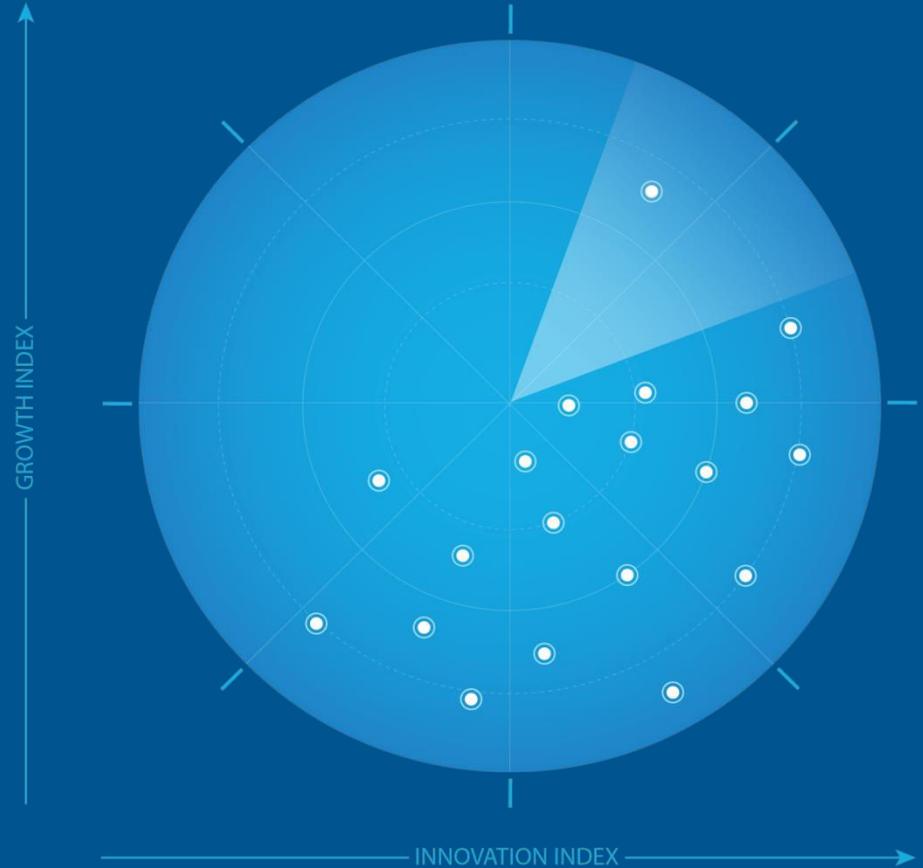


# Frost Radar™: Security Awareness Training, 2022

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

Global Security Research  
Team at Frost & Sullivan



# Strategic Imperative and Growth Environment



# Strategic Imperative

- Cyberthreats have increased at an unprecedented rate over the last few years, targeting enterprises of all sizes around the world. Governments and corporates have responded with regulations and enhanced budgets and skill sets to counter risks. Disruptions due to digital transformation strategies and the COVID-19 pandemic have increased the need for solutions that satisfy the demands of the constantly changing workplace.
- As bad actors target people more than technology, the importance of well-informed employees is paramount. Human behavior analysis has become an important component of risk management analysis.
- Security awareness training (SAT) is moving from being an inconsequential and annual activity to one that is a frequent and imperative part of the overall security culture and fabric that every organization wants to achieve.
- Helping in no small measure in making SAT an essential component of cybersecurity are vendors that are providing more solutions and frequent updates and are closely monitoring for evolving risks and threats. Data analytics, artificial intelligence (AI), and machine learning (ML) are deployed to draw better insights. Vendors also are differentiating by focusing on behavioral aspects of users to improve engagements and outcomes.
- The number of companies that offer SAT has been increasing, enhancing competition and increasing complexities in the market.

Source: Frost & Sullivan

# Strategic Imperative (continued)

- From merely delivering static content as per a predetermined schedule, companies are deploying SAT systems that offer content in multiple formats and micromodules and are interested in monitoring improvements in employee performance. AI and ML-based solutions automate and recommend personalized content and schedules to enhance outcomes.
- Small and midsize enterprises (SMEs) are at as much risk as large firms but with fewer resources to spare, which is why they look to vendors for adequate SAT to ward off threats and enhance their security posture. SMEs often rely on service providers for SAT, creating another distribution channel for vendors.
- The pandemic, followed closely by the Russo-Ukrainian War and the Great Resignation, caused unprecedented chaos in previously “normal” business enterprise operations. Employees are working from beyond perimeters and facing new cyberthreats with appalling frequency. The response must comprise not just an update of technology but also a new approach to how companies perceive and manage risks.
- Employees may be the weakest link but, when given adequate and effective training, they have the potential to form an effective security layer. Providing them the opportunity to do so is imperative.

