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The Forrester Wave™: Managed Security Services, Q3 2010

by Khalid Kark
for Security & Risk Professionals

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with Stephanie Balaouras and Nicholas Hayes

EXECUTIVE SUMMARY

In Forrester's 78-criteria evaluation of managed security services providers (MSSP), we found that IBM and SecureWorks led the pack because of flexibility, competency, and breadth of coverage. While Symantec has a large customer base and depth of experience, Verizon Business is quickly catching up with the competition by providing significantly more value for the managed security services (MSS) spending. BT Global Services, HP, and AT&T all have a significant opportunity to grow their existing customer bases and integrate managed security services into their overall services portfolios. Wipro, CSC, and Unisys already provide security services to augment their existing outsourcing business models, and all three have sizable global presence. Trustwave has acquired a wealth of capabilities and competencies through acquisitions, and its payment card industry (PCI) heritage is also helping it become a significant managed security service provider.

TABLE OF CONTENTS

NOTES & RESOURCES

Forrester conducted services evaluations in February, 2010, and interviewed 11 vendor and user companies: AT&T, BT Global Services, CSC, HP, IBM, SecureWorks, Symantec, Trustwave, Unisys, Verizon Business, and Wipro.

Related Research Documents

"Market Overview: Managed Security Services"
March 10, 2010

"Twelve Recommendations For Your 2010 Information Security Strategy"
January 11, 2010

"The Forrester Wave™: Managed Security Services, Q4 2007"
October 4, 2007

BUSINESS AND ECONOMIC CONDITIONS DRIVE OUTSOURCING OF NONCORE FUNCTIONS

Forrester estimates that the global size of the managed security services market is about $4.5 billion, which includes outsourced and software-as-a-service (SaaS) security services as well as other annualized security operations.[1] And with Forrester predicting a 15% growth rate for at least the next three years, this market is only becoming more important for businesses.[2] Multiple factors are driving adoption of managed security services and contributing to this robust growth.

One factor is the changing threat landscape. In the past, the typical hacker was a lone wolf seeking fame. His attacks were audacious and indiscriminate. Today, well-organized cybercriminals perpetrate highly sophisticated "low and slow" attacks for financial gain. Thus, security and risk professionals are increasingly turning to MSSPs for their expertise. In addition to the changing threat landscape, economic and business conditions have changed significantly, and for many security organizations, these changing conditions have truly driven adoption. With managed security services, the chief information security officer (CISO) and other senior security leaders aspire to:

- **Reduce capital expenditures.** By outsourcing certain parts of security operations, the security organization can reduce its capital investments and establish predictable operating costs for its technology investments. This was especially important in the economic crunch of 2009. Some innovative MSSPs were able to capitalize on this trend by offering creative sourcing models to reduce capital expenditure (capex) and keep operating expenditure (opex) consistent while upgrading clients' technology infrastructure over a three-to-five-year time frame.

- **Fill important security gaps.** Many midsize businesses cannot justify additional headcount to support specialized security areas such as security information and event management (SIEM). With a managed security service, these businesses can fill their security gaps with 24x7 customer support for a lot less money.

- **Get more value for their money.** With MSSPs, most security organizations expect to reduce their total costs, but in reality, while MSSPs do reduce capital expenditures, total costs over the long run remain the same or even increase. However, MSSPs are still appealing because the security organization receives a greater number of services, supports, and capabilities than it could possible achieve by itself.

- **Keep up with changing regulations and laws.** It seems as if every week there is a new law or regulation articulating the importance of protecting a certain type of information. It is impossible to keep up with the ever-changing legal and regulatory environment, especially if you are a global organization. As if this weren't difficult enough, customers are also demanding proof of adequate security to protect their data. Many security organizations have moved to an MSSP model just to deal with PCI requirements. Having an MSSP alleviates some of the burden of compliance, but the ultimate responsibility for compliance still remains with the customer.

MANAGED SECURITY SERVICES EVALUATION OVERVIEW

To assess the state of the MSSP market and see how the vendors stack up against each other, Forrester evaluated the strengths and weaknesses of top MSSPs.

