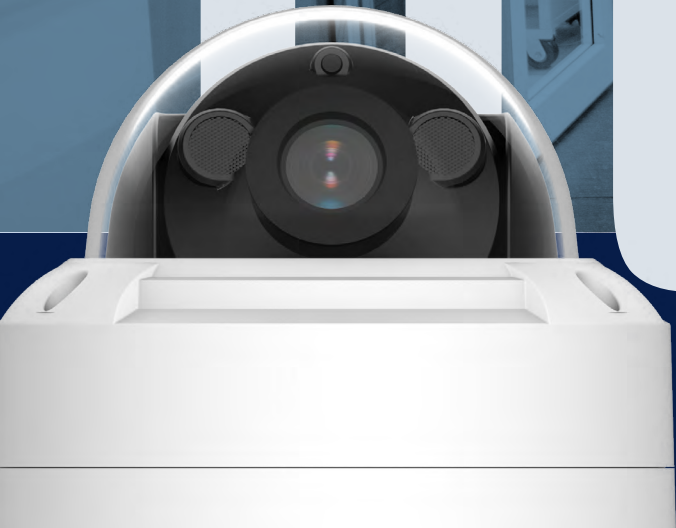




2023

# TRENDS

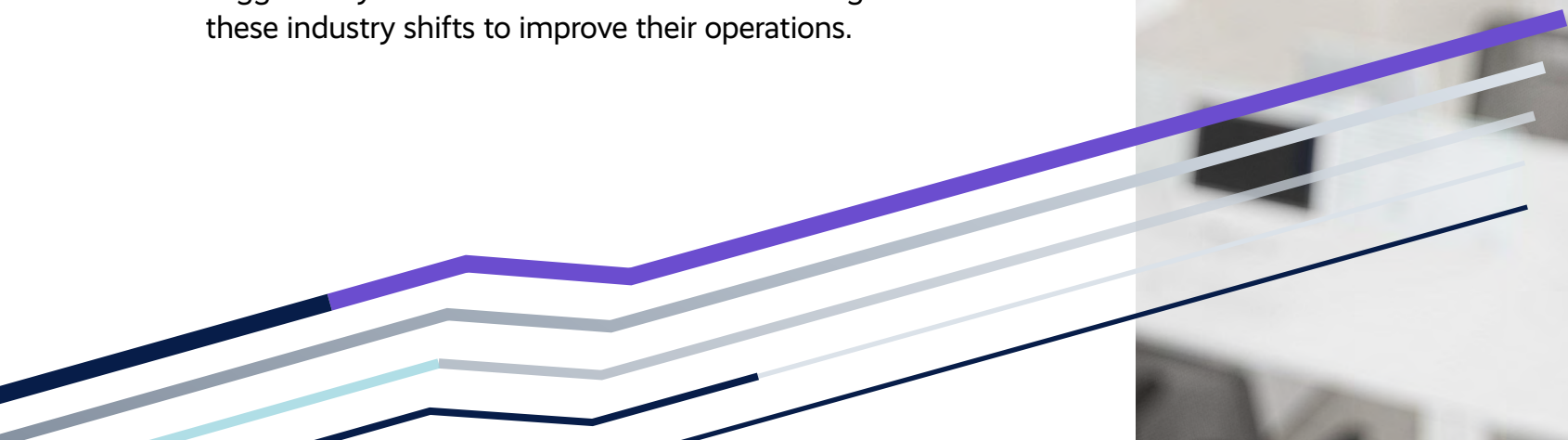
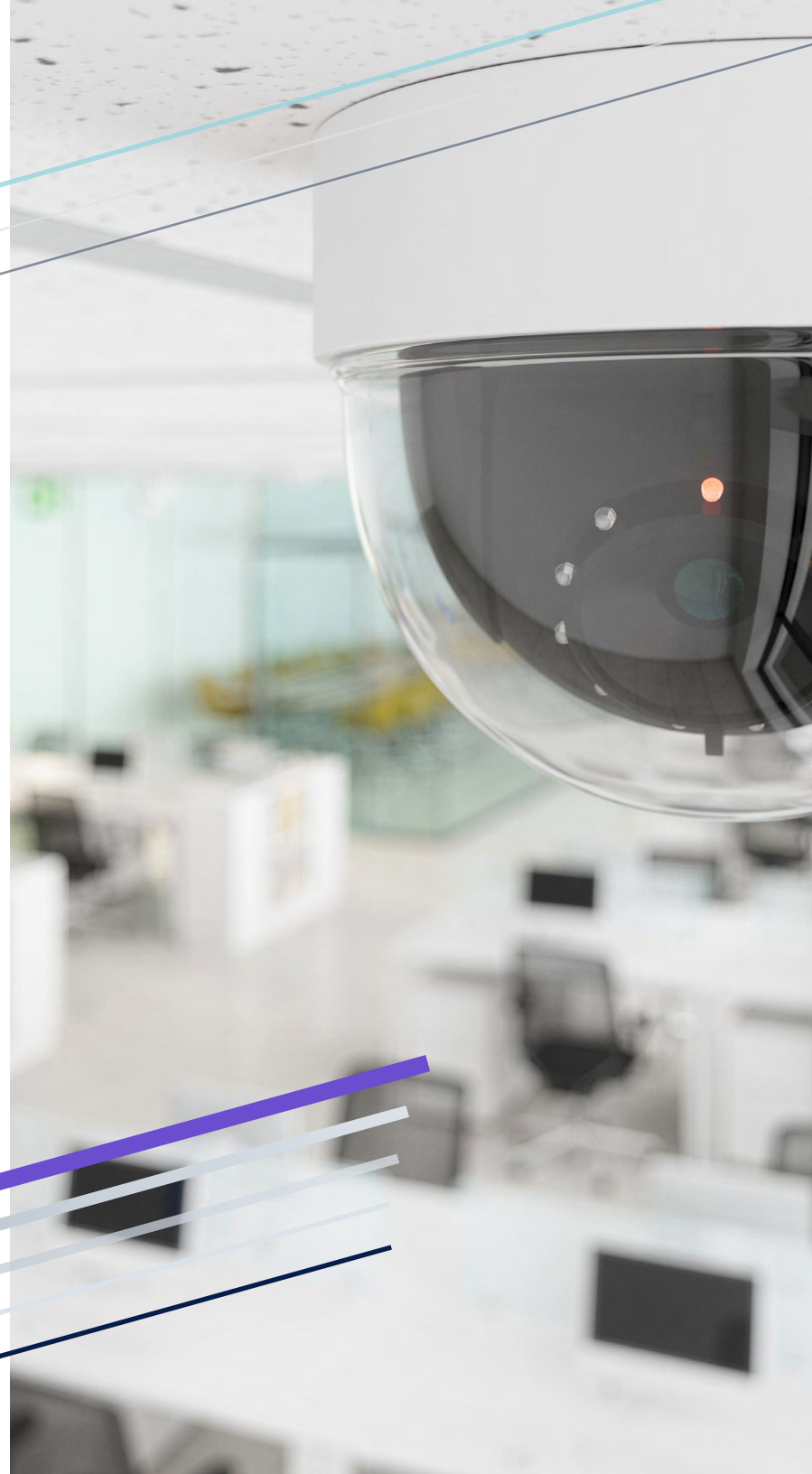
in Video Surveillance



# 2023 Trends in Video Surveillance

As we move into 2023, the video surveillance industry is changing in new ways. Innovative artificial intelligence (AI) solutions and integrated systems are revolutionizing the way businesses use their surveillance systems. Simultaneously, businesses are taking steps to prepare for an **uncertain economic future and using lessons learned during the pandemic to make judicious business decisions.**

In our latest ebook, *2023 Trends in Video Surveillance*, Eagle Eye Networks experts predict what will impact the video surveillance industry in the coming year and suggest ways business leaders can take advantage of these industry shifts to improve their operations.



