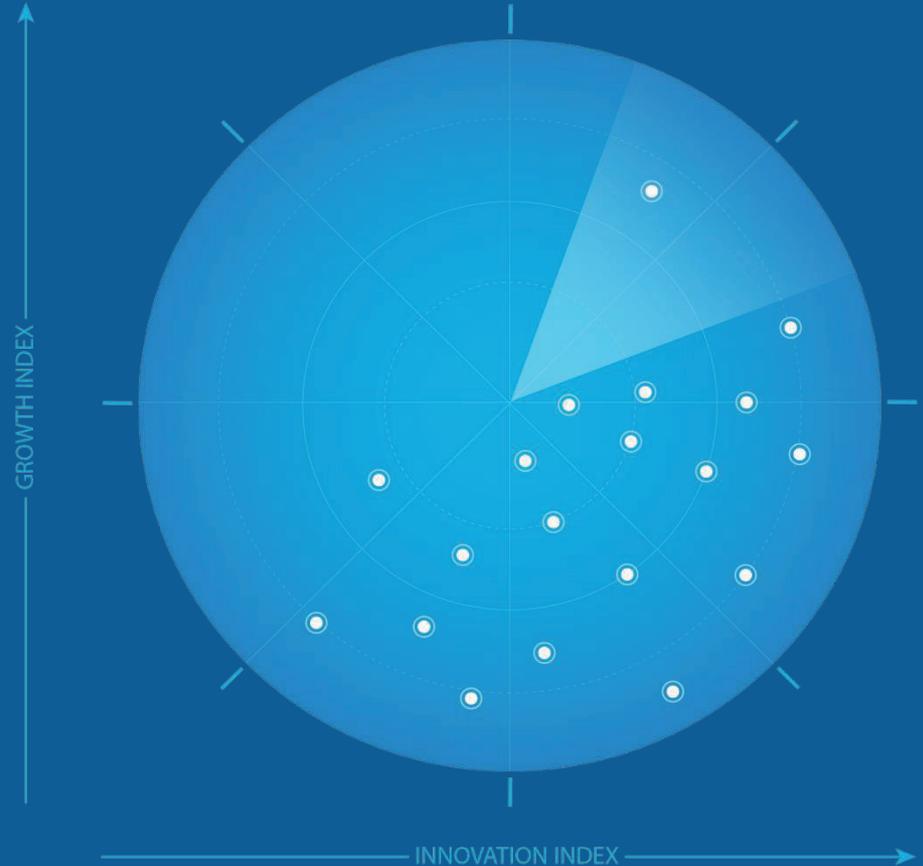


Frost Radar™: Global Breach and Attack Simulation Market, 2020

Competitive Pressure from
Adjacent Markets and Low
Awareness of Breach and
Attack Simulation Tools are
Key Challenges for Vendors

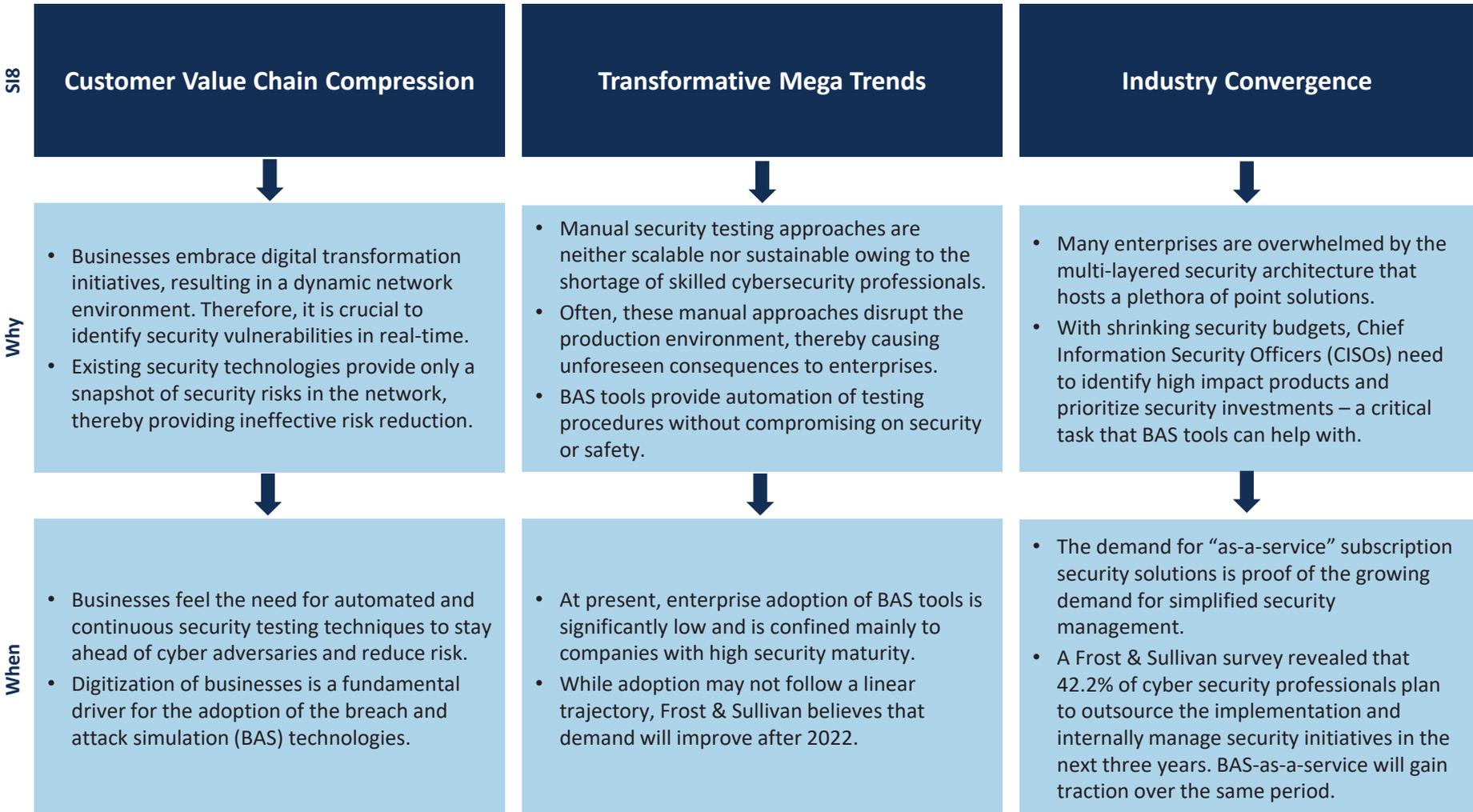
Global Information &
Communications
Technologies Research Team
at Frost & Sullivan