Source: Frost & Sullivan

# Growth Environment

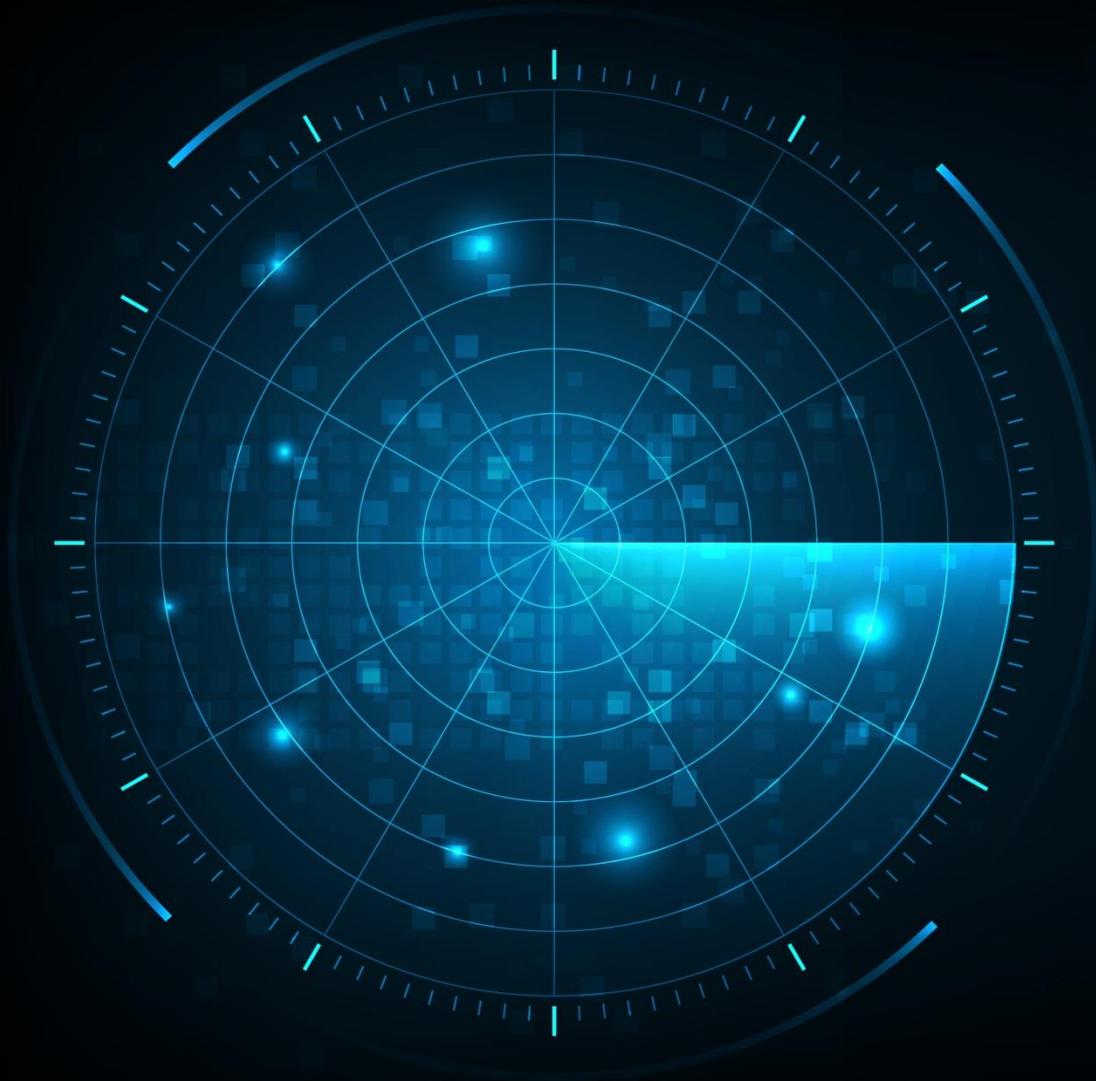
- The global SAT market is on a growth trajectory and is expected to register growth across all regions over the next few years.
- Frost & Sullivan research indicates that as the right environment for cybersecurity develops and the importance of SAT as an additional security layer for enterprises increases, the market will be worth \$6.29 billion by 2027, growing at a compound annual growth rate of 27.5%.
- Contributors to this growth include:
  - The evolution of products and services offered by vendors,
  - The evolution of the workplace,
  - An unprecedented increase in cyberthreats, and
  - The need for sophisticated solutions to fight sophisticated cyberthreats.
- SAT trends have evolved, and changes are apparent across the industry.
  - New companies have entered the market, and firms that were offering other security products have now expanded to include SAT.
  - A spate of mergers and acquisitions in the last couple of years indicates a strong potential for the industry and has enhanced competition.
  - Managed service providers (MSPs) and managed security service providers (MSSPs) are playing a significant role in industry growth.
  - Content has evolved from being static and periodic to personalized based on user behavior and performance, and formats have gone from being 45- to 60-minute single sessions to multiple, bite-sized, microlearning, multichannel modules.

