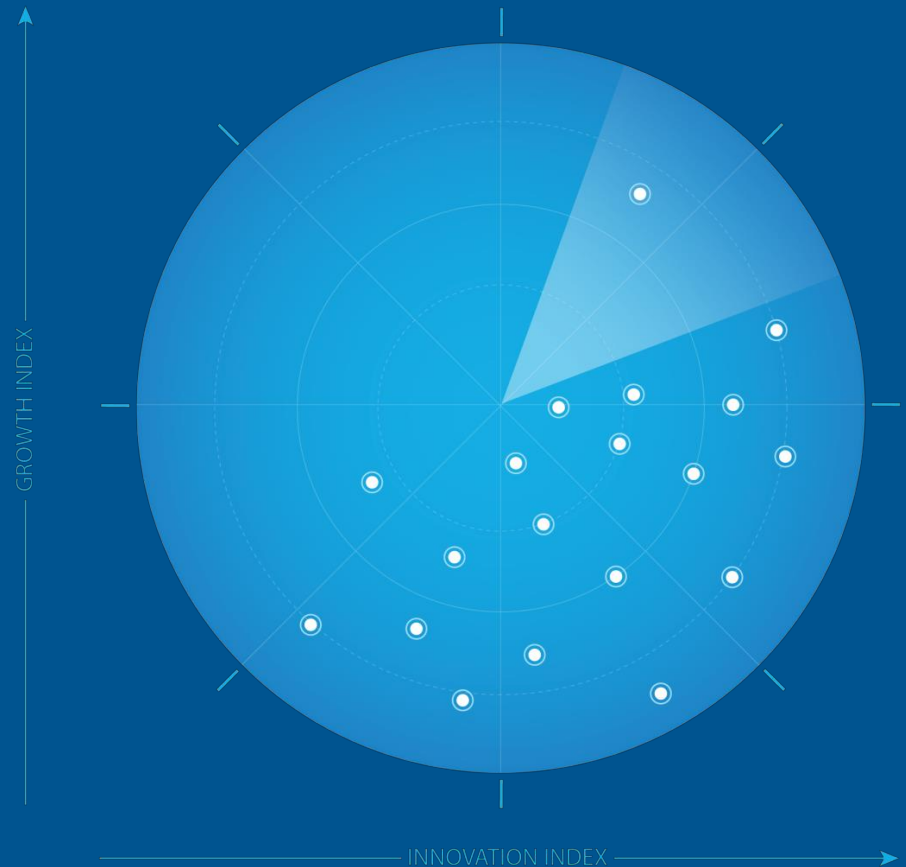


Frost Radar™: Global Cyber Threat Intelligence Market, 2022

A Benchmarking System
to Spark Companies to
Action - Innovation that
Fuels New Deal Flow and
Growth Pipelines

Global Security Research
Team at Frost & Sullivan



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F R O S T  S U L L I V A N

Strategic Imperative and Growth Environment

Strategic Imperative

- As the threat landscape continues to evolve with cyber threats becoming more sophisticated and complex, it is imperative that organizations shift to a proactive cybersecurity approach. Cyber threat intelligence (CTI) provides the necessary information to achieve that.
- Modern threats are more targeted, harder to detect, and more dynamic, damaging, and diverse. Threat actors have become more specialized and organized in recent years; the rising number of attacks conducted by career criminals and nation-state groups has created concern among organizations of all sizes and industries. Not only are tactics, techniques, and procedures more sophisticated, but also the time interval from vulnerability discovery to large-scale attack is rapidly decreasing.
- Cyber threats are increasingly interwoven with geopolitical events; the Russo-Ukrainian War is an example, and the best representation of this trend. Threat actors are taking advantage of this situation, requiring organizations to actively monitor their threat landscape considering the impact of geopolitical events and their link with cyber threats.
- CTI, which refers to the collection of insights about threats, is an essential component in any security program as it can provide a broad view of an organization's threat landscape, offering visibility of trends and threat actors to proactively prepare and protect the business.

Source: Frost & Sullivan

Strategic Imperative (continued)

- Vendors that operate in this market focus on the production of intelligence based on a variety of sources: open-source data, dark web monitoring, and human intelligence, among others. Even though each vendor's value proposition depends on its DNA and focus, Frost & Sullivan research indicates that successful companies in this market share some common characteristics, including exceptional quality and relevance of the information and accuracy and reliability of the data.
- Another key capability that is increasingly relevant for customers is actionability, i.e., the ability to operationalize threat intelligence. Most CTI vendors have developed in-house software-as-a-service (SaaS) offerings to enable clients to operationalize threat intelligence, thus tapping into the threat intelligence platforms (TIP) market.
- A similar trend is visible with regard to the digital risk protection (DRP) market. The definition of CTI is evolving as it is now essential for a vendor to provide customers the means to operationalize their own threat intelligence while also including DRP use cases so they can understand their digital footprint exposure and risk.

