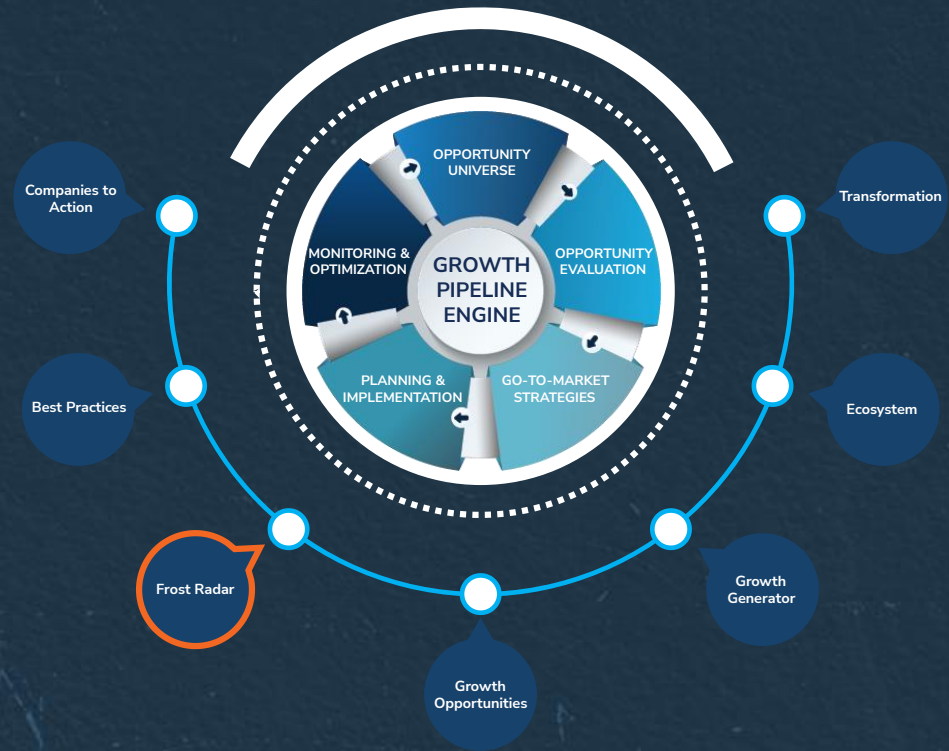


Frost Radar™ : External Attack Surface Management, 2024

A Benchmarking System to Spark Companies to Action - Innovation That Fuels New Deal Flow and Growth Pipelines

Authored by: Martin Naydenov
Contributor: Jarad Carleton



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Strategic Imperative and Growth Environment



Strategic Imperative

- The modern threat landscape has undergone a profound transformation, driven by the global push toward digitalization, that has led to expanded attack surfaces, heightened IT complexity, and increased risks in supply chains. Today, threat actors launch multi-vector attacks on organizations that target internal networks as well as external digital assets, such as social media accounts and third-party applications. Organizations have ramped up their cybersecurity spending and adopted an array of tools to mitigate these risks, but the efficacy of these measures depends on whether organizations have a solid understanding of their true risk exposure.
- External attack surface management (EASM) empowers organizations to understand their digital footprint and potential attack vectors. EASM focuses on discovering and securing digital assets accessible from outside an organization's network, ensuring that known and unknown assets are adequately managed and protected against external threats.
- EASM's ubiquitous function makes it a crucial part of various security functions. As a result, there is a wide variety of EASM providers in four main categories that are increasingly converging:
 - Pure-play vendors that specialize in EASM and provide deep expertise in protecting external assets
 - Cyber threat intelligence (CTI) vendors that expanded their use cases to include digital risk protection (DRP) and EASM to build out an external risk mitigation and management (ERMM) offering
 - Offensive security vendors that leverage EASM to augment and upsell other products and services, such as red teaming, pen testing, and breach and attack simulation (BAS)
 - Cyber asset attack surface management (CAASM)/attack surface management (ASM) platform vendors that consolidate various vulnerability and ASM tools to cover internal and external assets in a centralized platform