Source: Frost & Sullivan

# Growth Environment (continued)

- Governments and cybersecurity industry organizations are playing a crucial role in the growth of the industry via regulations, compliance requirements, and enterprise education regarding the importance of SAT. Many cyber-insurance companies are mandating inclusion of SAT to improve policy-holders' security posture. Next-generation features that are important to deliver effective SAT include:
  - Automated, ML and AI-based analytics focused on behavioral aspects;
  - Intelligence derived from strategic aggregation of data across industries and based on threat analysis;
  - A friction-free user experience (UX) focused on improving engagement and outcomes; and
  - Customization at scale through tailored, vertical-specific, and performance-based delivery models.

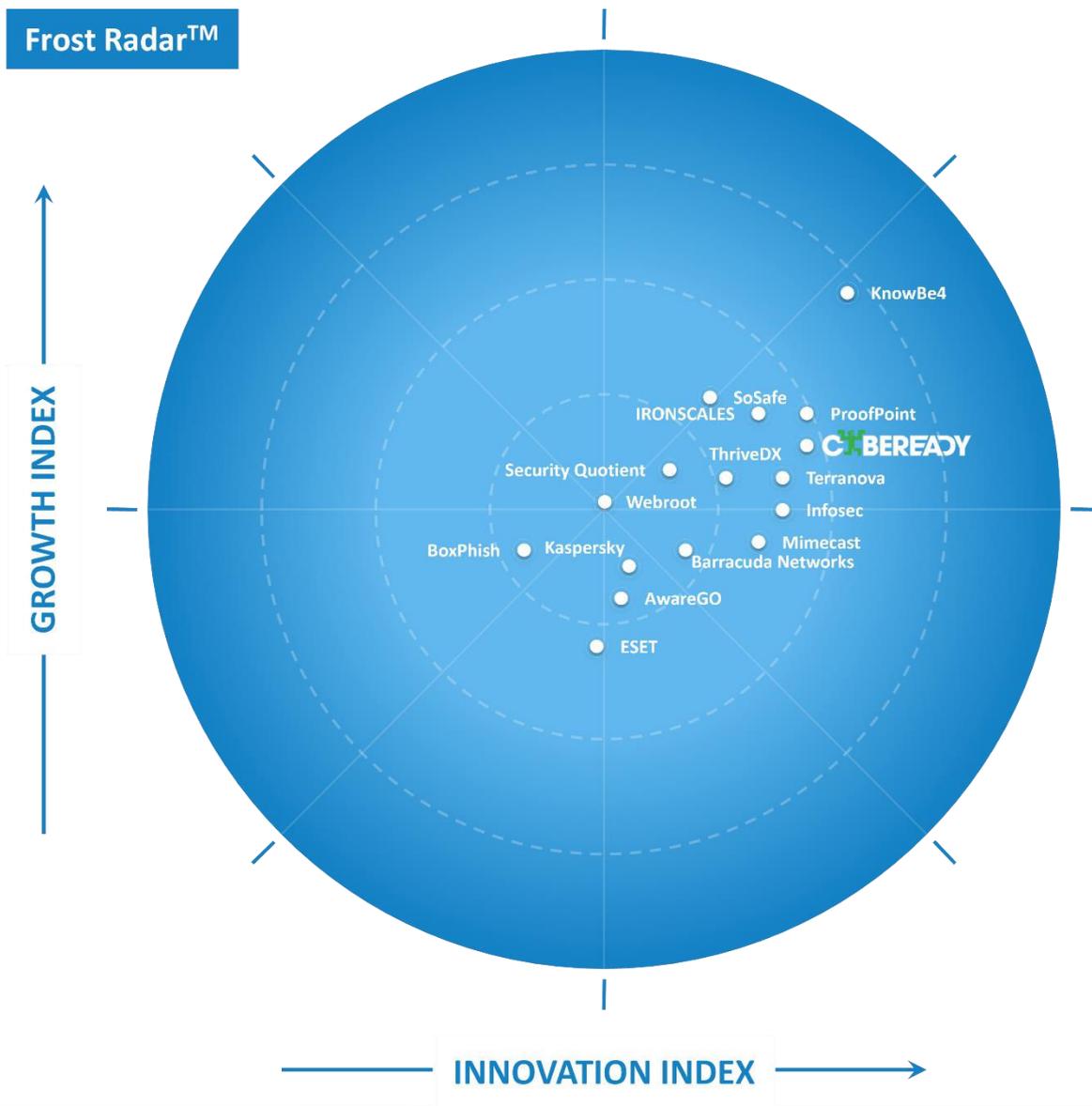
Source: Frost & Sullivan



**Frost Radar™**

**Security Awareness  
Training**

# Frost Radar™: Security Awareness Training



Source: Frost & Sullivan

# Frost Radar™: Competitive Environment

- In a field of more than 80 global industry participants, Frost & Sullivan has benchmarked a selected 16 in this Frost Radar™ analysis. In a market with only a few pure-play SAT providers, the industry has seen multiple new entrants over the last couple of years.
- Another standout feature has been the number of mergers and acquisitions that the industry has witnessed in the last two to three years, including during the course of this study.
- The industry has seen an intense focus on innovation across technology and the approach to SAT. Vendors are concentrating on the user experience, behavioral sciences, outcome improvement, and automation to ensure that their clients can maximize SAT benefits. Vendors are going beyond phishing solution and widening training coverage. Investments in research and development (R&D) are increasing and vendors are expanding regional and vertical presence.
- CybeReady with its AI and ML-based platform bring to the market the possibility of achieving high standards.

Source: Frost & Sullivan

# **Companies to Action**

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

## INNOVATION

- CybeReady’s mission to “deliver training programs that make an impact from day one by providing organizations with *a team in a box...*” enables organizations to easily implement SAT.
- Its ML-based SAT platform is aimed at changing employee behavior with a focus on enhancing an organization’s security culture. The adaptive learning platform consist of BLAST (phishing simulations), CAB (content bites) and the recently launched AUDITREADY (a compliance module).
