Everest Group®

State of the Market Report

Cloud and Infrastructure Services

Next-generation Managed Security Service (MSS): Tussling to Keep the Battle Alive

October 2021: Complimentary Abstract / Table of Contents

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Benchmarking

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Tracking: service providers, locations, risk, technologies

Locations: costs, skills, sustainability, portfolios

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Background of the research

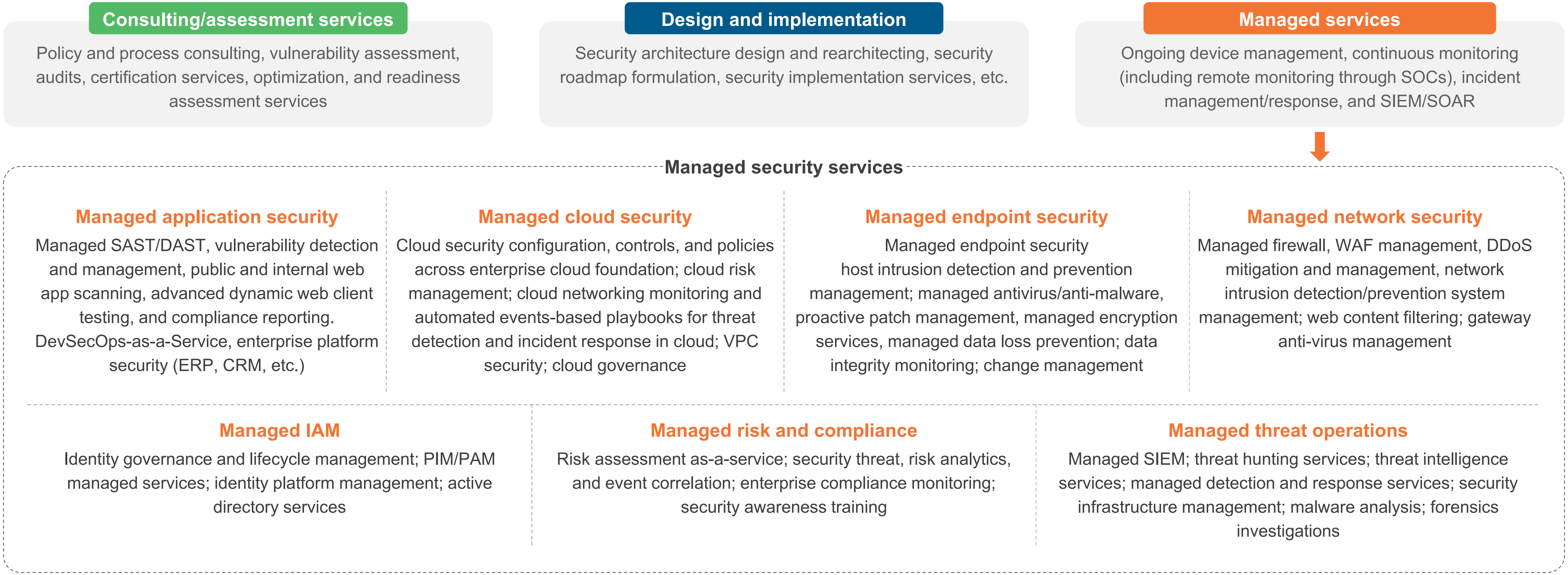
- The COVID-19 pandemic has proved to be a catalyst for MSS providers to thrive even during turbulent times, as enterprises have been forced to take a step back, review their security posture and controls, and reevaluate their ongoing security programs
- With unprecedented changes in IT budgets and shortage of cybersecurity talent, enterprises could not continue with their planned capex for cybersecurity. Meanwhile, MSSPs started gaining increased traction due to their investments in next-generation themes such as MDR, threat intelligence, advanced analytics, AI-/ML-enabled threat hunting, and detection
- The value proposition of MSSPs now revolves around orchestration and automation through modular, platform-led operations. Investment by these providers in areas such as IT/OT convergence, 5G security, connected vehicle SOC, establishing Zero Trust methodologies, and XDR is pushing enterprises to seek third-party support
- Enterprises are looking to clear the clutter and stay steadfast in their advanced managed security initiatives, underpinned by strong security foundations. With the ever-increasing complexity of the cyber attack surface and the evolving global threat landscape, organizations of all types and sizes are now making conscious efforts to protect their critical data against cyber attacks
- The next generation of managed security needs to leverage innovative technologies and strategies to help organizations protect their complex, interconnected environments
- The realization that MSS delivery needs to be underpinned by innovative technologies, is propelling technology vendors to deliver fit-for-purpose technology based on enterprise needs and requirements

Scope of this report:

Geography
Global

Services
IT managed security services

This report focuses on leading technology vendors for managed security services



Consulting/assessment services

Policy and process consulting, vulnerability assessment, audits, certification services, optimization, and readiness assessment services

Design and implementation

Security architecture design and rearchitecting, security roadmap formulation, security implementation services, etc.

