

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

FROST & SULLIVAN BEST PRACTICES AWARD

SECURITY AWARENESS TRAINING
ENTREPRENEURIAL - EUROPEAN

Company of the Year 2019

CYBERREADY

FROST & SULLIVAN

2019

BEST
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AWARD

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Background and Company Performance

Industry Challenges

The cybersecurity industry has made significant strides in the technology space to limit the impact of threat actors. Vendors release new software tools and hardware devices every year to respond to the ever-expanding threat landscape. At the same time, hackers are looking for new avenues to steal information and money from companies. Uninformed employees can often take the bait and fall for a social engineering attack, putting the entire enterprise at risk. Phishing and other social engineering techniques represented over 93% of all data breaches in 2017 according to Verizon's Data Breach Investigation Report.

In its Global State of Online Digital Trust and Index¹, Frost & Sullivan finds that only 65% of enterprises provide security awareness training to non-technical employees. Considering the scale of phishing attacks, this could result in millions of dollars in financial losses for enterprises that do not pay attention to the human factor.

In the last 2-3 years, many security awareness training vendors have launched with a focus on helping enterprises to address the human factor. These vendors provide employee awareness training in the form of videos or simulations. Video-based training, with a few exceptions, often fails to engage employees, rendering it relatively ineffective. Simulations, on the other hand, expose employees to real cases and encourage them to report or delete such malicious mails in future. Many vendors now combine simulations with short-form video modules to improve training effectiveness.

At the same time, enterprises do not have sufficient resources to manage security awareness campaigns or deal with the influx of phishing alerts from employees after the campaign. According to the Agari Q1 2019 Email Fraud & Identity Deception Trends report, the average security operations centre (SOC) needs 54 analysts to deal with the number of phishing incidents that occur. Consequently, enterprises find that awareness training loses traction in less than a year, driving them to drop out of the contract.

The next stage in addressing the human factors of security requires technology to be harnessed to reduce SOC workload and effectively engage and support employees in responding to phishing attacks. Personalization and automation of security awareness training and post-training support are required to ensure quick response to real phishing attacks and reduce false positives.

The security awareness training market is a start-up dominated market with few market participants managing to steal the limelight with a high-value product portfolio, consistent performance records, and demonstration of continued innovation.

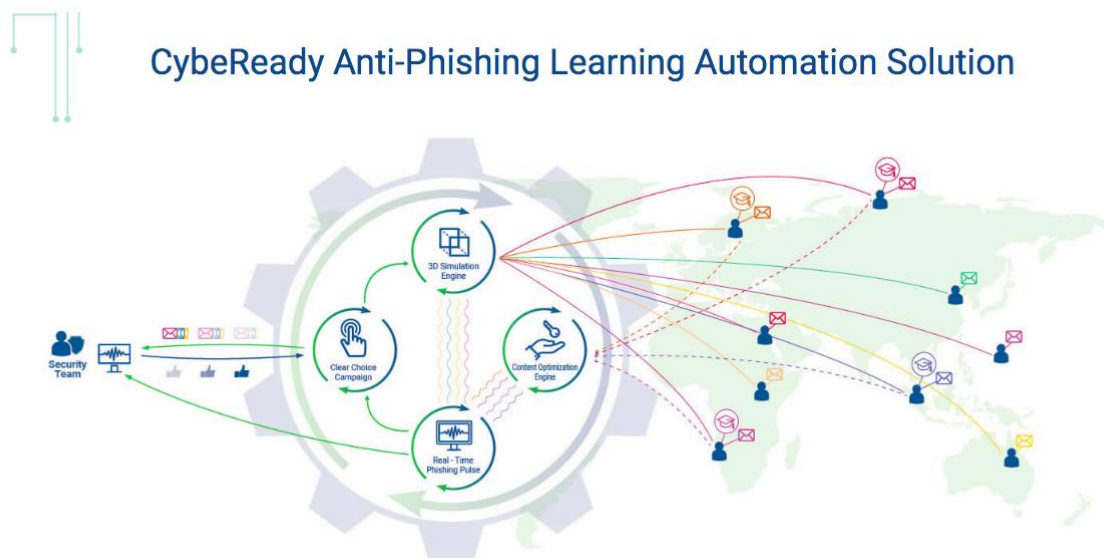
¹ <https://www.ca.com/us/collateral/white-papers/the-global-state-of-online-digital-trust.html>

Entrepreneurial Innovation and Customer Impact

CybeReady, headquartered in Tel Aviv, Israel, with offices in London and California, is an autonomous cybersecurity training platform. Founded in 2015, the company changes the way employees respond to phishing emails.

