FROST & SULLIVAN

2024 CUSTOMER VALUE LEADER

IN THE GLOBAL PRIVILEGED ACCESS MANAGEMENT INDUSTRY

ONE IDENTITY by Quest

FROST & SULLIVAN

2024 BEST PRACTICES AWARD

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. One Identity excels in many of the criteria in the PAM space.



Market Challenges

Chief information security officers (CISOs) and security teams across various industries are finding it increasingly challenging to navigate the complexities of securing access to and preventing the misuse of privileged accounts. Businesses' increased migration to a dynamic cloud environment, the proliferation of remote privileged accesses and identities, and the ever-more sophisticated level of cyberattacks are driving the accelerating need to secure access to cloud resources. As legacy security features (e.g., credential vaulting, password rotation, activity monitoring) are no longer effective, CISOs are clearly seeking a different PAM approach that offers centralized visibility, incorporates automation, secures access in cloud resources, and converges with other adjacent security technologies.

Headquartered in California, United States, One Identity stands out from its competitors for its industry-leading PAM solutions. In March 2024, the company added One Identity Cloud PAM Essentials to its One Identity Unified Identity Platform, which already has maturity in Identity Governance and Administration (IGA), Access Management (AM), and Active Directory Management (ADM) to the platform as part of its continuous release of new features and enhancements to its PAM portfolio.

One Identity Safeguard provides a wide range of PAM capabilities, including privileged account and session management (PASM), privilege elevation and delegation management (PEDM), secrets management, and just-in-time (JIT) access (included as of version 7.5). Focusing on PASM, One Identity Safeguard integrates a secure, hardened password safe, session management, threat detection, and

analytics to secure and manage privileged access. It encompasses Safeguard for Privileged Passwords, Safeguard for Privileged Sessions, and Safeguard for Privileged Analytics, with additional options such as Safeguard On Demand, Safeguard Authentication Services, Safeguard for Sudo, Safeguard Secure Remote Access (a cloud-native privileged remote access with ZTNA), Safeguard Secrets Vault/Brokers (including DevOps options), endpoint privilege management, Starling Connect (cloud connectors provided as SaaS), Active Roles for advanced Active Directory delegation and elevation, and governance through the One Identity Manager IGA solution.

Frost & Sullivan's own research confirms that the company differentiates itself through its feature parity, regardless of customers' deployment type. It has built its session technology as a protocol proxy appliance at the network level, which reconstitutes network packets in order to build its proprietary video format, removing all possibility of missing any detail. One Identity continues to develop its SaaS, remote connectivity, and cloud services to enhance Safeguard's capabilities by allowing management of root and admin accounts on mobile assets - irrespective of network connection. It introduces API key management for Azure AD and AWS connectors, along with RDP Remote App Autologin for launching remote desktop application sessions within Safeguard. Compared to other market participants that have yet to properly recognize these megatrends, the company's PAM offering addresses the need for remote access, centralized management, AI/ML, DevOps tools, and cloud-based security controls. The company also clearly differentiates itself with the Safeguard Broker Service for DevOps, optional IGA tool functionality, CIEM functionality, and remote PAM (i.e., SafeGuard Remote Access); by converging PAM, IGA, AM, and AD/Entra ID management, it successfully addressed customers' latest PAM requirements.

While some market participants still lack deployment flexibility in their offerings, One Identity provides either software, appliance, SaaS- or cloud-based deployments, helping customers save on costs and fulfill their scalability needs. The company's release of One Identity Cloud PAM Essentials in 2024, which features advanced capabilities and delivers streamlined, scalable, and VPN-less secure access, will not only simplify its PAM with a SaaS-based solution, but also offer comprehensive security, manageability, and compliance. By 20223, the company had successfully achieved SOC 2 certification, including for the One Identity SaaS platform. Frost & Sullivan believes that this achievement represents a true milestone in the company's best practices in offering PAM and clearly distinguishes it from other market competitors.

Customer Acquisition and Growth Potential

One Identity recognizes the importance of integrating an identity fabric with its PAM solution to enhance overall identity and access management (IAM) capabilities, which ensures maximum efficiency and security across an organization. Through the Unified Identity Platform, the company offers an integrated approach to address identity sprawl and governance for its customers. The ability of this integrated approach to consolidate security strategies across on-premises and cloud environments with a modular and integrated suite of solutions allows customers to start from where they are, before increasing their security posture.

> *"One Identity's investment efforts in strengthening its PAM offering, its channel partner expansion strategy, and its committed support of the PAM market reflect its awareness that customers have different pain points that require unique attention. This dedicated focus on growth has clearly benefitted One Identity's clients and channel partners, facilitated customer acquisition, and fortified its growth pipeline."*
>
> ***- Ying Ting Neoh***
> ***Industry Analyst***

Customers have the flexibility to either adopt this unified approach solely from One Identity's portfolio or to integrate the company's capabilities using open standards. Aiming to lower customers' total cost of ownership and increase time to value, the company's Unified Identity Platform reduces the number of point solutions, vendors, and management overhead; provides streamlined support; and conducts validation and testing before integrations, which accelerates the implementation of changes and significantly benefits customers. To cater to customers' unique needs that often relate to company size as well as industry and regulatory requirements, One Identity also offers the flexibility to customize its PAM solutions.

The company continues to expand its channel partner ecosystem. In 2023, One Identity partnered with Asia-Pacific channel partners, including Weicloud, Accenture, and Exclusive Networks, and Latin American partners, such as Adistec, Kyndryl, and Alta Tecnologia, to boost its market presence beyond North America and Europe, the Middle East, and Asia (EMEA). Other new partnerships include DLT, SHI, and Dell in North America as well as TD Synnex, softwareONE, and Computacenter in EMEA. Globally, its partners drive about 50% of its customer relationships. As the company's global customer base has grown significantly, it has experienced even more demand for larger and increasingly complex deployments of its PAM solutions, which has required the collaborative development of efficient migration tools and automation processes with its partners.

