FROST & SULLIVAN

CROWDSTRIKE

2022
COMPANY OF THE YEAR

ASIA-PACIFIC
MANAGED DETECTION AND
RESPONSE 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. CrowdStrike excels in many of the criteria in the managed detection and response (MDR) space.

AWARD CRITERIA	
Visionary Innovation & Performance	**Customer Impact**
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

Addressing Unmet Needs

More organizations are adopting cloud, artificial intelligence, and the internet of things to improve operational efficiency. Unfortunately, technology usage has expanded the threat landscape, which includes traditional threats, such as ransomware and malware, and aggressive state-sponsored advanced persistent threats (APT) from geopolitical instability. Disruption to remote access controls due to evolving work policies enforced by many organizations also poses a threat. Organizations in Asia-Pacific face cost challenges and expertise availability in adopting adequate resources to handle increasingly sophisticated threats.

The threat landscape evolves continuously with new daily cyberthreats as attackers actively adapt their strategies to how organizations modernize their information technology (IT) infrastructure. The ever-expanding threat landscape has made it difficult for organizations to rely on traditional defense strategies to manage cyber-risks as they increasingly use interconnected applications in their operations. Organizations need an effective approach to secure their infrastructure to avoid disrupting their activities and possible data breach liabilities from regulatory non-compliance. Many lack the expertise, resources, and bandwidth to manage the growingly complex threat landscape; this is where MDR services come into play. MDR enables organizations to detect, analyze, investigate, and actively respond to threats. MDR providers will monitor an organization's endpoints, networks, and IT infrastructure, mitigating and

containing any detected threats in the environment. MDR helps organizations protect themselves from the ever-evolving threat landscape while reducing their burden of searching for security professionals.

CrowdStrike is a leading global cybersecurity company. It was founded in 2011 to provide organizations with a sophisticated cloud-native platform that protects endpoints, cloud workloads, identities, and data. Through its flagship MDR product CrowdStrike Falcon Complete, CrowdStrike has pioneered the concept of surgical remediation of compromised endpoints. CrowdStrike Falcon Complete can remove threats as soon as it detects them, allowing organizations to minimize costs due to disruption.

CrowdStrike's value proposition is unique as many traditional MDR providers only identify threats without remediating them; customers are expected to mitigate threats by themselves. Traditional MDR providers only focus on detecting high-severity threats, ignoring low-severity threats. This approach is no longer viable as organizations increasingly prefer MDR providers like CrowdStrike that are outcomes-focused and go the extra mile by tackling and mitigating threats.

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CrowdStrike has designed CrowdStrike Falcon Complete to detect low-severity and high-severity threats as any threat could lead to a critical infrastructure disaster if not mitigated. CrowdStrike Falcon Complete remediates all detected threats, shouldering the responsibility of threat management through CrowdStrike's in-house experts. CrowdStrike Falcon Complete is a robust management portfolio with various tools consistently added by CrowdStrike to meet evolving customer needs and environments. In the past 18 months, CrowdStrike has included cloud security (CrowdStrike Falcon Complete Cloud Workload Protection), identity protection (CrowdStrike Falcon Complete Identity Threat Protection), and observability (CrowdStrike Falcon Complete LogScale) to deliver better outcomes to customers.

Frost & Sullivan lauds CrowdStrike's ability to keep up with changing business needs and add relevant security products to its flagship MDR product. This approach positions CrowdStrike as a versatile MDR provider for organizations in Asia-Pacific.

Implementing Best Practices

CrowdStrike understands that gaining customer confidence requires it to stay at the forefront of innovation in the MDR industry. Because customer demands are constantly changing in line with rapid technological advancements, the company pushes the boundary to create an unrivaled and advanced security cloud infrastructure (CrowdStrike Security Cloud) that redefines how threats are detected. Breaches are completely prevented before they can occur.

CrowdStrike uses a feedback mechanism to proactively protect customers after identifying a threat. In today's modern threat landscape, a threat first present in a specific industry may spread to multiple industries. Providing comprehensive and near-universal security that can cover multiple systems and industry requirements assures customers of CrowdStrike's commitment to safeguarding them from

growing threats. Customers implementing CrowdStrike Falcon Complete and other CrowdStrike products are guaranteed effective information security in their operations.