Strategic Imperative (continued)

- Amid this convergence, confusion persists because of overlapping capabilities and terminologies that vendors use.
- The EASM industry is growing steadily, fueled low barriers to entry for start-ups due to venture capital injections; advancements in data scraping engines, such as web crawlers; and the increasing demand for proactive protection. This has prompted nearly all cybersecurity vendors to offer some form of EASM, ranging from passive web scanning to asset inventory management.
- In response to this heightened demand and competition, more EASM providers are integrating CTI, DRP, third-party risk assessment, industry benchmarking, broader ASM, and generative AI capabilities to differentiate themselves.
- EASM enhances security solutions by providing insights into organizations' digital footprint and potential attack vectors, bolstering security ecosystems. However, practical implementation poses challenges, including quantifying EASM's value and making compelling business cases. To navigate market confusion and drive adoption effectively, vendors must focus on strategic marketing campaigns emphasizing outcomes and return on investment (ROI) rather than solely on capabilities.

Growth Environment

- Global EASM industry revenue will have a compound annual growth rate (CAGR) of 33.5% from 2024 to 2029. Advancements in AI; platform consolidation, such as integrating threat intelligence (TI) and exposure management solutions; and an emphasis on proactive security measures drive this growth. On average, EASM participants included in this Frost Radar™ analysis have seen revenue growth rates of 32% within the last 3 years, while marketing investments have averaged 25% of total revenue.
- Acquisitions, such as that of Cyberint by Check Point and Cybersixgill by Bitsight, are accelerating the growth of the EASM industry. Cybersecurity platform providers from adjacent sectors also are propelling it, either by developing proprietary solutions or acquiring smaller EASM vendors. North America and the region encompassing Europe, the Middle East, and Africa (EMEA) will remain focal points for vendors due to the prevalence of large enterprises with advanced security maturity and substantial IT/cybersecurity budgets. However, despite their smaller market sizes, APAC and Latin America are expected to exhibit slightly higher growth rates, reflecting an overall upward trajectory in security maturity in these regions.
- Finance, technology, and government will continue to be the most profitable verticals, with healthcare, utilities, and manufacturing poised for significant expansion. This growth is driven by escalating threats from targeted phishing campaigns, supply chain attacks, and Internet of Things (IoT) vulnerabilities. Regulatory frameworks, such as the Health Insurance Portability and Accountability Act (HIPAA), also indirectly drive EASM adoption in healthcare, with organizations focusing on continuous risk assessments across their supply chains.
- EASM solutions are best suited for organizations with advanced security maturity, elevated risk profiles, large IT budgets, and low risk tolerance—criteria typically associated with large and mid-market companies with strategic risk management capabilities and requirements. As a result, Frost & Sullivan expects large and mid-market organizations to remain the most significant growth areas throughout the forecast period.

