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Cybersecurity – Services and Solutions

Next-Gen SOC/MDR Services

An analysis of the cybersecurity market that compares the attractiveness of portfolios and the competitive strength of providers

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Table of Contents

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Technological revolution and skills shortage drive the cybersecurity market in Germany

In increasingly challenging circumstances, cyber threats to companies in Germany are growing as cyberattacks become increasingly sophisticated, frequent, complex and adaptable. The shortage of qualified cybersecurity professionals is exacerbating the situation and driving demand for external services. New technologies favor cyber threats and also offer new business opportunities for service providers. Service providers that understand the requirements of different target groups and are proficient in both technical, business and regulatory aspects can also benefit here.

Those responsible in German companies are currently facing various challenges. The increased cyber threats in the context of political tensions, such as the war in Ukraine, and the trend toward remote working — along with the long-term trend of digitalization — have led to increased attack surfaces for cyber attacks in Germany, which require appropriate countermeasures. On the other hand, the weak economy is leading to financial challenges.

Business processes are increasingly being shifted to IT as part of digitalization. Intellectual property is also increasingly being represented digitally. As a result, the growing need to protect IT and communication systems has transformed IT security into corporate security. The increased use of home offices in Germany — and the resulting external connection of employees — has made IT systems more vulnerable to attack.

In addition to digitalization and increased remote working, the increasing provision of resources from the cloud has made IT systems more vulnerable and has led to the growing relevance of the zero trust approach and a loss of importance of perimeter security. The principle of *never trust, always verify* means, among other things, mutual authentication and continuous network monitoring.

Cyber criminals are implementing new, more sophisticated and more complex methods to overcome the cyber defense systems of

Multiple challenges are driving demand for external security services.

companies and authorities at ever shorter intervals. There have been a number of spectacular cyberattacks in the recent past, but less prominent attacks, such as ransomware, are also causing increasing problems for companies. Accordingly, cybersecurity measures must be completely up to date. Not least due to the shortage of IT specialists, especially in the cybersecurity market, companies and authorities are increasingly overwhelmed by this, and IT managers are increasingly using external services, such as security operations centers. These providers, as well as many IT security product providers, are increasingly relying on proactive rather than reactive methods based on AI, for example, to keep up with the threats themselves.

Not only companies' own protection, but also legal regulations such as the General Data Protection Regulation (GDPR) in the EU are forcing companies to implement stronger security measures to prevent cyberattacks. This continues to be a major challenge, especially for SMEs. In addition, many SMEs from certain sectors are currently being classified as infrastructure requiring special protection. Among other things, this will result in increased protection requirements and measures with regard to cybersecurity. The underlying EU Directive NIS-2 is expected to be transposed into national law in 2025.

SMEs are an interesting market segment for cybersecurity providers in Germany. Overall, SMEs have less mature IT security systems than large companies, but are forced to upgrade them due to the factors described above. As a result, they have significant progress to make and are, therefore, experiencing above-average growth in demand for cybersecurity solutions. A balanced customer structure of large and midsize companies is even more advantageous for security providers in order to benefit from the extensive budgets of large accounts. The current weak economy in Germany is not leaving the demand for cybersecurity solutions untouched, so that SMEs, with their above-average growth in demand, are becoming an increasingly attractive market segment that also needs to be adequately addressed. It is not enough to simply offer midsize customers a service for large customers. Rather, the entire go-to-market (GTM) approach — products, prices and communication — must be adapted to these customers. Communication and cultural aspects are particularly important in order to be accepted by SMEs as a provider that takes this segment seriously.

Despite the great importance of cybersecurity, IT managers are once again increasingly struggling with the task of legitimizing investments in cybersecurity vis-à-vis company stakeholders, especially the CFO. Unlike with other IT projects, it is not always possible to prove the profitability of cybersecurity investments; it is also not easy to quantify threat risks. On the other hand, more and more managers are recognizing that cyberattacks can lead to massive — and possibly existential — financial and reputational damage. As a result, IT security is becoming increasingly important in German companies, and senior management is becoming more involved in cyber risk management.

It is still the case that the cause of cybersecurity incidents is often not (solely) on the technical side. Rather, many attacks are facilitated by careless user behavior, such as phishing and Trojan attacks. In addition to up-to-date IT security equipment, user training and advice, therefore, continue to play an important role.

Advice is also increasingly in demand with regard to technical threats. In addition to cyber attacks and solutions based on AI, the need for advice is also increasing with regard to quantum-based attacks. These represent a new quality in attacks on the encryption of confidential data, which has now become much more urgent. While it was previously assumed that technical developments would leave time for concrete countermeasures until the end of the decade, this has changed due to new criminal strategies. With the *harvest now - decrypt later* approach, it has now become clear that the protection of data in the form of encryption needs to be reviewed and, if necessary, strengthened more urgently than previously assumed. As a result, the number of service providers that have adapted their consulting services to this new type of threat and opened up a new area of business has increased significantly over the last two years. These consulting services are currently still being used primarily by banks and insurance companies, as their assets consist of virtual

assets and are, therefore, potentially particularly at risk. Due to the dynamic development described above, demand is also rising sharply in other sectors of the economy.

Data leakage/loss prevention and data security (Products)

Interest in DLP solutions has increased significantly again in Germany in recent years. This is due to various factors that affect the security of data in companies. Data and intellectual property have become increasingly important and, in some cases, existentially significant corporate assets.

In addition, the increasing business use of private end devices poses a particular challenge in terms of protection against unwanted data leaks, as they are often beyond the configuration and control of the company's administration. Increasing regulatory requirements drive the demand for DLP solutions. AI supports manufacturers in offering powerful solutions.

Technical security services

Due to increasingly sophisticated cyberattacks and the pressing shortage of skilled workers, companies and authorities in Germany are increasingly reliant on external cybersecurity services to keep their IT security systems up to date.

Service providers that can offer a broad range of technical security services from a single source have a particular advantage in this market, as IT security projects are often complex and multifaceted.

Strategic security services

German companies are being called upon to protect their IT systems from damage in the face of increasingly frequent, intensive and sophisticated cyberattacks. It is no longer just the well-known large companies and public authorities that are affected, but increasingly also small and midsize companies. The shortage of IT specialists continues to make this situation more difficult.

