FROST & SULLIVAN

SOPHOS
RECEIVES THE 2023
COMPETITIVE STRATEGY
LEADERSHIP AWARD

Identified as best in class in the global next-generation firewall (NGFW) industry

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Sophos excels in many of the criteria in the next-generation firewall (NGFW) space.

AWARD CRITERIA

Strategy Innovation	Customer Impact
Strategy Effectiveness	Price/Performance Value
Strategy Execution	Customer Purchase Experience
Competitive Differentiation	Customer Ownership Experience
Executive Team Alignment	Customer Service Experience
Stakeholder Integration	Brand Equity

Navigating the Modern Threat Landscape

Most organizations cannot keep up with the ever-changing threat landscape and the onslaught of new multi-vector attacks. While many cybersecurity solutions perform well for specific security tasks, they can be inherently rigid and slow to adapt to new threats. To combat modern threats, organizations require agile solutions that can be customized to their requirements and risk exposure. Headquartered in Abingdon, UK, and with additional offices in North America, South America, Europe, Middle East & Africa,

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- Martin Naydenov
Sr. Industry Analyst

and Asia, Sophos protects organizations of all sizes across a wide range of industry verticals. The vendor's holistic product portfolio encompasses network, endpoint, email, cloud, operations, and managed security solutions, providing customers with a unified experience and enabling organizations to address the entire digital threat lifecycle. With its global customer success teams, Sophos is staying on top of emerging challenges and tailoring its security products to address the specific needs of its customers. Customer feedback is vital and periodically incorporated into Sophos' product innovation cycle to add new capabilities and improve overall performance. For example, with Sophos' proprietary "FRIENDS" system, the vendor works closely with each stakeholder to capture any feature requests, ideas, and endorsements from various sources, enabling it to build strong relationships with its customers and meet their evolving needs. As a result, Sophos has experienced rapid

growth over the last three years and established, with the help of its global distribution network, a market presence with over 500,000 customers and 100 million users.

Simplicity: The Key to Effective Cybersecurity

Although cybersecurity spending has increased over recent years, organizations are exposed to more threats than ever. This paradox is partially explained by the fact that it has become commonplace for organizations to merely add additional point solutions to their existing security stack, wrongfully assuming that it automatically protects against emerging threats. In reality, the growing number of point solutions often creates myriad data siloes, increases the total cost of ownership (TCO), and unnecessarily inflates IT complexity. The spike in cloud migration has further complicated IT and cybersecurity operations, resulting in the implementation of hybrid IT environments. To make matters worse, the Covid-19 pandemic forced many businesses to rush their cloud migration and digital transformation efforts, which created many vulnerabilities and blind spots across the IT ecosystem.

Sophos recognized the need for practical cybersecurity early on by offering a centralized security platform that removes the need for businesses to manage multiple point solutions from different vendors. With Sophos' "cybersecurity delivered" approach, organizations have a comprehensive turn-key solution that enables them to scale cybersecurity operations as required without further increasing IT complexity. In cases where organizations do not have the resources to protect their attack surface effectively, Sophos empowers customers to offload their work and opt for managed security services. Sophos' adaptive cybersecurity ecosystem gives customers the freedom to decide to which extent they want to be involved in security operations, whether self-managed, partially managed, or completely outsourced, enjoying the benefits of each option. By offering a flexible security platform, Sophos enables organizations to simplify their cybersecurity operations, reduce TCO, strengthen security posture, enhance visibility, and improve compliance.

Dynamic Security for Dynamic Networks

With the traditional security perimeter gradually disappearing and IT complexity steadily rising due to global digitalization efforts, conventional firewalls are no longer sufficient in protecting an organization's attack surface, as they lack critical visibility and control capabilities. Unfortunately, many network security providers offer fragmented solutions with inherent data siloes and discrete workflows, diminishing overall security operations. The same vendors often treat network performance as an opportunity cost, resulting in organizations having to compromise and give up network traffic performance for better firewall security.

Aware of these common pain points, Sophos developed a holistic platform that eliminates blind spots and improves an organization's security posture without introducing performance bottlenecks. Sophos Central (the vendor's cloud-based management platform) natively merges network, endpoint, email, cloud, and operational security to provide customers with end-to-end visibility and orchestration capabilities. This enables organizations to manage networks, end users, and applications regardless of

location. Sophos' firewall combines deep packet inspection (DPI), TLS decryption, sandboxing, web protection, and threat prevention capabilities into a unified experience. Underpinned by sophisticated AI/ML and threat intelligence technology, the vendor's firewall immediately identifies the latest malware and unknown threats before they can breach the network. With the help of its proprietary traffic flow acceleration technology (known as the Xstream architecture), Sophos firewalls offer dual processing power. This enables organizations to offload CPU-intensive tasks such as decryption to the designated Xstream Flow Processor, which accelerates data transfers across the entire network. When combined with other Sophos network solutions, such as zero-trust network access (ZTNA), SD-WAN, and web application firewall (WAF), organizations can build out a complete and integrated security framework that tackles cyber threats on all fronts.

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Conclusion

The average digital footprint of an organization has expanded exponentially with the growing utilization of hybrid IT environments, cloud computing, and the widespread adoption of remote working practices, creating numerous attack vectors for threat actors. While many security providers try to mitigate cyber threats by lumping various point solutions together, they inadvertently spike IT complexity, making organizations struggle with essential security operations. Sophos has capitalized on opportunities to simplify its product portfolio, solidifying its position as one of the leading NGFW vendors in the market. The vendor's centralized ecosystem consolidates network, endpoint, email, cloud, and operation solutions to maximize cross-functional synergies and offer organizations end-to-end visibility. Sophos' firewall offering removes the burden of choosing between security and performance with its Xstream acceleration engine, which balances data traffic between CPUs to optimize performance and keep the network secure. Due to continuous innovation and its cybersecurity-as-a-service approach, Sophos has created a flexible and highly manageable solution, allowing organizations to choose to which degree they want to handle security operations. As a result, Sophos has experienced steady growth rates and expanded its NGFW offering globally in the last three years. For its strong overall performance, Sophos earns Frost & Sullivan's 2023 Global Competitive Strategy Leadership Award in the next-generation firewall (NGFW) industry.

What You Need to Know about the Competitive Strategy Leadership Recognition

Frost & Sullivan's Competitive Strategy Leadership Award recognizes the company with a stand-out approach to achieving top-line growth and a superior customer experience.

Best Practices Award Analysis

For the Competitive Strategy Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Strategy Innovation

Strategy Effectiveness: Effective strategy balances short-term performance needs with long-term aspirations and overall company vision

Strategy Execution: Company strategy utilizes Best Practices to support consistent and efficient processes

Competitive Differentiation: Solutions or products articulate and display unique competitive advantages

Executive Team Alignment: Executive team focuses on staying ahead of key competitors via a unified execution of its organization's mission, vision, and strategy

Stakeholder Integration: Company strategy reflects the needs or circumstances of all industry stakeholders, including competitors, customers, investors, and employees

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at http://www.frost.com.

The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

Learn more.

Key Impacts:

- **Growth Pipeline:** *Continuous Flow of Growth Opportunities*
- **Growth Strategies:** *Proven Best Practices*
- **Innovation Culture:** *Optimized Customer Experience*
- **ROI & Margin:** *Implementation Excellence*
- **Transformational Growth:** *Industry Leadership*

The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- Mega Trend (MT)
- Business Model (BM)
- Technology (TE)
- Industries (IN)
- Customer (CU)
- Geographies (GE)