

*NRI SecureTechnologies, Ltd.*  
*Recognized as the*

**2021**

**Company of the Year**

Japan Managed Security Services Industry  
*Excellence in Best Practices*

**/ NRI SECURE /**

## 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. NRI SecureTechnologies (NRI Secure) excels in many of the criteria in the Japan managed security service space.

AWARD CRITERIA	
<i>Visionary Innovation &amp; Performance</i>	<i>Customer Impact</i>
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

### Leadership Focus

*“Organizations have rising security awareness on protecting their assets. However, a scarcity of human resources and skilled security experts challenges many companies adopting new technologies and launching services to propel digital transformation. To focus on core business operations, enterprises seek external support to address their security operations. NRI Secure’s strength is creating customized solutions and services for companies.”*

**- Amy Lin, Industry Analyst**

Enterprises are facing evolving threat landscapes with increasingly sophisticated attacks, making security a critical issue. As such, organizations have rising security awareness on protecting their assets. However, a scarcity of human resources and skilled security experts challenges many companies adopting new technologies and launching services to propel digital transformation. With growing hybrid cloud and multi-cloud adoption, many enterprises have workloads in the cloud. It adds more complexity to the business environment and creates more attack surfaces, making management more difficult for organizations with limited skillful in-house human resources. To focus on core business operations,

enterprises seek external support to address their security operation, outsourcing to managed security service providers (MSSPs).

Established in 2000 in Tokyo, Japan, NRI Secure’s strength is creating customized solutions and services

for companies. Since its establishment, NRI Secure has branched off to form a subsidiary within Nomura Research Institute (NRI) Group and expanded its offerings to deliver various MSS in Japan. Compared with other MSSPs that provide relatively limited services, the company offers comprehensive services. This ranges from fundamental security assets monitoring and management and risk and compliance advisory services to advanced managed threat detection and response [e.g., threat hunting, managed endpoint detection and response (EDR), user and entity behavior analytics (UEBA), incident response, and distributed denial of service (DDoS) mitigation] and other emerging MSS services (e.g., cloud access security, managed cloud security, operational technology (OT)/industrial control system (ICS) security) to meet evolving customer needs. NRI Secure partnered with Netskope and Zscaler in 2020 to enable private access and strengthen its secure access service edge (SASE) offerings to manage internet access to distributed cloud environments. Leveraging its links with NRI Group, NRI Secure also provides end-to-end solutions for a broad range of companies in conjunction with other NRI Group subsidiaries.

### ***Brand Equity***

Established in 1995 as a think-tank and systems integrator in Japan, NRI founded and headquartered NRI Secure in Tokyo, Japan, in 2000, as a subsidiary to provide cybersecurity services. With over 20 years of experience, NRI secure is the MSSP with the longest market presence, providing security services to many customers in Japan.

The competitive market landscape is fragmented, with local Japanese MSSPs dominating eight out of 10 service providers. Due to regulatory compliance barriers and customers' preference to partner with local providers, it is challenging for foreign companies to penetrate the market. This enables NRI Secure to solidify its leading position in the Japan MSS market further.

As mentioned earlier, NRI Secure provides comprehensive, end-to-end MSS offerings; risk and compliance management services; and sales and customer support. This enables positive brand perception among customers, allowing the company to continuously remain the MSSP with the highest market share in Japan. It gains brand reputation and customer trust by delivering comprehensive and trustworthy services.

### ***Visionary Scenarios Through Mega Trends***

As a mature and developed market, Japanese enterprises actively implement new technologies to pursue digital transformation. The information system and digital workplace infrastructure is evolving to respond to the changes. Due to the advantage of saving development time and cost, human resources, and scalability, a growing number of enterprises are migrating workloads to the cloud.

