

STANLEY.
Security

2022 INDUSTRY TRENDS REPORT



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About STANLEY Security

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Executive Summary

By Matthew Kushner, Global President, STANLEY Security

More than ever before, security has the power to redefine the business of the future.

The reality is: The way we work and live has fundamentally changed. Organizations across the globe are facing tremendous headwinds – not the least of which are inflationary pressures, labor shortages, and a global pandemic that created a new reality we are all navigating.

This new reality has placed health and safety squarely in the middle of all business priorities, leading to increased reliance on security providers to help organizations create safer, healthier, and more efficient environments.

We're just beginning to see organizations expand their focus beyond solving the immediate health and safety challenges, but we will soon see a marked shift as they continue to rebuild for the future.

New priorities will emerge – chief among them are driving operational efficiencies, finding cost savings, and optimizing logistics. These are increasingly top of mind, as organizations face economic challenges presented by supply chain disruptions and the inflation surge.

To this end, organizations are asking:

How can I extract more value out of my existing investments? Herein lies one of the biggest untapped opportunities for organizations, especially as it relates to security infrastructure. Stored within these systems are incredibly rich insights that, when unlocked, can help drive productivity and efficiencies, fuel business growth, and protect profit margins.

Still, another emerging priority is the heightened focus on sustainability initiatives. Underscored by an organization's purpose and commitment to being a good corporate steward, these initiatives not only have the potential to attract talent, but they are also increasingly demanded by investors.

We'll likely see businesses pick up these efforts with renewed vigor, with an eye toward improving environmental, social, and governance (ESG) ratings that affect investment decisions. In much the same way security technology can power cost savings and business efficiencies, so too can this technology help organizations achieve ESG goals.

Innovative, sustainable, and data-driven solutions that help organizations create safer, healthier, and more efficient environments will be key to redefining the business of the future.



Key Insights

Technology adoption has accelerated significantly since the start of the pandemic, and organizations are more interested than ever in security solutions that can help them solve key business challenges.

More than three in four business leaders (**78%**) say their organization has rapidly adopted new technology due to the pandemic, and nearly two in three (**65%**) say they expect to hire a senior leader within the next 18 months to oversee these new technologies, according to a survey by STANLEY Security.

In this survey, business leaders share what technology is capturing their interest, where they see opportunities in the future, and how they're using security solutions to protect their people, safeguard their assets, optimize their operations, and secure their networks.



Data based on STANLEY Security survey conducted in September 2021 of 200 business decision-makers in the US and UK across a range of verticals in mid-market and enterprise organizations.

Top Five Technologies & Services Implemented by Organizations

Which technologies or services have organizations already adopted?

1

Enhanced IT infrastructure that enables collaboration and communication, such as video conferencing capabilities and secure file sharing systems

63%**2**

Cybersecurity solutions, such as network protection, automated system monitoring, and threat detection

62%**3**

Cloud security solutions, such as cloud access control and cloud video surveillance

58%**4**

Traditional physical security solutions, such as access control, video surveillance, intrusion detection, fire detection and systems integration

46%**5**

Professional and managed services, such as consulting and risk assessments, security operations training, and advanced analytics services

42%

“Not surprisingly, most organizations have already implemented tools that support today’s virtual or hybrid work environment. The past two years have thrust IT, cybersecurity, and cloud security investments to the forefront of business objectives, as our dependence on these technologies skyrocketed overnight.”

Kara Pelecky, Chief Information Officer,
STANLEY Security



“This data supports the larger trend we’ve been seeing across our customer base and the broader market, which is that organizations are looking for a single solution ecosystem to help them address their health, safety, and security challenges.

Coupled with that is an increased interest in adopting advanced analytics technologies, which we’ve historically seen reluctance toward. When AI and machine learning, specifically, are paired with a security ecosystem, organizations can turn dormant data into actionable business insights.”

