Video analytics is a large and growing market

Video analytics is the processing and analysis of visual data (images or videos). When artificial intelligence is used to extract information from the data, it is referred to as *intelligent* video analytics or computer vision, although video analytics is often still used as a shorthand.

STL Partners

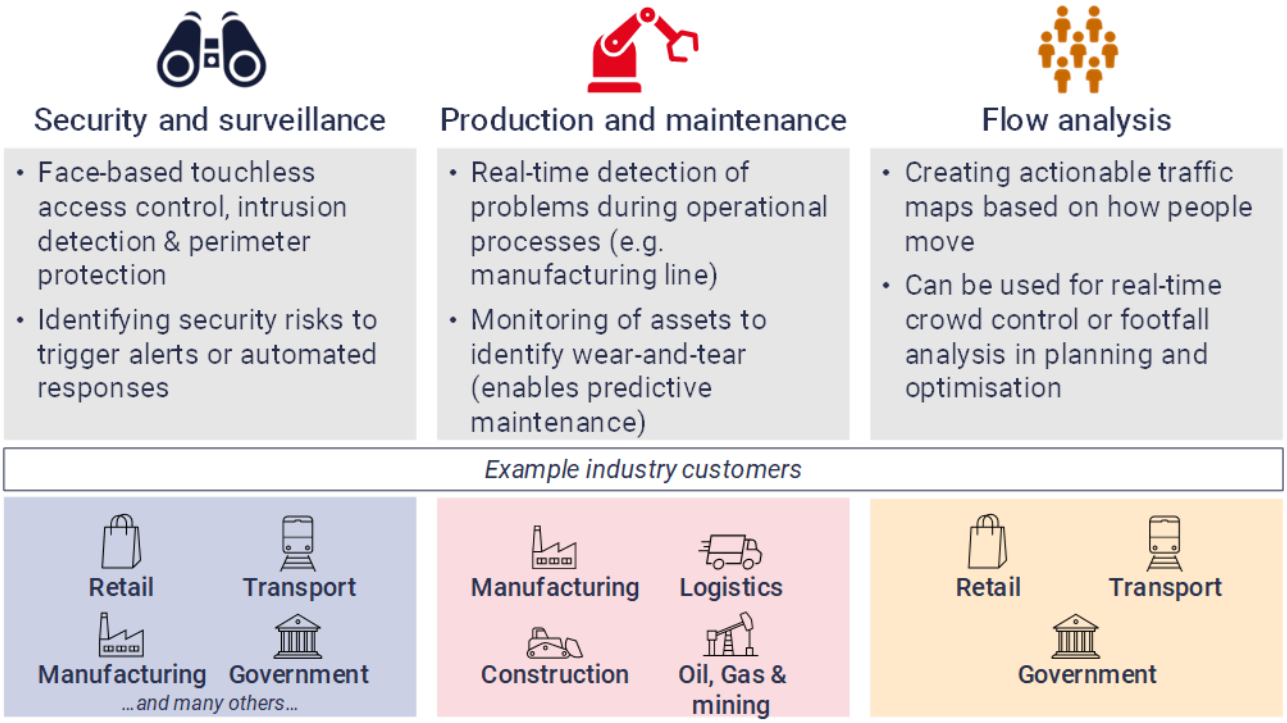
Video analytics stands out as a huge opportunity. It has the potential to be a killer application for edge computing, due to:

- **The large and growing market** – In 2021 there were an estimated one billion surveillance cameras operational around the world. With the number of cameras predicted to grow by 20% in the period 2017-2024, AI and analytics will become increasingly important to capture value from the wealth of video footage being collected each day.
- **The ability for edge computing to grow the market** – Without edge computing, video analytics is hindered by challenges with data sovereignty, and the cost of sending high-bandwidth data to the cloud (a problem that is heightened as video streams increase in quality). Edge computing therefore plays a key role in enabling video analytics, including more advanced AI/ML-enabled analytics, in a cost-effective way.
- **Its relevance to almost all industries** – Video analytics can address a wide variety of use cases, from understanding consumer habits in retail, to analysing how football players kick a ball. In the case of video analytics for security, it is relevant across virtually all industries – education, transport, manufacturing, the list goes on.

The market for edge-enabled video analytics will be worth $75bn by 2030

Video analytics is a huge application for private 5G and edge computing, accounting for a quarter of edge revenues in 2021 (topped only by cloud gaming). In 2021 the edge-enabled video analytics market was worth over $5 billion globally. This is predicted to grow to $75 billion by 2030 at a CAGR of 34%.

Video analytics is a large and growing market



There are many application areas for video analytics, of which three are shown in the figure above. Of the three, video ingest and analysis for security and surveillance is the biggest short-term opportunity, representing an estimated 21% of the total edge computing market in 2021. This is due to the large base of installed security cameras that already exists, to which video analytics solutions can easily be retrofitted.

However, by 2030, video analytics for production and maintenance will be a larger opportunity. This will grow throughout the decade along with the move to Industry 4.0 and increase in automation resulting in an increase in sensors and analytics. Verticals like manufacturing, oil and gas and logistics will therefore be key adopters of this use case.

For more information about the video analytics opportunity at the edge, check our report **How video analytics can kickstart the edge opportunity for telcos** and **STL Partners – Edge computing market sizing forecast**

Video analytics is a large and growing market

How STL Partners Enterprise Research can support you

To be trusted partners for enterprises, telecoms operators services must be easy to integrate into enterprises' processes and deliver tangible outcomes.

Our research provides insights into how enterprises in different verticals are leveraging new technologies such as 5G, AI, IoT and cloud to solve critical operational needs, as well as key strategies and partnership models telecoms operators are leveraging to address these needs.

Get in touch to understand how STL Partners can support you:

amy.cameron@stlpartners.com

Or visit our website to discover more:

https://stlpartners.com/telecoms-enterprise