Managed services

Ongoing device management, continuous monitoring (including remote monitoring through SOCs), incident management/response, and SIEM/SOAR

Managed security services

Managed application security

Managed SAST/DAST, vulnerability detection and management, public and internal web app scanning, advanced dynamic web client testing, and compliance reporting. DevSecOps-as-a-Service, enterprise platform security (ERP, CRM, etc.)

Managed cloud security

Cloud security configuration, controls, and policies across enterprise cloud foundation; cloud risk management; cloud networking monitoring and automated events-based playbooks for threat detection and incident response in cloud; VPC security; cloud governance

Managed endpoint security

Managed endpoint security host intrusion detection and prevention management; managed antivirus/anti-malware, proactive patch management, managed encryption services, managed data loss prevention; data integrity monitoring; change management

Managed network security

Managed firewall, WAF management, DDoS mitigation and management, network intrusion detection/prevention system management; web content filtering; gateway anti-virus management

Managed IAM

Identity governance and lifecycle management; PIM/PAM managed services; identity platform management; active directory services

Managed risk and compliance

Risk assessment as-a-service; security threat, risk analytics, and event correlation; enterprise compliance monitoring; security awareness training

Managed threat operations

Managed SIEM; threat hunting services; threat intelligence services; managed detection and response services; security infrastructure management; malware analysis; forensics investigations

Overview and abbreviated summary of key messages

Cybersecurity continues to be one of the key priorities for organizations worldwide. An enabler to the digital economy, cybersecurity helps protect enterprise assets, maintain business continuity, defend the brand name, and most importantly uphold the trust of the users. Enterprises are looking at MSSPs as trusted advisors for their next-generation managed security services requirements stemming from the increased adoption of digital transformation initiatives. The COVID-19 pandemic has proved to be a catalyst for MSS providers to thrive even during turbulent times, as enterprises have been forced to take a step back, review their security posture and controls, and reevaluate their ongoing security programs. This research provides fact-based trends impacting the IT managed security services market.

Some of the findings in this report, among others, are:

IT MSS market overview

- Demand for cloud native security controls, movement beyond compliance-driven data security controls, and PIM/PAM deployments have witnessed a demand uptick due to the COVID-19 pandemic
- There has been a strong uptick in demand for securing IoT and OT systems, and the need for IT/OT convergence in SOC operations
- A massive shift to remote working has predominantly affected the way cybersecurity was thought of

Next generation managed services

- Evolution of traditional MSS from laying cyber security foundations to a construct that is focused on business-centric themes
- MDR has become an integral part of the next-generation MSS, and is witnessing increased market traction

MDR

- The four key building blocks of an MDR service are – threat hunting, threat intelligence, threat investigation and analysis, and incident response
- MDR brings the perfect amalgamation of technology, analytics, and human intelligence to bolster the enterprise cybersecurity posture

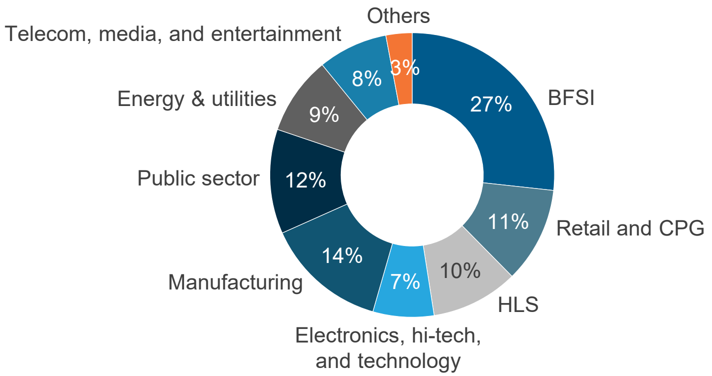
Enterprise consideration

- Transitioning to an AWARE Security Operation Center (SOC) model is a stepping stone to consuming next-generation managed security services
- An integrated approach to Digital Forensics and Incident Response (DFIR) will be needed to enhance the effectiveness of enterprise response to cyber attacks

This study offers four distinct chapters providing a deep dive into key aspects of IT security services market; below are four charts to illustrate the depth of the report

