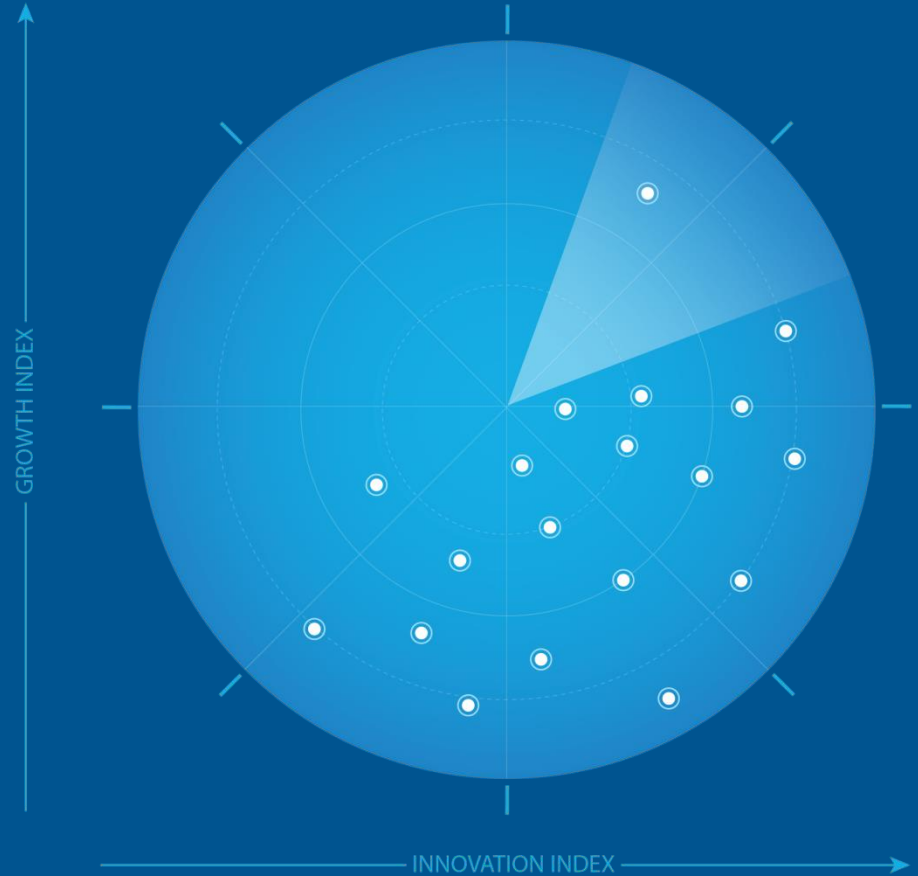# FROST & SULLIVAN

Frost Radar™: Privileged Access Management, 2023

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

Global Security Research Team at Frost & Sullivan

PE70-74

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Strategic Imperative and Growth Environment

The Strategic Imperative

- As organizations increasingly depend on digitized operations, their uptake of digital applications has reshaped business models across industries. This business model evolution coupled with the pandemic-induced shift to hybrid work modes have led to the proliferation of privileged identities among both human and non-human users.

- These privileged access points conversely offer vulnerable entrances for hackers to abuse and are increasingly the target of cyberattacks. The volume of cyberbreaches due to privileged access credential abuse is on the rise. As a result, the expanded cyberattack surface among organizations creates a complex challenge in managing the large scale of privileged identities and access while ensuring the cybersecurity of their IT infrastructure.

- Legacy session monitoring and account management solutions can no longer sufficiently help organizations navigate the complex, increasingly sophisticated threat landscape. As organizations seek an effective privileged access management (PAM) strategy, demand is shifting from a legacy PAM to a modern, automated, and comprehensive PAM solution.

- In addition, changing business priorities and the boom of hybrid working culture have expedited the cloud migration process among organizations as they move their corporate services, assets, and applications to cloud environments. This has resulted in the increasing adoption of cloud-based PAM solutions to secure and manage identities and access to cloud environments.

Source: Frost & Sullivan

The Strategic Imperative (continued)

- Frost & Sullivan foresees that the shift in demand for cloud-based PAM solutions as well as software-as-service (SaaS)-based PAM services will continue trending upward. Organizations' cost-saving and scalability needs drive the adoption of these form factors, besides the need to strengthen their identity strategy and secure privileged access in dynamic cloud environments.

- The deployment of PAM solutions, whether on-premises, hybrid, or cloud, varies across industries and regions, depending on particular business needs. While the PAM market began shifting toward more cloud use even before the COVID-19 pandemic began, the need for on-premises PAM solutions remains, especially in highly regulated industries. PAM solutions need to provide deployment flexibility through different options so organizations can secure their privileged access across these different environments.

- With the increasing adoption of disruptive cloud-native technologies and the ongoing shift-left culture, more organizations are leaning toward adopting PAM solutions with cloud security features. To ensure the security of administrative access to SaaS control panels, DevOps, and continuous integration/continuous delivery (CI/CD) environments, PAM solutions that either support or have full native integration of DevOps and cloud infrastructure entitlement management (CIEM) tools will serve as differentiating capabilities for PAM vendors in the global market.

Source: Frost & Sullivan

The Strategic Imperative (continued)

- To improve security visibility, organizations require a unified, single-pane-of-glass platform approach that allows centralized management; converges different PAM functionalities, such as security information and event management (SIEM) and just-in-time (JIT) access for on-demand privileged access and simplified PAM; and offers integration support with adjacent security technologies, such as VPN-less remote access, cloud security posture management (CSPM), zero trust architecture, identity governance and administration (IGA), or secrets management. Besides CIEM, the integration of PAM solutions with CSPM and IGA or secrets management also plays a role in ensuring secure access to SaaS applications, cloud consoles, and cloud-native workloads.

- PAM vendors that offer a holistic platform approach that covers all aspects of PAM, including discovery and inventory of privileged accounts, credentials management, access control, and auditing and reporting, will stand out in the market for both offering better security outcomes and lowering organizations' total cost of ownership (TCO) for long-term efficiency.

The Growth Environment

- The global PAM market recorded robust year-on-year (YoY) revenue growth of 17.9%, resulting in total market revenue of $1,539.3 million in 2022. North America (NA) was the largest regional market, accounting for close to 40.0% of the total global PAM market share, followed by Asia-Pacific (APAC); Europe, the Middle East, and Africa (EMEA); and Latin America (LATAM).

- In terms of form factor, on-premises PAM solutions continue to dominate the global PAM market over cloud-based PAM solutions. However, cloud-based PAM solution revenue has been growing at a higher year-over-year (YoY) revenue growth rate than the former, reflecting the fast and increasing adoption of cloud-based or SaaS-based PAM solutions in the global market.

