

Watford, October 10, 2013

Two-thirds of retailers planning network IP migration

According to the latest annual Centre for Retail Research (CRR) survey into current and future use of CCTV by retailers, commissioned by Axis Communications, the global market leader in network video, 64% of UK's retailers were planning to adopt network IP in the next three years – up 6% from 2012.

The research showed that of the close to 300 responses from UK retailers encompassing over 21,000 stores, 92.4% of them currently used CCTV, 70% of which were analogue systems. More generally, across the Northern Europe, the increase in retailers planning to adopt network IP saw a huge jump with a 16.5% rise on 2012 figures.

The survey, now in its third year, attracted over 700 responses from across Northern Europe and is being presented today at the Retail Fraud 2013 conference in Leicester by Scott Brothers, retail business development manager, Northern Europe, at Axis Communications and professor Joshua Bamfield, director at the CRR.

Speaking about the results, Scott commented: “Store-based retailing is extremely tough at the moment and therefore maximising return on investment from any technological investment is crucial as we consumers increasingly become more savvy and price conscious. However, video image quality is still an issue when it comes to successful prosecutions, so it’s hardly surprising that nearly two-thirds of UK respondents (the highest across the whole of Northern Europe) currently using analogue CCTV systems were planning to adopt network IP surveillance. Like last year, respondents cited easier integration with business intelligence analytics, better remote access and improving image quality through the use of HD IP cameras, as the primary drivers behind their plans to move away from analogue CCTV.

“The research also showed over 67% of UK retailers was interested in local storage if footage in smaller network IP systems – an increase on last year’s survey. Axis is seeing an increasing demand for its AXIS Camera Companion system. These systems of 16 cameras or fewer are designed to offer an incomparable level of performance, value and flexibility for small business users. The system incorporates edge technology to store footage locally on an SD card, eliminating the need for a dedicated PVR or a local PC, reducing costs and management time.

“We recently installed such a system for leading UK convenience chain, Nisa Today, at its Hockley store in Birmingham. The AXIS Camera Companion system allows the store owner to instantly access and view live camera footage, replay and download files, either in-store or remotely via a PC, tablet or smartphone. It’s been so successful that it has led to further discussions with Nisa about the possibility of integrating the technology across their 4,000 UK stores.

“High street stores carry the greatest overheads but are still the origin for the mainstay of

transactions so the need to sweat these assets has never been greater. The AXIS Camera Companion system is an absolute step change from cumbersome analogue systems which require a local DVR, it offers an affordable solution to retailers, coupled with the advantage of being able to use high definition cameras.

“All in all, it provides an attractive proposition to UK retailers wanting to maximise their return on investment with a system that is truly scalable and adaptable to their changing business needs. With ‘scalability’ quoted as the third biggest driver toward network IP, it’s clear that retailers’ specifications are becoming increasingly sophisticated, requiring not just increased security but also a system that can expand with them.”

Professor Joshua Bamfield added: “This is the third survey we have done on this topic and it shows the strongest signals yet that retailers are taking network IP migration extremely seriously.”

The CCTV in Retail survey was commissioned by global market leader in network video, Axis Communications and was run in conjunction with the Centre for Retail Research in Nottingham. Now in its third year, it surveyed 2,200 retailers both large and small from a variety of sectors and attracted 738 responses from retailers in the UK, Ireland, Denmark, Finland, Norway and Sweden.

The research was carried out by CRR between June and August 2013 and follows a similar Axis-commissioned surveys in 2012 and 2010.

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About Axis:

As the market leader in network video, Axis is leading the way to a smarter, safer, more secure world — driving the shift from analogue to digital video surveillance. Offering network video solutions for professional installations, Axis’ products and solutions are based on an innovative, open technology platform. Axis has more than 1,400 dedicated employees in 40 locations around the world and cooperates with partners covering 179 countries. Founded in 1984, Axis is a Sweden-based IT company listed on NASDAQ OMX Stockholm under the ticker AXIS. For more information about Axis, please visit our website www.axis.com. Follow us on Twitter: @Axis_NEur

About the Centre for Retail Research

The Centre for Retail Research, based in Nottingham England, has studied retail crime issues and the use of technology to combat crime for more than 20 years. Its best-known publication is probably the Global Retail Theft Barometer, but the Centre also publishes reports on retail spending, the impact of online retailing in Europe, and the future of retailing. The Director of the Centre for Retail Research is Professor Joshua Bamfield.