Among other things, service providers that can offer their customers seamless end-to-end services and the integration of IT and security solutions from a single source have an advantage. In addition, in-depth knowledge of regulatory requirements is increasingly in demand, and advice on post-quantum encryption is becoming more important than previously expected.

Next-gen SOC/MDR services

The increasingly sophisticated cyberattacks are also driving demand for services from security operations centers (SOCs) and managed detection and response (MDR) services in particular. The shortage of qualified experts and the need for specialist knowledge that is always up to date make these services even more interesting for German companies.

Large and especially midsize customers appreciate SOCs with a German or EU location due to the increasingly important aspect of data protection (digital sovereignty). Integrated solutions comprising IT and associated security solutions, end-to-end security services and a high level of innovation are also important for both target groups in order to stay ahead in the race against cyber criminals.

Managed security service providers are increasingly turning to automation and AI to combat cyber threats. The ideal solution is to combine machine efficiency with comprehensive human expertise.

Quantum technology is becoming a threat to users faster than expected, but like AI, it also offers new opportunities for cybersecurity service providers. Service providers that address a balanced target group and master both technical and regulatory aspects have an advantage.

Report Author:
Bhuvaneshwari Mohan (Global - IAM)

AI-driven capabilities, zero trust and seamless UX are integral to IAM

The need for robust identity and access management (IAM) has become critical due to escalating cyberthreats, the expansion of hybrid work models and the widespread adoption of cloud technologies. IAM provides the foundation for secure operations, enabling organizations to innovate while meeting rigorous regulatory requirements.

Strategic importance of IAM for enterprises: IAM is foundational to building a resilient security posture that adapts to evolving threats and business demands and significantly strengthens security by reducing the risks of unauthorized access and data breaches. Key security measures such as adaptive and context-aware access controls, continuous identity risk assessments and zero trust architectures form the backbone of these efforts. Adaptive access controls leverage real-time analytics to identify and address unusual behavior effectively. Adopting zero trust frameworks within IAM systems is becoming a standard for securing access, regardless of the user's location or device. The cornerstone of zero trust is rigorous identity verification and access control; therefore, enterprises need robust authentication mechanisms.

In addition to enhancing security, IAM facilitates compliance with regulatory standards such as GDPR, HIPAA, CCPA, SOX and PCI DSS through real-time audit trails and automated user access provisioning. These capabilities prevent unauthorized access by providing visibility into user activity and safeguarding sensitive data. IAM also simplifies the adherence to complex regulations, allowing enterprises to focus on their core operations.

The IAM landscape is transforming significantly, driven by the need for secure, seamless identity solutions and evolving organizational needs. Below are the key IAM-related trends that ISG observed:

As an identity-centric approach taking **centre stage**, IAM has become a **strategic necessity**.

Emergence of decentralized identities: One of the most promising developments is the rise of decentralized identity models, which leverage blockchain technology to empower users to control their digital identities, enabling consent-driven authentication and privacy. Both verifiable credentials and decentralized identifiers are essential standards for decentralized identities. Customer identity and access management (CIAM) is gaining increased relevance with the rise of decentralized identities due to the evolving focus on privacy, security and user-centric control over personal data.

Growth of identity as a service (IDaaS): The rapid growth of IDaaS underscores the broad enterprise shift toward cloud-first architectures. IAM vendors are enhancing their IDaaS platforms to integrate seamlessly with SaaS applications and multicloud and hybrid cloud infrastructures. This trend enables organizations to achieve greater agility, scalability and security while adapting quickly to dynamic business and workforce demands.

Market consolidation and strategic acquisitions: The ongoing consolidation in the IAM market reflects a strategic effort by vendors to integrate advanced technologies and expand their product capabilities. For instance, Microsoft's sustained investments in this space reshape the competitive landscape. While these developments drive innovation, they also increase dependency on a few dominant players.

Adoption of biometric authentication and passwordless access: Enterprises are increasingly adopting biometric authentication and passwordless access to enhance security and UX. These methods, including facial recognition, fingerprint scanning and FIDO2-based keys, reduce dependency on passwords, mitigate phishing risks and align with zero trust principles for strong identity assurance.

Industry-specific IAM solutions: The unique requirements of different industries necessitate tailored IAM solutions. Healthcare organizations must comply with HIPAA while securing electronic health records (EHRs), utilizing granular access controls and secure telemedicine platforms. Financial services need to adhere to SOX and PCI DSS standards by implementing robust measures, such as behavioral analytics and multifactor authentication (MFA), to prevent fraud and ensure data integrity. Retailers require scalable IAM solutions to protect customer data and manage workforce access efficiently during peak periods.

Technological advancements and product innovations: The IAM market continues to evolve, with innovations such as AI-driven identity analytics, context-aware authentication and deep integrations with cloud platforms. AI and ML play a vital role in IAM solutions, analyzing and detecting unusual user behavior and automatically adjusting access controls based on real-time information. These advancements enhance the ability of IAM systems to detect anomalies, adjust access decisions dynamically, and support hybrid cloud and multicloud environments. Identity and threat detection and response (ITDR) solutions are emerging as an important aspect of IAM as they focus on proactive threat detection, real-time monitoring and anomaly detection to address identity-centric attacks effectively.

Challenges in implementing IAM

Integration complexities often arise when organizations attempt to align IAM with legacy systems, cloud platforms and third-party applications. These technical hurdles frequently demand specialized expertise and extended implementation timelines. The rapidly evolving threat landscape and the need for enhanced UX without compromising security further complicate IAM implementation.

Enterprises must thoroughly evaluate criteria such as the ability to provide seamless integration, enhanced end UX, product effectiveness, and improved cost and licensing models to ensure the selected IAM vendor aligns with their security needs, business goals and compliance requirements.

As AI is increasingly incorporated into identity security, it also poses many threats, such as AI model poisoning, model theft and synthetic identities. Therefore, AI-enhanced IAM systems should consider following zero trust principles, strengthening IAM configurations, regularly auditing and testing AI models, and maintaining a hybrid approach using AI for

assistance while maintaining human oversight in decision-making.

