

Osterman Research Executive Summary

Email and IM Security Market Trends, 2004-2007

Report Focus

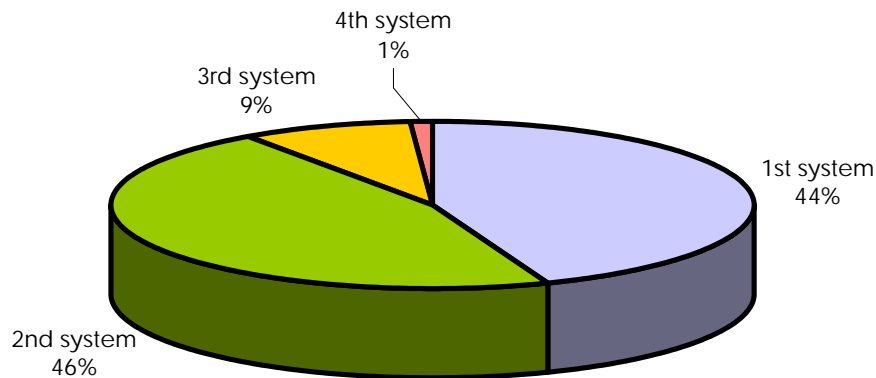
Any email user, IT manager, CIO or network administrator will attest to the fact that threats introduced into an organization through the email system and, to a lesser extent, the instant messaging (IM) system, are increasing. The goals of this research were to understand the current deployment of email and IM security technologies, including, anti-virus, anti-spam, content filtering, secure messaging and other technologies; problems with current messaging security technologies and practices; reasons that organizations are considering or would consider deployment of new solutions; market drivers that are shaping the market for messaging security technologies; current expenditures on messaging security technologies; and the marketing messages that would most resonate with potential customers of messaging security solutions.

Key Findings Presented in this Report

- Almost all organizations have had a virus, worm or other malicious content successfully enter their corporate network through email, and one in six organizations has successfully had such content enter through IM.
- The most serious problems faced by IT, in order, are spam, growth in email storage requirements, supporting remote users and inadequate email archiving.
- Anti-virus and anti-spam systems are very widely deployed in both smaller organizations (up to 2,000 email users) and larger ones. However, a variety of other email security-related systems have not yet found wide deployment, including image analysis, outbound email content filtering, secure messaging systems and IM content filtering.
- Out-of-pocket expenditures on email security capabilities average \$10.00 per user per year. However, smaller organizations spend about twice as much out-of-pocket for email security compared to larger organizations.
- Labor expenditures for email security are significantly higher than out-of-pocket expenditures. Smaller organizations' labor investments per email user are significantly higher than for larger organizations.
- Anti-spam capabilities are getting better for about two in five organizations, but getting worse for a significant percentage of them, both in terms of spam capture efficiency and in the generation of false positives.
- One of the most important purchasing decision criteria for anti-virus solutions is the length of time it takes for a vendor to issue an update after the outbreak of a new virus.

- Nearly one-half of organizations are using their second generation of anti-virus system, but only about one-third of organizations are using a second generation anti-spam capability.

Generation of Currently Deployed Anti-Virus System



- Although IT functions are primarily responsible for the creation and enforcement of basic email and IM security policies, IT management would like a significant increase in the amount of help they receive from other parts of the business, such as line-of-business managers.
- A large percentage of organizations would like integrated email security solutions instead of point, best-of-breed solutions.
- The vast majority of organizations prefer software-based solutions that are installed on internally managed servers.
- Organizations tend to object to the use of managed service providers (MSPs) primarily because of perceptions that the cost of an MSP-based solution is higher than for internally managed solutions, and because of concerns that message stores are not as secure as in systems that are managed in-house.
- As yet, there is little consensus on which email authentication schemes will ultimately win out.
- There is relatively little hope that legislative approaches will be effective at stopping the spam problem, although smaller organizations are significantly more hopeful that legislation will work to stop spam.

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About Osterman Research

Osterman Research, Inc. provides market research, cost modeling, benchmarking and related services to vendors of technology-based products and services.

We help vendors, IT departments and other organizations make better decisions through the acquisition and application of relevant, accurate and timely data on markets, market trends, products and technologies. We also help vendors of technology-oriented products and services to understand the needs of their current and prospective customers.

Part of what makes us unique is our market research panel: a large and growing group of IT professionals and end-users around the world with whom we conduct our research surveys. This allows us to conduct surveys quickly and accurately.

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