Strategic Imperative and Growth Environment



The Impact of the Top Three Strategic Imperatives on Breach and Attack Simulation Market



Source: Frost & Sullivan

Growth Environment

- The biggest challenge for a CISO is to balance security initiatives and risk levels in a dynamic environment with limited resources. Several security tools that promise to be a magic bullet and one-stop destination for the ever-evolving threat landscape seldom deliver on their promise.
- Breach and Attack Simulation tools act as a refreshing and promising alternative to traditional security testing approaches. Ease of use, continuous and real-time risk visibility, scalability, and consistency are some of the features that provide BAS tools an edge over traditional techniques.
- While CISOs still need to invest in a firewall, a SIEM, or an email security solution, BAS tools provide direction and visibility from an attacker's perspective, thereby enabling prioritized investments and an informed approach to security.
- At present, many of the market participants are at the pre-revenue stage or have recently had a commercial product launch. Therefore, it is yet to be seen if BAS tools will be perceived as a complementary nice-to-have tool or will gain a permanent place in the CISO's security tool basket.
- Frost & Sullivan has taken a conservative approach in its market forecast owing to these uncertainties. Overall, the market will grow at a CAGR of 35.0% between 2020 and 2025.
- Global BAS market revenue has doubled in 2020 despite a pandemic-induced recession. One of the possible explanations is that many customers renewed or signed new contracts with BAS vendors before the recession started. Since the average contract length of BAS tools is 21 months, the market will see the real impact of the downturn in the 2021 and 2022 renewal cycles.
- Following 2 years of muted growth, the BAS market will pick up pace in 2023 when enterprise spending improves. Besides, at present, BAS vendors are constrained by limited awareness among enterprises about the functionalities of the tools. Frost & Sullivan expects that adoption will improve as vendors run thought leadership market awareness campaigns.