The IAM market is set for growth driven by rising cyberthreats, regulatory pressures and digital transformation. Investment in decentralized identity models, IDaaS and AI-driven solutions will likely accelerate. Opportunities lie in developing industry-specific solutions that address unique regulatory and operational requirements. Evolving real-time adaptive security measures, identity governance and compliance management will prioritize UX.

IAM serves as a strategic enabler that supports compliance, drives innovation and enhances UX. As the digital landscape evolves, investment in advanced IAM solutions will be crucial for organizations aiming to secure their operations and grow in an interconnected world.

This report examines the strategic significance of IAM for organizations across all sizes, highlights key IAM vendors and their capabilities from a global perspective and offers a detailed overview of the market landscape.

Identity solutions of hyperscalers such as AWS and Google Cloud are excluded from this assessment as they are designed primarily for securing their own cloud ecosystems and are not sold as standalone offerings.

At the core of zero trust lies rigorous identity verification and strict access control, emphasizing continuous, risk-based authentication. Enterprises must go beyond traditional methods by adopting passwordless solutions, biometric authentication and behavioral analytics. Real-time, context-aware risk assessments ensure dynamic access, making identity security proactive rather than reactive, which is critical in today's evolving threat landscape.

Report Author: Gowtham Sampath (Global - XDR)

XDR addresses complex IT environments and talent shortages with enhanced visibility and automation

The extended detection and response (XDR) market is rapidly maturing, driven by enterprise demand for consolidated, intelligence-led security operations. In response to the increasing sophistication of cyberthreats, organizations are shifting from siloed detection tools to unified platforms that deliver comprehensive visibility, automation and contextual analytics across endpoints, networks, cloud workloads and identities. XDR has evolved from a niche extension of endpoint detection and response (EDR) into a core component of modern security operations center strategies, enabling proactive threat hunting, rapid containment and coordinated response across the attack surface.

At the core of this transformation is the pervasive adoption of AI, ML and behavioral analytics, which now power many detection, correlation and prioritization engines within XDR platforms. These technologies reduce false positives and allow for early-stage anomaly detection and advanced threat modeling. The growing integration of cloud-native security and zero trust frameworks reflects the market's recognition that security perimeters are dynamic and identity-driven. XDR platforms increasingly align with MITRE ATT&CK and support Continuous Threat Exposure Management (CTEM) and automation-first response models.

Key trends and developments

- **Emergence of agentic AI:** The integration of agentic AI (autonomous, goal-driven systems) is revolutionizing XDR platforms. These AI agents can independently detect, investigate and respond to threats, reducing reliance on human intervention and enhancing response times.
- **Shift toward open and modular architectures:** Organizations are demanding XDR solutions that offer open architectures, allowing seamless integration with existing

XDR's evolution **unifies defenses**, driving **proactive, intelligent** cyber **resilience**.

security tools and third-party applications. This modular approach enhances flexibility and ensures comprehensive threat visibility across diverse environments.

- **Integration of behavioral analytics for insider threat detection:** Advanced behavioral analytics are being employed to detect insider threats by monitoring deviations from typical user behavior. This proactive approach enables early identification of potential security breaches originating from within the organization.
- **Adoption of CTEM:** XDR platforms are incorporating CTEM to provide real-time assessments of an organization's security posture. Organizations can prioritize remediation efforts by evaluating vulnerabilities and potential attack vectors.
- **Expansion into operational technology (OT):** XDR solutions are extending their capabilities to secure OT environments, addressing the unique challenges of industrial systems and critical infrastructure. This expansion ensures comprehensive protection across both IT and OT domains.
- **Integration of knowledge graphs:** XDR platforms are leveraging knowledge graphs to map relationships between various entities within an organization. This integration provides context-rich threat intelligence, improving the accuracy of threat detection and response strategies.
- **AI-driven insider risk management (IRM):** Advanced IRM systems powered by AI are being integrated into XDR platforms to proactively identify and mitigate insider threats. These systems utilize adaptive scoring and real-time policy enforcement to enhance organizational security.
- **Focus on proactive defense mechanisms:** The XDR market is experiencing a shift from reactive to proactive defense strategies. By anticipating potential threats and vulnerabilities, organizations can implement measures to prevent security incidents before they occur.

These trends underscore the dynamic evolution of the XDR landscape, highlighting the importance of adaptability, integration and proactive strategies in modern cybersecurity frameworks.

Looking forward, in the second half of 2025, vendors in the XDR market are expected to deepen their focus on open architectures, third-party integrations and AI-assisted analyst augmentation. Future-ready XDR platforms will detect and respond to known threats and act as decision-support engines capable of autonomous investigation, real-time risk scoring and adaptive policy enforcement. As cyberattacks become increasingly dynamic and multistage, XDR is poised to become the operational nerve center of enterprise cybersecurity.

XDR is fundamentally transforming cyber defense by shifting from reactive to proactive security. This profound evolution is powered by advanced AI and ML, enabling predictive capabilities to anticipate and block attacks before they escalate. XDR moves beyond mere detection to prevent breaches by integrating identity data and comprehensive threat intelligence.

Report Author: Yash Jethani (Global - SSE)

Zero trust SSE architecture uses AI to evolve, with continuous authentication and strict access controls

Why you need zero trust principles

In today's digital landscape, traditional security perimeters are obsolete. Zero trust architecture provides continuous authentication and strict access controls essential for secure remote work and cloud environments. Verifying every user and device before granting access, organizations can significantly reduce breach risks and protect sensitive data from external attackers and insider threats.

Zero trust architecture operates on the *never trust, always verify* principle, requiring continuous authentication regardless of location. Modern cybersecurity measures strengthen this approach by:

- **AI and ML:** Enhances zero trust by continuously monitoring user behavior patterns and automatically identifying anomalies that suggest compromised credentials
- **Ransomware defense:** Supports zero trust by isolating potential threats and preventing lateral movement within networks, limiting damage scope
- **Cloud security:** Extends zero trust principles to distributed environments through CASB tools that enforce consistent access policies across all applications
- **IoT protection:** Applies zero trust microsegmentation to connected devices, preventing compromised devices from accessing critical systems
- **Critical infrastructure security:** Implements zero trust measures to create secure operational zones with strict verification for accessing control systems
- **Data privacy:** Aligns with zero trust's least-privilege access controls to ensure regulatory compliance and protect sensitive information

Providers are aligning SSE with enterprise needs for **agility, integration** and **a unified SASE**.