Sean Leonard, Global Vice President of Strategy & Implementation,
STANLEY Security

Top Three Technology Investments Expected in the Future

Of the technologies that organizations have not yet implemented, business leaders are most interested in adopting the following in the next 18 months:

1

Enhanced IT infrastructure that enables collaboration and communication

47%

2

An integrated platform that combines various health, safety, and security hardware and software solutions seamlessly

46%

3

Integrated analytics driven by artificial intelligence (AI) and machine learning

45%



Three Areas of Interest & Opportunity

1

Keeping Health, Safety, & Security at the Forefront of Hybrid Workforce Models

Today's modern and hybrid working models have created numerous benefits for organizations and their employees. However, they have also introduced new complexities and concerns when it comes to managing on-site health, safety, and security.

One of the chief concerns of business leaders is the security of their organization's assets – their inventory, equipment, and facilities with **72%** of businesses reporting this as their primary concern of hybrid approaches. Further, **59%** rank the health and safety of employees and customers as their top concern.



“Just as security solutions played an integral role during lockdowns, they will continue to be key in shaping these hybrid workforce models. They will help organizations ensure health and safety, while also providing critical insights for strategic space management, enhancements to the employee and customer experience, and more – initiatives that remain essential for most employers today.”

Stephanie Merrifield, Human Resources Director, UK,
STANLEY Security



2

Using AI, Machine Learning, & Advanced Analytics to Protect and Optimize the Business

AI, machine learning, and advanced analytics are emerging areas of opportunity for organizations, and there's more interest than ever in these technologies.

While only **29%** of organizations report that they have implemented integrated analytics driven by AI and machine learning, the majority would consider using them for the following reasons:

1

Optimizing their operations:

Helping their business operate more effectively and efficiently

78%

2

Protecting their people:

Keeping their employees, customers, and visitors safe

66%

3

Safeguarding their assets:

Keeping their property, assets, and inventory safe

66%

4

Securing their network:

Identifying and eliminating cybersecurity threats

54%

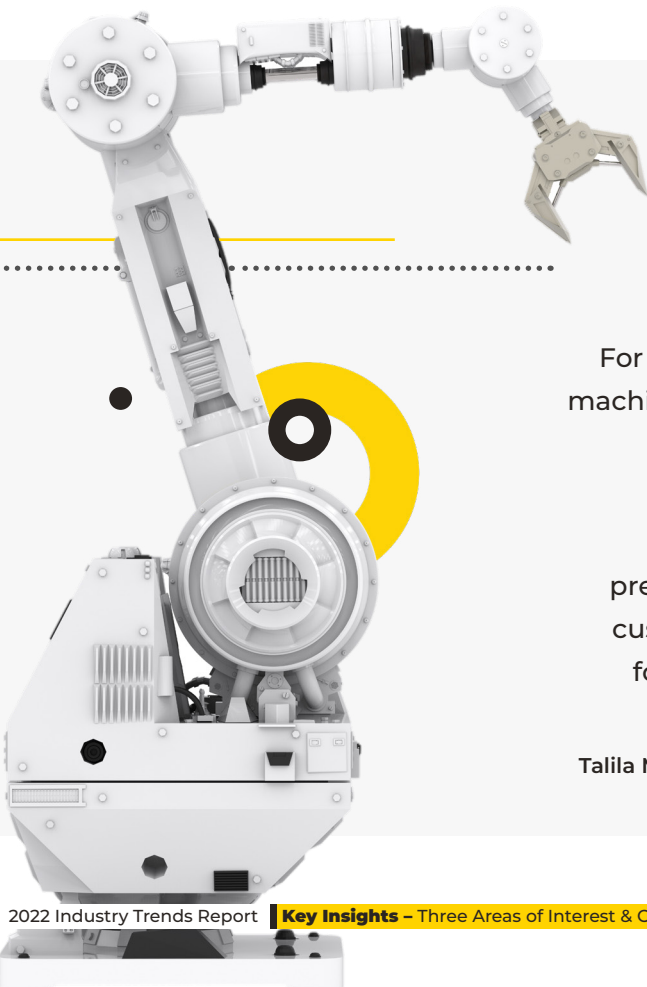


“When it comes to optimizing operations, organizations have a huge opportunity before them to leverage AI, machine learning, and data analytics to gain actionable insights and improve processes across their facilities.