To drive product innovation, CrowdStrike ensures every analyst in its CrowdStrike Falcon Complete team has received CrowdStrike Certified Falcon Administrator (CCFA) and CrowdStrike Certified Falcon Responder (CCFR) certifications. Analysts must also attend frequent training to keep abreast of the latest security development. This rigorous approach ensures CrowdStrike analysts can quickly and efficiently mitigate and process anomalies as soon as they are observed in customers' environments. The expertise advantage that CrowdStrike offers enables customers to improve other areas of their information security programs specific to their organizations. With CrowdStrike fully handling anomalies detected in the system quickly and effectively, customers can focus on more essential security projects instead of wearing their in-house security team thin. As organizations in Asia-Pacific continue to face security personnel shortages, CrowdStrike's strict training regime for its in-house MDR analysts gives the company a competitive edge. Customers can leave the responsibility of mitigating threats to the company.

> *"Frost & Sullivan estimates CrowdStrike to have recorded triple-digit growth in its managed detection and response services for Asia-Pacific from 2020 until 2021. Registering a YoY growth of 125%, CrowdStrike became the fastest-growing managed detection and response company in the region in 2021."*
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CrowdStrike has been increasing its sales and marketing efforts and expanding its channel partner ecosystem in Asia-Pacific to have a better reach in local markets. With each country in the region having different security readiness levels, CrowdStrike has prepared various engagements to overcome technological and cultural barriers. For example, CrowdStrike has translated the interface of its MDR services to the Japanese language to reflect its commitment as an MDR vendor that is ready to cater to any market. Organizations in Southeast Asia have various degrees of security maturity, and CrowdStrike engages with more local partners to understand each market. The company has signed a distribution agreement with Exclusive Networks, a value-added distributor with a strong presence in Southeast Asia, to deliver its MDR services to markets in the region. CrowdStrike has also inked a distribution deal with NEXTGEN, an enterprise software and cloud distributor, to expand their partnership beyond Australia and New Zealand into other parts of Asia. CrowdStrike has experienced success in Australia and New Zealand through NEXTGEN and fully entrusts the distributor to do the same in Southeast Asia.

Frost & Sullivan applauds CrowdStrike's strategic efforts and best practices in expanding its Asia-Pacific reach, such as translating its MDR service into local languages and choosing established distributors with a robust regional presence. CrowdStrike's commitment to understanding the local markets, overcoming technological and cultural barriers, and positioning itself as a reliable MDR provider will strengthen its growth in Asia-Pacific.

Leadership Focus

Since its inception, CrowdStrike has demonstrated its leadership in endpoint protection and cybersecurity. By successfully combining best-of-breed technology products with strong in-house expertise, the company has established trust with its customers. The demand for MDR expertise has expanded, and

CrowdStrike Falcon Complete is CrowdStrike's fastest-growing and quickest-to-adopt offering in its portfolio.

With its reputation as a leading MDR provider proven, CrowdStrike is now keen to penetrate the Xtended detection response (XDR) market. Many organizations in Asia-Pacific have adopted cloud technologies as part of their digital transformation journey and require cloud security to ensure operational efficiency. XDR provides organizations with a unified view across different security tools and endpoints, making it easy for organizations to mitigate threats in different environments. In September 2022, CrowdStrike announced Falcon Insight (EDR) is now Falcon Insight XDR, enabling all customers to leverage the power of native and hybrid XDR as a fundamental platform capability delivered from the CrowdStrike Falcon platform, with no disruption to existing EDR capabilities or workflows.

Frost & Sullivan is impressed with CrowdStrike's proactive approach in continuously expanding into new markets and cybersecurity areas while retaining its leadership in MDR.

Financial Performance

Frost & Sullivan estimates CrowdStrike to have recorded triple-digit growth in its MDR services for Asia-Pacific from 2020 until 2021. Registering a year-on-year (YoY) growth of 125%, CrowdStrike became the fastest-growing MDR company in the region in 2021. On a global scale, CrowdStrike increased its headcount from 3,394 employees in 2020 to 4,965 in 2021, primarily driven by headcount growth in Asia-Pacific. The company reported a nearly 50% YoY increase in headcount, hiring a wide range of professionals in sales, engineering, and marketing to cater to Asia-Pacific markets. This impressive growth indicates the strong business demand CrowdStrike is experiencing in Asia-Pacific.

