

F R O S T  S U L L I V A N

CROWDSTRIKE

2022
TECHNOLOGY
INNOVATION
LEADER

GLOBAL
ENDPOINT SECURITY 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 endpoint security space.

AWARD CRITERIA	
<i>Technology Leverage</i>	<i>Business Impact</i>
Commitment to Innovation	Financial Performance
Commitment to Creativity	Customer Acquisition
Stage Gate Efficiency	Operational Efficiency
Commercialization Success	Growth Potential
Application Diversity	Human Capital

Transforming Endpoint Security Solutions to Address Evolving Cyber Threats

The shift to remote working over the past two years has greatly contributed to an increase in Internet traffic, acceleration of the BYOD phenomenon, and a surge in connected devices. The increase in remote users adds to the complexity of endpoint security, as does the growing volume of web traffic and Internet usage, along with the increasing number and diversity of endpoint devices. Tighter integration between email, web, and application security are critical for overall protection as attackers have increased the volume and sophistication of web-based threats.

Endpoint security solutions must be able to protect against high-volume commodity attacks, but also protect against sophisticated, targeted and evasive threats that require real-time detection and prevention without sacrificing user productivity. Internet of Things (IoT) devices also need to be secured, with an emphasis on protection of the corporate network when accessed via these types of devices. Proactively implementing cybersecurity measures for threat detection and response allows monitoring to begin for future attacks. Organizations seek security vendors with endpoint solution offerings that span detection, containment, investigation, and response capabilities for increased protection against cyberattacks.

Innovative Commitment to Stop Breaches

CrowdStrike continues to evolve and refine its endpoint security solution to stay ahead of adversaries and stop breaches by securing the most critical areas at risk of compromise. Founded in 2011, CrowdStrike has a deeply ingrained culture of innovation that ultimately drives growth. The company takes pride in disrupting the market with its security products.

CrowdStrike leads the industry with regards to the application of artificial intelligence/machine learning to endpoint security, as well as providing unparalleled prevention of malware and malware-free attacks on and off the network. CrowdStrike's single, lightweight agent has extremely low performance overhead achieved by running its detection technologies – including artificial intelligence/machine learning algorithms – both on the agent and in the cloud.

Endpoint Protection Vision for Success

CrowdStrike's overall goal was to create a security cloud to protect any size organization and any number of endpoints. CrowdStrike has created an innovative platform that offers the tools, native capabilities, modules and services to support that goal. For endpoint protection, this includes: NGAV, EDR, XDR, integrated threat intelligence, device control, firewall management, managed services (including managed detection and response and managed threat hunting) and native security orchestration automation and response (SOAR). Responding to ever-growing cyber-attack sophistication, the CrowdStrike Falcon platform quickly recognizes emerging attack pattern trends, while automatically preventing threats across CrowdStrike's global customer base.

“CrowdStrike leads within the industry in applying artificial intelligence/machine learning to endpoint security, as well as providing unparalleled prevention of malware and malware-free attacks on and off the network.”

**- Sarah Pavlak,
Industry Principal**

Offering three levels of support tailored to the unique needs of the customer, CrowdStrike demonstrates brand strength and customer loyalty with 71 percent of its customer base using four or more of its modules. To fulfill its robust technology roadmap, continuous global expansion allows CrowdStrike's research and development plans to move at the pace of the adversaries, and to support constant, intelligent, customer-centric innovation.

