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The Global Military Simulation and Virtual Training Market 2015–2025

Report Price: US$ 4,800 (Single Copy)

Summary

"The Global Military Simulation and Virtual Training Market 2015–2025" report offers the reader detailed analysis of the global military simulation market over the next ten years, alongside potential market opportunities to enter the industry, using detailed market size forecasts.

The global military simulation and virtual training programs market is expected to value US$XX billion in 2015 and increase at a CAGR of XX% to reach US$XX billion by 2025. The market consists of three simulation categories: flight, combat, and maritime. Flight simulators are expected to account for XX% of the global military simulation market, followed by maritime simulators and combat simulators with shares of XX% each. Over the forecast period, the cumulative global expenditure on military simulators and virtual training programs is expected to reach US$XX billion.

"The Global Simulation and Virtual Training Market 2015–2025" provides detailed analysis of the current industry size and growth expectations from 2015 to 2025, including highlights of key growth stimulators. It also benchmarks the industry against key global markets and provides a detailed understanding of emerging opportunities in specific areas.

Key Findings

The global military simulators and virtual training programs market is expected to value US$XX billion in 2015 and is expected to increase to US$XX billion by 2025, representing a CAGR of XX% during the forecast period. The procurement of simulators is primarily dependent on the procurement of other military equipment such as aircraft, submarines, helicopters, and cyber security systems, armored vehicles, UAVs and naval ships and with the market for these systems expected to witness robust expenditure over the forecast period, military simulators will be much in demand. Factors such as internal and external security threats, territorial disputes, and modernization initiatives undertaken by the various armed forces across the world are driving the demand for conventional and unconventional military hardware and software and as the world emerges from the crippling fiscal crisis of 2008, military spending is expected to post somewhat of a recovery even in the badly affected regions of North America and Europe.

Key Features and Benefits

The report provides detailed analysis of the Military Simulation and Virtual Training market during 2015–2025, including the factors that influence why countries are investing or cutting expenditure on military vehicles. It provides detailed expectations of growth rates and projected total expenditure. The report will also provide a deep qualitative analysis of the global military simulation and virtual Training sector covering sections including demand drivers, SWOT, industry trends, latest technological developments, among others. The major programs section will inform the user about programs being undertaken within the global Military Simulation and virtual Training departments in different segments of the market.

The market is expected to be dominated by countries in the North America, followed by Asia Pacific and Europe. Market saturation in the US and higher CAGR growth of the Asian countries during the forecast period are anticipated to be the major reasons for the emergence of the Asia Pacific region as the biggest simulation and virtual training market. The North American market, which was historically the stronghold of the global simulation sector, has witnessed low growth rate over the last few years owing to the after effects of the global economic downturn and the resultant budget sequestration measures undertaken by the government.

1 Global Simulation and Virtual Training Market Size and Drivers

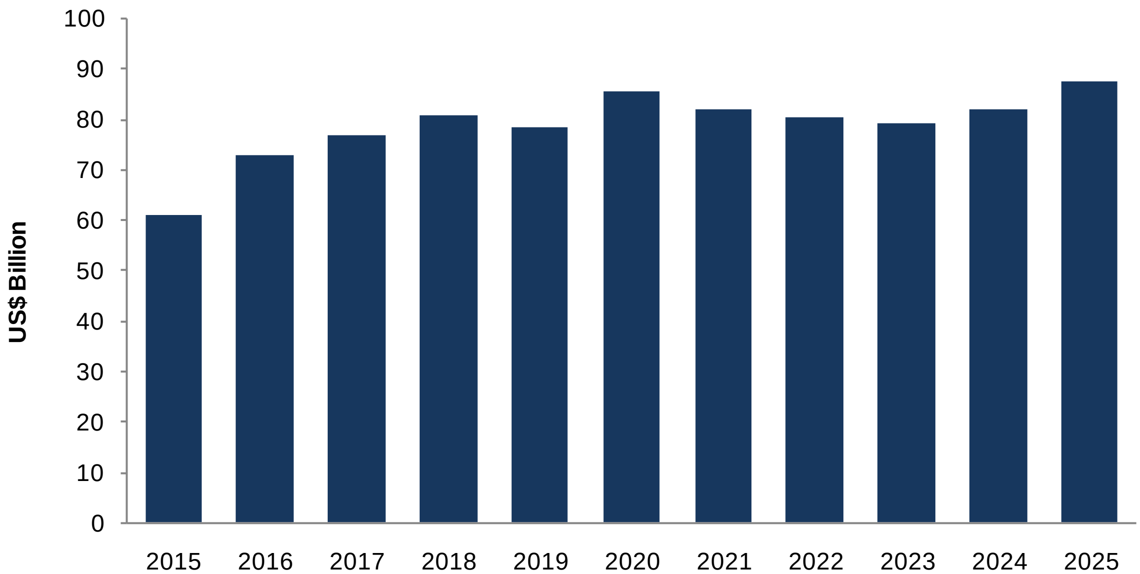
1.1 Simulation and Virtual Training Market Size and Forecast 2015–2025