- **Emerging technologies:** Strengthens zero trust authentication through quantum-resistant encryption and blockchain-verified identity management.

A robust cybersecurity strategy integrates these elements within a zero trust framework, creating multiple verification layers that protect against sophisticated threats.

Security service edge (SSE) is a fundamental component that enables zero trust principles in modern network environments. SSE delivers cloud-based security functions that enforce zero trust by:

- **Identity-based access control:** SSE validates user identity before granting access to applications, aligning with zero trust's *never trust, always verify* principle.
- **Continuous verification:** SSE continuously monitors sessions after initial authentication, detecting behavioral anomalies that might indicate a security compromise.
- **Policy enforcement point:** SSE serves as a cloud-delivered control point where zero trust policies are consistently applied across all users, locations and devices. Legacy VPN replacement reduces the attack surface with a more secure remote access solution.
- **Application-level controls:** Rather than securing network segments, SSE secures access to specific applications, supporting zero trust's focus on protecting resources rather than networks. ZTNA provides zero trust access to private applications, replacing VPNs while CASB secures connectivity to SaaS apps, preventing data loss and cyberattacks, and secure collaboration enables the safe sharing of confidential information.
- **Inspection and threat prevention:** SSE provides deep inspection of encrypted traffic, detecting and blocking threats that might exploit trusted connections. Secure web gateway (SWG) enables secure internet access with advanced threat prevention while DEM monitors device, application and network performance for rapid issue resolution.
- **Data protection integration:** SSE incorporates data loss prevention (DLP) and cloud access security broker (CASB) capabilities to prevent sensitive data exfiltration, supporting zero trust data security requirements. GenAI DLP prevents sensitive data sharing with GenAI, while AI-enabled DLP uses intelligent policies to control and protect sensitive data.
- **Sensitive information management:** SSE discovers, assesses and protects sensitive data in real time, while continuous zero trust access consistently authorizes user and device access.

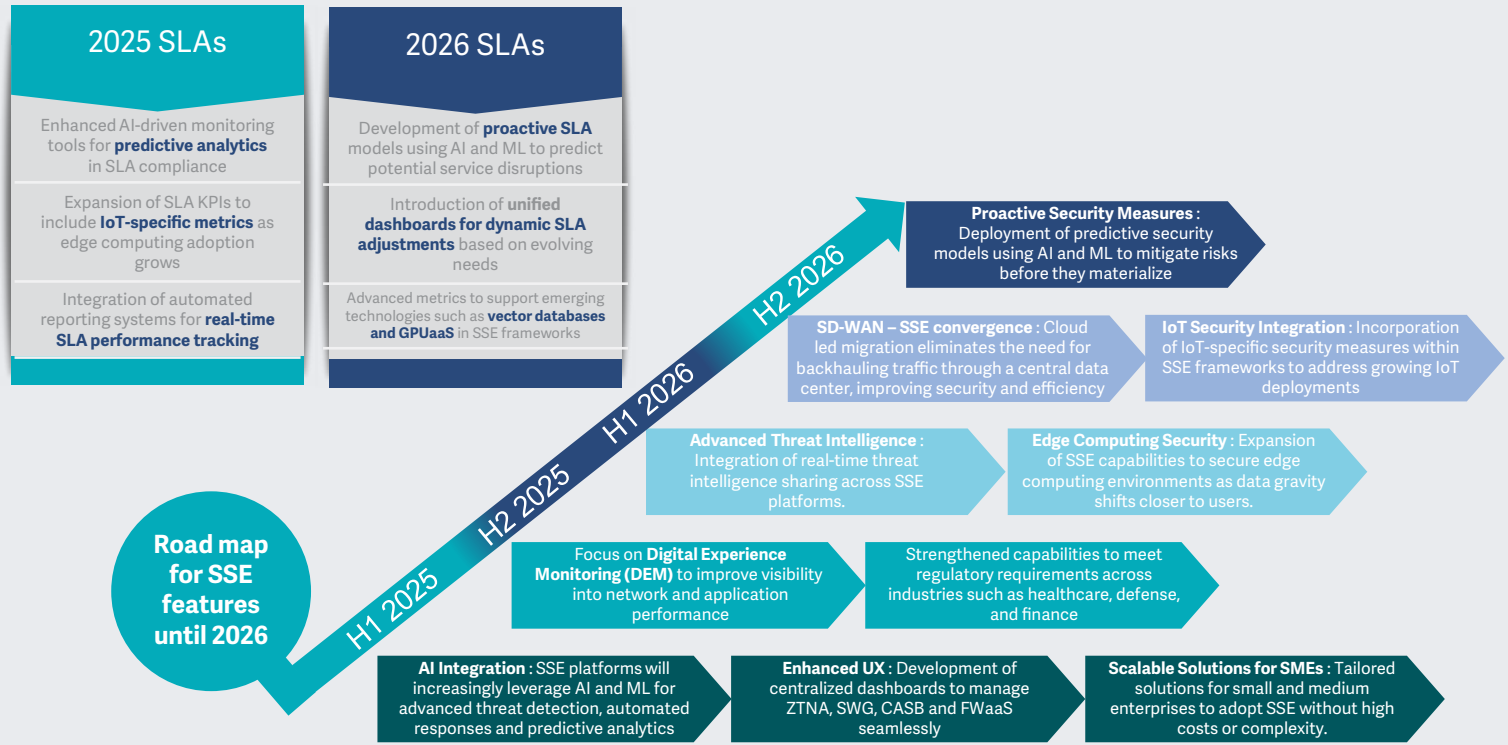
SSE provides the cloud-delivered security stack to implement zero trust principles at scale across distributed environments. It replaces traditional perimeter security with a flexible, identity-centric approach to secure remote work, cloud adoption and mobile access scenarios without sacrificing protection or visibility.