Source: Frost & Sullivan

Growth Environment

- The global CTI market is on a growth trajectory: it is expected to reach \$1.6 billion in revenue by 2024. As organizations increasingly need solutions and insights to help them deal with the ever-evolving threat landscape, demand for CTI will continue rising.
- Also, as CISOs and security teams begin to acknowledge the importance of threat intelligence in this context, CTI providers are noticing a growing demand for threat intelligence beyond the traditional customer base (large organizations with mature cybersecurity practices, typically in North America and Europe).
- Features that are important to deliver effective threat intelligence include:
 - Actionability and reliability: information needs to be updated in real-time so it does not lose relevance and security teams can act upon it at the right time.
 - Automation: it is necessary to make threat intelligence actionable for diverse teams; it empowers them to streamline workflows and trigger actions that mitigate threats automatically.
 - Context: threat intelligence needs to be contextual so CISOs can strategize based on the analysis of industry and region-specific threats.
 - Quality of the information: false positive rates should be minimal, and sources should be unique.
- A Frost & Sullivan study related to this independent analysis:
 - [Cyber Threat Intelligence and Threat Intelligence Platforms Markets, Forecast to 2024](#)

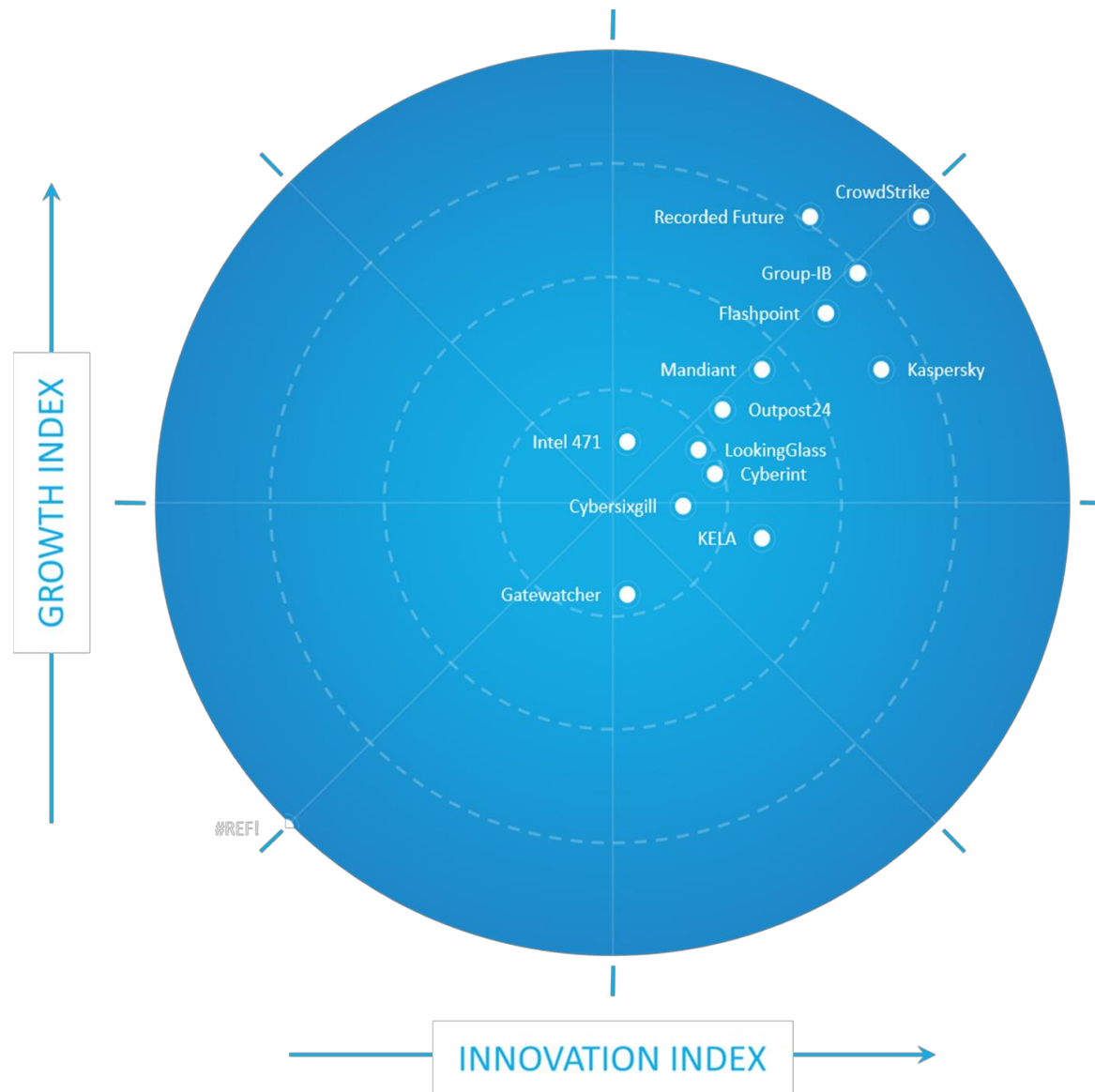
Source: Frost & Sullivan



Frost Radar™

**Cyber Threat
Intelligence**

Frost Radar™: Cyber Threat Intelligence



Source: Frost & Sullivan

Frost Radar™: Competitive Environment

- CTI is a highly fragmented and competitive market. It encompasses a wide variety of players with differentiated profiles. This demonstrates that there are many delivery methods for threat intelligence. Offerings in this market vary according to a vendor's DNA and focus.
- In a field of more than 25 global industry participants, Frost & Sullivan independently plotted 13 vendors in this Frost Radar™ analysis. The Frost Radar™ features the leading providers in the space as well as companies that stand out for particularly innovative strategies or comprehensive portfolios.
- It should be noted that:
 - Companies that offer CTI solutions and a TIP have been plotted in the Frost Radar™ for the global threat intelligence platforms market.
 - Industry participants that were unable to actively engage in the research process were excluded from the Frost Radar™.