- The spending sentiment for PAM solutions continues to grow steadily while the accelerated adoption of cloud-based technologies and services drives the integration of cloud security features in PAM solutions. This trend will encourage market vendors to strengthen their PAM capabilities by incorporating disruptive technologies into their PAM portfolios. These include (but are not limited to) automation, artificial intelligence (AI), multilevel machine learning (ML), user entity and behavior analytics (UEBA), CIEM, cloud secure access, DevOps secrets management, IGA, and CSPM. While DevOps secrets management ensures CI/CD pipeline security, investing in these other advanced PAM features can help organizations effectively monitor and manage their multicloud environment and reduce false positives for improved security outcomes.

Source: Frost & Sullivan

The Growth Environment (continued)

- Frost & Sullivan research indicates that PAM vendors will continue to complete their privileged access and identity security portfolios through merger and acquisition activity or in-house development, offering customers holistic protection against evolving cyberattacks and the abuse of privileged credentials.

- Frost & Sullivan considered the following factors as essential to a PAM vendor (from 2021 to 2022) when compiling the Frost Radar™ assessment:

  o New PAM product launches and the scalability of PAM product features or portfolio

  o Flexible deployment options and product form factors, including SaaS, cloud-based and on-premises solutions, as well as the integration capabilities between them

  o Ability to leverage Megatrends and offer or integrate with other technologies (secrets management, remote privileged access, IGA, JIT access, AI/ML, DevOps tools, CIEM tools) for enhanced security

  o Ability to deliver services and products tailored to local customer needs in NA, EMEA, LATAM, and APAC to strengthen market regional presence

- Frost & Sullivan study related to this independent analysis:

  o Global Privileged Access Management Solutions Growth Opportunities, 2022

Source: Frost & Sullivan
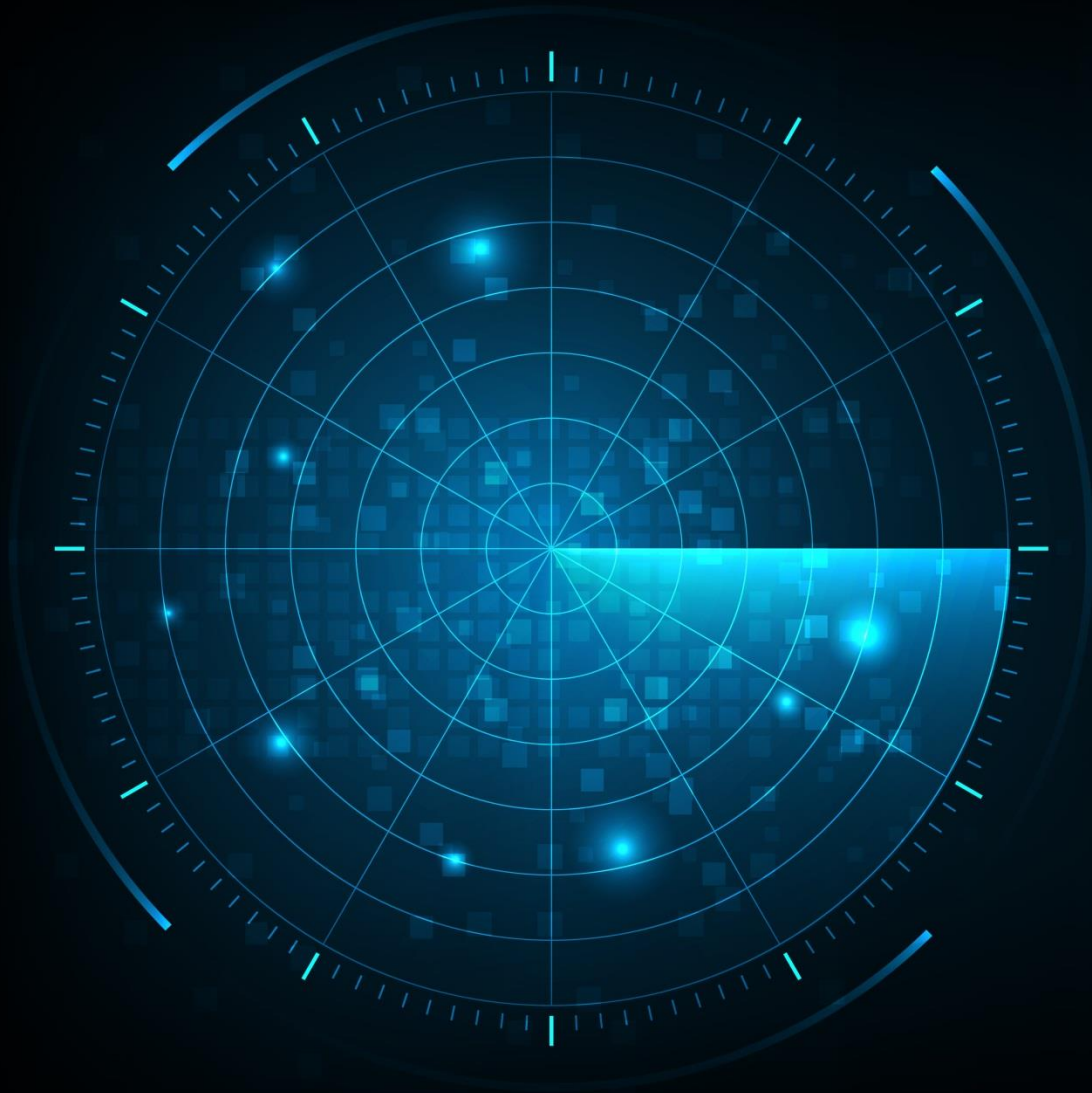
FROST & SULLIVAN