Redefining Anti-Phishing Campaigns through Automated Workflows and Deployments

A common deterrent to anti-phishing simulation training in enterprises is the high resource load required to run the program. CybeReady's autonomous anti-phishing platform hosts a number of features that ensure customers spend very little time running the program. For instance, CybeReady's platform, through its Clear Choice Campaign feature, selects 15 simulations from the database automatically based on the customer's industry, company size, and performance of employees in the initial security awareness assessment. Consequently, the security operations center (SOC) does not have to search through 2,500 simulations to choose the ones that are most appropriate for the company. In less than a minute, the security officer can accept or reject the suggestions provided by the platform.



The SOC often invests a lot of time in addressing the logistical challenges involved in rolling out a campaign to individual employees. For a large company, employees are often based in different time zones with different working hours. In addition, every employee's security focus and awareness level differs based on his/her role, department and job function. CybeReady's platform automatically deploys the campaign to individual employees. The deployment rules run in the background based on the responses shared by the customer through an on-boarding questionnaire. In addition, CybeReady's Data-Driven Distribution (3D) Simulation engine employs machine learning to study individual performance on a daily basis and deliver the right simulations to the right person. In a manual world, this task is hugely challenging for any size company, especially for large enterprises. CybeReady's

platform provides its customers with a dynamic user experience. Individual simulations have different, non-repeating views that minimize repetitive content to reinforce learning. The platform is customized for each customer to promote internal branding. In addition, content is automatically translated to the employee's native language to improve retention of concepts. All of these steps are handled automatically by the platform in real-time with zero effort from the SOC team.

Superior Customer Experience

A dedicated resource from the customer's SOC is not required to deploy CybeReady's anti-phishing simulation campaign. CybeReady uses automated processes that run in the background to deliver targeted, personalized simulations to employees. For instance, the platform has automated processes to validate user lists and translate employee names to local scripts.

CybeReady provides a set of KPIs to measure the effectiveness of the security training awareness initiative. The measures extend beyond click rates to include metrics that provide deeper insights on employee performance. For instance, CybeReady tracks zero clickers (employees who do not click on suspicious emails at all) and serial clickers to measure their performance over time. In addition, the company provides an employee resilience score – a measure of the number of simulations that an employee successfully passes between two failures. In addition, the company provides an employee resilience score – a measure of the number of simulations that an employee successfully passes between two failures. By tracking these frequent clickers, CybeReady tracks the company's ability to withstand phishing attacks over time.

Teva Pharmaceuticals, a global leader in generic and specialty medicines, chose to utilize CybeReady for their employee awareness training and have been using the platform since 2015.

*"We were faced with the challenge of training over 40,000 employees in 65 locations and in 30 different languages," said Ilan Abadi, Global CISO at Teva Pharmaceuticals.
"CybeReady's training platform customizes and localizes the content on the fly, and the*

In addition, CybeReady includes a fully integrated Business Intelligence platform that enables the customer to drill down on employee performance. The resultant analysis is readily available, with zero effort required from the team to build reports. Additionally, the report can be drilled down into at the department, group, country, or any other level desired by the customer without the risk of breaching the privacy of individual employees.

CybeReady conducts quarterly business reviews for its customers. During these meetings, a dedicated success manager (DSM) reviews data and shares insights and suggestions to improve the customer's training program. In addition, the DSM continuously shares all important or interesting insight identified between the quarterly business reviews and tracks

customer progress and monitors operations and KPIs to ensure that customer expectations are met.