# Trend 1

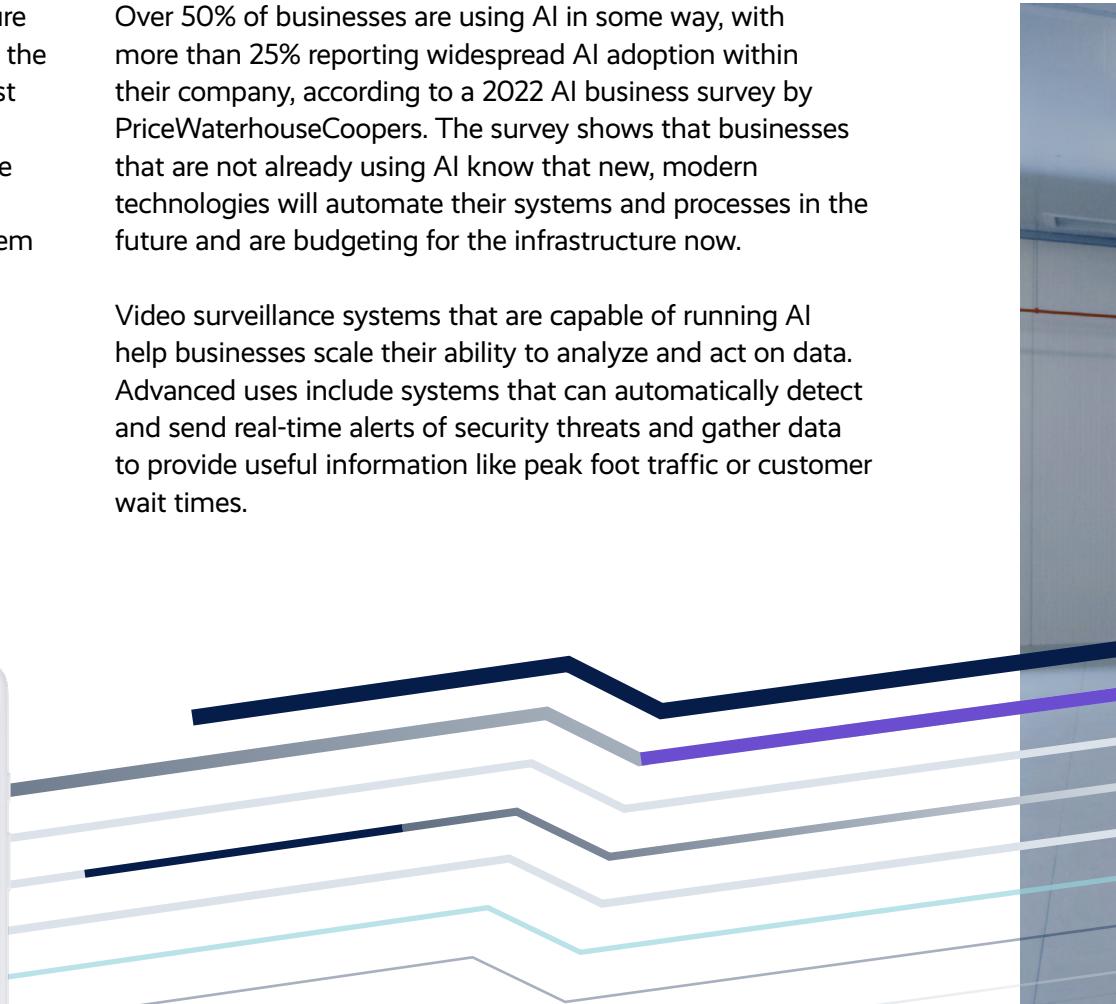
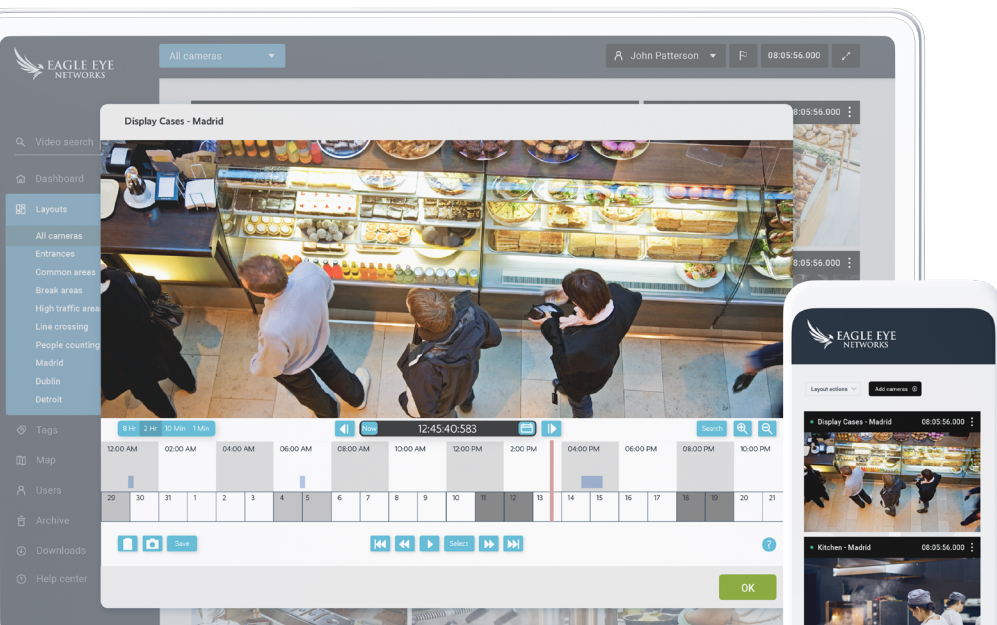
Businesses are budgeting for video surveillance platforms that are AI-ready and future-proof.