Frost Radar™

Privileged Access Management

Frost Radar™: Privileged Access Management

FROST **RADAR**™

GROWTH INDEX

INNOVATION INDEX

Delinea
CyberArk
BeyondTrust
One Identity
Saviynt
Broadcom
ARCON
Senhasegura
OpenText
ManageEngine
WALLIX
Kron
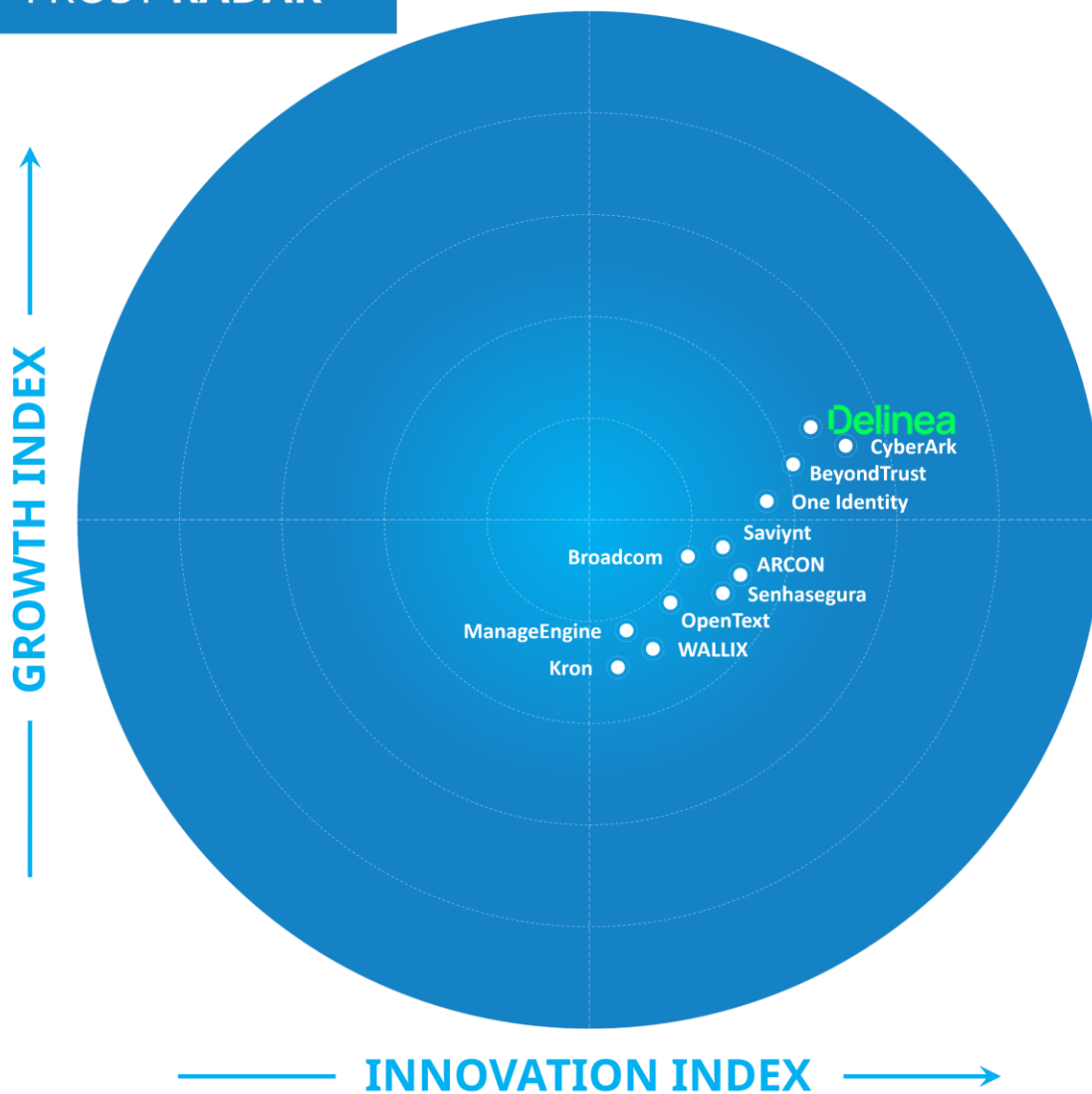
Source: Frost & Sullivan

Frost Radar™: Competitive Environment

- In this Frost Radar™, Frost & Sullivan shortlisted and assessed the top 12 PAM vendors from a pool of more than 25 global market players based on the following selection criteria:

  o Had an annual PAM revenue of at least $8 million in 2022

  o Have a business presence in at least 2 global regions (i.e., NA, EMEA, LATAM, and APAC)

- The PAM vendors selected for this study are ARCON, BeyondTrust, Broadcom, CyberArk, Delinea, Kron Technologies, ManageEngine, One Identity, OpenText, Saviynt, Senhasegura, and WALLIX.

- Delinea has topped the Frost Radar™ Growth Index because of their consistent and strong financial performance in terms of revenue and market share growth in the global PAM market during the last 3 years. These 3 PAM vendors have an extensive customer base and continue to establish a solid market presence across different vertical segments, thus allowing them to gain a competitive edge over other PAM market players.

Frost Radar™: Competitive Environment (continued)

- Frost & Sullivan recognizes their investment efforts in expanding their geographic reach, their active engagements in sales and marketing efforts, as well as their strong and large channel partner ecosystems and programs that have helped boost their global brand reputation and PAM business. As reflected in their consistent revenue growth in the last 3 years, these factors will enable the 3 leading market players to maintain a robust growth pipeline in the next 2 to 3 years.

- CyberArk, Delinea, and BeyondTrust also rank as the top Innovation Index leaders. They deliver comprehensive PAM portfolios and demonstrate continuous commitment to expanding their offerings, especially for advanced PAM features and capabilities that align with the latest market mega trends. All 3 innovation leaders have leveraged the rapid growth of the cloud industry in their offerings and growth pipelines while offering flexible deployment options such as on-premises, cloud-based deployments, and especially SaaS-delivered offerings that organizations increasingly demand.

- Frost & Sullivan recognizes CyberArk for its bold move as the first player to introduce CIEM features in its PAM portfolio and for its focus on enhancing secrets management and JIT in the last 2 years.

Source: Frost & Sullivan

Frost Radar™: Competitive Environment (continued)

- Delinea stands out for its strong PEDM and secret server vaulting technology as well as commitment to R&D, including advanced DevOps secrets management and privileged analytics using AI/ML.

- BeyondTrust ranks high for addressing customers' unmet needs through the release of its Unified Agent that enables centralized management and its clear product road map strategy.

Competitive Pack Following Top Leaders

- While the remaining key market players offer essential PAM capabilities and have a business presence in at least 2 global regions, they have room to enhance their PAM capabilities and introduce new industry-leading innovations to diversify their PAM portfolios.

- Following closely after the leading 3 competitors is One Identity with a relatively solid position on both Indexes due to the steady growth of its PAM business and market share, though its SaaS-delivered PAM, CIEM, and DevOps offerings are fairly new in the market.

- Similarly, Saviynt is among the competitive pack on both Indexes even though its advanced PAM capabilities are relatively new, given it is a newer market entrant. Saviynt has yet to expand its business presence beyond NA but has achieved strong YoY revenue growth in the last 2 years.