For example, in healthcare, analytics of sensor data, enhanced by machine learning and AI, could be used to flag when a resident in a senior community requires a higher level of care.

In a retail setting, AI-based monitoring could anticipate when door equipment might need to be serviced or replaced, thus preventing a breakdown that could impact power consumption, customer satisfaction, and service costs. There are so many uses for these technologies, and we're just beginning to scratch the surface of what's possible.”

Talila Millman, Vice President of Innovation and Engineering, STANLEY Healthcare





“ The 5G era is now here and it brings unprecedented levels of connectivity, with five key functional drivers: superfast broadband, ultra-reliable low latency communication, massive machine-type communications (Internet of Things), high reliability, and efficient energy usage. In reality, this translates to increasingly innovative use cases from autonomous drones and smart city ecosystems, as well as giving increased efficiency and productivity for governments and businesses in a post-pandemic world.

We see the benefits to be pervasive across the globe and the opportunities to leverage these are truly exciting and transformational to businesses and individuals. ”

Daniel Braden-Astbury, Vice President of Global Accounts - EMEA, STANLEY Security



3 Discovering the Possibilities of 5G

There is significant excitement around the possibilities of 5G and the benefits it has to offer. Nearly all organizations have either adopted or are considering adopting 5G within the next 18 months. Of the **48%** that have already adopted 5G, the benefits they're experiencing include:

Increased efficiencies with work process and outputs

72%

Improved ways to process data

57%

Improved remote work capabilities

47%

Another **48%** say they are keen to adopt 5G and realize the benefits in the next 18 months.

2022 TRENDS



01

Security as a Competitive Advantage

Traditionally, security solutions were installed as a defense and deterrent to crime, but now, organizations are looking to leverage these solutions as a competitive advantage.