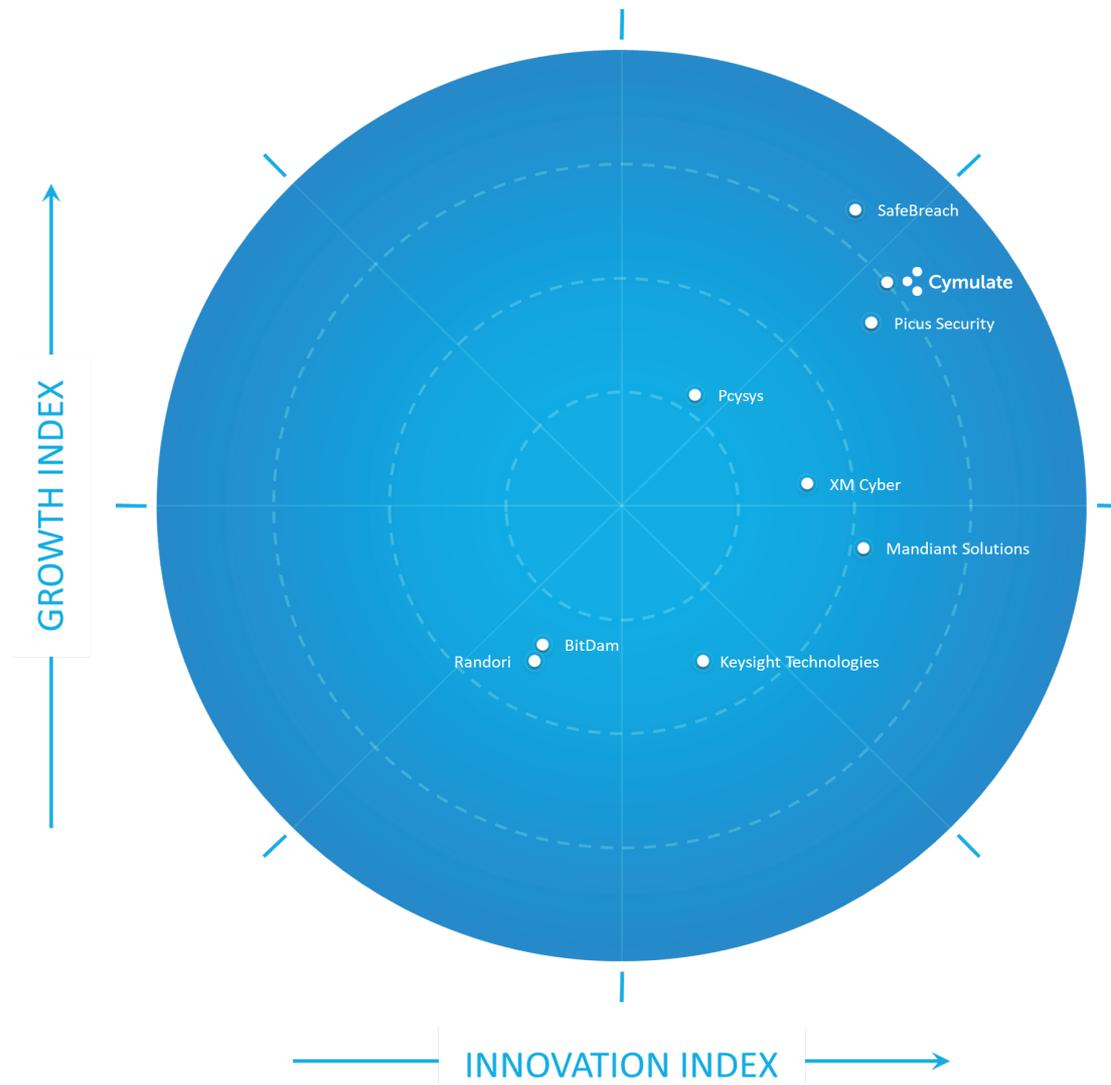
Source: Frost & Sullivan



Frost Radar™

**Global Breach and
Attack Simulation
Market**

Frost Radar™: Global Breach and Attack Simulation Market



Note: BAS vendors who were unable to provide necessary data for inclusion in this Radar were excluded to prevent inaccurate reporting.

Source: Frost & Sullivan

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

Cymulate

INNOVATION

- Cymulate received the highest score on the innovation index of the Frost Radar™.
- In addition to providing security validation for on-prem and cloud environments, Cymulate is integrating red and blue team capabilities into its platform. In this regard, Cymulate has developed full kill chain scenarios for its “Lateral movement” and “Full kill chain APT” modules that deliver sequenced executions across the MITRE ATT&CK framework.
- Moreover, Cymulate is actively extending its coverage to realms such as IoT, mobile, and application security testing. The company has recently released its advanced Purple Team module, which provides customers with built-in and customizable templates to execute purple team exercises.
- Cymulate integrates customer feedback into the product life cycle and involves customers in its alpha and beta tests of product releases.

GROWTH

- Cymulate has rapidly become one of the leaders in the Global BAS market, receiving the second highest score on the Growth axis of the Frost Radar™.
- Cymulate’s decision to expand from Israel, the UK, India, and Europe to the US has contributed to more than half of its revenue growth over the past 2 years.
- Cymulate’s vision to “make continuous security validation simple to use and deploy across all applicable aspects of an organization’s security posture” is reflected in a three-dimensional product design strategy that promises simplicity, customizability, and coverage. The appeal of an easy-to-use, SaaS-based platform that offers comprehensive functionality has made Cymulate a popular option among its customers.
- A balanced go-to-market strategy that combines channel partnerships and direct sales has helped the company to rapidly grow its customer base.