- CrowdStrike, Mandiant, and Recorded Future are the leaders in the space in terms of market share. These companies stand out thanks to their comprehensive offerings and use cases. Recorded Future and CrowdStrike particularly stand out on the Frost Radar™ Growth Axis because of their impressive growth rates within the last three years.
- Group-IB, Flashpoint, and Kaspersky also have significant market shares in the CTI space. They all have strong positions on the Frost Radar™ based on their high growth rates and their focus on driving industry innovation.

Source: Frost & Sullivan

Frost Radar™: Competitive Environment (continued)

- Frost & Sullivan also plotted other notable competitors, such as Intel 471 and LookingGlass. These companies have been present in the CTI space for a considerable time and continue to grow and evolve their offerings.
- Cybersixgill is another renowned vendor in the CTI market. Its strong threat intelligence capabilities allowed it to improve its position on the Frost Radar™ Innovation Axis; however, it needs to continue expanding its use cases to increase its market share.
- The Frost Radar™ also includes Cyberint and KELA, two Israeli-based companies with offerings that combine CTI and DRP use cases. Even though they do not have a significant market share when compared with larger and more comprehensive vendors on the Frost Radar™, their innovative approach to threat intelligence helped them earn a high score on the Innovation Axis.
- With the acquisition of Blueliv, Outpost24 entered the CTI space with an offering that also addresses DRP use cases. The company has demonstrated strong growth rates within the last three years.
- Similarly, Gatewatcher recently entered the market with the acquisition of LastInfoSec. The company does not have a significant market share yet.

Source: Frost & Sullivan

Companies to Action

**Companies to be Considered First
for Investment, Partnerships, or Benchmarking**

CrowdStrike

INNOVATION

- CrowdStrike has a strong position on the Innovation Axis. In the last three years, it has taken steps to expand its CTI offering with new products and capabilities, such as Falcon Intelligence Recon (DRP) and Intel Graph. The company also expanded into EASM with the recent Reposify acquisition.
- Its comprehensive, automated, and actionable CTI is a foundational piece of the Falcon platform that also powers CrowdStrike's portfolio.
- CTI offerings are sold stand-alone and as add-on modules. As CTI is foundational to the Falcon platform, CrowdStrike Intelligence receives broad funding.
- The CrowdStrike Intelligence team continuously requests customer feedback; this full-circle feedback cycle ensures high levels of accuracy, effectiveness, and timeliness for CTI.