Successful businesses are preparing their operations for the future and want a video surveillance system that is AI capable and has the flexibility to run advanced analytics. Dynamic shifts over the past few years in the way the world does business forced companies to use technology in new ways. Video surveillance systems, once only used for security, are now a tool to help optimize business operations. Businesses want an AI-ready video surveillance system that will generate useful insights from gathered data.

**50%** of businesses are using AI in some way

Over 50% of businesses are using AI in some way, with more than 25% reporting widespread AI adoption within their company, according to a 2022 AI business survey by PriceWaterhouseCoopers. The survey shows that businesses that are not already using AI know that new, modern technologies will automate their systems and processes in the future and are budgeting for the infrastructure now.

Video surveillance systems that are capable of running AI help businesses scale their ability to analyze and act on data. Advanced uses include systems that can automatically detect and send real-time alerts of security threats and gather data to provide useful information like peak foot traffic or customer wait times.



Businesses that are familiar with cloud computing understand that the cloud is the best future-proof option for advanced, system-wide features. With cloud, businesses do not need to constantly invest in, maintain, and upgrade their own hardware and software, which dramatically lowers IT costs. The cloud also provides businesses with scalability, flexibility and reliability, allowing them to add AI-powered features. In short, cloud computing is the most viable host for advanced AI, and businesses who embrace it today will be well-positioned to compete in the global marketplace tomorrow.

Successful businesses recognize the ROI of an AI-ready video surveillance system and want a system that will keep up with advances in artificial intelligence and video analytics. By investing in cloud-based AI solutions, businesses know they can improve their security and operations while reducing costs in the long run.



## KEY TAKEAWAY

**By investing in cloud-based AI solutions, businesses know they can improve their security and operations while reducing costs in the long run.**

## Trend 2

### Businesses want solutions that reduce operating costs.

The cost of doing business continues to rise and many companies are taking a hard look at their finances as profit margins narrow. Inflation is at a 40-year high, industries are still grappling with global supply chain issues, ongoing semiconductor chip shortages, and a tight labor market. Companies are taking steps to prepare for an uncertain economic future and want options to reduce operational costs, including their video surveillance systems.

Operational technology costs, many of which are not in plain sight, can significantly raise the cost of technology ownership. However, cloud-based technology offers businesses substantial economies of scale. Moving the computing and video storage infrastructure to the cloud results in a lower total cost of ownership compared to a typical onsite system. The lifetime savings generally range between 20-50 percent compared to costs for hosting the VMS (video management system) applications in a corporate data center.

### 3 in 4 Security Customers Have a Subscription Agreement



3-5 Year Agreements



1-2 Year Agreements



No Agreements

Source: Eagle Eye Networks Reseller Digital/Social Media Poll

resulted savings when moving the computing and video storage infrastructure to the cloud

20-50%

# 3X increase in high resolution IP security cameras over the past five years



Some VSaaS (video surveillance as a service) providers now offer discounts and protection from future inflationary price increases for years to come with multiyear subscriptions. Customers are incentivized to sign up for a yearly or multiyear subscription to take advantage of today's prices that won't increase for the duration of the subscription.

While some customers rely on the flexibility of a monthly bill, more businesses prefer paying once a year for subscription services that have already been budgeted. Discounted service agreements and flexible billing will continue to be a sticking point for businesses until the economy stabilizes.