SSE serves a diverse range of customers, including end enterprises, cloud service providers (CSPs) delivering cloud services, network service providers (NSPs) offering network connectivity, and managed service providers (MSPs) providing outsourced IT and security. Large enterprises, characterized by extensive IT teams and infrastructure and small and midsize businesses (SMBs), often constrained by resources, also represent key customer segments. Understanding these distinct profiles is crucial for SSE vendors and organizations alike in tailoring solutions and adoption strategies.

Components and functions of SSE, SLA compliance expansion and road map for 2025 and 2026:

SSE components can be broken into four major buckets:

- CNAPP: Combines cloud security tools (CSPM, CIEM, CWP) for streamlined, scalable cloud protection — a key part of SSE
- Digital ecosystem exposure management: Identifies and mitigates risks across interconnected digital assets (cloud, IoT, BYOD), which is crucial for expanding digital footprints and being a differentiator for SSE vendors



Source: ISG, 2025

- Next-generation deep packet inspection (DPI): Uses advanced techniques such as ML to analyze encrypted traffic and detect sophisticated threats in cloud environments, enhancing visibility for CASB, SWG and ZTNA within SSE
- UEBA: Employs analytics and ML to detect abnormal user and entity behavior indicative of insider threats or attacks, increasingly integrated into SSE for advanced threat detection

Increasingly, SSE vendors offer platforms that integrate multiple functions and components. This platform offers comprehensive cloud-native security through a single architecture. It provides the ability to inspect encrypted traffic at scale and features an inline proxy for cloud and web traffic. Core security functions include a full-port firewall with intrusion protection (FWaaS), API-based data security for cloud services (CASB) and continuous security assessment for public cloud infrastructure (CSPM). Advanced data loss protection is usually included for data in transit and at rest, alongside advanced threat protection (ATP) leveraging AI and ML, UEBA and sandboxing. The platform integrates threat intelligence with other security tools (EPP/EDR, SIEM, SOAR), provides data loss from GenAI systems and offers zero trust network access (ZTNA) to replace legacy VPNs and finally enables secure collaboration via email and collaboration tools. It can also feature a software-defined perimeter with zero trust access (SD-WAN/SDP) and a global, scalable network infrastructure with optimizations for SaaS performance.

By 2026, as per the figure above, ISG expects the SSE components and functions to evolve to include IoT security, proactive edge healing and solutions tailored for SMEs.

Technology trends in SSE:

- SSE solutions increasingly adopt zero trust principles, moving away from VPN-based remote access to identity-driven security. ZTNA remains foundational to SSE, ensuring that only authorized users and devices access resources, driven by the need to secure remote work and cloud environments.
- Providers and product vendors are embedding ML and AI-driven threat detection for anomaly detection, automated remediation and real-time policy enforcement.
- As enterprises prefer cloud-native SSE over legacy appliance-based security, full cloud-native architecture now supports distributed workforces and multicloud adoption. Cloud-native SSE platforms are scaling to handle massive traffic volumes, supporting digital transformation with flexible, scalable security for hybrid IT environments.
- SSE solutions prioritize low latency and minimal downtime to match consumer-grade application experiences, addressing the demands of a distributed workforce without compromising security.
- SSE platforms are deeply integrated with Security Information and Event Management (SIEM) and Extended Detection and Response (XDR) for better threat visibility and response. On the other hand, Autonomous Digital Experience Management/Monitoring (ADEM) is being integrated into SSE to monitor end-user performance and security, using AI for predictive analytics and troubleshooting.
- DLP, encryption and adaptive access controls are becoming standard features that address increasing compliance needs.
- Integration with IAM and SSE (SSO/MFA) is now seen as commonplace to enforce stronger authentication policies.

Business trends in SSE:

- Many enterprises adopt SSE first and integrate SD-WAN later for a complete SASE deployment. However, this is likely a two-way trend as many enterprises adopt networking solutions and then migrate to SASE by layering on SSE features. Hence, the line between SSE and secure access service edge (SASE) continues to blur as providers offer unified platforms combining networking (SD-WAN) and security (ZTNA, SWG, CASB, FWaaS) features, catering to hybrid and distributed workforces.

- With VPN limitations, SSE is replacing traditional remote access solutions as remote and hybrid work drives SSE demand. Enterprises are increasingly adopting secure browsers as a critical first line of defense against browser-based threats, driven by the shift to cloud-based work and remote access. Given the growing reliance on web applications, this is seen as a necessity.
- SSE platforms are leveraging AI and ML for real-time threat detection, behavioral monitoring and automated responses, reducing manual intervention and enhancing proactive security.
- Enterprises are moving toward OpEx models instead of traditional CapEx-heavy hardware investments, thus favoring a shift to subscription-based security (Security-as-a-service).
- Enterprises prefer fewer providers that provide end-to-end SSE solutions instead of managing multiple security tools. This drives the consolidation of the vendor landscape, favoring single-vendor strategies, particularly for small and midsize enterprises.
- Industries such as finance, healthcare and government are embracing SSE to meet strict data protection and access control regulations.

Recent acquisitions in the zero trust or SSE space:

- **Cloudflare:** In February 2025, Cloudfare acquired BastionZero to enhance its zero trust infrastructure access controls, expanding the capabilities of Cloudflare One, its SASE platform. It also acquired Area 1 Security in 2022, enhancing email security within its SSE offering.
- **Zscaler:** In October 2024, Zscaler acquired network segmentation startup Airgap Networks to strengthen its zero trust security offerings. In March 2024, it purchased Israeli data security startup Avalor to enhance its AI-driven data protection capabilities. In February 2024, Zscaler acquired another Israeli application security company Canonic Security, to bolster its defenses against SaaS-based threats. In May 2021, it had acquired Smokescreen to add deception technology and enhance threat detection.
- **Hewlett Packard Enterprise (HPE):** In March 2023, HPE acquired Axis Security, a cloud-native SSE vendor. This acquisition bolstered HPE's edge-to-cloud security capabilities by integrating Axis Security into its Aruba networking platform, creating a unified SASE solution.
- **Netskope:** In June 2022, Netskope acquired WootCloud, an innovator in applying zero trust principles to IoT security, extending its zero trust capabilities to enterprise IoT. It also acquired Infiot in 2022, strengthening its zero trust and SD-WAN capabilities.
- **Palo Alto Networks:** The company acquired CloudGenix in 2020, integrating SD-WAN and SSE to create a full SASE stack. The move highlights the trend among enterprises toward single-vendor SSE/SASE platforms, which simplify deployment and management while avoiding the complexities associated with multivendor setups.
- **Check Point:** In September 2023, it completed its acquisition of Perimeter 81 to strengthen its SASE capabilities. Managed through a user-friendly cloud console, Perimeter 81's capabilities ensure reliable connectivity via a global backbone network, while its SWG protects against web-borne threats.
- **SonicWall:** In January 2024, SonicWall acquired Banyan Security, a cloud platform focused on identity-centric SSE, to extend its security capabilities to cloud and hybrid environments, remote workers and BYOD scenarios. Banyan Security's framework assessed device posture to guarantee secure access and included a SWG to defend against internet-based threats. Additionally, it offered VPN as a service (VPNaaS) for modern, secure network access.