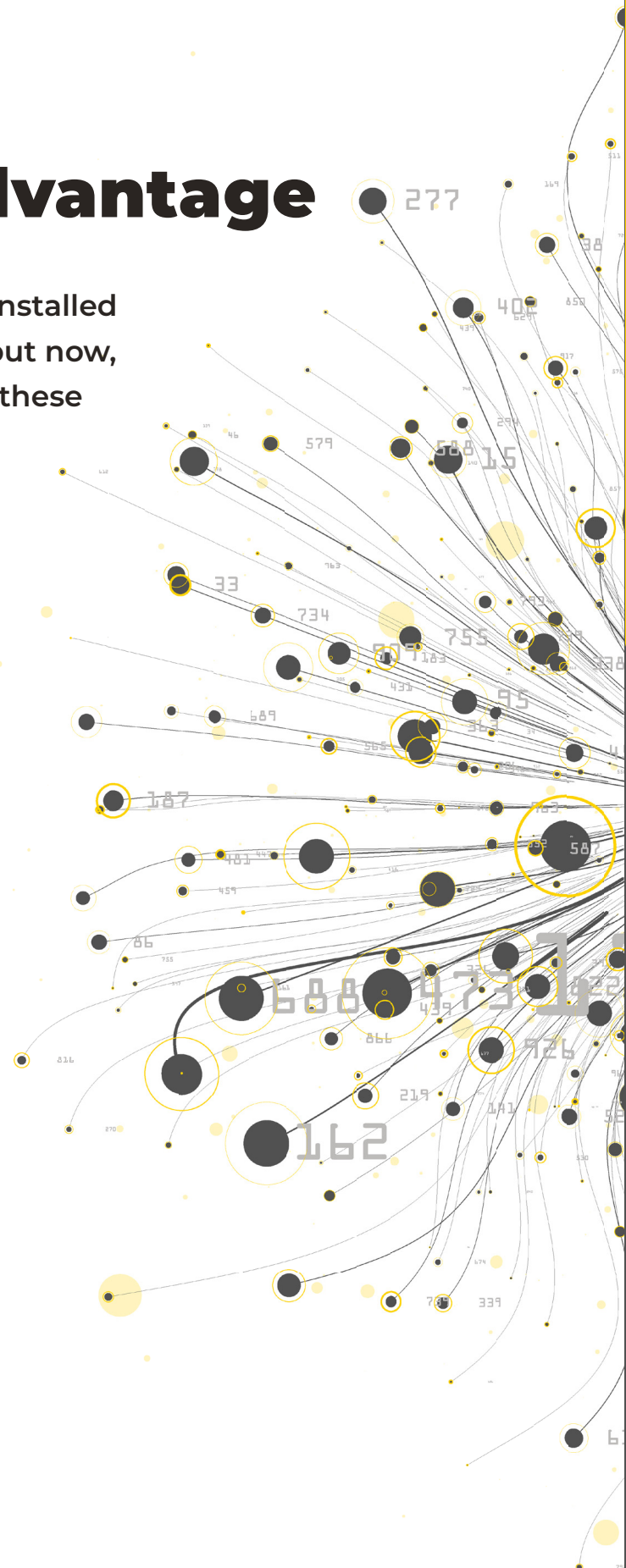


“ Now more than ever, security technologies are central to an organization’s ability to thrive in an increasingly complex world that demands smarter, more efficient solutions to a whole host of business challenges.

Add to that equation the desire – or, rather, the pressure – to do more with less, and we’re seeing a boom of interest in how to leverage security technologies to unlock powerful business insights and outputs.

Organizations’ goals range from driving efficiencies and optimizing real estate to addressing health and safety requirements and fueling ESG initiatives – all of which can be powered by an integrated, data-driven security ecosystem.”

Charlie Erickson, Chief Technology Officer, STANLEY Security



“ What has become apparent as many companies navigate the ‘future of work’ is that how we protect and engage our employees must shift in parallel with the new ways we are getting work done.

This is especially true as the perimeter within which organizations are responsible for their employees’ protection has expanded beyond the threshold of the office to include their homes. Leveraging more intentional learning and development opportunities to engage employees is just one of many ways that organizations should be looking to support their people.

And looking at holistic solutions to ensure employees’ wellbeing, regardless of their desired working destination, is key to keeping them safe and secure in a proactive manner.”

Deborah Wintner, Global Vice President, Human Resources, STANLEY Security

02 Navigating the Future of the Workplace

59% of businesses are planning to bring employees back to the office in the next 18 months, while **30%** have implemented a hybrid work model, and **7%** have transitioned to a fully virtual model. With so much in flux, one thing is certain: **The future of the workplace is very much a work in progress.**





“ In the times we’re living in, ensuring that we have medications safe and available for patients at all times is huge. Currently, we have close to 16,400 assets tagged in seven hospitals and we track every single event where we end up saving something. So far, we’ve saved close to \$9 million in devices, medications, and food. ”

Edgar Newell, Assistant Vice President, RWJBarnabas Health, US

03 Safeguarding Assets On-site

The security of their organization’s assets is one of the top concerns business leaders have when it comes to modern working models. Whether organizations operate a hybrid approach or plan to return to the office full time, asset protection will remain an imperative for the foreseeable future.

“ Many businesses are still trying to determine how best to secure and protect their assets, especially as on-site operations continue to evolve. The importance of real-time management of inventory and assets has emerged, as every organization needs to safeguard materials and use them with maximum efficiency.

Whether it’s ensuring that vaccines in production are stored at proper temperatures, or optimizing the flow of work-in-process (WIP) in a plant – or, above all, keeping workers safe – the ability to see the status and location of key assets and inventory in real-time allows organizations to use their human and capital resources effectively and safely. That will be an ongoing necessity – and competitive advantage – in 2022 and beyond. ”

Bill McCarthy, Vice President of Global Sales and Operations, STANLEY Healthcare



04 The Modern Venue: A New Frontier

The relaunch of sports, events, and extracurricular activities has given way to enhanced venue and guest protocols, ushering us toward a new frontier defined by touchless, frictionless experiences.



