)

Total Revenue	USD 49,301 Mn
Operating Profit	USD 13,620 Mn
Net Profit	USD 11,214 Mn
Net Assets	USD 94,853 Mn

- Cisco system Inc. is a global networking and security company that designs and sells a range of products and services for enterprise, service providers and consumer markets.
- Cisco's main business is in the networking and security space, with a focus on providing a part of cybersecurity architecture.

Key cybersecurity Products & Solutions

- Network security, includes industry-leading threat intelligence, zero-trust security and secure access service edge (SASE).
- Cloud Managed Network (CMN) and Cloud Managed Security (CMS).
- Cloud Managed Security (CMS) and Cloud Managed Network (CMN).
- Advanced threat protection (ATP) and micro-segmentation.

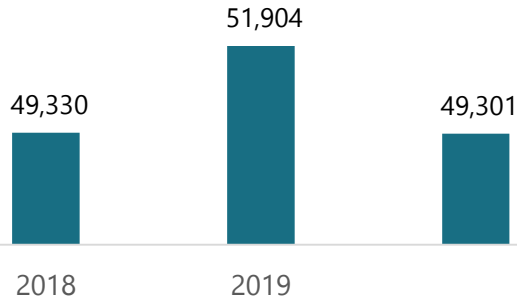
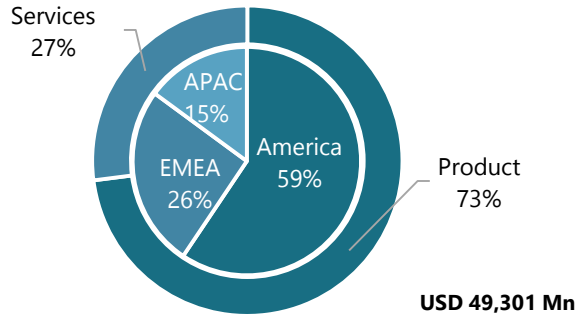
Note: Financial Year for Cisco ends on 27th July 2020

5.1 Cisco Systems Inc

Company Overview

Overview

Cisco Systems Inc. Revenue (mn), 2020 Key segments



Note: Financial Year for Cisco ends on 31st July 2020

- Cisco, mainly focuses on innovation activities consisting of Infrastructure Platforms, Applications, and Cloud.
 - The company's revenue is primarily derived from its infrastructure and services.
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- and especially in the US. Its product revenue contributed 75% to the total, while services contributed 25%

5.1 Cisco Systems Inc

Key Developments

Key Developments by the Company

Cisco, is one of the leading networking technology companies. In 2018 and 2019, it acquired or partnered with six companies in the cybersecurity space, With its recent acquisitions, the company plans to improve end-to-end visibility of cloud applications, networking reliability and the overall application experience. In addition the company pursues strategic alliances with other companies for technology exchange, product development, joint sales or new market creation. In 2019, Cisco expanded its strategic alliances with Google and Amazon Web Services, and among others

Recent Acquisition & Partnerships

**Cisco acquired
ThousandEyes**

- In January 2020, Cisco acquired ThousandEyes, a cloud-based network monitoring and performance management company, for \$1.5 billion in cash.
- This acquisition is expected to enhance Cisco's ability to provide end-to-end visibility of cloud applications, networking reliability and the overall application experience.

Overall

**Cisco acquired
Fluidmesh Networks**

- In January 2020, Cisco acquired Fluidmesh Networks, a cloud-based network monitoring and performance management company, for \$1.5 billion in cash.
- This acquisition is expected to enhance Cisco's ability to provide end-to-end visibility of cloud applications, networking reliability and the overall application experience.

on-the-

Product Development

**cybersecurity
center in Europe**

- In January 2020, Cisco announced the opening of a new cybersecurity center in Europe, which will focus on providing end-to-end visibility of cloud applications, networking reliability and the overall application experience.

for
country

**Security
Architecture for
IIoT**

- In January 2020, Cisco announced the development of a new security architecture for IIoT, which will focus on providing end-to-end visibility of cloud applications, networking reliability and the overall application experience.

IT with OT
security

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Thank You