Source: Frost & Sullivan

Frost Radar™: Competitive Environment (continued)

- Besides Saviynt, the other two key market players in the competitive pack are ARCON and Senhasegura. Both companies have scored competitive market positions on the Innovation Index due to their flexible deployment options and visionary product road maps. However, in terms of growth, both ARCON and Senhasegura have a concentrated business presence in APAC and LATAM, respectively, and have yet to expand their customer base in NA.

- Even though Broadcom has a significant market share in the PAM market, it joins OpenText, WALLIX, ManageEngine, and Kron Technologies as lacking a strong focus on cloud security features and cloud-based PAM capabilities through a clear technology road map for PAM. Like ARCON, WALLIX is one of the few PAM vendors that focuses on OT security for PAM. Nevertheless, the company has yet to expand its geographic reach beyond EMEA and will only be offering CIEM capabilities through technology alliances, with no plans to include in-house CIEM offerings in its short-term product road map.

- Overall, these key market players may need to establish more strategic partnerships and strengthen their channel partner ecosystem to expand their geographic reach, maintain their innovation scalability, and sustain their growth pipeline for the next 5 years.

Source: Frost & Sullivan

FROST & SULLIVAN

Companies to Action

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

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

ARCON

INNOVATION

- ARCON is positioned competitively on the Innovation Index of the Frost Radar™ even though it has yet to fully integrate some of the increasingly desired PAM capabilities and only in the last 2 years began catching up (e.g., offering secrets management, CIEM, JIT, offline vault, and secure remote access) to meet customer needs and ensure its offerings remain relevant to market trends.

- As one of the few PAM vendors with a focus in OT security, ARCON's strength lies with its focus on compliance, analytics, EPM, RPM, and SIEM integration, delivering an easy-to-use customer experience.

- In terms of delivery models, ARCON offers deployment flexibility through software, virtual and physical appliances, self-managed, and SaaS or PAMaaS delivery.

GROWTH

- ARCON occupies a fairly competitive position on the Growth Index of the Frost Radar™ due to its modest share of 2.1% in the global market.

- Frost & Sullivan estimates that the company registered 14.9% YoY growth in revenue from 2021 to 2022, with APAC as its largest market, accounting for approximately 46.0% of its global market share, followed by EMEA, NA, and LATAM. However, the company has yet to establish a solid foothold in the NA and LATAM markets.

- ARCON's YoY revenue growth in the NA and LATAM markets was less than 15.0% and less than 10.0%, respectively, in 2022. While APAC presents a fast-growing and emerging PAM market, NA is still driving the current global PAM market. Thus, the company's small market share in North America will potentially affect its growth pipeline in the next 1 to 2 years.

FROST PERSPECTIVE

- ARCON's market position will improve through its upcoming product road maps and innovative offerings in the next 1 to 2 years.

- The company will benefit from further CIEM and DevOps native integration in addition to providing passwordless access to customers. This integration will extend its PAM capabilities from legacy password management capabilities to protect customers' assets in cloud environments and provide better user experiences.

- Nonetheless, ARCON must enhance its sales and marketing efforts for its enhanced PAM platform to create product awareness, acquire new customers, and depend less on expansion deals from existing clients.

- ARCON should also expand its channel partner ecosystem in North America to boost its business performance in the global PAM market while ensuring a strong growth pipeline.

Source: Frost & Sullivan

BeyondTrust

INNOVATION

- BeyondTrust is well-positioned on the Innovation Index of the Frost Radar™ due to its extensive PAM capabilities.

- In 2022, the company introduced its new intelligent Identity Access Security Platform that integrates with BeyondTrust applications in addition to its Unified Agent that enables control from the management console to offer centralized management and visibility.

- BeyondTrust has continuously enhanced its PAM portfolio. Leveraging the mega trends driving the market, BeyondTrust built its PAM solutions to seamlessly recognize customer needs through its CIEM, Remote Privileged Access Management (RPAM), JIT access models, zero trust architecture, cloud privilege broker, and DevOps Secret Safe offering.

- The company offers flexible deployment methods, both on-premises and cloud-based, including SaaS-delivered offerings.

GROWTH

- BeyondTrust's consistent YoY growth rate and expanding customer base have earned the company a high position on the Growth Index of the Frost Radar™.

- Frost & Sullivan estimates the company registered 20.4% YoY revenue growth in 2022, with NA as its largest market, followed by EMEA, APAC, and LATAM.

- Supported by global sales and marketing teams, the company has been actively engaged in data-driven customer campaigns, professional services, and channel partner programs worldwide. In an effort to expand its geographic reach beyond its large presence in the NA market, the company has increased its investments in the EMEA and APAC markets since 2021.

- BeyondTrust's continual acquisition of new customers results from its delivery of exceptional customer experiences and customers' rising interest in its SaaS offering.

FROST PERSPECTIVE

- BeyondTrust's robust growth pipeline and increased investments in EMEA and APAC will enable it to reach beyond NA and gain market share globally.

- The company's commitment to introducing new features and enhancements (e.g., enhanced analytics and reporting, new infrastructure access capabilities in RPAM, automated provisioning and deprovisioning of privileged access, and threat detection and response) will strengthen its market position.

- Although FedRAMP, the US government's standardized approach to providing security authorizations, has granted BeyondTrust In-Process designation for its Remote Support and Privileged Remote Access, the vendor must make greater effort to ensure it achieves full FedRAMP authorization in the next year so it can expand its cloud security offering even more. This milestone indicates that BeyondTrust is recognized as a PAM leader and is on track for full authorization.

Source: Frost & Sullivan

Broadcom

INNOVATION	GROWTH	FROST PERSPECTIVE

INNOVATION

- Broadcom lands among the bottom 5 competitors on the Innovation Index of the Frost Radar™ as it has yet to embrace industry-leading innovations.

- Although Broadcom's Symantec PAM supports a wide range of IT systems, including full integration with cloud zero trust network access (ZTNA), identity and access management (IAM), IGA, and SIEM solutions, offering advanced threat analytics using AI/ML, application-to-application password management (AAPM), and a new JIT approach in recent years, the company has yet to offer CIEM-compatible tools.

- Broadcom's Symantec PAM is available as software and hardware appliances; and in the last 2 years, the company has introduced its virtual appliances deployment option. Its ability to support virtualized and cloud environments means Broadcom's Symantec PAM covers multiple deployment options, including hybrid. However, the company has yet to offer a SaaS deployment option.

GROWTH

- Broadcom is positioned moderately on the Growth Index of the Frost Radar™ due to its relatively small global market share of 5.0%.

- Nonetheless, when compared to other industry players, Broadcom has a diverse customer base that is well distributed across all 4 global regions, but particularly in NA, EMEA, and APAC.