Evaluation Criteria Target Breadth Of Services, Customer Support, And Flexibility

After examining past research, user need assessments, and interviews with services providers and experts, we developed a comprehensive set of evaluation criteria. We evaluated services providers against 78 criteria, which we grouped into three high-level categories:

- **Current offering.** To assess product strength, Forrester evaluated each offering against eight groups of criteria: value proposition, client references, vertical and geographic footprint, delivery capabilities, cloud and SaaS offerings, infrastructure and perimeter, value-added services, and content and application security.

- **Strategy.** To assess strategy, we considered how well the services provider could articulate and differentiate its future direction by looking at employee growth, intellectual property investments, and geographic variations in its portfolio. We also looked at current geographic presence and future-growth plans, and lastly we considered external presence of the service provider by looking at its partnerships and external relationships and its presence in industry and regulatory bodies.

- **Market presence.** To establish a services provider's market presence, we combined information about installed base, retention rate, revenues, revenue growth, and dedicated employees.

Evaluated Providers Have A Full Suite Of Services With Sizeable Revenue And Client Base

Forrester included 11 vendors in the assessment: AT&T, BT Global Services, CSC, HP, IBM, SecureWorks, Symantec, Trustwave, Unisys, Verizon Business, and Wipro (see Figure 1). Each of these services providers has:

- **A complete suite of managed security services.** We looked for providers that offer a complete suite of managed security services.

- **Sizeable MSS revenues.** The total revenue for MSS is greater than $50 million.

- **Sizeable investment in their MSS offerings.** The percentage of revenue from MSS is greater than 25%.

- **Large client bases.** The provider has more than 100 MSS clients.

- **Numerous devices under management.** The provider has more than 2,500 devices under management.

- **A high number of completed MSS engagements in the past five years.** The provider has had more than 250 MSS discrete engagements in the past five years.
- **Significant number of dedicated SOC analysts.** The provider has more than 50 dedicated security operations center (SOC) analysts.
- **Substantial interest from Forrester clients.** Forrester has seen a high degree of interest from our clients regarding these providers.

Figure 1 Evaluated Providers: Vendor Information And Selection Criteria

Vendor	No. of SOCs	SOC locations	No. of MSS clients
AT&T	3	Virginia, North Carolina, New Jersey	Forrester estimate = 2,000
BT Global Services	9	Los Angeles; Chantilly, Va.; Princeton, N.J.; London; Edinburgh, UK; Paris; Milan; Sao Paulo, Brazil	Forrester estimate = 620
CSC	7	Sydney, Australia; Hyderabad, India; Noida, India; Chesterfield, UK; Delaware, US; Maryland, US; Kuala Lumpur, Malaysia	195
HP	4	Plano, Texas; Zaragoza, Spain; Kuala Lumpur, Malaysia; Daresbury, UK	Forrester estimate = 1,000
IBM	9	Atlanta; Southfield, Mich.; Boulder, Colo.; Toronto, Canada; Brisbane, Australia; Brussels; Hortolândia, Brazil; Tokyo; Bangalore, India	Forrester estimate = 3,800
SecureWorks	5	Atlanta; Chicago; Myrtle Beach, S.C.; Providence, R.I.; UK	Forrester estimate = 2,800
Symantec	4	Alexandria, Va.; Sydney, Australia; Green Park, UK; Pune, India	Forrester estimate = 1,200
Trustwave	4	Denver; Chicago; Warsaw; Sao Paolo, Brazil	1,800
Unisys	5	Amsterdam; Wellington, New Zealand; Salt Lake City; Reston, Va.; Bangalore, India	240
Verizon Business	6	Leuven, Belgium; Luxembourg; Ashburn, Va.; Cary, N.C.; Canberra, Australia; Chennai, India	More than 2,500
Wipro	7	Arizona; New York; Denver; Reading, UK; India; Romania; Toulouse, France	Forrester estimate = 100

Source: Forrester Research, Inc.

Figure 1 Evaluated Providers: Vendor Information And Selection Criteria (Cont.)