SSE provides cloud-based security services such as SWG and ZTNA, making it easier for distributed workforces to interact securely from a distance. Enterprises must also adhere to changing legal standards, which calls for strong security measures to protect corporate and personal data. Various industries are adopting SSE solutions because they facilitate compliance efforts through centralized security policies, real-time threat monitoring and data loss prevention. The blurred lines between

SSE and Secure Access Service Edge (SASE) indicate a compelling trend where enterprises can seamlessly adopt comprehensive security and networking solutions tailored for hybrid and distributed workforces. As organizations continue to navigate a landscape shaped by remote operations and stringent compliance requirements, the SSE market is poised for growth, becoming an essential component of organizational strategy and operational resilience in the digital era.

For effective SSE deployment, organizations should adopt several key strategies. This includes minimizing reliance on legacy security hardware by leveraging SSE's integrated features and implementing zero trust principles through ZTNA for robust access control. Consolidating disparate security tools onto a unified SSE platform streamlines management while embracing hybrid and cloud-ready SSE architectures ensures flexibility. A phased rollout, starting with critical areas such as ZTNA, allows for gradual and strategic adoption. Furthermore, prioritizing the security of remote work environments and ensuring a positive UX with DEM is vital. Ultimately, strategic budget allocation toward SSE investments that address key risks will drive the most impactful security outcomes, and the CIOs and line of business heads need to converge on their own security budgets.

Enterprises seek scalable, high-performance solutions with seamless integration, unified management and a clear path to full SASE for future-ready security. While providers indicate a shift toward agile, unified and performance-oriented security frameworks, the ultimate aim is to deliver a truly frictionless and comprehensive security experience across any user, device, and location.

Provider Positioning

Page 1 of 12

	Identity and Access Management (Global)	Data Leakage/Loss Prevention and Data Security	Extended Detection and Response (Global)	Security Service Edge (Global)	Technical Security Services	Strategic Security Services	Next-Gen SOC/ MDR Services	Next-Gen SOC/ MDR Services – Midmarket
Absolute Software	Not In	Contender	Not In	Not In	Not In	Not In	Not In	Not In
Accenture	Not In	Not In	Not In	Not In	Leader	Leader	Leader	Not In
Acronis	Not In	Product Challenger	Not In	Not In	Not In	Not In	Not In	Not In
All for One Group	Not In	Not In	Not In	Not In	Contender	Contender	Not In	Not In
Aryaka	Not In	Not In	Not In	Contender	Not In	Not In	Not In	Not In
Atos	Not In	Not In	Not In	Not In	Leader	Leader	Leader	Not In
Axians	Not In	Not In	Not In	Not In	Leader	Leader	Leader	Leader
Bechtle	Not In	Not In	Not In	Not In	Leader	Market Challenger	Leader	Leader
Beta Systems	Contender	Not In	Not In	Not In	Not In	Not In	Not In	Not In
BeyondTrust	Rising Star ★	Not In	Not In	Not In	Not In	Not In	Not In	Not In

Provider Positioning

	Identity and Access Management (Global)	Data Leakage/Loss Prevention and Data Security	Extended Detection and Response (Global)	Security Service Edge (Global)	Technical Security Services	Strategic Security Services	Next-Gen SOC/ MDR Services	Next-Gen SOC/ MDR Services – Midmarket
Bitdefender	Not In	Not In	Product Challenger	Not In	Not In	Not In	Not In	Not In
BlackBerry (Arctic Wolf)	Not In	Not In	Contender	Not In	Not In	Not In	Not In	Not In
Brainloop	Not In	Product Challenger	Not In	Not In	Not In	Not In	Not In	Not In
Broadcom	Leader	Leader	Leader	Market Challenger	Not In	Not In	Not In	Not In
CANCOM	Not In	Not In	Not In	Not In	Leader	Market Challenger	Leader	Leader
Capgemini	Not In	Not In	Not In	Not In	Leader	Leader	Leader	Not In
Cato Networks	Not In	Not In	Not In	Leader	Not In	Not In	Not In	Not In
CGI	Not In	Not In	Not In	Not In	Not In	Product Challenger	Contender	Contender
Check Point Software	Not In	Not In	Product Challenger	Leader	Not In	Not In	Not In	Not In
Cisco	Not In	Not In	Market Challenger	Leader	Not In	Not In	Not In	Not In

Provider Positioning

	Identity and Access Management (Global)	Data Leakage/Loss Prevention and Data Security	Extended Detection and Response (Global)	Security Service Edge (Global)	Technical Security Services	Strategic Security Services	Next-Gen SOC/ MDR Services	Next-Gen SOC/ MDR Services – Midmarket
Cloudflare	Not In	Not In	Not In	Market Challenger	Not In	Not In	Not In	Not In
Computacenter	Not In	Not In	Not In	Not In	Leader	Leader	Product Challenger	Contender
Controlware	Not In	Not In	Not In	Not In	Leader	Leader	Leader	Leader
CoSoSys (Netwrix)	Not In	Contender	Not In	Not In	Not In	Not In	Not In	Not In
Cross Identity	Product Challenger	Not In	Not In	Not In	Not In	Not In	Not In	Not In
CrowdStrike	Not In	Not In	Leader	Not In	Not In	Not In	Not In	Not In
CyberArk	Leader	Not In	Not In	Not In	Not In	Not In	Not In	Not In
Cybereason	Not In	Not In	Product Challenger	Not In	Not In	Not In	Not In	Not In
DATAGROUP	Not In	Not In	Not In	Not In	Not In	Not In	Market Challenger	Leader
Deloitte	Not In	Not In	Not In	Not In	Product Challenger	Leader	Product Challenger	Not In