- Frost & Sullivan estimates that the company registered a 10.2% YoY increase in revenue growth between 2021 and 2022. In 2022, NA was its largest market, accounting for 33.1% of its global market share, followed by EMEA at 29.5% and APAC at 27.4%.

- With 10.0% share coming from the LATAM market in 2022, the company appears to have not yet strengthened its presence in that region.

FROST PERSPECTIVE

- While Broadcom's Symantec PAM supports DevOps, the company should consider improving its DevOps tools by offering new CIEM capability, secure remote access, and secrets management. This will help it move up on the Innovation Index.

- Although Broadcom built its Symantec PAM for consistent deployment across different and hybrid environments, it could improve these options further by offering SaaS delivery, which is the deployment method more customers will prefer in the next 1 to 2 years.

- In addition, the company could boost its market position and business performance by having a clearer sales and marketing strategy, such as positioning the Symantec PAM platform as the core offering in its go-to-market (GTM) strategy; directing its channel partner ecosystem toward cloud or SaaS-based PAM; and by upselling to both Broadcom and Symantec's previous customer base.

Source: Frost & Sullivan

CyberArk Software

- CyberArk is one of the 3 leading PAM market players on the Innovation Index of the Frost Radar™ and one of the first vendors in the market to provide a more comprehensive PAM portfolio.

- With decades of experience in vault technology and as the first market player to introduce secrets management and CIEM, CyberArk continues to demonstrate strong focus on innovation. For instance, in the last 2 years, it released new features and enhancements for secrets management, JIT function, and offline vault access for air-gapped environments.

- Recognizing the market direction and latest customer requirements, CyberArk has incorporated remote access, SaaS and self-managed offerings, a DevOps product (Conjur), and cloud-based security controls into its PAM portfolio. In an effort to enhance the industry standard for cloud privilege security, CyberArk acquired C3M in 2022, incorporating C3M's automated cloud monitoring and compliance capabilities into its solution.

GROWTH

- CyberArk is well-positioned on the Growth Index of the Frost Radar™, owing to its healthy YoY growth performance, especially across all 4 global regions.

- Frost & Sullivan estimates that the company registered YoY revenue growth of 19.0%, with the NA market contributing the most, followed by EMEA, APAC, and LATAM. Having the largest market share of approximately 19.3% in 2022, CyberArk continues to gain share globally.

- This market leader has been undergoing a transition from offering one-time perpetual licenses to a recurring subscription model. In 2022, the company made great progress with this business model transition, enabling it to cross-sell its offerings and ensure revenue predictability.

FROST PERSPECTIVE

- CyberArk offers a rich set of PAM capabilities and has a clear innovation strategy with focus on cloud privilege security.

- While CyberArk offers various deployment options (e.g., SaaS, self-managed, and software deployments with strong customer support) it should look into streamlining its deployment, software upgrades, and disaster recovery process to help ease deployment for customers.

- CyberArk has a solid business presence, particularly in the BFSI and manufacturing sectors, but in the next 2 to 3 years, the company needs to make its offerings more accessible to customer segments of all sizes, such as small medium-sized businesses that require smaller PAM deployments.

- To maintain its position as an innovation leader, CyberArk should continue pumping investments into the R&D of cloud PAM use cases as well as improve its PAMaaS offering.

Source: Frost & Sullivan

Delinea

INNOVATION

- Delinea holds a strong position among the top 3 leaders on the Innovation Index of the Frost Radar™ for expanding its PAM capabilities from securing access to accounts, devices, and CI/CD pipelines to managing the full life cycle of privileged accounts.

- Delinea offers a modern, cloud-native PAM platform, Secret Server with VPN-less secure remote access, DevOps Secret Vault, Server PAM, JIT, Privilege Manager for workstations, and Privileged Behavior Analytics using advanced AI/ML to protect access to privileged accounts, workstations, and servers on-premises and in the cloud.

- As a result of the Thycotic and Centrify merger, Delinea's PAMaaS, which offers strong PEDM and Secret Server vaulting technology, is considerably mature in the market. Given customers' increasing demand for PAMaaS, Delinea's ability to leverage this megatrend by focusing on cloud SaaS delivery of PAM services makes it stand out in the global PAM market.

GROWTH

- Delinea tops the Growth Index of the Frost Radar™ for recording tremendous YoY growth in the last 3 years, based on Frost & Sullivan's estimates.

- In 2022, Delinea achieved solid YoY growth of approximately 26.0%, which is higher than the market average, earning its global PAM market share of approximately 10.0%.

- As a leading PAM provider, Delinea experienced fairly strong customer acquisition growth in 2022. It has gained an edge over its market competitors on the strength of its far-reaching channel partner connections globally, largely gained from the merging of Thycotic and Centrify in April 2021. The combined strength of both brands' portfolios empowers Delinea to serve customers from all segments.

FROST PERSPECTIVE

- While Delinea remains focused on the NA market, its presence in EMEA is on track to grow at a rapid pace for the next 3 to 5 years as it continues to make regional expansion investments.

- Leveraging its extensive partner ecosystem worldwide, Delinea should capitalize on its FedRAMP authorization to expand its business presence in the government and public sectors and establish a sustainable growth pipeline.

- Though the company has made its Delinea Platform available to Secret Server customers since the end of 2022, it should better communicate its innovation road map strategy for cloud security and for developing its cloud-native CIEM offering and threat analytics to help customers mitigate risks in the cloud environment.

- Delinea should also direct its GTM strategy and channel partner program's focus on cloud security, instead of solely on its core business, to solidify its leadership in the global PAM market.

Source: Frost & Sullivan

Kron Technologies

INNOVATION

- Kron Technologies ranks among the bottom 3 competitors on the Innovation Index of the Frost Radar™, partly because it has yet to offer industry-leading and increasingly sought after PAM technologies.

- The company offers both public and private PAMaaS offering with a multitenancy architecture; however, it has yet to fully offer cloud-based SaaS that can provide secure remote third-party access. Its out-of-the-box plugins for native DevOps tools also remain limited.

- Since 2021, Kron Technologies has made improvements to its Single Connect™ PAM suite, offering features such as unified access manager, sensitive data discovery, and user behavior analysis and anomaly detection. Nevertheless, it does not offer its own new CIEM capabilities.

GROWTH

- Kron Technologies ranks low on the Growth Index of the Frost Radar™ due to its small market share, relative to other players in the global PAM market.

- Frost & Sullivan estimates that the company registered YoY growth of 4.6% in 2022, with EMEA making up nearly 63.8% of its total PAM revenue. Its business presence in regions outside of EMEA, especially APAC and LATAM, remains small.