Vendor selection criteria

Complete suite of managed security services. We looked for providers that offered a complete suite of managed security services.
Sizeable MSS revenues. Their total revenue for MSS is greater than $50 million.
Sizeable investment in their MSS offerings. Their percent of revenue from MSS is greater than 25%.
Large client bases. The providers have more than 100 MSS clients.
Numerous devices under management. They have more than 2,500 devices under management.
Host of completed MSS engagements in the past five years. They have more than 250 MSS discrete engagements in the past five years.
Significant number of dedicated SOC analysts. They have more than 50 dedicated security operations center (SOC) analysts.
Substantial interest from Forrester clients. Forrester has seen a high degree of interest from our clients regarding these providers.

Source: Forrester Research, Inc.

PROVIDERS FOCUS ON CUSTOMERS AND BREADTH OF SERVICES

The evaluation uncovered a market in which (see Figure 2):

- **IBM and SecureWorks lead the pack.** Both Atlanta-based managed services providers, IBM and SecureWorks not only demonstrated excellent customer service and a broad breadth of managed security services but were also in tune with changing customer requirements. In addition, both are investing significantly in building new services and enhancing their existing services to meet those needs.

- **Symantec, Verizon Business, Wipro, AT&T, HP, BT, and Trustwave offer competitive options.** Symantec scored highest among all vendors in current offerings, while Verizon Business was second overall in strategy. Both these service providers are rapidly catching up to the leaders. Wipro offers a credible offshore option. AT&T, HP, and BT all have satisfied customers, great global presence, and excellent financial strength, but they will need to work hard to compete with the leading players in this space, because they lack the breadth of portfolio and the maniacal client focus of the leaders. Trustwave is just emerging as a formidable competitor and will be important to watch going forward as it integrates the various technologies and capabilities it has recently acquired into its services.

- **Unisys and CSC lag.** While Usisys and CSC both offer excellent point services, Forrester found that, to compete in the mainstream MSSP market, they need to enhance their current capabilities and broaden their offerings. They also need to focus on some emerging areas, such as cloud offerings.

This evaluation of the MSSP market is intended as a starting point only. We encourage readers to view detailed product evaluations and adapt the criteria weightings to fit their individual needs through the Forrester Wave™ Excel-based vendor comparison tool.

Figure 2 Forrester Wave™: Managed Security Services, Q3 2010

Source: Forrester Research, Inc.

Figure 2 Forrester Wave™: Managed Security Services, Q3 2010 (Cont.)

	Forrester's Weighting	AT&T	BT Global Services	CSC	HP	IBM	SecureWorks
CURRENT OFFERING	50%	3.38	3.17	2.35	3.11	3.65	3.95
Value proposition	5%	3.00	3.25	3.00	3.50	3.00	3.50
Client references	35%	4.00	3.00	2.00	3.00	4.00	5.00
Vertical and geographic footprint	5%	2.75	3.60	2.15	3.15	3.50	3.60
Delivery capabilities	20%	2.90	3.45	3.20	3.25	3.70	3.55
Cloud and SaaS offerings	10%	3.98	3.66	0.00	2.34	2.68	2.66
Infrastructure and perimeter	10%	3.50	3.50	2.25	3.50	4.00	4.00
Value-added services	10%	3.00	2.60	3.60	3.40	3.40	3.40
Content and application security	5%	1.25	2.25	3.25	3.00	3.50	2.50
STRATEGY	50%	2.91	2.50	2.37	3.02	4.19	3.55
Future direction	30%	2.70	3.00	2.40	3.30	4.30	3.40
Growth plans	50%	3.00	2.00	2.30	2.85	4.00	3.65
External presence	20%	3.00	3.00	2.50	3.00	4.50	3.50
MARKET PRESENCE	0%	3.59	3.25	1.78	4.08	3.76	2.81
Client base and engagements	25%	3.15	3.20	1.50	3.70	4.45	3.45
Staff dedicated to MSSP	25%	4.00	3.00	1.00	4.00	2.00	2.00
Financials	50%	3.60	3.40	2.30	4.30	4.30	2.90

All scores are based on a scale of 0 (weak) to 5 (strong).

Source: Forrester Research, Inc.

Figure 2 Forrester Wave™: Managed Security Services, Q3 2010 (Cont.)