Lastly, businesses are buying higher resolution cameras as they become more affordable. There has been a three-fold increase in high resolution IP security cameras over the past five years, according to the 2022 Eagle Eye Networks Cloud Video Surveillance Camera Worldwide Statistics [report](#). As the resolution increases, the ability to implement video analytics solutions also increases, ultimately making systems more effective.

## KEY TAKEAWAY

As the resolution increases, the ability to implement video analytics solutions also increases, making systems more effective.

[LEARN MORE](#)

## Trend 3

Parking is being universally automated.

**3 in 4** prospective customers ask about solutions for parking

There is tremendous growth in the automated parking system market. Businesses that manage a parking component – from multifamily housing and business parks to commercial buildings and medical complexes – want a convenient solution.

The automated parking system market is expected to grow at a CAGR of 15.1% through 2030 according to a 2022 report from Emergen Research. The market value is predicted to grow by \$3 billion in that time. A continuous increase in vehicles on the road plus land scarcity and consumer convenience is contributing to market growth.

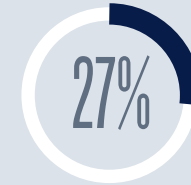
In an Eagle Eye Networks poll of security integrators, 50% of respondents said that their prospective customers inquired about improving security and operations for their parking areas. Meanwhile, 27% of prospective customers asked about security for their parking areas, while 23% of prospective customers did not specifically ask about parking.



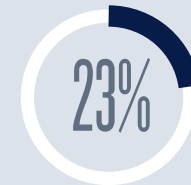
### Customers Inquire About



improving security and operations for their parking areas



security for their parking area



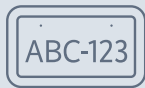
did not specifically ask about parking

Many automated parking systems are expensive to implement, so adapting existing video surveillance systems to include automated parking is a marketable solution. Businesses are looking to their video surveillance system to improve and automate their parking. Ideally, video surveillance systems integrated with parking applications can use camera infrastructure to monitor traffic flow and guide drivers to available parking spaces.

In general, data gathered from video analytics can be used by business owners and operators to make informed decisions about parking areas - when to limit entry, raise prices, or ready staff. The right video surveillance system should provide a viable solution for parking automation.

## Common Video Surveillance Analytics and Their Potential Use Cases for Parking Applications

Smart video surveillance systems already have built in video analytics that can offer effective fixes to improve and automate parking. Here are some examples of common video surveillance analytics and their potential use cases for parking applications:



### LICENSE PLATE RECOGNITION

License plate recognition systems can integrate with access control systems to allow or deny entry.



### LINE CROSSING

Line crossing and counting analytics can be used to track the number of available parking spaces to manage lot capacity.



### LOITERING

Loitering analytics can detect cars waiting for a length of time for parking spaces and prompt an alert for a parking manager to review.

## KEY TAKEAWAY

The right video surveillance system should provide a viable solution for parking automation.



# Trend 4

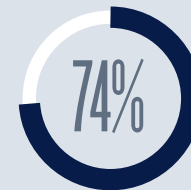
## Schools are experimenting with security technologies to enhance safety.

Improving school campus safety continues to be a priority, particularly in the United States. As a result, a variety of security technologies are being adopted. School districts continue to experiment with security systems to make schools safer using designated funding from bonds or government initiatives. While no single solution has proven to solve all school safety and security issues, compatible systems are best positioned to serve the needs of school campuses.

In the summer of 2022, U.S. lawmakers passed \$1 billion in funding for schools to “create safe and healthy learning environments for all students” with an additional \$300 million for training and equipment for school threat deterrence.

### Texas School Safety Center Survey

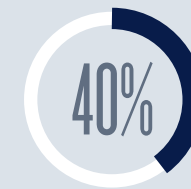
Video surveillance, along with access control and communications systems, are among the most common security measures schools invest in. For example, after the State of Texas approved \$100 million to improve school safety, a survey conducted by the Texas School Safety Center found:



of school districts used allotted funds to secure school facilities.



of school districts used allotted funds to purchase or maintain security cameras.