“Venues are often some of the first facilities to feel the impact when major events cause threats to public health, safety, and security. The global pandemic has been no different – requiring venues to thoughtfully approach their reopening strategies, taking into consideration new health and safety requirements to protect the people they serve. One of the biggest challenges for these facilities has been implementing technology that doesn’t create a poor guest experience or pose other health challenges, like creating crowds or long lines.

Among the many solutions that are helping venues optimize their threshold are mobile credentials, AI-based security screening technology, and touchless, automated doors.”

John Skowronski, President of Sales & Operations - US, STANLEY Security

“Digital transformation is a must for all departments within organizations to improve operational efficiencies and to stay competitive in today’s market. This is where new security technologies, such as machine learning, AI, advanced sensors, and the data and insights generated have transformed social gathering places.

Data from security screening can not only continuously improve security, but also transform the experience students, fans, patrons, visitors, and employees have before, during, and after leaving the venue when integrated with other venue systems, such as ticketing. Organizations are starting to integrate this data to provide the best experience possible for their visitors.”

Peter George, Chief Executive Officer, Evolv Technology, US

“We don’t want lines. We want folks to get in quickly and seamlessly, be safe, comfortable, relaxed, and ready for the show. We want them to have a remarkable experience, and that’s from every point along the way.”

David Armstrong, Vice President of Operations, Indianapolis Symphony Orchestra, US

05

Protecting the Supply Chain

The supply chain crisis – caused largely by the global pandemic and exacerbated by labor and resource shortages – is creating a ripple effect across nearly every industry.

Moving forward, it will be more crucial than ever to implement technologies and processes that help safeguard against future disruption.



“Security technology should be deployed along supply chains to help not only avoid disruptions but optimize efficiencies and drive cost savings.

Integrating video surveillance with access control systems, for example, can help ensure a product's chain of custody, preventing quality assurance issues. Real-time location systems (RTLS) can help organizations better track their assets and find opportunities to optimize equipment use and routing.

There are so many applications of security technology across the supply chain, and more and more, we'll see organizations begin to leverage them.”

Hélène Beaulieu, Vice President of Global Strategic Sourcing,
STANLEY Security



06 Advancing the Era of Automation

Doing more with less is no longer an option, but a necessity for many. Organizations have increasingly limited resources, including time and labor, so they're looking to automation to accomplish their tasks and achieve their goals.

“Automation is a key enabler of continued growth in many industries that are facing labor shortages and loss of skills as their most experienced workers resign or retire.

You can see this in everything from advanced manufacturing to healthcare, because automation includes not just robotics but the application of AI and machine learning to routine tasks so that your workforce is freed to focus on the most high-value, high-impact activities.

Automation isn't about eliminating humans; it's about empowering them to work at the top of their abilities, whether that's a nurse having more time with patients or a facilities manager able to focus on the business' key opportunities for growth.”

Troy Dayon, Chief Development Officer, STANLEY Security



07

The Intersection of 5G, Security, & IoT 2.0

There's a tremendous opportunity to pair the widescale connectivity and accessibility of 5G with the power of IoT-enabled security solutions to unlock benefits with far-reaching effects.

“One of the most exciting opportunities in the security industry is the deployment of 5G, its rebirth of IoT, and the expansion of RTLS technology.

With the adoption of 5G, we'll see increased reach and implementation of RTLS, a technology whose potential will be seemingly unlimited in the future. This, in turn, will power the new generation of asset tracking and environmental monitoring solutions for organizations.

And, as devices become smaller, faster, and less expensive, the population of IoT will grow exponentially, creating further opportunities for businesses.”

Matthew Kushner, Global President, STANLEY Security



08

Cloud Security as a Source of **Business Intelligence**

The pandemic was a change agent that accelerated cloud security adoption at an astonishing rate.

48% of businesses that have implemented cloud security solutions, such as cloud video surveillance and cloud access control, stated that they did so as a result of the pandemic. Now, many are wondering how they can extract more value out of these systems.

“Organizations have historically been reluctant to make the move to the cloud, but today they are seeing it as a necessity and a key source of business intelligence.