	Forrester's Weighting	Symantec	Trustwave	Unisys	Verizon Business	Wipro
CURRENT OFFERING	50%	4.05	3.03	3.08	3.20	2.71
Value proposition	5%	3.50	2.25	3.00	3.50	2.75
Client references	35%	5.00	4.00	3.00	3.00	2.00
Vertical and geographic footprint	5%	3.50	3.10	2.75	3.50	3.50
Delivery capabilities	20%	3.85	2.75	3.15	3.50	3.35
Cloud and SaaS offerings	10%	4.02	2.34	3.34	3.30	2.34
Infrastructure and perimeter	10%	4.00	2.50	3.75	3.75	3.00
Value-added services	10%	2.40	2.20	3.00	2.80	3.20
Content and application security	5%	2.75	2.25	2.00	2.25	3.50
STRATEGY	50%	2.96	2.62	2.34	3.65	3.62
Future direction	30%	2.70	2.40	2.30	4.00	3.30
Growth plans	50%	3.30	3.00	2.50	3.50	3.85
External presence	20%	2.50	2.00	2.00	3.50	3.50
MARKET PRESENCE	0%	2.51	1.18	1.90	3.35	2.86
Client base and engagements	25%	3.65	2.30	1.60	3.20	2.05
Staff dedicated to MSSP	25%	1.00	1.00	2.00	3.00	4.00
Financials	50%	2.70	0.70	2.00	3.60	2.70

All scores are based on a scale of 0 (weak) to 5 (strong).

Source: Forrester Research, Inc.

VENDOR PROFILES

Leaders: A Well-Rounded Suite Of Services And A Strong Vision

- **IBM.** IBM has the broadest suite of MSS of all the providers assessed in this Forrester Wave. With its acquisition of Internet Security Systems (ISS) in August 2006, IBM quickly gained significant market share and presence in the field of managed security services. Since then, IBM has integrated its own capabilities with the ISS services and offerings and has accelerated the pace of integration in the past year or so. The IBM X-Force Threat Analysis service is well respected in the industry and provides leading-edge security intelligence and research to IBM clients. In addition to having the broadest set of services, IBM also leads in overall market share (by approximately 10%) and global reach (it operates in more than 150 countries). Customers identified responsiveness and breadth of offerings as positive attributes for IBM. They pointed to billing and consistency in analyst knowledge as potential areas for improvement. Security organizations that require global reach, a broad suite of security services, and good threat intelligence should look to IBM to deliver these services.

- **SecureWorks.** SecureWorks is the only provider in this Forrester Wave that is a standalone MSSP. The recent acquisition of VeriSign's Managed Security Services in July 2009 has been a success story for the company. The acquisition has not only increased SecureWorks' client base but, more importantly, has given it a strong foothold with enterprise clients in mature industries, such as financial services. With a client base of more than 2,800, the clients it supports run the gamut in terms of size, complexity, and global reach. SecureWorks offers a specialized skill set with cutting-edge threat intelligence capabilities. SecureWorks has great client feedback and an excellent support structure to enable and support its delivery teams. Customers identified flexibility, the company's portal, and analyst experience as positive attributes for SecureWorks. They pointed to application security, stability, and slow pace of change as potential areas for improvement. SecureWorks continues to grow aggressively in the market and is also investing heavily both to enhance its current offerings and to market and promote its brand in the MSS business community. Security organizations searching for a highly flexible and responsive MSSP that provides focused security services with a wealth of experience should look toward SecureWorks.

Strong Performers: Service Offerings With Unique Strengths

- **Symantec.** Symantec remains a key player in this market with a very solid customer base and deep technical and operational expertise. Symantec primarily serves enterprise clients and has had an excellent track record of meeting expectations in this segment. Because it is primarily a product company, Symantec's managed security services don't get the same visibility as its products, but with the recent acquisition of MessageLabs, Symantec has a definite edge in delivering cloud-based security services. Symantec also recently acquired PGP and GuardianEdge and has signed an agreement to acquire VeriSign's identity and authentication business; these acquisitions enhance its capabilities in the email, data encryption, and identity markets, respectively.[3] Customers identified responsiveness and analyst experience and knowledge as positive attributes for Symantec. They pointed to contract rigidity and visibility in reporting as some areas for improvement. While Symantec does have a solid set of service offerings, the rapidly changing market and growth in the managed security services sector will test its existing capabilities and will push the company to enhance its capabilities in the areas of portal, metrics, and other customer support areas. Security organizations, especially existing Symantec customers, that are seeking solid technical expertise, global reach, great threat intelligence, and good delivery capabilities should look to Symantec for managed security services.