- Working closely with customers, the company maintains a deep understanding of client challenges to guide its technology and product roadmap. For instance, it plans to launch a solution to tailored to the challenges of SMEs in 2023 rather than provide them with a watered-down version of SAT offering for large enterprises.

## GROWTH

- With an average 82% growth rate over the last three years, CybeReady is clearly meeting customer needs.
- The company has consistently been investing in sales and marketing initiatives to reach out to its target market and ensures that customer feedback is reflected in its products and customer relationship management. For instance, as part of its initiative to reach out to more customers, it launched interactive kit available in seven languages in keeping with the CISA\* cybersecurity awareness month 2022 theme aimed at focusing on people for cybersecurity.
- With content in 40 languages offered across 80 countries and large marquee clients such as Natwest and Payoneer, CybeReady has made great strides in the last few years.
- With initiatives such as the Elastic Security Program (ESP) it seeks to align with the clients’ need for flexibility.

## FROST PERSPECTIVE

- Founded in 2015, CybeReady has managed to sustain growth beyond the initial years where start-ups report very high growth rates.
- The company can build on its expertise of catering to the needs of highly vulnerable verticals such as banking to reach out to other verticals that are experiencing more attacks, such as government and healthcare.
- The company’s ability to identify real-time challenges when ensuring security and automating their resolution using its dynamic and adaptive learning platform can be leveraged to reach out to more large and small enterprises.
- Its position on the Frost Radar™ indicates a strong growth momentum over the next couple of years.

\*Cybersecurity and Infrastructure Security Agency

Source: Frost & Sullivan

# Strategic Insights



# Strategic Insights

1

Vendors are putting in a lot of effort to enhance content effectiveness by taking into consideration learning pedagogy, behavioral science, user experience, and intended outcomes. For an industry that has for long stayed in the background, it has in the recent past made great strides in improving quality, technology, and meeting expectations as enterprises take steps to improve their security posture.