- Kron Technologies has a diverse customer base, but its GTM strategy appears to focus on highly regulated industries, especially the telecommunications sector, as its Network AAA offered as a single, unified product is highly demanded in this sector.

- In 2022, the company added PKWare (US) and Damovo (Europe) to its partner network as part of a strategy to drive growth and expand its market reach.

FROST PERSPECTIVE

- Frost & Sullivan recommends Kron Technologies leverage its customer base in the telecommunications sector to expand its global PAM market reach.

- The company will benefit from its clear product road map strategy involving enhancements for its session manager, data access manager, multi-factor authentication (MFA), and threat analytics.

- Frost & Sullivan expects the company's Innovation Index position will improve if it invests more in its AAPM and AI capabilities to improve its threat analytics and user behavior analysis, as well as in its cloud-based PAM capabilities to expand reach in different cloud platforms.

- The company should revamp its GTM strategies and work closely with channel partners to market its Single Connect™ PAM suite to customers outside of its core market. Improving customers' perception of Kron Technologies will improve its market position.

Source: Frost & Sullivan

ManageEngine

INNOVATION

- ManageEngine is still working to catch up to offer PAM capabilities and boost its competitiveness with other industry players. The company ranks second-lowest on the Innovation Index of the Frost Radar™ because most of its recent releases are offerings have only brought it up to speed with similar products already in the market.

- In the past year, ManageEngine has made enhancements to its PAM360, such as introducing PAM360 Remote Connect, self-service privilege elevation for Windows, and automatic discovery of new privileged accounts while including integrations such as Kubernetes (K8), SIEM, ITSM, an RPA tool, and a hardware security module (HSM). Nevertheless, its workflow automation remains limited, and it lacks connector support for cloud-based deployment.

- The company has yet to offer the latest PAM capabilities today's customers require, such as SaaS delivery and native integration for DevOps.

GROWTH

- Compared to other leading PAM industry players, ManageEngine achieves a fairly low position on the Growth Index of the Frost Radar™ due to its small global market share of 2.2%.

- Frost & Sullivan estimates ManageEngine's PAM revenue in 2022 reflects a 15.7% YoY increase from 2021, with NA as its largest market, followed by APAC, EMEA, and LATAM. However, its business presence in LATAM remains relatively limited.

- The major adopters of ManageEngine's PAM offering stem from the technology and BFSI verticals while the energy sector is the fastest-adopting vertical. This adoption trend will likely continue for the next 2 to 3 years.

- To expand its market presence, ManageEngine will continue to establish strategic relationships with channel partners worldwide while leveraging its transparent pricing structure, which neither limits the number of end users and endpoints nor has any hidden customer support costs.

FROST PERSPECTIVE

- Frost & Sullivan recommends ManageEngine draw upon its established reputation in the IT management solutions space and its ability to create in-house solutions from the ground up to expand its PAM capabilities that customers increasingly require, including CIEM, cloud-native PAM360, connector support for cloud environments, and integration with IGA tools.

- Besides integrating its different PAM capabilities to allow centralized management and better user experiences, ManageEngine should provide more deployment options, including cloud or SaaS-based delivery, beyond its current on-premises software deployment.

- ManageEngine should continue to build strategic partnerships outside of NA and invest in marketing campaigns that will help build awareness of its PAM solutions.

Source: Frost & Sullivan

One Identity

INNOVATION	GROWTH	FROST PERSPECTIVE
• One Identity's continuous enhancements of and new feature releases for its PAM portfolio – the One Identity PAM Safeguard suite – have secured it a strong position on the Innovation Index of the Frost Radar™. • Some of the newly enhanced PAM capabilities in 2021 include Safeguard Secure Remote Access, a cloud-native privileged remote access with ZTNA, Safeguard Secrets Brokers for DevOps integrating DevOps tools, and endpoint privilege management. In 2022, enhancements included remote privileged access, secrets broker, DevOps tools, and CIEM offering in one platform. These new capabilities successfully address customers' latest PAM requirements. • Through the acquisition of OneLogin in 2021, the company provides customers with an end-to-end security portfolio, including PAM, IGA, and active directory management and security (ADMS), which reflects a more holistic PAM solution.	• One Identity's steady YoY growth and relatively large business presence across NA and EMEA have enabled it to achieve a solid position on the Growth Index of the Frost Radar™. • Based on Frost & Sullivan's estimates, the company registered more than 15.0% YoY revenue growth in 2022, accounting for approximately 10.2% of total global market share. EMEA remained its largest market in 2022, followed by NA, APAC, and LATAM. • By offering a competitive pricing strategy and building upon its channel partner program (e.g., One Identity Partner Circle Program) to shift its GTM strategy and address cloud security and identity security needs, One Identity continues to build its growth pipeline.	• One Identity's responsive customer support, full-featured web UI, and simplified UX in managing privileged users have been well received by customers. • The company's flexible deployment options that support either software, appliance, or SaaS cloud offer value by giving customers flexibility, especially its cloud-based deployments that help customers save on costs and fulfill their scalability needs. • Through its SaaS offering, remote privileged access, DevOps tools, and recent CIEM and PAM enhancements in 2022 (e.g., Safeguard Alchemy that enables frictionless onboarding to Safeguard SaaS, deeper MFA, and password-less autologin), One Identity exemplifies commitment to addressing megatrends that will enhance its brand value in the PAM market. • One Identity's customer base and market position will improve after securing higher SaaS revenue if it enhances this offering, such as gaining SOC2 certification for its SaaS and a stronger partner ecosystem in APAC and LATAM.

Note: UI = user interface; UX = user experience

Source: Frost & Sullivan

OpenText

INNOVATION	GROWTH	FROST PERSPECTIVE

INNOVATION

- OpenText ranks among the competitors on the bottom half of the Innovation Index of the Frost Radar™ as it works to catch up with its more innovative industry peers.

- Although the NetIQ PAM solution, previously owned by Micro Focus before OpenText's acquisition of it in January 2023, has been contributing incremental improvements to OpenText's PAM platform (including AAPM, MFA, privileged access elevation, risk-based intelligence, and integration with other NetIQ IAM products), it does not offer fully native DevOps integration, CIEM, and other cloud-based PAM capabilities that customers need to manage privileged access in cloud environments.

- OpenText's NetIQ PAM solution is available on-premises, in cloud, and recently via SaaS deployment. However, its SaaS offering remains limited.

GROWTH

- OpenText occupies a low position on the Growth Index of the Frost Radar™ having experienced slower YoY revenue growth in 2022 as compared to other industry players in the PAM market.