1.1.1 Global simulation market to show positive growth during the forecast period

The global military simulation and virtual training programs market is expected to value US$XX billion in 2015 and increase at a CAGR of XX% to reach US$XX billion by 2025. The market consists of three simulation categories: flight, combat, and maritime. Flight simulators are expected to account for XX% of the global military simulation market, followed by maritime simulators and combat simulators with shares of XX% each. Over the forecast period, the cumulative global expenditure on military simulators and virtual training programs is expected to reach US$XX billion.

The chart below shows the expected Simulation and Virtual Training market value during 2015–2025:

Figure 1: Global Simulation and Virtual Training Market (US$ Billion), 2015–2025



Source: SDI analysis

1.2 Global Simulation and Virtual Training Market – Regional Analysis

1.2.1 North America is expected to lead the global military simulation and virtual Training market

During the forecast period, North America is expected to dominate the global military simulation and virtual training market, with a total share of 36%. The country's policy of keeping its troops combat ready for deployment at a short notice in case of a war like situation has mandated the procurement of simulators and virtual training solutions. Additionally, the US Air Force is focusing on reducing the flying hours in order to reduce costs and time. Major programs include F-35 aircraft simulators, Long-Range Strike-B simulators, Navy's Littoral Combat Ship (LCS) simulators, US Air Force's F-16 Training System and the army's Live Training Transformation (LT2) systems among others. Asia Pacific and Europe are also expected to account for a significant proportion of the total global military simulation and virtual training market during the forecast period, with shares of XX% and XX% respectively, which will largely be driven by the efforts of countries such as China, India, Australia and Russia. Spending in Asia will primarily be fueled the modernization of armed forces and equipment procurement which will consequently spur demand for military simulators. Major programs include fifth generation aircraft simulators and Rafale simulators by India, the Helicopter Aircrew Training System (HATS) program and Sea 1000 future submarine simulators by Australia and the J-31, and J-15 flight simulators by China, among others. The Middle East, Latin America, and Africa will account for XX%, XX%, and XX% of global military simulation and virtual training market respectively.

The table below gives a brief overview of the global Simulation and Virtual Training market:

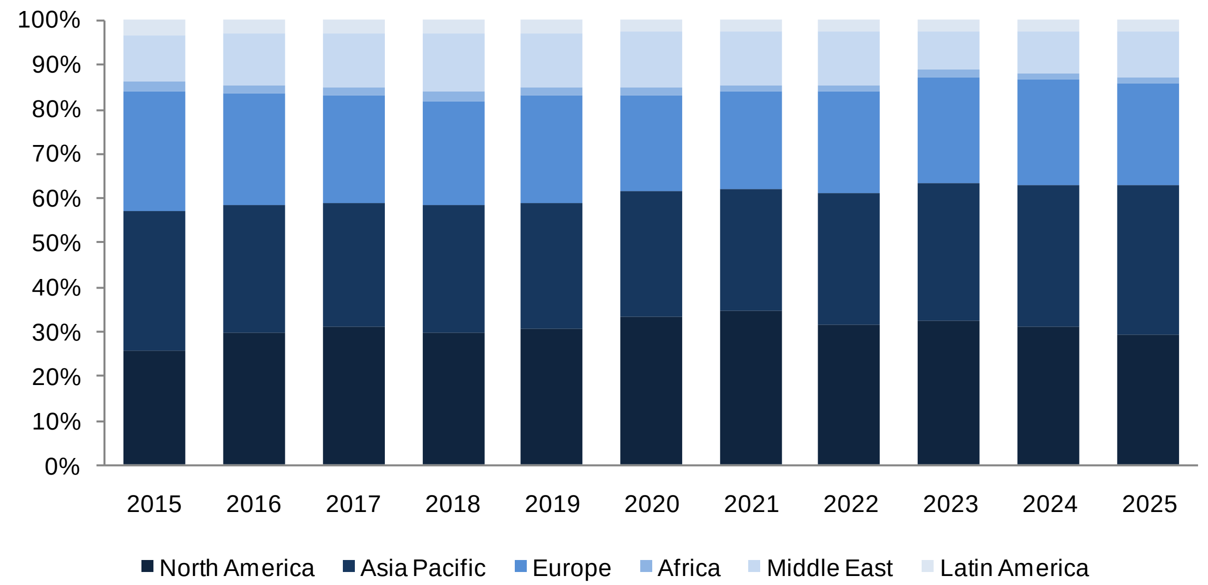
Table 1: Global Simulation and Virtual Training Market Overview

Region	Market in 2015	Market in 2025	Total Market (2015–2025)	Annualized growth/decline (2015–2025)
Asia-Pacific	US$XX billion	US$XX billion	US$XX billion	XX%
North America	US$XX billion	US$XX billion	US$XX billion	XX%
Europe	US$XX billion	US$XX billion	US$XX billion	XX%
Middle East	US$XX billion	US$XX billion	US$XX billion	XX%
Latin America	US$XX billion	US$XX billion	US$XX billion	XX%
Africa	US$XX billion	US$XX billion	US$XX billion	XX%
Total Simulation and Virtual Training Market	**US$XX billion**	**US$XX billion**	**US$XX billion**	**XX%**

Source: SDI analysis © SDI

The following chart shows the regional breakdown of the global Simulation and Virtual Training market:

Figure 2: Simulation and Virtual Training Market Breakdown by Region (%), 2015–2025



Source: SDI analysis © SDI

2 SWOT Analysis of the Simulation and Virtual Training Market

Table 2: SWOT Analysis of the Simulation and Virtual Training market

Strengths	**Weaknesses**
Opportunities	**Threats**

Source: SDI Analysis © SDI

3 Country Analysis – Simulation and Virtual Training Market

3.1 United States Market Size and Forecast 2015–2025

The US is expected to retain its dominant position in the military virtual training and simulation market, with a market share of XX% during the forecast period. Despite the defense budget cuts and low overall military budget growth, the country's military virtual training and simulation sector is expected to post moderate growth of XX% over the next decade. Some major factors, such as the volatile military situation in North Korea, civil and political chaos in Middle East, and the aggressive military buildup by China, are expected to ensure moderate growth in the procurement of military aircraft, helicopters and naval vessels, which will have positive results on the expenditure on the sales of simulators. Other important military sectors, such as transport military aircraft, UAVs, and armored vehicles, are also expected to register moderate to strong growth levels during the forecast period, thereby resulting in related expenditure on military simulators.

With the continuously evolving nature of warfare, the US DoD is increasing efforts in the integration of virtual training with live training programs, as this is expected to provide benefits of reduced cost and increased efficiency. As per the US Government Accountability Office (GAO), the US Air Force is anticipated to save US$1.7 billion between 2012 and 2016 by reducing live flying hours for legacy aircraft with a greater use of simulators. Additionally, with slashed budgets, the US is also focusing on Live Virtual Constructive (LVC) training to prepare its soldiers for potential future conflicts. LVC training is expected to witness an increase in demand from the US Air Force, which operates a mix of tankers, cargo planes, fighters, and intelligence, surveillance, and reconnaissance (ISR) assets. Major programs contributing significantly to the virtual training and simulation market include the US Air Force's air-combat virtual-training network, US Army Contracting Command (ACC) for communications and transmission systems, Aviation Combined Arms Tactical Trainer (AVCATT), US Air Force's F-16 Training System, Army's Live Training Transformation (LT2) systems, and Meggitt's engagement skills trainer II (EST II), among others.