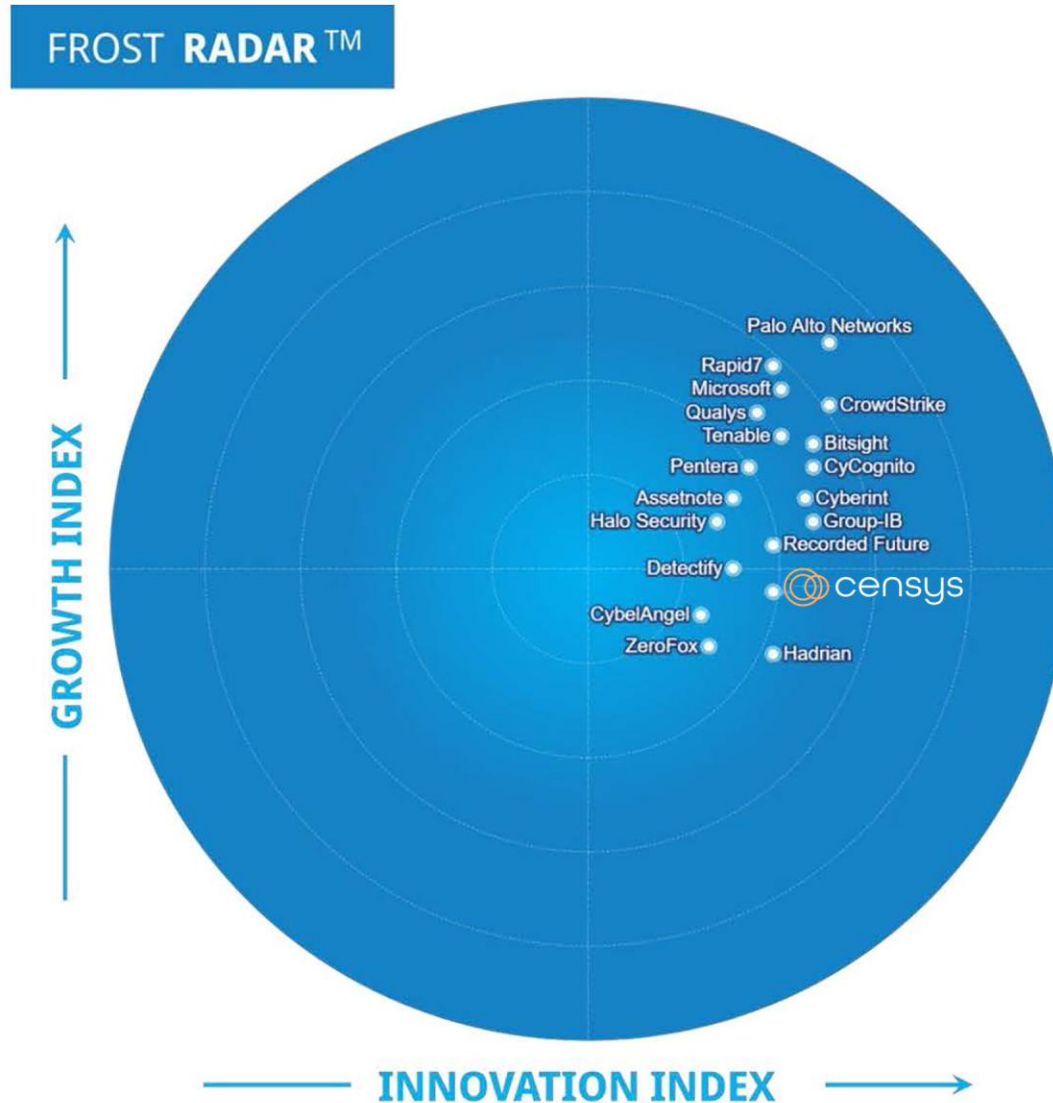
Growth Environment (continued)

- Small and medium-sized businesses (SMBs) are increasingly targeted by threat actors and also in need of EASM solutions. Through managed EASM services and managed security service providers (MSSPs), EASM vendors can expand their growth pipeline and cater to this traditionally underserved group.
- Frost & Sullivan studies related to this independent analysis:
 - [Global External Attack Surface Management Growth Opportunities](#)
 - [Global Cyber Threat Intelligence and Threat Intelligence Platform Growth Opportunities](#)
 - [Frost Radar: Global Cyber Threat Intelligence, 2024](#)
 - [Global External Risk Mitigation & Management Growth Opportunities](#)