CrowdStrike expects rising demand for MDR services in Asia-Pacific, particularly from countries such as Australia and Japan, where organizations embrace the cloud approach but lack the expertise to navigate the evolving threat landscape. CrowdStrike's success and brand in North America will position the company as the top-of-mind choice for many organizations in Asia-Pacific.

CrowdStrike's MDR services cater to various industries, such as manufacturing, banking and financial institutions, universities, utilities, and technology companies. The versatility of its solutions in dealing with threats in different industries will maintain its growth momentum in the future.

Customer Purchase Experience

To ensure a positive purchase experience, CrowdStrike provides a customer-centric and efficient onboarding process. After a purchase order is signed, the CrowdStrike Falcon Complete team will send the customer a welcome and onboarding email and arrange for an onboarding call. During the onboarding call, CrowdStrike's Security Advisor team will walk the customer through the process and its operational model. The CrowdStrike Falcon Complete team manages multiple new customers daily and can be operational in 10 days on average. This simple, quick, and effective onboarding process leaves customers with the responsibility of just attending the call and deploying the Falcon sensor to their endpoints, ensuring immediate return on investment. CrowdStrike's competitors, on the other hand, tend to take months to onboard new customers as they need to work through several technology integrations before deriving data and producing results.

The CrowdStrike Falcon Complete team has implemented a robust quality assurance function that regularly reviews customer interactions and incident handling cases to ensure consistent quality. CrowdStrike runs an intensive employee training program that uses internal and external industry training, hands-on laboratory exercises, and tabletop scenarios to maintain valuable and positive customer interactions. To qualify for the CrowdStrike Falcon Complete team, aspiring analysts must demonstrate quality and proficiency by completing a laboratory exercise called The Final Boss by CrowdStrike. This exercise is a rigorous assessment that puts aspiring analysts in multiple real-life scenario simulations to test their preparedness and knowledge.

Brand Equity

CrowdStrike sees enhancing its reputation as a provider of high-efficacy security solutions as critical to building long-lasting relationships with customers, channel partners, and technology alliance partners. Developing its brand and the robustness of its solutions will also attract new customers and partners. CrowdStrike relies on innovative marketing efforts, continuous product development, and its strength in differentiating CrowdStrike Falcon Complete from other cloud-based or legacy security solutions to promote its MDR products and establish its market reputation.

Ever the trailblazer, CrowdStrike delivers targeted content to demonstrate thought leadership in the security industry and organizes a wide range of talks and digital programs to attract prospective customers. CrowdStrike engages with customers through its global customer and technical advisory boards to understand their evolving needs and stay updated on the latest industry trends, using customer feedback to develop new cloud modules or refine its existing solutions. Its close customer relationships reflect customers' strong trust in the company and its security solutions.

While the MDR industry is intensely competitive, CrowdStrike's cloud-native and single-agent platform architecture with the CrowdStrike Falcon platform distinguishes the company from emerging and legacy competitors in the security industry. This robust architecture has allowed CrowdStrike to be flexible in the market, expanding its reach in legacy markets and next-generation security products. Frost & Sullivan believes CrowdStrike is well-positioned to maintain its leadership in the MDR space. CrowdStrike's architecture allows the company to expand its addressable market while entering adjacent markets.

Conclusion

Many organizations in Asia-Pacific find it challenging to navigate the evolving threat landscape while facing a market shortage of security professionals. These challenges deliver a one-two punch to organizations that need to secure their IT infrastructure while advancing their digital transformation journey. Organizations now prefer a service provider that can detect and remediate threats in their infrastructure.

CrowdStrike has emerged as the preferred MDR provider for many organizations in Asia-Pacific with its comprehensive flagship MDR product, CrowdStrike Falcon Complete. The company cements its leadership position by constantly adding new features to help customers deal with the evolving threat landscape. It has pulled ahead of the competition with its responsiveness to changing requirements, strategic expansion plans, and in-house best practices. Customers view CrowdStrike as a trusted MDR company with the versatility and robustness to safeguard their IT infrastructure from end to end. With its strong overall performance, CrowdStrike earns Frost & Sullivan's 2021 Asia-Pacific Company of the Year Award in the managed detection and response industry.

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

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

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)**

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