2

SAT vendors are excelling when it comes to delivering personalized and intelligent training to improve outcomes by enhancing user engagement and providing intelligence. Automation is helping in an industry that is already short of resources and wants to focus on more value-added activities rather than routine, mundane tasks such as campaign launch or onboarding.

3

Strategic partnerships are essential for addressing varied customer requirements. With budgets only just being opened for SAT, and certain market segment being very price sensitive, it is important that vendors cater to a variety of requirements across regions.

Source: Frost & Sullivan



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

# Significance of Being on the Frost Radar™

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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.

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## 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

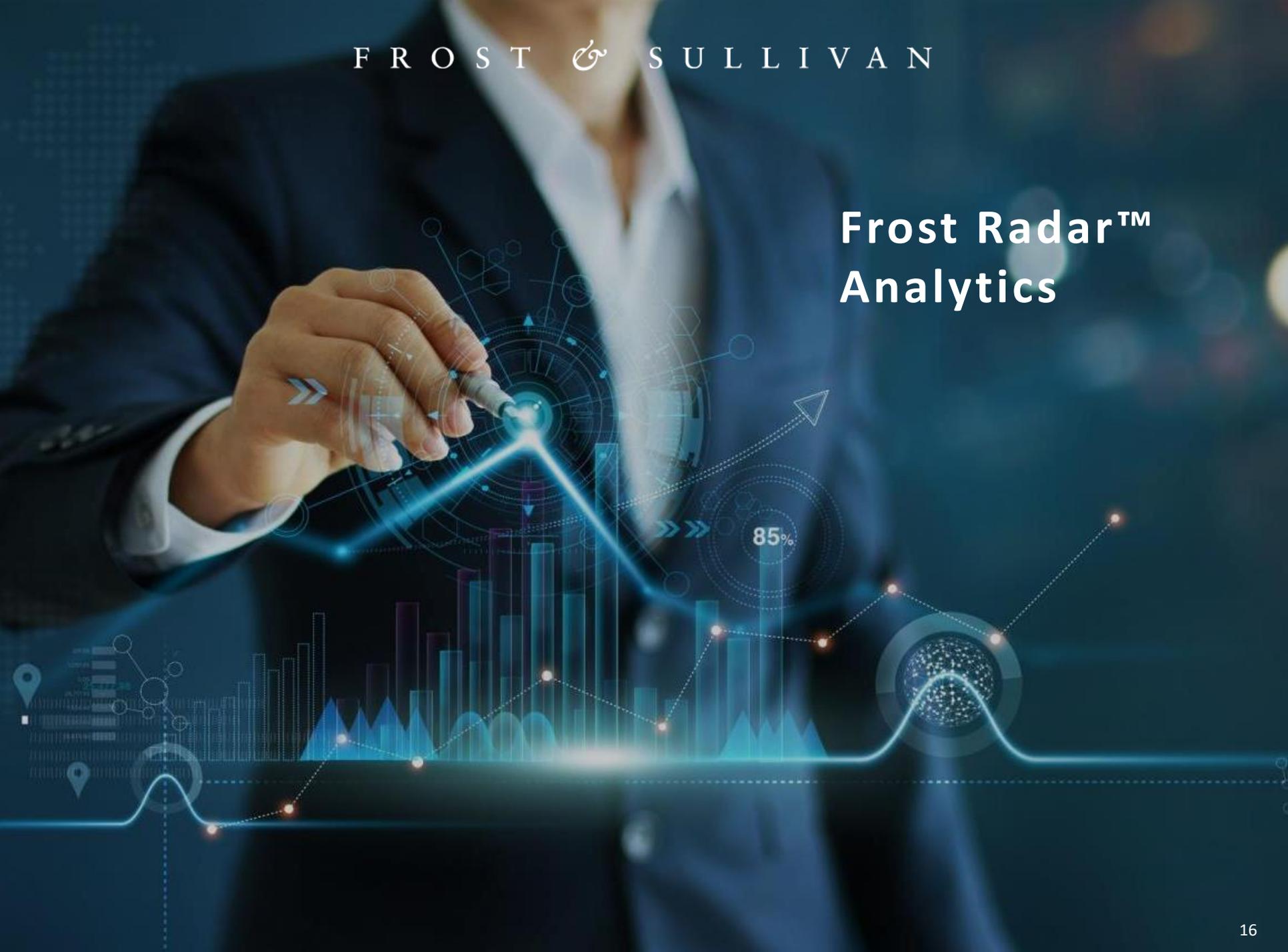
Your organization has demonstrated the ability to significantly enhance its customer value proposition.

## 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™ 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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