Provider Positioning

Page 4 of 12

	Identity and Access Management (Global)	Data Leakage/Loss Prevention and Data Security	Extended Detection and Response (Global)	Security Service Edge (Global)	Technical Security Services	Strategic Security Services	Next-Gen SOC/ MDR Services	Next-Gen SOC/ MDR Services – Midmarket
Deutsche Telekom	Not In	Not In	Not In	Not In	Leader	Leader	Leader	Leader
DIGITALL	Not In	Not In	Not In	Not In	Product Challenger	Not In	Not In	Not In
DriveLock	Not In	Leader	Not In	Not In	Not In	Not In	Not In	Not In
DXC Technology	Not In	Not In	Not In	Not In	Leader	Product Challenger	Contender	Not In
Entrust	Product Challenger	Not In	Not In	Not In	Not In	Not In	Not In	Not In
Ericom Software	Not In	Not In	Not In	Product Challenger	Not In	Not In	Not In	Not In
ESET	Not In	Not In	Contender	Not In	Not In	Not In	Not In	Not In
Evidian IAM (Eviden)	Product Challenger	Not In	Not In	Not In	Not In	Not In	Not In	Not In
EY	Not In	Not In	Not In	Not In	Not In	Leader	Not In	Not In
Fidelis Cybersecurity	Not In	Contender	Not In	Not In	Not In	Not In	Not In	Not In

Provider Positioning

	Identity and Access Management (Global)	Data Leakage/Loss Prevention and Data Security	Extended Detection and Response (Global)	Security Service Edge (Global)	Technical Security Services	Strategic Security Services	Next-Gen SOC/ MDR Services	Next-Gen SOC/ MDR Services – Midmarket
Fischer Identity	Product Challenger	Not In	Not In	Not In	Not In	Not In	Not In	Not In
Forcepoint	Not In	Leader	Not In	Leader	Not In	Not In	Not In	Not In
Fortinet	Market Challenger	Not In	Leader	Leader	Not In	Not In	Not In	Not In
Fortra	Market Challenger	Leader	Not In	Not In	Not In	Not In	Not In	Not In
FusionAuth	Contender	Not In	Not In	Not In	Not In	Not In	Not In	Not In
GBS	Not In	Leader	Not In	Not In	Not In	Not In	Not In	Not In
Getronics	Not In	Not In	Not In	Not In	Product Challenger	Not In	Not In	Product Challenger
glueckkanja	Not In	Not In	Not In	Not In	Not In	Not In	Product Challenger	Product Challenger
Google	Not In	Contender	Not In	Not In	Not In	Not In	Not In	Not In
Gopher Security	Not In	Not In	Not In	Contender	Not In	Not In	Not In	Not In

Provider Positioning

Page 6 of 12

	Identity and Access Management (Global)	Data Leakage/Loss Prevention and Data Security	Extended Detection and Response (Global)	Security Service Edge (Global)	Technical Security Services	Strategic Security Services	Next-Gen SOC/ MDR Services	Next-Gen SOC/ MDR Services – Midmarket
HCLTech	Not In	Not In	Not In	Not In	Leader	Leader	Leader	Product Challenger
HiSolutions	Not In	Not In	Not In	Not In	Not In	Product Challenger	Not In	Not In
HPE (Aruba)	Not In	Not In	Not In	Rising Star ★	Not In	Not In	Not In	Not In
IBM	Leader	Leader	Leader	Not In	Leader	Leader	Leader	Not In
iboss	Not In	Not In	Not In	Product Challenger	Not In	Not In	Not In	Not In
iC Consult	Not In	Not In	Not In	Not In	Contender	Not In	Not In	Not In
Imprivata	Product Challenger	Not In	Not In	Not In	Not In	Not In	Not In	Not In
indevis	Not In	Not In	Not In	Not In	Rising Star ★	Not In	Market Challenger	Market Challenger
InfoGuard	Not In	Not In	Not In	Not In	Not In	Not In	Rising Star ★	Leader
Infosys	Not In	Not In	Not In	Not In	Product Challenger	Product Challenger	Leader	Not In

Provider Positioning

Page 7 of 12

	Identity and Access Management (Global)	Data Leakage/Loss Prevention and Data Security	Extended Detection and Response (Global)	Security Service Edge (Global)	Technical Security Services	Strategic Security Services	Next-Gen SOC/ MDR Services	Next-Gen SOC/ MDR Services – Midmarket
itWatch	Not In	Product Challenger	Not In	Not In	Not In	Not In	Not In	Not In
JumpCloud	Contender	Not In	Not In	Not In	Not In	Not In	Not In	Not In
Kaspersky	Not In	Not In	Product Challenger	Not In	Not In	Not In	Not In	Not In
KPMG	Not In	Not In	Not In	Not In	Not In	Leader	Not In	Not In
Kyndryl	Not In	Not In	Not In	Not In	Product Challenger	Product Challenger	Contender	Not In
LMNTRIX	Not In	Not In	Product Challenger	Not In	Not In	Not In	Not In	Not In
Logicalis	Not In	Not In	Not In	Not In	Contender	Contender	Product Challenger	Product Challenger
Lookout	Not In	Not In	Not In	Product Challenger	Not In	Not In	Not In	Not In
LTIMindtree	Not In	Not In	Not In	Not In	Contender	Not In	Product Challenger	Product Challenger
ManageEngine	Leader	Rising Star ★	Not In	Contender	Not In	Not In	Not In	Not In