- **Verizon Business.** Verizon Business has grown faster than most of its competitors over the past 12 months. A message that emphasizes value, a telecommunications heritage, and a fairly mature security practice, as well as innovative solutions, have enabled the company to gain market share rapidly. Since acquiring Cybertrust in May 2007, Verizon has been very successful in integrating Cybertrust's knowledge, skill set, and geographic reach into its own existing capabilities. Verizon not only successfully sells managed security services to its existing client base but is a formidable competitor as a standalone MSSP in sophisticated enterprise deals.

Customers identified price and attention to detail as positive attributes for Verizon Business. They highlighted intercompany communication and analyst expertise at lower levels as potential areas for improvement. Because of Verizon's strategic focus on the cloud security capabilities, Forrester is bullish on Verizon's continued success and future direction in the MSS marketplace. Security organizations that are focused on price and geographic reach and that would like to consider cloud services in the near future should strongly consider Verizon Business.

- **Wipro.** Wipro's extensive offshore capabilities enable it to offer a technically competent list of MSS capabilities at a competitive price point. The company has a solid list of delivery capabilities with a wide array of value-added services. Although Wipro's North American and European client bases have grown significantly in recent years, and it continues to pose a significant challenge to MSS incumbents, customer complaints persist around communication and cultural barriers. Customers identified skilled resources, price, and flexibility as positive attributes of Wipro. They pointed to language and culture barriers and proactive partnering to exceed expectations as potential areas for improvement. Security organizations looking for an offshore service provider and a flexible delivery capability should push Wipro to the top of their lists.

- **AT&T.** Primarily based in North America, AT&T is a large player in the MSS market with around 2,000 total clients. As a large telecommunications firm, AT&T mainly focuses on offering MSS from a telecommunications-solution perspective and on integrating managed security services as part of the overall infrastructure protection capabilities it provides to its customers. With AT&T's corporate focus and messaging focused on mobility, the company is well positioned in integrating mobile security capabilities with its existing managed security services. AT&T's delivery capabilities are both reliable and scalable. A significant portion of its revenue comes from serving the public sector. Customers identified responsiveness and extra detail in security intelligence as positive attributes for AT&T. They pointed to geographic coverage and communication as potential areas for improvement. Overall, AT&T has good core MSS offerings, and security organizations that are not looking for customization or niche services must look at AT&T as a strong performer in the MSS market.

- **HP.** HP is another large MSSP that offers its customers a broad set of managed security capabilities through its internally developed competencies as well as through EDS's (acquired in May 2008) managed security services capabilities. Although HP now relies heavily on the enhanced capabilities added through this acquisition, it seems there is still room for improvement when it comes to integrating and enhancing EDS's MSS capabilities with existing HP capabilities. HP excels in areas of application security and in providing value-added services to its clients through many of its established partnerships. Customers identified analyst competency and breadth of services as positive attributes for HP. They pointed to contract flexibility and regular communication as potential areas for improvement. Security organizations looking for broad security services capabilities, global reach, and public sector experience, as well as the outsourcing heritage provided by EDS, should look to HP for their managed security services needs.

- **BT Global Services.** BT is a strong telecommunications MSSP with a large presence in Europe, particularly in the UK, where it provides services to more than 300 customers. BT offers a pragmatic, risk-based approach to MSS and focuses on the value-added services that many clients are increasingly requesting. BT significantly improved its business in 2006 with its acquisition of Counterpane; the acquisition strengthened its extensive list of capabilities and increased its customer base. Since acquiring Counterpane about four years ago, BT has established a strong foothold in the US market, but some former Counterpane customers felt a loss in intimacy and customer service. Customers identified knowledge and lower costs as positive attributes for BT Global Services. They pointed to reporting and communication as potential areas for improvement. Overall, BT's focus on a pragmatic risk-based approach and on providing value-added services to their clients at a very competitive price point should make BT a very suitable option for many security organizations.