The company continues to enhance its partner program to support customer growth while aligning it with service providers' needs. Besides improving their assets, its partners gain access to exclusive resources - including personalized news updates, immersive training on cloud adoption models, advisory boards, and marketing materials for its new solutions. As demand for PAM continues to grow, these expansion efforts are quite integral to helping channel partners scale their business while providing customers with information and tools for PAM, in addition to attracting and securing new clients.

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Customer Purchase, Ownership, and Service Experience

To succeed as a reliable provider of PAM and identity-centric security solutions, One Identity strikes a balance between maintaining operational efficiency and excellence while meeting customers' specific business needs.

The company prices its PAM offering based on factors including the number of products, volume, contract length, contact type (subscription or perpetual), and solution fulfillment route (direct or through a partner). To provide pricing flexibility, One Identity offers enterprise license agreements with significant discounts to organizations that are adopting multiple products with predictable budgeting, worldwide or affiliate licensing, reduced procurement costs, and unlimited license quantities.

One Identity is committed to providing its customers with positive experiences, from product sales to delivery to use. In the effort to further engage with clients and incorporate their feedback into its offerings, it has added a customer and partner feedback loop to its product roadmap, including customer input on user interface (UI) design to enhance the PAM customer experience; community site and user forums for discussions; as well as customer support surveys, such as customer satisfaction (CSAT) and net promoter score (NPS). Besides customer advisory boards and partner advisory boards where customers share their experiences and provide valuable input, the company's customer success managers guide clients through every phase of their journey; collect and analyze data related to client issues; educate stakeholders on One Identity's products; and onboard and work with professional security operative (PSO)/training to ensure new partners are trained on how to use its products.

Understanding the deployment and implementation struggles many customers face, the company strives to deliver industry-leading support services. Customers can either opt for a full end-to-end deployment option whereby One Identity provides a complete scoped implementation service, or they can attend training sessions under its Foundation packages (e.g., Safeguard Privileged Passwords Foundation or Privileged Passwords, and Session & Analytics) before customers' knowledge transfer and configure additional accounts on their own.

The company's product managers, technical sales team, and partners provide technical support to proactively address customer needs, whether through direct visits, roadmap discussions, annual catch-up programs, or the fulfillment of enhancement requests for new functionality. The company's support services range from Standard Support to 24x7 Support to Premier and Premier+ Support. As compared to Standard Support that offers services during local business hours in a single global region or 24x7 Support that offers around-the-clock support availability across multiple global regions, Premier support ensures that Safeguard customers greatly benefit from this in-depth, priority support service, which has faster response times that experienced Technical Account Managers and Advanced Support Engineers deliver. Through its One Identity Support Portal, customers can easily access extensive self-service resources, including knowledge base (KB) search containing solutions and workarounds, access to tutorials and videos, product documentation, troubleshooting guides, FAQs, tips and tricks, product notifications and alerts, product life cycle tables, and maintenance and fix releases.

As part of its practice to ensure fast and efficient resolution of customer issues, One Identity constantly works with its partner community to bring commendable security expertise in offering its managed and professional services; as well as customer success managers, technical account managers, and highly trained advanced support engineers who have strong understanding of its PAM solutions. Frost & Sullivan commends One Identity for establishing a customer-centric and thorough client journey from purchase to ownership and support services, which have provided stakeholders worldwide with an unparalleled and praiseworthy customer experience.

Financial Performance

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The combination of its extensive channel partner ecosystem and customer-centric offerings was instrumental in expanding One Identity's global customer base and achieving consistent double-digit year-on-year (YoY) growth in 2023.

One Identity's robust brand value continued to drive its solid growth across verticals in 2023, such as banking, financial, services, and insurance (BFSI); manufacturing; and healthcare. The company has successfully upheld its market position due to of its strategic go-to-market strategies, its ability to tailor PAM to different organizational needs, and its delivery of comprehensive guidance and streamlined support during customers' PAM implementation journey.

Conclusion

With its exemplary customer engagement efforts and focus on their unique needs supported by consistent product innovation, One Identity demonstrates commitment to delivering value-added services. Frost & Sullivan finds that One Identity stands out from other competitors for its industry-leading strategic go-to-market strategies, streamlined customer service experience, and ability to leverage its vast experience in the access management space.

With its strong overall performance, One Identity earns the 2024 Frost & Sullivan Customer Value Leadership Award in the Global PAM industry.

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What You Need to Know about the Customer Value Leadership Recognition

Frost & Sullivan's Customer Value Leadership Award recognizes the company that offers products or services customers find superior for the overall price, performance, and quality.

Best Practices Award Analysis

For the Customer Value Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

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

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

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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™.
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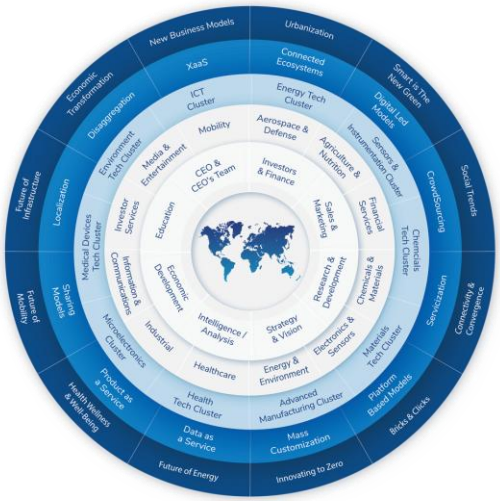
Key Impacts:

- **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)