FROST PERSPECTIVE

- For Cymulate to increase its market share in the Americas and EMEA regions, the company must adopt the following approaches.
 - For the EMEA region, the company needs to embrace a localization strategy to initiate new customer engagement.
 - The Americas region will require an innovation-led approach that enhances its product appeal to potential customers.
- Cymulate has an advantageous position given that its modular pricing structure enables them to scale down the cost for mid-size organizations. Its average selling price is lower than that of its peers. By demonstrating a higher perceived benefit at a lower cost, the company can appeal to its target customer base. Cymulate must also channel its focus on the APAC market to cement its leadership position with this pricing strategy.

Source: Frost & Sullivan

Strategic Insights



Strategic Insights

1

The continually changing security posture of enterprises in the wake of digital transformation and the need for optimized security investments will drive the demand for breach and attack simulation platforms.

2

The Global BAS market will generate a \$337.4 million revenue by 2025, recording a CAGR of 35% between 2020 and 2025. The Americas region will continue to account for a dominant share of the market.

3

Ease of use and comprehensive attack coverage will be crucial success factors for vendors competing in this market. As the market matures, scalability and reliability of BAS tools will be tested compared to adjacent methodologies such as pen testing and vulnerability assessment.

Source: Frost & Sullivan



**Next Steps:
Leveraging the Frost
Radar™ to Empower
Key Stakeholders**

Significance of Being on the Frost Radar™

Companies plotted on the Frost Radar™ are the leaders in the industry for growth, innovation, or both. They are instrumental in advancing the industry into the future.

GROWTH POTENTIAL

Your organization has significant future growth potential, which makes it a Company to Action.

BEST PRACTICES

Your organization is well positioned to shape Growth Pipeline™ best practices in your industry.

COMPETITIVE INTENSITY

Your organization is one of the key drivers of competitive intensity in the growth environment.

CUSTOMER VALUE

Your organization has demonstrated the ability to significantly enhance its customer value proposition.

PARTNER POTENTIAL

Your organization is top of mind for customers, investors, value chain partners, and future talent as a significant value provider.

Source: Frost & Sullivan

Frost Radar™ Empowers the CEO's Growth Team

STRATEGIC IMPERATIVE

- Growth is increasingly difficult to achieve.
- Competitive intensity is high.
- More collaboration, teamwork, and focus are needed.
- The growth environment is complex.

LEVERAGING THE FROST RADAR™

- The Growth Team has the tools needed to foster a collaborative environment among the entire management team to drive best practices.
- The Growth Team has a measurement platform to assess future growth potential.
- The Growth Team has the ability to support the CEO with a powerful Growth Pipeline™.

NEXT STEPS

- **Growth Pipeline Audit™**
- **Growth Pipeline as a Service™**
- **Growth Pipeline™ Dialogue with Team Frost**

Source: Frost & Sullivan

Frost Radar™ Empowers Investors

STRATEGIC IMPERATIVE

- Deal flow is low and competition is high.
- Due diligence is hampered by industry complexity.
- Portfolio management is not effective.

LEVERAGING THE FROST RADAR™

- Investors can focus on future growth potential by creating a powerful pipeline of Companies to Action for high-potential investments.
- Investors can perform due diligence that improves accuracy and accelerates the deal process.
- Investors can realize the maximum internal rate of return and ensure long-term success for shareholders.
- Investors can continually benchmark performance with best practices for optimal portfolio management.

NEXT STEPS

- **Growth Pipeline™ Dialogue**
- **Opportunity Universe Workshop**
- **Growth Pipeline Audit™ as Mandated Due Diligence**

Source: Frost & Sullivan

Frost Radar™ Empowers Customers

STRATEGIC IMPERATIVE

- Solutions are increasingly complex and have long-term implications.
- Vendor solutions can be confusing.
- Vendor volatility adds to the uncertainty.

LEVERAGING THE FROST RADAR™

- Customers have an analytical framework to benchmark potential vendors and identify partners that will provide powerful, long-term solutions.
- Customers can evaluate the most innovative solutions and understand how different solutions would meet their needs.
- Customers gain a long-term perspective on vendor partnerships.

NEXT STEPS

- **Growth Pipeline™ Dialogue**
- **Growth Pipeline™ Diagnostic**
- **Frost Radar™ Benchmarking System**

Source: Frost & Sullivan

Frost Radar™ Empowers the Board of Directors

STRATEGIC IMPERATIVE

- Growth is increasingly difficult; CEOs require guidance.
- The Growth Environment requires complex navigational skills.
- The customer value chain is changing.

LEVERAGING THE FROST RADAR™

- The Board of Directors has a unique measurement system to ensure oversight of the company's long-term success.
- The Board of Directors has a discussion platform that centers on the driving issues, benchmarks, and best practices that will protect shareholder investment.
- The Board of Directors can ensure skillful mentoring, support, and governance of the CEO to maximize future growth potential.

NEXT STEPS

- **Growth Pipeline Audit™**
- **Growth Pipeline as a Service™**

Source: 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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