- **Trustwave.** Trustwave is a somewhat lesser-known service provider in the MSS market. However, its recent acquisitions of BitArmor, Intellitactics, and Vericept, coupled with its strong PCI heritage, provide it with technical expertise and skills that make it a competitive player in this market. Additionally, Trustwave most recently acquired Breach Security for Web-application firewalls and Mirage Networks for network access control (NAC). While a large portion of its revenue is still primarily based on its PCI practice, the company does stack up relatively well in other areas such as log management, log aggregation, and other tactical areas where clients are looking for tailored solutions. Customers identified PCI knowledge and experience as positive attributes for Trustwave. They pointed to the number of analysts, its portal, and having too many communication points as potential areas for improvements. While Trustwave has less experience in comparison with some of the larger competitors, Forrester foresees an increasing presence in the MSS market for Trustwave.

- **Unisys.** Unisys gets a healthy percentage of its MSS revenue from government clients; it has a comprehensive value proposition with a core message of protecting the organization. The company offers a wide array of security technologies; its SIEM offering and security-management-in-a-box approach are excellent, but its portal and monitoring functionality leave much to be desired. Unisys has a decent customer base in Europe, but consistent global coverage can be an issue at times. Customers identified Unisys' European coverage as a positive attribute. They pointed to delivery time, breadth of services, and consistent global coverage as potential areas for improvement. Unisys' commoditized offerings and focus on providing value through its managed SIEM service make it a solid consideration for many security organizations.

Contenders: Basic Services Offered Well

- **CSC.** CSC has traditionally focused on government outsourcing; it promotes a core message on risk avoidance, mitigation, and compliance. CSC offers core MSS capabilities and deep expertise in integration and value-added services to its clients. However, for CSC to maintain a continued presence and increasing market share in the MSS marketplace, it needs to focus its future strategy and investments on developing and enhancing its capabilities. Customers identified relationship management and technology leadership as positive attributes for CSC. They pointed to its bench strength, contract flexibility, and innovation as potential areas for improvement. Security organizations looking for international presence, public sector experience, and strong systems integration heritage should look to CSC for managed services. Since this evaluation, there have been substantial and structural changes in the security and risk practice at CSC. There is increased commitment from management to make this a more strategic priority for the corporation and a push from the practice to provide more proactive risk services.

ONE SIZE DOES NOT FIT ALL

As you evaluate the service providers, keep in mind that one size does not fit all for every managed security service. Each service provider offers a unique value proposition and has its own strengths and weaknesses. There are hundreds of service providers that offer managed security services, and Forrester only evaluated the cream of the crop of these service providers.

In particular, there are several providers that we did not assess in this evaluation but that need to be highlighted. Each of the following providers offers security services that gather more than $10 million in revenue (based on Forrester estimates) and deliver a wide array of managed security services:

- **CGI.** CGI is an IT services company with operations in 16 countries that offers business consulting, systems integrations, and IT and business process outsourcing services. Managed security services are available as standalone services and embedded within IT outsource solutions.

- **Fujitsu.** In alliance with Check Point Software Technologies, Fujitsu provides a complete portfolio of security gateways and managed security services to clients in North America and has recently announced pay-as-you-go, cloud-based security services.

- **HCL.** HCL is an offshore MSSP where the security practice is part of the IT infrastructure management, offering a broad suite of solutions.

- **Infosys.** Infosys is an offshore MSSP based in India, providing managed services with a focus on access control and mobility.

- **Integralis.** Integralis is focused on system integration and monitoring, providing managed services as part of their infrastructure management offerings.

- **Orange Business Services.** This company is one of the leading MSSPs in Europe. It provides a wide-ranging MSS portfolio in terms of both depth of coverage and breadth of global availability, and has a strong global partnership with Cisco Scansafe for SaaS Web security. Recent additions to its security services include SIEM and distributed denial-of-service (DDoS) capabilities as well as a recently announced standalone consulting practice. It has excellent customer feedback and good client delivery capabilities.

- **Savvis.** Savvis uses established technology vendors to offer a broad suite of services, including vulnerability management, log management, and correlation.

- **Solutionary.** A very well-respected and well-established standalone MSSP, Solutionary offers a broad range of services and flexible service delivery. It has traditionally focused on the medium-size market, but is rapidly expanding into the enterprise segment. The company offers excellent compliance solutions and has some interesting SaaS offerings. It has excellent client feedback and an aggressive growth-oriented strategy.