- Frost & Sullivan estimates that the company recorded YoY revenue growth of less than 6.0% in 2022, with NA as the largest market contributor, followed by EMEA, APAC, and LATAM. Its business presence in APAC and LATAM remains small.

- While the company has been pushing for a SaaS business model through its investment in new SaaS capabilities, its growth in this area remains comparatively slow and nascent.

- Frost & Sullivan expects OpenText to bounce back following the acquisition of Micro Focus in January 2023. The acquisition gives OpenText wider channel partner connections, making it accessible to a larger customer base.

FROST PERSPECTIVE

- Frost & Sullivan recognizes OpenText's in-house R&D efforts toward enhancing its PAM solution, such as the inclusion of JIT provisioning and enhancements to its credentials vault. Nevertheless, most of the company's recent releases are catch-ups in the market. The company should consider leveraging market megatrends and customer needs by offering more comprehensive DevOps, CIEM, and cloud-based PAM capabilities.

- The company will also benefit from having a clearer GTM strategy after the Micro Focus acquisition, including upselling NetIQ PAM to OpenText's existing customer base and enhancing its sales and marketing efforts to boost the market perception of its enhanced PAM platform. Leveraging both companies' enterprise software solutions and expertise to provide customers with a superior value proposition while supporting their smooth transition will strengthen OpenText's business performance in the global PAM market.

Source: Frost & Sullivan

Saviynt

INNOVATION

- Saviynt ranks among the middle of the competitive pack on the Innovation Index of the Frost Radar™, given its relatively recent entry into the PAM market.

- Despite its limited time in the PAM market, the company's Cloud PAM provides a Bring Your Own Vault feature, JIT access, role-based elevation, password-less privileged accounts, session recording, and workflow management.

- Supporting cloud platforms such as Google, AWS, and Azure, Saviynt's Cloud PAM provides built-in CIEM and IGA features, enabling automated discovery of cloud workloads and entitlements to detect security misconfigurations. However, it has not yet fully integrated its DevOps tools nor does it offer JIT for RPA.

- Saviynt offers its Cloud PAM as a service only, from SaaS to IaaS. While it provides less flexibility for those who prefer on-premises or hybrid deployment, customers are increasingly opting for its cloud PAM and SaaS delivery.

GROWTH

- Saviynt occupies a solid position on the Growth Index of the Frost Radar™ due to its steady YoY revenue growth in the global PAM market since 2021.

- Frost & Sullivan estimates that Saviynt registered healthy YoY growth of approximately 35.0% in 2022. Contribution from the NA market was nearly 63.8% of Saviynt's total PAM revenue, making NA the biggest revenue generator followed by EMEA, APAC, and LATAM.

- Saviynt has established a diverse customer base across various verticals, with large enterprises in highly regulated industries as its target cloud PAM solution base, such as BFSI, energy, oil and gas, and healthcare.

- In 2021, Saviynt announced that it received $130 million from HPS Investment Partners and PNC Bank. This funding will help accelerate the company's R&D efforts and expansion plans beyond NA.

FROST PERSPECTIVE

- Frost & Sullivan recognizes Saviynt's focus on expanding its PAM as a service offering as well as plans to enhance the user experience and include both the BYO concept and automation in its PAM portfolio and technology. This resonates with customers' need to secure privileged access in cloud environments as more of them migrate infrastructure and data to the cloud.

- The company should focus more on enhancing its PAM capabilities to include full native DevOps integration, secrets management, and remote privileged access.

- To boost its market position, the company should consider strengthening its sales culture, GTM strategies, and channel partner ecosystem; doing so will drive its expansion beyond NA by working with MSSPs and distributors.

Source: Frost & Sullivan

Senhasegura

INNOVATION	GROWTH	FROST PERSPECTIVE
• Senhasegura is positioned moderately on the Innovation Index of the Frost Radar™ for providing a relatively comprehensive PAM solution through its 360° Privileged Platform.	• Senhasegura ranks among the bottom 5 competitors on the Growth Index of the Frost Radar™ with a small share of 1.2% in the global market, given that its PAM business remains predominantly in LATAM.	• In the last 2 years, Senhasegura has worked continuously to make its PAM portfolio even more comprehensive.

• Senhasegura is positioned moderately on the Innovation Index of the Frost Radar™ for providing a relatively comprehensive PAM solution through its 360° Privileged Platform.

• The company addresses mega trends by offering remote privileged access; DevOps secret management, including DevOps discovery capabilities to improve risk visibility; CIEM to detect vulnerabilities on cloud accounts; Cloud IGA; JIT; and automation. Nevertheless, its Domum RPA, CIEM, and MySafe are capabilities already present in the market that it incorporated in the last 2 years.

• The company offers different deployment options, including appliances (virtual or hardware), private and public cloud, and SaaS, which gives customers flexibility based on their business needs.

• As the company's largest customer group is in LATAM, it offers support services in both English and Portuguese but has yet to offer them in other local languages.

GROWTH

• Senhasegura ranks among the bottom 5 competitors on the Growth Index of the Frost Radar™ with a small share of 1.2% in the global market, given that its PAM business remains predominantly in LATAM.

• Frost & Sullivan estimates that the company registered strong YoY revenue growth of 70.0% for the global market in 2022 due to LATAM's high YoY revenue growth at 119.7%.

• In 2022, the LATAM market contributed more than three quarters of the company's total PAM revenue. Meanwhile, its market presence in NA, EMEA, and APAC remains small and represents the rest of its PAM revenue.

• After announcing in December 2022 that it has raised $13 million in a Series A-funding round from Graphene Ventures, a US-based venture capital firm, Senhasegura plans to expand into the NA and EMEA markets.

FROST PERSPECTIVE

• In the last 2 years, Senhasegura has worked continuously to make its PAM portfolio even more comprehensive.

• The company should consider enhancing its PAM universal tunneling for the OT space, CIEM, developer-focused capabilities, or its AI/ML resources in cloud entitlements as well as decentralized provisioning to gain a competitive edge as more organizations are looking for these solutions.

• Also, it would do well to expand its channel partner ecosystem and strengthen relationships with local channel partners, especially in NA, EMEA, and APAC, to help establish a notable market presence and achieve positive revenue growth momentum in regions outside of LATAM.

• The company will also benefit from a creating a clearer sales and marketing strategy and directing more effort toward promoting its cloud or SaaS-based PAM.

Source: Frost & Sullivan

WALLIX

INNOVATION

- WALLIX ranks as the third-lowest competitor on the Innovation Index of the Frost Radar™ given its slower place of innovation. Its recent enhancements are catch-ups to match what is already available in the market.