GROWTH

- CrowdStrike is one of the market leaders in the CTI space. The company's market share is above 15% and it has displayed remarkable growth rates over the last three years.
- CrowdStrike has a clearly defined growth strategy that includes broadening its reach into mature as well as maturing user segments, adding use cases (EASM, DRP), and expanding its international footprint.
- This strategy is supported by a strong, multi-prong marketing approach that focuses on expanding scale, dedicated GTM programs, brand leadership, and industry recognition.
- The company's sales strategy is also aligned with its vision: the land-and-expand approach allows CrowdStrike to identify and nurture upsell, cross-sell, and new opportunities.

FROST PERSPECTIVE

- Unlike other vendors on the Frost Radar™, CrowdStrike can leverage client threat telemetry from deployments of its endpoint solution. The company needs to continue building and communicating this core competitive advantage with a streamlined marketing strategy that highlights the benefits of its CTI offering.
- CrowdStrike should also become a one-stop shop for threat intelligence needs. The company already has a strong CTI value proposition, and it recently entered the DRP and EASM space too. Therefore, CrowdStrike should focus on continuing to develop the necessary capabilities to effectively replace TIPs, as this would allow CrowdStrike to own the end-to-end intelligence cycle.

Source: Frost & Sullivan

Strategic Insights



Strategic Insights

1

The CTI market has grown significantly in recent years and will continue to do so. As the threat landscape evolves, organizations will demand more threat intelligence to enable a proactive approach to cybersecurity. Having access to information about threat actor groups, including their motivations and techniques, allows organizations to make faster and more informed security decisions.

2

The ever-evolving threat landscape has proven that threat intelligence needs to be more than just IoC lists. To provide actionable and contextual threat intelligence, CTI providers are expanding into other market segments in the threat intelligence space.

3

The definition of CTI is evolving in a way that now it is essential for a vendor to provide the means to operationalize its own threat intelligence (in most cases, through a SaaS-based portal), while also including DRP use cases so customers can understand their digital footprint exposure and risk, thus making threat intelligence even more relevant for each customer.

Source: Frost & Sullivan

FROST & SULLIVAN

Frost Radar™ Analytics



Frost Radar™: Benchmarking Future Growth Potential

2 Major Indices, 10 Analytical Ingredients, 1 Platform

VERTICAL AXIS

Growth Index (GI) is a measure of a company's growth performance and track record, along with its ability to develop and execute a fully aligned growth strategy and vision; a robust growth pipeline™ system; and effective market, competitor, and end-user focused sales and marketing strategies.

GROWTH INDEX ELEMENTS

- **GI1: MARKET SHARE (PREVIOUS 3 YEARS)**
This is a comparison of a company's market share relative to its competitors in a given market space for the previous 3 years.
- **GI2: REVENUE GROWTH (PREVIOUS 3 YEARS)**
This is a look at a company's revenue growth rate for the previous 3 years in the market/industry/category that forms the context for the given Frost Radar™.
- **GI3: GROWTH PIPELINE™**
This is an evaluation of the strength and leverage of a company's growth pipeline™ system to continuously capture, analyze, and prioritize its universe of growth opportunities.
- **GI4: VISION AND STRATEGY**
This is an assessment of how well a company's growth strategy is aligned with its vision. Are the investments that a company is making in new products and markets consistent with the stated vision?
- **GI5: SALES AND MARKETING**
This is a measure of the effectiveness of a company's sales and marketing efforts in helping it drive demand and achieve its growth objectives.

Frost Radar™: Benchmarking Future Growth Potential

2 Major Indices, 10 Analytical Ingredients, 1 Platform

HORIZONTAL AXIS

Innovation Index (II) is a measure of a company's ability to develop products/services/solutions (with a clear understanding of disruptive Mega Trends) that are globally applicable, are able to evolve and expand to serve multiple markets, and are aligned to customers' changing needs.

INNOVATION INDEX ELEMENTS

- **II1: INNOVATION SCALABILITY**
This determines whether an organization's innovations are globally scalable and applicable in both developing and mature markets, and also in adjacent and non-adjacent industry verticals.
- **II2: RESEARCH AND DEVELOPMENT**
This is a measure of the efficacy of a company's R&D strategy, as determined by the size of its R&D investment and how it feeds the innovation pipeline.
- **II3: PRODUCT PORTFOLIO**
This is a measure of a company's product portfolio, focusing on the relative contribution of new products to its annual revenue.
- **II4: MEGA TRENDS LEVERAGE**
This is an assessment of a company's proactive leverage of evolving, long-term opportunities and new business models, as the foundation of its innovation pipeline. An explanation of Mega Trends can be found [here](#).
- **II5: CUSTOMER ALIGNMENT**
This evaluates the applicability of a company's products/services/solutions to current and potential customers, as well as how its innovation strategy is influenced by evolving customer needs.

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