Frost Radar™: External Attack Surface Management, 2024



Frost Radar™: External Attack Surface Management, 2024



Frost Radar™ Competitive Environment

- The EASM space features a diverse range of vendors with varying profiles, value propositions, and use cases. On average, these vendors allocate 40% of their revenue toward research and development (R&D).
- Palo Alto Networks maintains a dominant position on the Growth Index, commanding a substantial global EASM revenue share with consistent growth rates and a robust expansion pipeline. Palo Alto Networks and CrowdStrike are the leaders on the Innovation Index because of their extensive product portfolios and comprehensive EASM capabilities.
- Rapid7, Microsoft, Qualys, Tenable, and Pentera capitalize on their broad security portfolios to generate multiple revenue streams, leverage network effects, cross-sell products effectively, and create barriers to entry through vendor lock-in potential.
- Bitsight, CyCognito, Cyberint, Group-IB, and Recorded Future hold significant revenue shares and boast strong innovation roadmaps in the EASM space.
- CrowdStrike, Cyberint, Group-IB, Recorded Future, and ZeroFox are notable for their focus on threat intelligence, having expanded their use cases to include DRP and EASM over time, positioning themselves as comprehensive external risk management (ERM) solution providers.
- Niche players Assetnote, Halo Security, Detectify, CybelAngel, and Hadrian offer strong EASM solutions but have a narrower security portfolio, limited growth pipeline, and smaller global market shares.

Frost Radar™: Companies to Action



Censys

INNOVATION

- The Censys Internet Intelligence Platform offers two primary solutions—Attack Surface Management (ASM) and Threat Hunting—supporting diverse use cases such as EASM, cloud asset discovery, exposure and risk management, M&A risk assessments, and threat hunting. Its scalable platform serves organizations of all sizes, delivering daily attack surface discovery for real-time visibility and automatic protocol detection to uncover hidden services.
- With R&D investments ranking in the top percentile, Censys demonstrates a strong commitment to innovation. In Q3 2024, it introduced CVE Context in Censys Search, offering detailed vulnerability insights for prioritizing and remediating risks, and CVEs as Risks in Censys ASM, integrating CVEs into a risk framework for comprehensive and proactive ASM.

Censys (continued)

GROWTH

- Censys's EASM-only revenue share currently ranks in the 20th percentile, yet it has established a diverse customer base, serving organizations of all sizes, with a strong presence in government, technology, and the Fortune 500 across North America and EMEA.
- Supported by one of the highest marketing investments across the entire portfolio, ranking between the 80th and 100th percentiles, Censys has achieved steady revenue growth since 2021, positioning it in the 60th to 80th percentiles.
- In 2023, Censys secured \$75 million in Series C funding, fueling accelerated product innovation and driving global revenue growth.

Censys (continued)

FROST PERSPECTIVE

- Censys' substantial R&D and marketing investments underscore its strong growth potential. To maximize its growth opportunities and expand its pipeline, Censys should strengthen its presence in key verticals, such as finance, healthcare, and manufacturing.
- By reallocating R&D and marketing resources to develop industry-specific use cases, such as tailored reporting and benchmarking, and launching strategic marketing campaigns to highlight tangible benefits, Censys can capture a larger market share.

Best Practices & Growth Opportunities



Best Practices

1

Basic EASM capabilities are easily commoditized, so providers must differentiate through advanced features. These include comprehensive scanning, from passive monitoring to automated penetration testing, accurate validation to reduce false positives, and seamless integration with other tools to unify workflows. Automation streamlines asset management and remediation, while generative AI enhances efficiency by analyzing data, predicting trends, and automating processes, enabling proactive threat mitigation.

2

Information overload and alert fatigue make it imperative for security providers to integrate threat intelligence, automated validation, and exposure management into a unified platform. Advanced validation and automated penetration testing focus resources on real threats, reducing noise. By correlating alerts with contextual insights and simulating real-world attacks, the solutions prioritize risks and improve remediation efficiency, generating only high-risk alerts for teams to address critical threats effectively.

3

Vendors must focus on strategic marketing, highlighting ROI and value. Effective campaigns should demonstrate measurable benefits, such as improved visibility into attack surfaces, faster remediation, productivity gains through automation, enhanced security posture, and cost savings. Collaboration between vendors and organizations to track key performance indicators ensures that EASM programs meet evolving security needs and deliver tangible business benefits through a data-driven approach.

Growth Opportunities

1

EASM solutions face challenges including limited visibility, alert fatigue, and manual processes. AI can improve security and efficiency by automating tasks and reducing fatigue. Although AI is integrated for backend analytics, its full potential in cybersecurity is still evolving. Vendors must invest in deeper AI integration to stay competitive. Generative AI can drive automation and attack simulations, making AI partnerships crucial for maintaining an edge.

