

Gartner reports global 2013 security software revenues total \$19.9 billion, a lower-than-expected increase of 4.9% caused by key subsegment commoditisation and the declining fortunes of 2 top 5 vendors.

"The market experienced slower, but still healthy, growth in 2013," the analyst says. "This slightly tempered growth was partly due to the increased commoditisation of the endpoint security (particularly consumer endpoint software) and secure email gateway (SEG) subsegments (particularly consumer endpoint software) that in 2013 accounted for around 25% of the total security software market."

Table 1. Top Security Software Vendors, Worldwide, 2012-2013 (Millions of Dollars)

Company	2013 Revenue	2013 Market Share (%)	2012 Revenue	2013-2012 Growth (%)
Symantec	3,737.6	18.7	3,747.1	-0.3
McAfee	1,745.3	8.7	1,680.0	3.9
IBM	1,135.8	5.7	953.6	19.1
Trend Micro	1,110.2	5.6	1,172.0	-5.3
EMC	760.0	3.8	717.6	5.9
Others	11,483.1	57.5	10,766.2	6.6
Total	19,972.0	100.0	19,036.5	4.9

Source: Gartner (May 2014)

A major threat seen in 2013 is the "democratization" of security threats-- essentially malicious software and infrastructure are easily available via the so-called underground economy, allowing the launch of advanced targeted attacks. Such ubiquity of threats leads organisations to rethink their approach to security, with involvement both positive and negative to software vendor revenues.

How come, you might ask? As every company becomes a technology company, more organisations look into leveraging a "multitude" of data points to become more competitive.

When it comes to vendors, the top 2 remain the same from last year-- Symantec 1st, McAfee 2nd. IBM beats 4th placing Trend Micro to 3rd place, the first time a broad portfolio vendor

makes it in the top 3 according to Gartner.

On a geographical basis the 3 largest regions (N. America, W. Europe, Mature Asia/Pacific) account for 83% of the 2013 security software market, if with 4.1% growth, below the 4.9% global average.

"The slower-than-average growth for security software in mature markets is due to the saturation of key segments of the technology market and the highly competitive nature of security deals, driven by an expansion of vendor capabilities into adjacent areas and the continuation of mergers and acquisitions (M&As)," Gartner concludes. "Additionally, the high penetration rate of consolidated and mature technology areas such as consumer security software, endpoint protection and secure email gateway, has resulted in increased pricing pressure, along with the bundling of capabilities in suite offerings in the identity and access management (IAM) space (user provisioning [UP] and Web access management [WAM]), which leads to a slowdown in discrete new license revenue."

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