

Network security sales expected to hit \$150 billion by 2026 as threats escalate

Article

The news: Network security sales are expected to exceed **\$150 billion** by 2026, with software-as-a-service (SaaS) revenue surpassing **\$60 billion**, per Dell'Oro Group's Market

Research Report on Network Security. In 2021, the global network security market size was valued at **\$60.3 billion**, [per](#) Canals.

More on this: Cloud security is headed for major growth as the increase in enterprise network applications and continued hybrid work increase the need to scale various network security services.

- Enterprises and small and midsize businesses (SMBs) will be investing heavily on **email security, firewall, security service edge (SSE), secure web gateway (SWG), and web application firewall (WAF)** technologies.
- This is a direct result of continued remote and hybrid work and its [reliance](#) on cloud network infrastructure, as well as the proliferation of ransomware attacks.
- **The overall cybersecurity market is expected to [grow](#) \$100 billion** in the next four years.

Rising tide of cyber threats: One in 40 organizations is targeted by a ransomware attack weekly, with government, military, education, research, and healthcare industries the most targeted, [per](#) Check Point Research (CPR), a **32% YoY increase**.

- Government and military sectors saw a 135% [rise](#) in ransomware attacks between late 2021 and Q2 2022. Businesses, which might not report ransomware incidents, are likely affected at a similar rate.
- As a result, more than **25% of organizations expect double-digit growth in cybersecurity budgets in 2022**, [per](#) PwC's 2022 Global Digital Trust Insights report.

What's next? The Dell'Oro Group's report is "geared toward providing an 'action plan' for small and mid-sized businesses (SMBs) to address ransomware threats. SMBs are a popular target for ransomware attacks because of their 'relative lack of resources.'"

- Businesses with fewer than 500 employees are most at-risk and were hit by 70% of ransomware attacks in 2021, [per](#) the Ransomware Task Force.
- Accenture's [Cost of Cybercrime Study](#), showed that while **43% of cyberattacks target small businesses, only 14% are prepared to defend themselves**.
- These businesses are also the most likely to cut down on network security expenses in the short term as they face economic uncertainty.
- The threat is not diminished as hackers [attempt](#) millions of cyberattacks daily.

The key takeaway: As cloud infrastructure technology and adoption increase, so will the vulnerabilities.

- Various studies and reports are revealing a **surge** in cybersecurity threats and ransomware attacks as businesses pivot to the cloud. These are expected to intensify even as spending rises to meet the threats.
- Economic uncertainty will result in short-term risks, especially for smaller businesses that don't shore up their network security.

Dive deeper: Read more about how businesses and brands are developing security strategies in [The Cyber Security Risk](#) report.