Diversified Technology Integration

Endpoint security is one of many important tools that comprise the breadth of capabilities in the CrowdStrike Falcon platform. Designed to enable organizations to take a unified approach to detect and prevent attacks across endpoints, cloud workloads, identity and data – CrowdStrike leads the industry by providing customers with impactful protection in a “single pane of glass”, setting the CrowdStrike Falcon platform apart from its competition who require multiple products and interfaces to achieve protection. The Falcon platform extends capabilities beyond the endpoint to include: XDR, cloud security, identity protection, vulnerability management, IT hygiene, file integrity monitoring, threat intelligence and native security orchestration automation and response (SOAR). Additional innovation differentiators for CrowdStrike include security services such as MDR, managed threat hunting, Incident Response, and the

CrowdStrike Store, an enterprise marketplace where customers can discover, try, buy and deploy trusted partner applications that extend their investment in the Falcon platform

Leveraging mega trends, and adapting innovatively, CrowdStrike's Falcon platform secures diverse workloads through a single, lightweight agent that provides timely and reliable threat detection without the need to manage and update signature files. A significant number of CrowdStrike customers protect their cloud workloads using Falcon's straightforward user experience, removing the need for additional point protection products.

Financial Performance Driving Growth Potential & Customer Acquisition

CrowdStrike has achieved the highest growth rate in the global endpoint security industry over the last five years. In the company's fiscal period ended January 31, 2022, total revenue grew 66% over the prior year to reach \$1.45 billion, while its market share also increased. It has recorded market share gains each year since 2018. CrowdStrike's five year total revenue CAGR (fiscal 2017-2022) of 94% and rapid ascent to market leadership demonstrates impressive security market penetration in a short period of time.

"CrowdStrike is consistently using customer-focused innovation to drive growth – adding new modules regularly to expand its product line to encourage customer sales, increase revenue, and support market expansion."

**- Sarah Pavlak,
Industry Principal**

CrowdStrike has not only exponentially grown its core U.S. customer base, but also expanded its presence into EMEA, Latin America, and APAC.

The company has made several key acquisitions over the past few years that expands its technical capabilities. CrowdStrike is consistently using customer-focused innovation to drive growth – adding new modules regularly to expand its product line to encourage customer sales, increase revenue, and support market expansion. CrowdStrike has a low-

friction go-to-market strategy, a long-term TAM evolution strategy, and strong customer retention and expansion.

Conclusion

Frost & Sullivan applauds CrowdStrike for establishing a rapidly strengthening position in the Endpoint Security market. CrowdStrike's endpoint security solutions have had the highest growth rate over the last five years among global endpoint vendors, produced market share gains each year since 2018, and the highest three-year CAGR among the top ten endpoint vendors in a very crowded and competitive industry that demands continuous innovation.

CrowdStrike's success is the result of its aggressive technology roadmap and strategy in areas of applying artificial intelligence/machine learning to endpoint security. CrowdStrike combines this approach with integration across its broad product portfolio. These innovation techniques, along with an aggressive global sales and marketing program, place CrowdStrike on a path for continued growth.

For its strong overall performance, CrowdStrike earns Frost & Sullivan's 2022 Global Technology Innovation Leadership Award in the endpoint security industry.

What You Need to Know about the Technology Innovation Leadership Recognition

Frost & Sullivan's Technology Innovation Leadership Award recognizes the company that has introduced the best underlying technology for achieving remarkable product and customer success while driving future business value.

Best Practices Award Analysis

For the Technology Innovation Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Technology Leverage

Commitment to Innovation: Continuous emerging technology adoption and creation enables new product development and enhances product performance

Commitment to Creativity: Company leverages technology advancements to push the limits of form and function in the pursuit of white space innovation

Stage Gate Efficiency: Technology adoption enhances the stage gate process for launching new products and solutions

Commercialization Success: Company displays a proven track record of taking new technologies to market with a high success rate

Application Diversity: Company develops and/or integrates technology that serves multiple applications and multiple environments

Business Impact

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

Customer Acquisition: Customer-facing processes support efficient and consistent new customer acquisition while enhancing customer retention

Operational Efficiency: Company staff performs assigned tasks productively, quickly, and to a high-quality standard

Growth Potential: Growth is fostered by a strong customer focus that strengthens the brand and reinforces customer loyalty

Human Capital: Commitment to quality and to customers characterize the company culture, which in turn enhances employee morale and retention

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 fueled by the Innovation Generator™.

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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)**