Demonstrating Sustained Above-Market Growth

In the 4 years since its inception, CybeReady has shown stellar growth. Its simulation campaigns have been deployed in 66 countries in 35 languages. Its anti-phishing simulation platform is used by enterprises ranging from 300 to 50,000 employees. The company is growing steadily and doubling its revenue every year. The company has expanded its operations by setting up offices in California in 2018 to grow its focus in the US.

Vendors active in the security awareness training market face competition from email security vendors and managed security solution providers, in addition to other focused security awareness training companies. Most competitors provide an exhaustive bundle to customers that include a security awareness solution procured from different vendors. CybeReady differentiates itself by reducing the customer's need to invest in additional resources while having an effective and engaged training program. Its fully automated solution helps the company retain customers.

CybeReady has a growing pool of customers who are keen to refer its solution to their peers. The company publishes testimonials from its customers on its website. The company actively creates marketing collateral and content to highlight CybeReady's benefits and the ROI offered to enterprises globally.

ŠKODA AUTO, a leading manufacturer headquartered in the Czech Republic, have been using CybeReady's Autonomous Training Platform since 2017.

"With a lean security team in place and employees in both corporate and industrial roles, we needed to find a way to engage all employees in the training program without taxing our team" said Daniel Cep, Skoda IT Security, "CybeReady's autonomous training platform runs by itself and trains 100% of the employees year-round with optimal

The company has an active presence in conferences and events, as exhibitors and / or speaker. The company has built a thought leadership position by publishing insightful articles on its official blog to help enterprises become aware of industry trends.

Conclusion

As human factors have been placed in the limelight as a major cause of unintentional data breaches and malware infections, security awareness training is a necessity. At the same time, enterprises do not have sufficient resources to deploy anti-phishing simulation campaigns in-house. Enterprises are often forced to hire additional resources to manage the campaign, even after outsourcing the project to vendors.

CybeReady addresses this concern by automating the entire process and ensuring enterprises only spend time approving the campaign specifics. By using a scientific approach to cyber awareness training, CybeReady's platform improves organization resilience and truly changes employee behavior towards phishing attacks increasing organizations' resilience score by 5x on average, and decreasing the percentage of serial clickers by 10x on average.

For its strong overall performance, CybeReady has earned Frost & Sullivan's 2019 Entrepreneurial Company of the Year Award.

Significance of Entrepreneurial Leadership

Ultimately, growth in any organization depends on customers purchasing from a company and then making the decision to return time and again. In a sense, then, everything is truly about the customer. Making customers happy is the cornerstone of any successful long-term innovation or growth strategy. To achieve the dual goals of customer engagement and growth, an organization must be best in class in 3 key areas: understanding demand, nurturing the brand, and differentiating from competition.



Understanding Entrepreneurial Leadership

Demand forecasting, branding, and differentiation underpin an entrepreneurial company's journey toward forming deep relationships with customers and permanently altering the market with their actions. Entrepreneurial Innovation and Customer Impact are the cornerstones of this award, as discussed further in the next section.

Key Benchmarking Criteria

For the Entrepreneurial Company of the Year Award, Frost & Sullivan analysts independently evaluated Entrepreneurial Innovation and Customer Impact according to the criteria identified below.

Entrepreneurial Innovation

Criterion 1: Market Disruption

Requirement: Innovative solutions that have genuine potential to disrupt the market, making current solutions obsolete and shaking up competition.

Criterion 2: Competitive Differentiation

Requirement: Deep understanding of both current and emerging competition to create and communicate strong competitive differentiators in the market.

Criterion 3: Market Gaps

Requirement: A clear understanding of customers' desired outcomes, the products that currently help them achieve those outcomes, and where gaps exist.

Criterion 4: Blue Ocean Strategy

Requirement: Strategic focus on creating a leadership position in a potentially uncontested market space, manifested by stiff barriers to entry for competitors.

Criterion 5: Passionate Persistence

Requirement: A deep belief in the rightness of an idea and a commitment to pursuing it despite seemingly insurmountable obstacles.

Customer Impact

Criterion 1: Price/Performance Value

Requirement: Products or services offer the best value for the price, compared to similar offerings in the market.