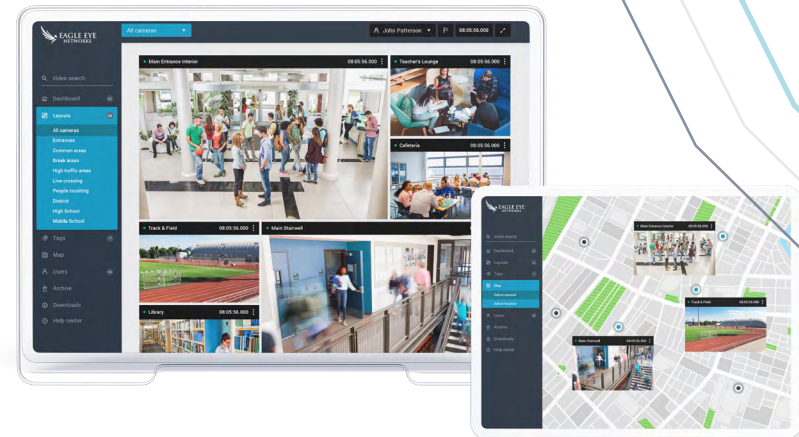
of school districts used allotted funds on other security technology, including communication systems.





## KEY TAKEAWAY

**Security systems must provide advanced features beyond what a traditional surveillance system offers to be considered over competing technologies.**



What schools want are solutions to improve incident deterrence, detection, and response. Video surveillance for education must integrate easily with other security applications to extend the power of the system. The ability to combine access control applications with video surveillance will distinguish systems in the education market.

School administrators and IT teams require a system that is easy to use and reduces the amount of onsite equipment and maintenance. Cloud video surveillance provides an ideal platform, allowing for centralized management of all facilities from one single dashboard.

School districts are also looking for advanced options such as video analytics that can send automatic alerts when people enter campus properties like parking lots or fields during off-hours. Districts also want a convenient way to access and share video surveillance with first responder agencies during critical incidents. Some video surveillance systems allow administrators to pre-assign access to first responders so that live video can be immediately accessed in an emergency.

Overall, school districts are in the market for upgraded security systems, but these systems must provide advanced features beyond what a traditional surveillance system offers to be considered over competing technologies.

## Trend 5

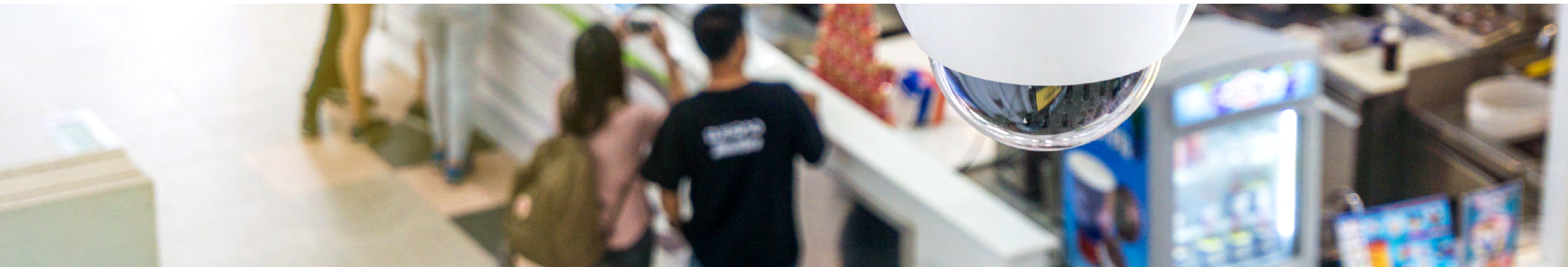
Convenient and continuous customer support saves time and manpower.

More businesses are realizing the value of customer support and training services as part of their purchasing decision. Customers expect immediate and convenient 24/7 customer service and this is becoming a differentiator among security solutions.

More than nine in 10 businesses are currently using cloud technology in some way, including email, phone, backup, applications, and increasingly, video surveillance. As businesses shift to SaaS (software as a service) models, they consider the corresponding support and training as part of their investment.

IT leaders are making more SaaS purchasing decisions and customer service solutions can impact staffing needs. With cloud-based systems where technical support can access a system and remotely solve a problem, businesses do not need to have their own experts on staff and can save on operational overhead.

**24/7**  
customers expect  
immediate and  
convenient  
customer service



Cloud video surveillance, and generally SaaS products, have a higher customer retention rate than traditional surveillance systems. Convenient and effective technical support becomes key to keeping customers content and loyal beyond the length of a subscription.

