

GARTNER: IT SECURITY SPEND TO CROSS \$35 BILLION IN 2011

BS REPORTER
Mumbai, 9 November

Spending on information technology security services worldwide is estimated to touch \$35.1 billion this year, up from \$31.1 billion in 2010, according to research firm Gartner. While Asia-Pacific is expected to spend around \$4.7 billion in 2012 and \$7 billion in 2015 on security services, North America remains the largest market, with revenue forecast to surpass \$14.6 billion in 2012, and \$19 billion in 2015.

"It is still very advantageous for smaller emerging vendors to maintain significant focus on North America, where there is a larger number of dollars at stake. There is also positive growth there," said Lawrence Pingree, research director, Gartner. "We are encouraging these vendors to continue to in-

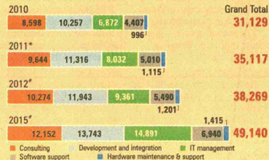
vest in strategies in order to remain relevant in other emerging high-growth markets as well," he added.

The market is estimated at \$38.3 billion in 2012, and is likely to surpass \$49.1 billion in 2015. The information technology management segment of security services is forecast to grow from \$8 billion to \$14.9 billion in 2015, almost doubling the size of the security services market using the outsourced management model.

"This is largely driven by organisations looking at managed security services providers, as a way to maximise resources and lower current operating expenditures on security," Pingree said. He added demand in the small and medium business segments would continue, as businesses look to external parties for additional security expertise and resources.



WORLDWIDE SECURITY SERVICE SPENDING



Figures in \$ million; * Till November; † Estimated figures

Source: Gartner