- **Tata Communications.** The telecommunications arm of Tata Group and a relatively new entrant into the MSS market, the company offers monitoring and management of security infrastructure. It has a full suite of security services, including unified threat management (UTM), DDoS protection, and email and vulnerability management. The service delivery is unique, innovative, and competitive in price. It also white labels its security service platform for other service providers.

- **Telefónica.** Focused on the Spanish market, Telefónica offers a full suite of managed security services.

SUPPLEMENTAL MATERIAL

Online Resource

The online version of Figure 2 is an Excel-based vendor comparison tool that provides detailed product evaluations and customizable rankings.

Data Sources Used In This Forrester Wave

Forrester used a combination of two data sources to assess the strengths and weaknesses of each solution:

- **Vendor surveys.** Forrester surveyed vendors on their capabilities as they relate to the evaluation criteria. Once we analyzed the completed vendor surveys, we conducted vendor calls where necessary to gather details of vendor qualifications.

- **Customer reference surveys and calls.** To validate product and vendor qualifications, Forrester also conducted a client reference survey with up to five client references from each vendor. Upon completion, Forrester then selected two of these five to conduct in-depth reference calls.

The Forrester Wave Methodology

We conduct primary research to develop a list of vendors that meet our criteria to be evaluated in this market. From that initial pool of vendors, we then narrow our final list. We choose these vendors based on: 1) product fit; 2) customer success; and 3) Forrester client demand. We eliminate vendors that have limited customer references and products that don't fit the scope of our evaluation.

After examining past research, user need assessments, and vendor and expert interviews, we develop the initial evaluation criteria. To evaluate the vendors and their products against our set of criteria, we gather details of product qualifications through a combination of lab evaluations, questionnaires, demos, and/or discussions with client references. We send evaluations to the vendors for their review, and we adjust the evaluations to provide the most accurate view of vendor offerings and strategies.

We set default weightings to reflect our analysis of the needs of large user companies — and/or other scenarios as outlined in the Forrester Wave document — and then score the vendors based on a clearly defined scale. These default weightings are intended only as a starting point, and we encourage readers to adapt the weightings to fit their individual needs through the Excel-based tool. The final scores generate the graphical depiction of the market based on current offering, strategy, and market presence. Forrester intends to update vendor evaluations regularly as product capabilities and vendor strategies evolve.

ENDNOTES

1 The big news for the IT security market in 2009 is that it will fare relatively well. Cost and justification pressures are exerting themselves, but through increasing business-level visibility led by data-breach headlines, security spend continues to rise and take a growing share of overall IT spend. Security initiatives will focus on four things: protecting data, streamlining costly or manually intensive tasks, providing security for an evolving IT infrastructure, and both understanding and properly managing IT risks within a more comprehensive enterprise framework. The focus on efficiently delivering security to support business and IT initiatives will drive organizations to shift their purchasing behaviors. While the largest standalone security vendors remain strong within the threat-management market categories and small vendors continue to proliferate, we will see a new breed of security guerrillas delivering business and IT services and solutions for which security is imbedded. As such, the most successful vendors will expand their capabilities — directly or through partnerships — and most effectively blur the lines between security product, managed security service (MSS), and consulting. See the April 22, 2009, "Market Overview: IT Security In 2009" report.

2 Based on service provider growth projections and growth in demand from mid-market organizations for managed security services, Forrester estimates the MSS market to grow 15% for at least the next three years.

3 On April 29, 2010, Symantec announced the acquisition of two encryption specialists, PGP and GuardianEdge. These companies fill important gaps in Symantec's endpoint and email security portfolios. In the short term, we expect Symantec to introduce new versions of its endpoint security suite that include

full disk and file encryption and to add email encryption to its secure email and DLP gateways. Longer-term, Symantec will use the core technologies it has acquired to layer encryption and key management features across its DLP, backup, archiving, and cloud portfolios. Overall, these deals are very positive for Symantec and its customers and will challenge smaller security companies and encryption specialists to raise their games. See the May 11, 2010, "At Last: Symantec Gets Into The Encryption Game By Buying PGP And GuardianEdge" report.

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