The table below gives a brief overview of the US Simulation and Virtual Training market:

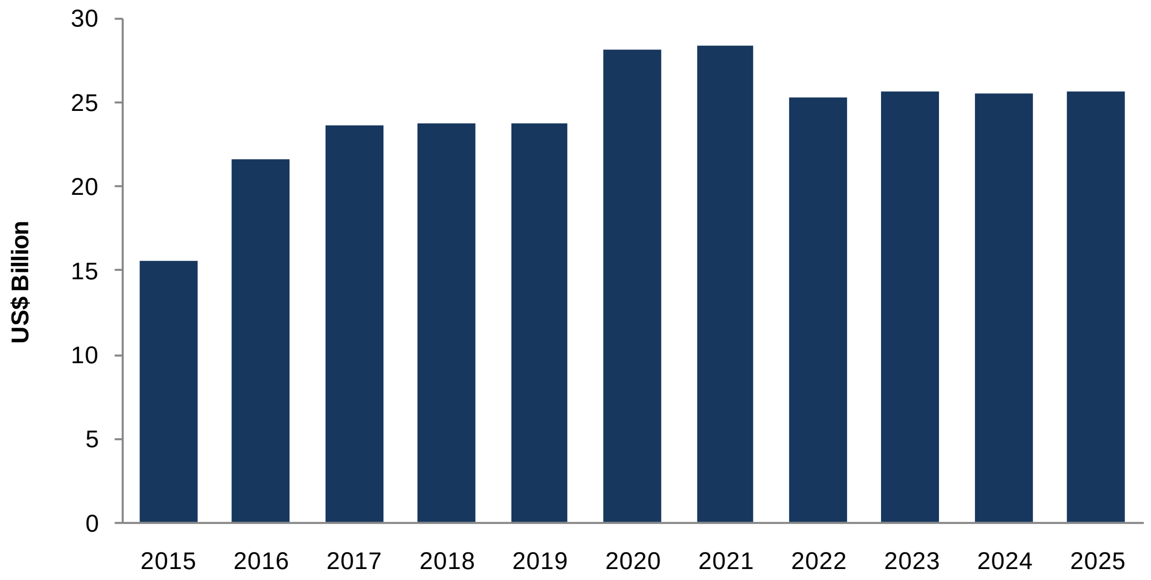
Table 3: US Simulation and Virtual Training Market Overview

Category	Market in 2015	Market in 2025	Total Market (2015–2025)	Annualized growth/decline (2015–2025)
Flight simulators	US$XX million	US$XX billion	US$XX billion	XX%
Combat simulators	US$XX million	US$XX billion	US$XX billion	XX%
Maritime simulators	US$XX million	US$XX billion	US$XX billion	XX%
Total military simulation and virtual training market	**US$XX million**	**US$XX billion**	**US$XX billion**	**XX%**

Source: SDI analysis **© SDI**

The chart below shows the Simulation and Virtual Training market size in the US between 2015 and 2025:

Figure 3: Simulation and Virtual Training Market in the US (US$ Billion), 2015–2025