2

Historically, cybersecurity vendors offered isolated solutions, creating data silos and blind spots. As digital footprints grow, organizations need integrated solutions for full visibility. EASM customers seek expanded use cases, such as DRP and CTI, pushing vendors to consolidate them into unified external risk management platforms. To remain competitive, EASM vendors must integrate threat intelligence for cohesive systems.

3

The EASM market is becoming commoditized, with vendors offering similar use cases. Many organizations remain unaware of EASM's benefits, and misleading marketing hinders investment. However, as digital trust grows in importance, there is significant growth potential. Vendors should differentiate through targeted campaigns, addressing pain points such as information overload and productivity bottlenecks while avoiding jargon and overpromising outcomes to boost adoption.

Frost Radar™ Analytics



Frost Radar™: Benchmarking Future Growth Potential

2 Major Indices, 10 Analytical Ingredients, 1 Platform

Growth Index

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 (continued)

Innovation Index

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.

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



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.

Frost Radar™ Empowers the CEOs Growth Team

STRATEGIC IMPERATIVE

- Growth is increasingly difficult to achieve.
- Competitive intensity is high.
- More collaboration, teamwork, and focus are needed.
- The growth environment is complex.

LEVERAGING THE FROST RADAR™

- The Growth Team has the tools needed to foster a collaborative environment among the entire management team to drive best practices.
- The Growth Team has a measurement platform to assess future growth potential.
- The Growth Team has the ability to support the CEO with a powerful Growth Pipeline™.

NEXT STEPS

- **Growth Pipeline Audit™**
- **Growth Pipeline as a Service™**
- **Growth Pipeline™ Dialogue with Team Frost**

Frost Radar™ Empowers Investors

STRATEGIC IMPERATIVE

- Deal flow is low and competition is high.
- Due diligence is hampered by industry complexity.
- Portfolio management is not effective.

LEVERAGING THE FROST RADAR™

- Investors can focus on future growth potential by creating a powerful pipeline of Companies to Action for high-potential investments.
- Investors can perform due diligence that improves accuracy and accelerates the deal process.
- Investors can realize the maximum internal rate of return and ensure long-term success for shareholders.
- Investors can continually benchmark performance with best practices for optimal portfolio management.

NEXT STEPS

- **Growth Pipeline™ Dialogue**
- **Opportunity Universe Workshop**
- **Growth Pipeline Audit™ as Mandated Due Diligence**

Frost Radar™ Empowers Customers

STRATEGIC IMPERATIVE

- Solutions are increasingly complex and have long-term implications.
- Vendor solutions can be confusing.
- Vendor volatility adds to the uncertainty.

LEVERAGING THE FROST RADAR™

- Customers have an analytical framework to benchmark potential vendors and identify partners that will provide powerful, long-term solutions.
- Customers can evaluate the most innovative solutions and understand how different solutions would meet their needs.
- Customers gain a long-term perspective on vendor partnerships.

NEXT STEPS

- **Growth Pipeline™ Dialogue**
- **Growth Pipeline™ Diagnostic**
- **Frost Radar Benchmarking System**

Frost Radar™ Empowers the Board of Directors

STRATEGIC IMPERATIVE

- Growth is increasingly difficult; CEOs require guidance.
- The Growth Environment requires complex navigational skills.
- The customer value chain is changing.

LEVERAGING THE FROST RADAR™

- The Board of Directors has a unique measurement system to ensure oversight of the company's long-term success.
- The Board of Directors has a discussion platform that centers on the driving issues, benchmarks, and best practices that will protect shareholder investment.
- The Board of Directors can ensure skillful mentoring, support, and governance of the CEO to maximize future growth potential.

NEXT STEPS

- **Growth Pipeline Audit™**
- **Growth Pipeline as a Service™**

Next Steps



JOIN:
Growth Council

APPLY:
Companies to Action

ENGAGE:
Growth Dialog

PARTICIPATE:
Growth Council Think Tank

Does your current system support rapid adaptation to emerging opportunities?

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