Global IT managed security services market size by vertical

100% = US$ 22.4 billion



MDR – the drug for all cybersecurity ailments

Threat hunting

- Analysis of telemetry from cloud, endpoints, network, users, logs, OT, etc.
- Identify malware beaconing, data exfiltration, and lateral movements
- Automated pen testing and cyber deception techniques

Threat investigation and analysis

- Leveraging UEBA, NTA, and other advanced analytic tools for alert triaging and reducing false positives
- Vulnerability management and prioritization

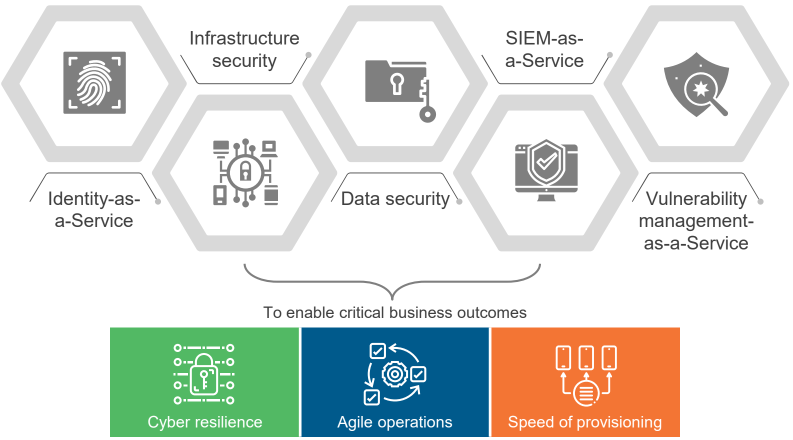
Threat intelligence

- Enriching log data from feeds
- Generating operational threat intelligence
- Contextualizing intelligence to organization from specific risk profiles

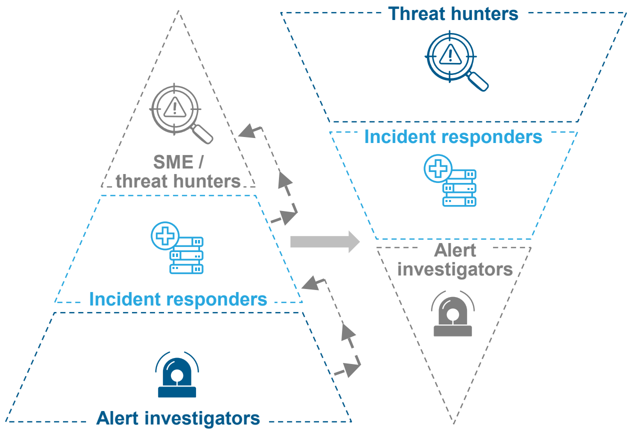
Incident response and threat containment

- 24*7 detection and response with automated threat containment
- Writing SOAR playbooks for incident response
- AI-orchestrated incident response plan in use

Demand for security as a service



Changing talent model in next-gen managed security services



Research calendar

Cloud and Infrastructure Services (CIS)

🟦 Published ⬜ Planned ⬛ Current release

Flagship reports	Release date
Cloud Hyperscalers: A Critical but Not the Only Building Block of Enterprise IT	June 2021
IT Managed Security Services (MSS) PEAK Matrix® Assessment 2021	June 2021
IT Managed Security Services (MSS) Compendium 2021	July 2021
Network Transformation and Managed Services PEAK Matrix® Assessment 2021	July 2021
Aware Automation immunity is the Key to Combat the COVID-19 Crisis	July 2021
SD-WAN Services PEAK Matrix® Assessment 2021	September 2021
Next-generation Managed Security Service (MSS): Tussling to Keep the Battle Alive	**October 2021**
Digital Workplace Services PEAK Matrix® Assessment 2021	Q4 2021
Mainframe services PEAK Matrix® Assessment 2021	Q4 2021
State of the Market: IT Infrastructure Services	Q4 2021

Thematic reports	Release date
Future-proofing Enterprise Transformation with Cloud-agnostic Managed Services	February 2021
Upcoming Contract Renewals – Infrastructure Services 2021	March 2021
Enterprise Pulse Report: From Dissatisfaction to Delight: Sustaining Client Satisfaction in a Post-pandemic World	March 2021
Tech Bytes for Business Leaders: Containers	August 2021
Tech Bytes for Business Leaders: Workplace-as-a-Service (WaaS) of a Future-Ready Enterprise	August 2021

Note: For a list of all our published CIS reports, please refer to our website page

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