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E-mail Security Market, 2009-2013

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SCOPE

This study provides an analysis of the E-mail Security market in 2009 and its potential growth over the next four years. It provides a detailed analysis of worldwide market trends, spam and virus figures, market size and growth forecasts, market share by vendor, vendor products and strategies, and more.

All market numbers, such as market size, forecasts, installed base, and any financial information presented in this study represent *worldwide* figures, unless otherwise indicated. All pricing numbers are expressed in \$USD.

METHODOLOGY

The information and analysis in this report is based on primary research conducted by The Radicati Group, Inc. It consists of information collected from vendors, and users within global corporations via interviews and surveys.

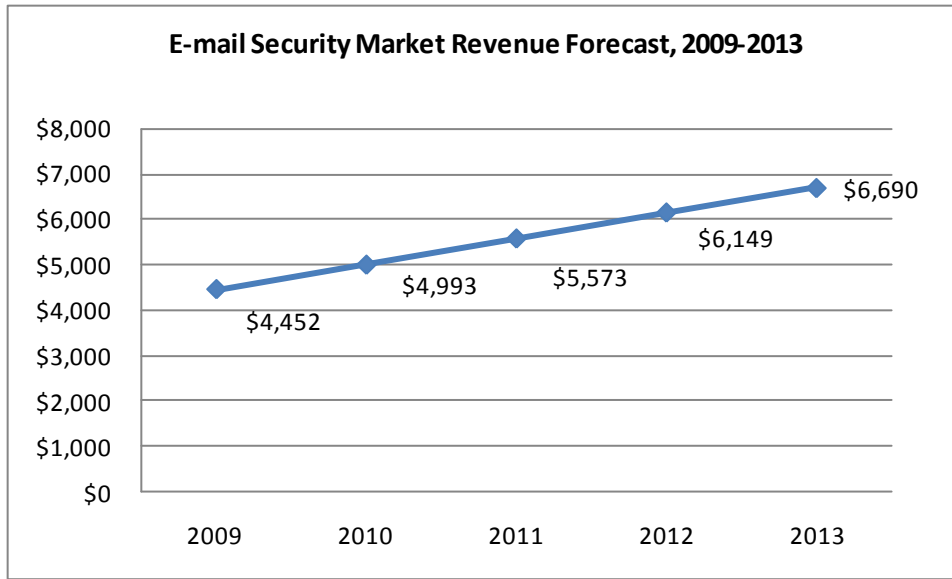
Secondary research sources have also been used, where appropriate, to cross-check the information collected. These include company annual reports and market size information from various market segments of the computer industry.

EXECUTIVE SUMMARY

- E-mail security is defined as any software, appliance, or hosted service that protects organizations against e-mail related threats by filtering out e-mail junk and malicious messages. Some of the major threats that an e-mail security solution is designed to protect against include: spam, viruses, directory harvest attacks and denial of service attacks.
- In addition, many organizations are worried about the security of the content travelling over their electronic channels. In response, a number of security vendors and service providers have added content filtering and Data Loss Prevention (DLP) capabilities to their security suites.
- The need for e-mail security solutions is directly related to the overall growth of the messaging market. According to our research, in 2009, a typical corporate user sends and receives about 167 messages a day. We believe that this number will grow to about 219 messages per day in 2013. For organizations, this growth in traffic means that they will need more effective defenses against all types of malware, to prevent any major interruptions to their business activity.
- Organizations poorly protected against e-mail threats pay a high price, losing millions of dollars in extra IT costs, productivity costs, network downtime, bandwidth costs, and more.
 - According to our research, a typical 1,000-user organization spends over \$1.8 million annually to manage spam.
- This study looks at the e-mail security market as comprising four segments: E-mail Security Software, E-mail Security Appliances, Hosted E-mail Security Services, and E-mail Security for Service Providers products and services.
- E-mail Security Software is the oldest and the largest segment of the e-mail security market. At the same time, the market for E-mail Appliances is growing the fastest. Appliances are easier to deploy and manage than software solutions, and offer peace of mind to companies that do not want to outsource their messages. After appliances, the Hosted E-mail Security services market is experiencing the second highest growth in the e-mail security space.
- Most organizations today have at least one basic e-mail security solution deployed. Many organizations have multiple layers of defense from multiple vendors. The majority of market

growth comes from upgrades to newer versions of their current solutions, or replacements with competing products and services.

- Even though there are still many security solutions focused on a single type of security threat (e.g. spam), the overall trend is to offer a complete package that protects against multiple threats. Most popular solutions, today, offer anti-spam/anti-virus, content filtering, encryption and some Data Loss Prevention (DLP) capabilities integrated together. These complete solutions are often made up of technology components sourced from multiple OEM suppliers. The key is that they are available from a single vendor, and all capabilities are managed centrally.
- An increase in “blended” attacks has prompted more vendors and service providers over the past 12 months to add Web protection to their e-mail security suites. Blended attacks occur when an e-mail containing Web links leads users to infected websites. Not all vendors are offering these capabilities yet, however as the number of blended attacks increases quickly, we expect Web security capabilities to become more common additions to e-mail security suites.
- With the latest spotlight on the security of content travelling over electronic channels, encryption is becoming a more standard feature for e-mail security suites. Some suites give end users a choice to do encryption manually, on a message by message basis, while others can automatically encrypt all outgoing messages that are considered to be potentially sensitive based on automatic scanning.
- Revenue in the e-mail security market for all four segments we analyze in depth in this report (Software, Appliances, Hosted Services, and E-mail Security for Service Providers) is forecasted to grow from slightly over \$4.4 billion in 2009, to nearly \$6.7 billion in 2013.



E-mail Security Market Revenue Forecast, 2009 – 2013

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