- For example, WALLIX recently allowed easier integration with IAM solutions, password management, and dynamic resource access management. As of 2022, it has not yet offered in-house CIEM capabilities; instead, it plans to offer CIEM via technological alliances in 2023 while its capabilities in privileged access governance and administration, account discovery, centralized management, analytics, and reporting remain limited.

- Customers can deploy WALLIX'S PAM4ALL on premises, in cloud, and as SaaS, which is an important deployment moving forward as more customers, especially SMBs, are increasingly adopting this deployment method.

GROWTH

- WALLIX is one of two competitors positioned lowest on the Growth Index of the Frost Radar™ due to its small market share of 1.6% in 2022, based on Frost & Sullivan's estimates.

- The company's minimal global market share is partly due to its small share and slow YoY revenue growth in LATAM and APAC. In 2022, LATAM contributed about 1.9% market share while growing at 2.6% YoY; APAC contributed 1.0% market share and grew at 2.1% YoY.

- In EMEA, the company's consistent GTM execution capabilities coupled with its competitive pricing strategy, which includes both perpetual and subscription license models for its PAM4ALL, offer potential ways to boost its market position and become one of the top 5 industry players in this region in the next 3 years.

FROST PERSPECTIVE

- As one of the few vendors that continues to invest in OT security, WALLIX will benefit from leveraging its brand reputation in OT and SCADA as well as local channel partners to expand its geographic reach beyond EMEA.

- Frost & Sullivan recognizes WALLIX's enhancement efforts in EPM, AAPM, and DevOps support during the last 2 years. The company should establish a clear road map strategy for IGA integrations, full native DevOps integration, and centralized management for PAM, EPM, and JIT in the next 1 to 2 years.

- Besides investing in R&D to enhance its cloud-based PAM capabilities, WALLIX should improve its customer user experience to increase the value proposition of PAM4ALL in the global PAM market and achieve its Unicorn25 goal of recording €100 million in revenue by 2025.

Source: Frost & Sullivan
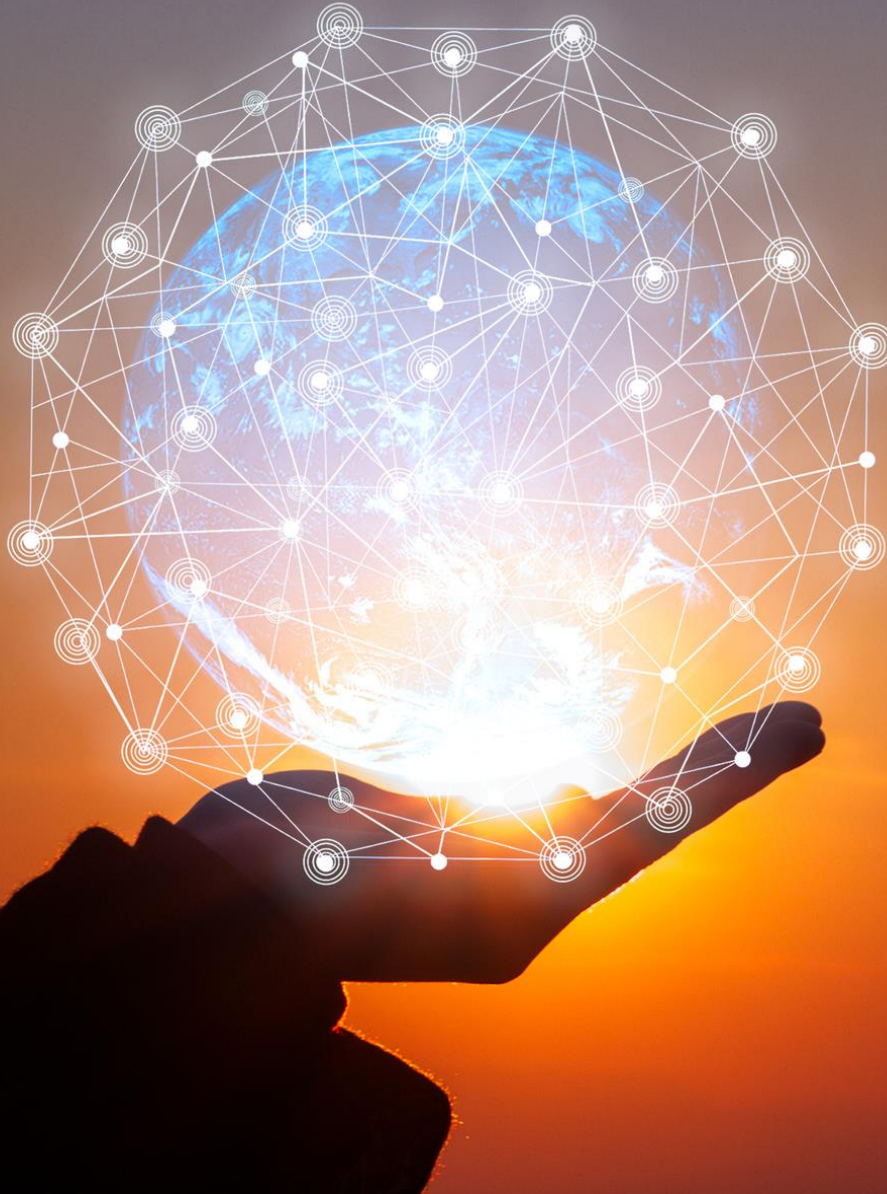
Strategic Insights

Strategic Insights

1

In response to customers' rapid adoption of cloud and the complex cybersecurity challenges cloud migration poses, leading PAM vendors must provide flexible deployment options, including SaaS-based delivery that supports customer use cases across different environments, such as on-premises data centers, private clouds, public clouds, and containerized environments.

2

The increasingly sophisticated threat landscape and the ongoing shift-left culture require PAM vendors to incorporate disruptive technologies into their PAM portfolios. To differentiate from the competitive pack, PAM vendors will need to fully integrate their PAM security with the CI/CD environment, DevOps, and CIEM tools in addition to offering professional services that support the shift-left security culture and ensure customers receive maximum value from their PAM investments.

3

Customers demand a unified approach that converges PAM solutions with other security technologies when managing privileged access and identities for operational simplicity. As a result, PAM vendors who continue to expand their PAM portfolio through converged functionalities and tight integration with additional technologies via R&D efforts will offer better security outcomes and help lower organizations' TCO, which will win them preference over other competitors.

Source: Frost & Sullivan

Frost Radar™ Analytics

Frost Radar™: Benchmarking Future Growth Potential

2 Major Indices, 10 Analytical Ingredients, 1 Platform

GROWTH INDEX ELEMENTS

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.

- **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

INNOVATION INDEX ELEMENTS

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.

- **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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