Criterion 2: Customer Purchase Experience

Requirement: Customers feel they are buying the optimal solution that addresses both their unique needs and their unique constraints.

Criterion 3: Customer Ownership Experience

Requirement: Customers are proud to own the company's product or service and have a positive experience throughout the life of the product or service.

Criterion 4: Customer Service Experience

Requirement: Customer service is accessible, fast, stress-free, and of high quality.

Criterion 5: Brand Equity

Requirement: Customers have a positive view of the brand and exhibit high brand loyalty.

Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan analysts follow a 10-step process to evaluate award candidates and assess their fit with select best practice criteria. The reputation and integrity of the awards are based on close adherence to this process.

STEP	OBJECTIVE	KEY ACTIVITIES	OUTPUT
1 Monitor, target, and screen	Identify award recipient candidates from around the world	<ul style="list-style-type: none"> • Conduct in-depth industry research • Identify emerging industries • Scan multiple regions 	Pipeline of candidates that potentially meet all best practices criteria
2 Perform 360-degree research	Perform comprehensive, 360-degree research on all candidates in the pipeline	<ul style="list-style-type: none"> • Interview thought leaders and industry practitioners • Assess candidates' fit with best practices criteria • Rank all candidates 	Matrix positioning of all candidates' performance relative to one another
3 Invite thought leadership in best practices	Perform in-depth examination of all candidates	<ul style="list-style-type: none"> • Confirm best practices criteria • Examine eligibility of all candidates • Identify any information gaps 	Detailed profiles of all ranked candidates
4 Initiate research director review	Conduct an unbiased evaluation of all candidate profiles	<ul style="list-style-type: none"> • Brainstorm ranking options • Invite multiple perspectives on candidates' performance • Update candidate profiles 	Final prioritization of all eligible candidates and companion best practices positioning paper
5 Assemble panel of industry experts	Present findings to an expert panel of industry thought leaders	<ul style="list-style-type: none"> • Share findings • Strengthen cases for candidate eligibility • Prioritize candidates 	Refined list of prioritized award candidates
6 Conduct global industry review	Build consensus on award candidates' eligibility	<ul style="list-style-type: none"> • Hold global team meeting to review all candidates • Pressure-test fit with criteria • Confirm inclusion of all eligible candidates 	Final list of eligible award candidates, representing success stories worldwide
7 Perform quality check	Develop official award consideration materials	<ul style="list-style-type: none"> • Perform final performance benchmarking activities • Write nominations • Perform quality review 	High-quality, accurate, and creative presentation of nominees' successes
8 Reconnect with panel of industry experts	Finalize the selection of the best practices award recipient	<ul style="list-style-type: none"> • Review analysis with panel • Build consensus • Select recipient 	Decision on which company performs best against all best practices criteria
9 Communicate recognition	Inform award recipient of recognition	<ul style="list-style-type: none"> • Present award to the CEO • Inspire the organization for continued success • Celebrate the recipient's performance 	Announcement of award and plan for how recipient can use the award to enhance the brand
10 Take strategic action	Upon licensing, company is able to share award news with stakeholders and customers	<ul style="list-style-type: none"> • Coordinate media outreach • Design a marketing plan • Assess award's role in strategic planning 	Widespread awareness of recipient's award status among investors, media personnel, and employees

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan's 360-degree research methodology represents the analytical rigor of the research process. It offers a 360-degree view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan's research methodologies. Too often companies make important growth decisions based on a narrow understanding of their environment, resulting in errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry participants and for identifying those performing at best-in-class levels.

360-DEGREE RESEARCH: SEEING ORDER IN THE CHAOS



About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, helps clients accelerate growth and achieve best-in-class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's growth team with disciplined research and best practices models to drive the generation, evaluation and implementation of powerful growth strategies. Frost & Sullivan leverages nearly 60 years of experience in partnering with Global 1000 companies, emerging businesses, and the investment community from 45 offices on 6 continents. To join Frost & Sullivan's Growth Partnership, visit <http://www.frost.com>.