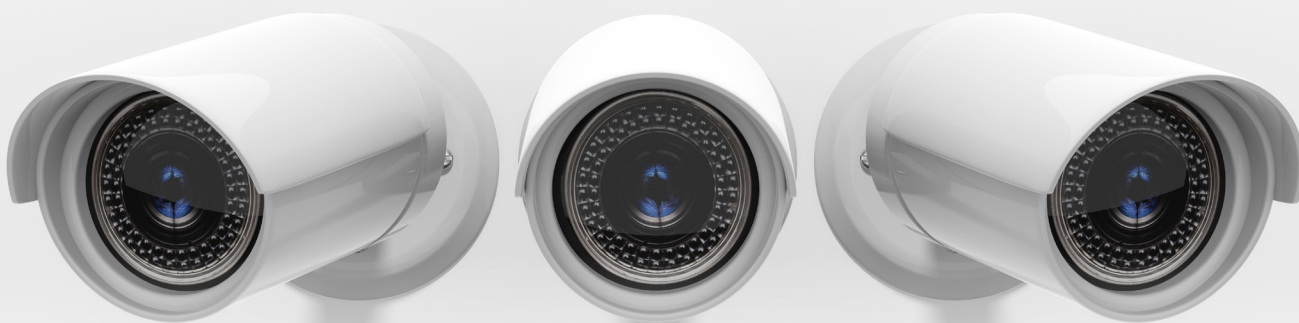
With cloud-based security solutions, organizations can have ‘eyes and ears’ on-site 24/7 even while they’re off-premises.

More importantly, the data these solutions generate can provide invaluable insights into facility operations – an ever more appealing benefit for organizations.

While most are currently using cloud security systems for the primary purpose of securing their facilities and operations, 44% of business leaders whose organizations have already implemented these systems say they’re interested in learning how else they can be used.”

**Kettil Stenberg, General Manager - Nordics,
STANLEY Security**





09 “Always-on” Approach to Security

Businesses are looking for greater oversight and visibility into security operations, particularly when their facilities aren't fully occupied. An “always-on” approach, powered by commercial security monitoring, can help them protect their people and assets.



“Performance in security is a unique combination of robust infrastructure, reliable hardware, and best-in-class service – combined with innovative software-as-a-service (SaaS) solutions.

However, even with advances in AI and machine learning, security remains a question of people, especially when it comes to commercial security monitoring. Beyond technological progress, organizations need accountable experts to actively monitor their operations and make the call when there's a threat.

All of this enables organizations to gain 360-degree visibility into their operations and provides the right level of oversight to help build business resilience today and in the future. ”

Matthieu Le-Taillandier, General Manager - France, UK, Ireland, and Benelux, STANLEY Security



10 Meeting New Customer Expectations

At the same time as organizations are facing significant economic pressures and the sweeping impact of the pandemic, they're also being challenged to meet and deliver on new customer expectations.



“The virtual world in which we live has created an environment ripe for innovation, particularly in digital experiences, business models, and anything as-a-service (XaaS) offerings.

Customers today expect convenient, simple, and on-demand experiences, and businesses are transforming to accommodate these new demands.

In the restaurant and retail industries, businesses are rebuilding infrastructure and purchasing processes to deliver digital-first solutions, such as ‘buy online/pick up in-store’ (BOPIS) or contactless delivery options. In the process, businesses are looking for ways to increase operational efficiencies and adapt to serving and engaging customers in this new world.

With help from integrated security technologies paired with business systems, they can identify trends in customer activity, predict surges or dips in business, calculate the effectiveness of online promotions, and more – the opportunities are endless.”

Tracie Gildea, Chief Marketing Officer, STANLEY Security





About STANLEY Security

STANLEY Security, a division of Stanley Black & Decker (NYSE: SWK), is a global provider of integrated security, health and safety solutions and services.

With more than 200 locations, serving six continents, we're trusted by customers across the globe for innovative solutions; seamless installation and integration; reliable maintenance; 24/7 monitoring; and insightful analytics.

At the heart of our business is a vision for creating safer, healthier, and more efficient environments – guided by a purpose to help the world progress.

Learn more at www.stanleysecurity.com

For Those Who Make The World™ Progress