Negative reactions to phone trees, outsourced call centers, and ineffective customer support can damage a service provider's reputation. Conversely, convenient access to support through in-app chats and SMS support will enhance reputation and customer appreciation.

In addition to support, customers today expect robust training services and easy onboarding for new employees.



## KEY TAKEAWAY

**Continuous customer support and robust training can save on operational overhead.**

# Reseller Bonus Trend

Continuous feature delivery will be a larger selling point for new customers.

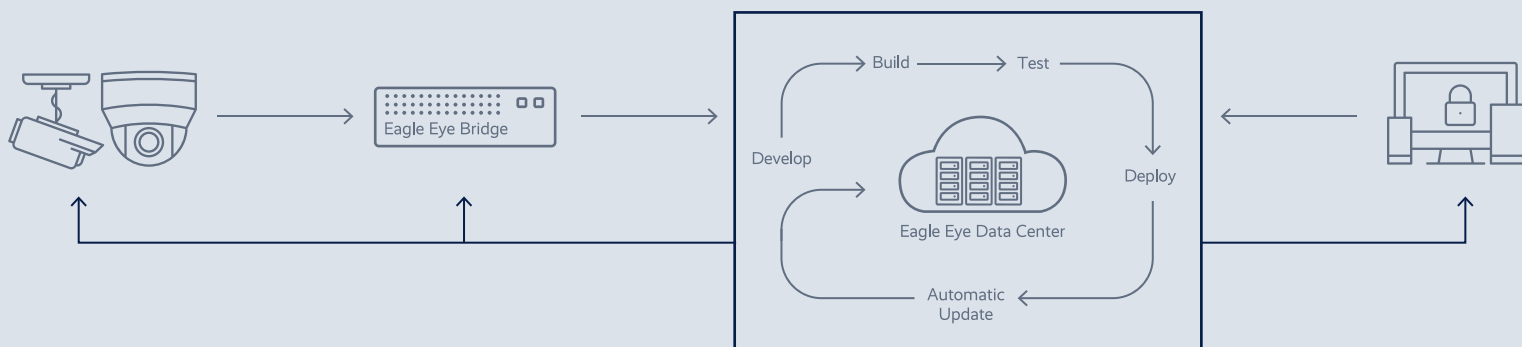
Customers are accustomed to automatic updates and increasingly recognize the value of the continuous feature delivery model. Resellers should expect more potential customers to ask about automatic software updates earlier in the sales process. Customers receive instant access to new features without cost or effort across their connected ecosystem, from email to phones and thermostats. They want this service in their commercial systems as well.

A true cloud VMS delivers continuous updates to customers, including cybersecurity updates as well as the newest AI

features. These surveillance systems remain current through continuous delivery software engineering; software is improved in intervals of weeks, rather than months or years and conveniently delivered to the customer.

In addition to the convenience of automatic updates and access to new features, continuous delivery saves time and labor costs because businesses do not need to hire and train staff to manually install security updates and version upgrades.

## True Cloud Continuous Delivery Model



# Reseller Bonus Trend

Integrators who capitalize on AI opportunities will emerge as leaders in 2023 and beyond.

Talked about for a decade, AI is now out of the lab, and solutions are now readily available for resellers to leverage with new and existing customers. Resellers who become adept at understanding the specific business and security needs of their customers and recommending the ideal AI-based solution, will prosper. They will become more valuable to their customers, open the door to new revenue opportunities, and be ideally positioned as AI adoption becomes more common.

**10X** larger market  
when AI is  
integrated

Eagle Eye Networks Founder and CEO Dean Drako told SDM Magazine “There is an opportunity to expand beyond security into the core business processes of all these companies. Integrators have this opportunity to bring AI into this and deliver more than security. It makes the market 10 times larger.”

As previously mentioned in this report, more businesses understand the concepts and importance of AI and are adopting or preparing to adopt smart solutions. In the security industry, widespread commercialization of AI has only become available in the past two years, but exciting technology advances now allow for many affordable uses, especially in video surveillance and access control.

Drako, in his conversation with SDM Magazine, predicted that AI will become a core component for both video and access control and pointed out that solving business problems is a “bigger opportunity than people realize.”



**LEARN MORE**

Stay tuned for more information and resources about the 2023 Trends in Video Surveillance.

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