Japan also actively upgraded its technology and infrastructure in the past few years to welcome the Tokyo Olympics 2020. The Olympics is a stage for the country to showcase culture and technology development. In addition, it is necessary to embrace diverse technologies to ensure the event goes smoothly amid the COVID-19 pandemic. The pandemic also compelled enterprises to shift to remote work or hybrid working environments, necessitating more employee support such as file sharing and collaboration tools to improve productivity. These trends will continue to increase MSS demand and spur digital transformation in the coming years.

Due to the two significant market drivers, digital transformation and increased demand for remote work, NRI Secure reinforced its MSS solutions for cloud security in Japan. On top of traditional security solutions [e.g., firewall, intrusion detection system (IDS)/intrusion prevention system (IPS), and email and web filtering], it offers various cloud security solutions by leveraging multi-cloud security control technology such as cloud security posture management (CSPM), cloud workload protection platform (CWPP), and cloud access security broker (CASB).

*“The Tokyo Olympics 2020 and the COVID-19 pandemic spur enterprises’ digital transformation and increased demand for remote work in Japan, driving them to embrace new technologies. One of the changes includes migrating workloads to the cloud. In response, NRI Secure strengthened its cloud MSS solutions.”*

*- Amy Lin, Industry Analyst*

Many companies in Japan are shifting from focusing on continuous asset security monitoring, management, and reporting to more proactive measures to detect and respond to advanced, persistent attacks. Therefore, a rising number of enterprises view managed EDR services as the priority to enhance their security resilience. With CrowdStrike, NRI Secure provides customers managed EDR services to monitor endpoints and quarantine breached endpoints.

### **Financial Performance**

Based on Frost & Sullivan’s research, NRI Secure continues to be the leading MSSP in the Japanese market in 2020, accounting for 9.7% of the market share. Although some smaller local MSSPs entered the market, causing price competition, NRI Secure recorded a 15.7% year-on-year growth rate in 2020 by delivering comprehensive services and positive experiences. Its strongest verticals were banking, financial services, and insurance (BFSI), followed by manufacturing and service providers.

The company continually invests in advanced services as Japanese enterprises improve their cybersecurity resilience, especially the BFSI, government, and manufacturing verticals. Frost & Sullivan expects the company to continue enhancing its popularity in the Japanese market due to its proactive attitude in MSS spending.

### **Customer Purchase and Service Experience**

NRI Secure’s critical competitive advantage in the Japanese MSS market is its meticulous supporting services. The company has a strong security team. It employs more than 140 skilled security operations center (SOC) analysts with exceptional knowledge and in-depth experience in IT security. These analysts are in Japan, the United States, and India, supporting NRI’s global business and providing 24x7 monitoring for customers.

Compared to other companies with one account executive to support the client, NRI Secure assigns three account executives specializing in IT security to understand the customer’s security environment. This allows NRI Secure to gain a thorough understanding of customer needs to provide appropriate services.

The company also has consulting, assessment, and solution development departments, enabling its MSS department to work with other departments to support clients when they have additional requirements

to complement their MSS services. Frost & Sullivan recognizes that a strong security expert team, complimentary service provision capabilities, and tailored services to fulfill customer demands give NRI Secure a competitive advantage in the market.

## Conclusion

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Frost & Sullivan recognizes NRI Secure's leading market position, advanced MSS offerings, and cybersecurity expert team in meeting customer requirements in Japan's MSS sphere. As professional MSSPs with over 20 years of market experience, NRI Secure continuously enhances its capabilities and works with NRI Group's other departments to offer comprehensive end-to-end services.

With its strong overall performance, NRI SecureTechnologies earns Frost & Sullivan's 2021 Japan Company of the Year Award in the managed security services industry.

## What You Need to Know about the Company of the Year Recognition

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Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

### Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

#### *Visionary Innovation & Performance*

**Addressing Unmet Needs:** Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

**Visionary Scenarios Through Mega Trends:** Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

**Leadership Focus:** Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

**Best Practices Implementation:** Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

**Financial Performance:** Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

#### *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