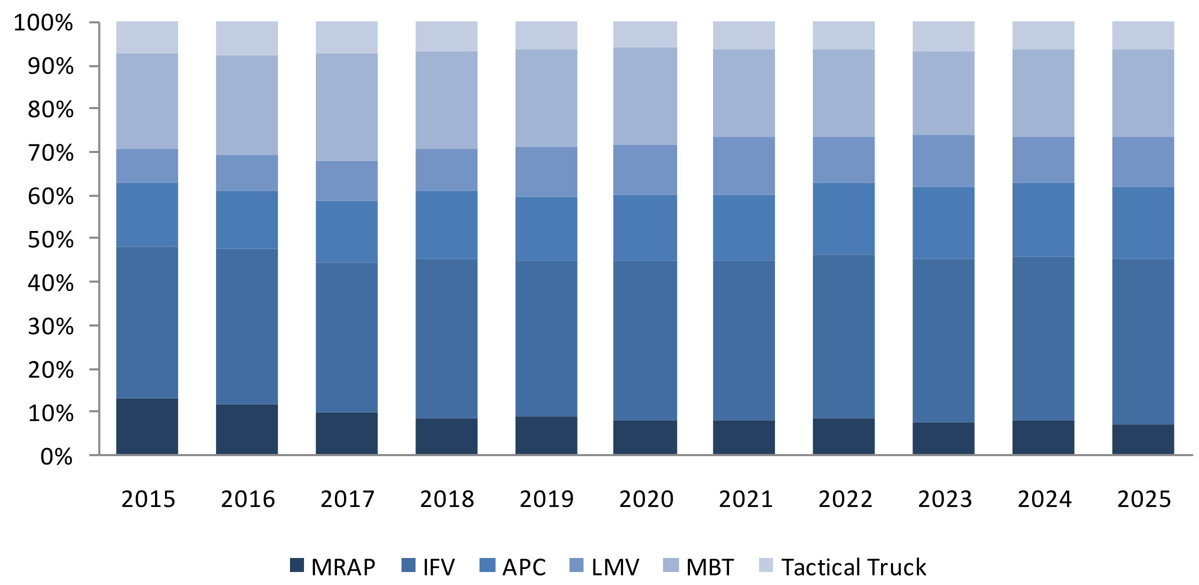
Source: SDI analysis © SDI

The table below shows the key US Simulation and Virtual Training programs:

Table 4: Key Simulation and Virtual Training programs					
Program/Equipment Name	**Equipment Type**	**Quantity Procured**	**Supplier/Country**	**Delivery Period**	**Total Contract Value**
F-35 Joint Strike Fighter (JSF)	Flight Simulators	-	US	2015 Onwards	US$XX billion
Long-Range Strike-B	Flight Simulators	-	US	2015-2025	US$XX billion
Aegis missile defense system simulator	Combat Simulators	-	US	2014-2025	US$XX billion
Virginia-class submarine Simulator	Maritime simulators	–	US	2014-2025	US$XX billion
Source: SDI analysis					© SDI

The following chart shows the category break–up of the Simulation and Virtual Training market in the US from 2015–2025:

Figure 4: Simulation and Virtual Training Market Split By Category in the US (%), 2015–2025



Source: SDI analysis

Report Methodology

Strategic Defense Intelligence (SDI) dedicated research and analysis teams consist of experienced professionals with a background in industry research and consulting in the defense sector. The market size is derived by consolidating ongoing procurement programs, modernization initiatives, and future procurement plans, utilizing information gathered through primary and secondary sources. Forecasting is conducted based on the lifetime of current inventory levels, suitability/need of the weapon category for a specific country, budget availability, and opinion of leading industry experts. The following research methodology is followed for all databases and reports.

Secondary Research

The research process begins with exhaustive secondary research to source reliable qualitative and quantitative information related to the Military Simulation and Virtual Training market. The secondary research sources that are typically referred to include, but are not limited to:

- Globally renowned think tanks
- Industry associations
- National government documents and statistical databases
- Company websites, annual reports, financial reports, broker reports, and investor presentations
- Industry trade journals and other literature
- Internal and external proprietary databases
- News articles, press releases, and webcasts specific to the companies operating in the market

Primary Research

SDI conducts hundreds of primary interviews a year with industry participants and commentators in order to validate its data and analysis. A typical research interview fulfils the following functions:

- Provides first-hand information on market size, market trends, growth trends, competitive landscape, and future outlook.
- Helps to validate and strengthen secondary research findings.
- Further develops the analyses team's expertise and market understanding.

The participants who typically take part in such a process include, but are not limited to:

- Industry participants: CEOs, VPs, business development managers, market intelligence managers, and national sales managers.
- External experts: investment bankers, valuation experts, research analysts, and key opinion leaders specializing in defense markets.

Conventions

- Currency conversions are performed on the basis of average annual conversion rate format calculations.
- All the values in tables, with the exception of compounded annual growth rate (CAGR) and compounded annual rate of change (CARC) are displayed to one decimal place. Growth rates may, therefore, appear inconsistent with absolute values due to this rounding method.

Related Reports

The Global Military Radar Market 2014-2024

The Global Missiles and Missile Defense Systems Market 2014-2024

The Global Electronic Warfare (EW) Market 2014-2024

The Global Cybersecurity Market 2014-2024

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