Provider Positioning

Page 8 of 12

	Identity and Access Management (Global)	Data Leakage/Loss Prevention and Data Security	Extended Detection and Response (Global)	Security Service Edge (Global)	Technical Security Services	Strategic Security Services	Next-Gen SOC/ MDR Services	Next-Gen SOC/ MDR Services – Midmarket
Materna	Not In	Not In	Not In	Not In	Product Challenger	Rising Star ★	Not In	Not In
Matrix42	Not In	Leader	Not In	Not In	Not In	Not In	Not In	Not In
Menlo Security	Not In	Not In	Not In	Contender	Not In	Not In	Not In	Not In
Microsoft	Leader	Leader	Leader	Market Challenger	Not In	Not In	Not In	Not In
Mimecast	Not In	Product Challenger	Not In	Not In	Not In	Not In	Not In	Not In
Netskope	Not In	Product Challenger	Not In	Leader	Not In	Not In	Not In	Not In
NTT DATA	Not In	Not In	Not In	Not In	Product Challenger	Product Challenger	Product Challenger	Product Challenger
Okta	Leader	Not In	Not In	Not In	Not In	Not In	Not In	Not In
One Identity (OneLogin)	Leader	Not In	Not In	Not In	Not In	Not In	Not In	Not In
Open Systems	Not In	Not In	Not In	Contender	Not In	Not In	Not In	Not In

Provider Positioning

	Identity and Access Management (Global)	Data Leakage/Loss Prevention and Data Security	Extended Detection and Response (Global)	Security Service Edge (Global)	Technical Security Services	Strategic Security Services	Next-Gen SOC/ MDR Services	Next-Gen SOC/ MDR Services – Midmarket
OpenText	Product Challenger	Product Challenger	Not In	Not In	Not In	Not In	Not In	Not In
Orange Cyberdefense	Not In	Not In	Not In	Not In	Market Challenger	Product Challenger	Leader	Not In
ORBIT	Not In	Not In	Not In	Not In	Contender	Contender	Not In	Not In
Palo Alto Networks	Not In	Not In	Leader	Leader	Not In	Not In	Not In	Not In
pco	Not In	Not In	Not In	Not In	Not In	Contender	Contender	Contender
Ping Identity	Leader	Not In	Not In	Not In	Not In	Not In	Not In	Not In
Proofpoint	Not In	Market Challenger	Not In	Contender	Not In	Not In	Not In	Not In
Rapid7	Not In	Not In	Product Challenger	Not In	Not In	Not In	Not In	Not In
RSA	Market Challenger	Not In	Not In	Not In	Not In	Not In	Not In	Not In
SailPoint	Leader	Not In	Not In	Not In	Not In	Not In	Not In	Not In

Provider Positioning

Page 10 of 12

	Identity and Access Management (Global)	Data Leakage/Loss Prevention and Data Security	Extended Detection and Response (Global)	Security Service Edge (Global)	Technical Security Services	Strategic Security Services	Next-Gen SOC/ MDR Services	Next-Gen SOC/ MDR Services – Midmarket
Saviynt	Leader	Not In	Not In	Not In	Not In	Not In	Not In	Not In
SecureAuth	Contender	Not In	Not In	Not In	Not In	Not In	Not In	Not In
SenseOn	Not In	Not In	Contender	Not In	Not In	Not In	Not In	Not In
SentinelOne	Not In	Not In	Leader	Not In	Not In	Not In	Not In	Not In
Seqrite	Not In	Not In	Contender	Not In	Not In	Not In	Not In	Not In
Sequretek	Contender	Not In	Contender	Not In	Not In	Not In	Not In	Not In
Skyhigh Security	Not In	Product Challenger	Not In	Product Challenger	Not In	Not In	Not In	Not In
SonicWall (Banyan Security)	Not In	Not In	Not In	Contender	Not In	Not In	Not In	Not In
Sophos	Not In	Not In	Rising Star ★	Not In	Not In	Not In	Not In	Not In
Sopra Steria	Not In	Not In	Not In	Not In	Not In	Market Challenger	Market Challenger	Market Challenger

Provider Positioning

Page 11 of 12

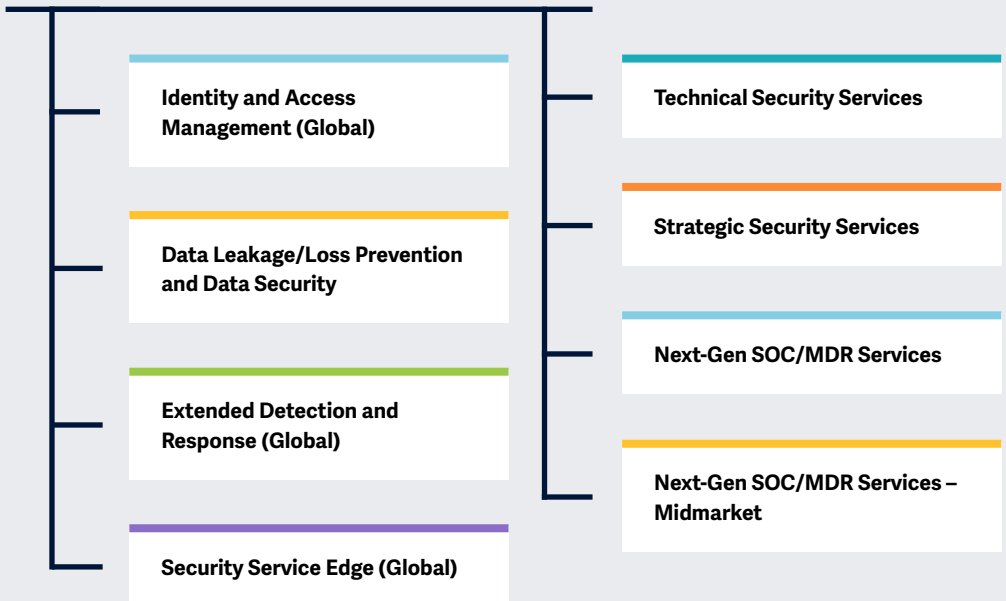
	Identity and Access Management (Global)	Data Leakage/Loss Prevention and Data Security	Extended Detection and Response (Global)	Security Service Edge (Global)	Technical Security Services	Strategic Security Services	Next-Gen SOC/ MDR Services	Next-Gen SOC/ MDR Services – Midmarket
suresecure	Not In	Not In	Not In	Not In	Product Challenger	Product Challenger	Product Challenger	Leader
SVA	Not In	Not In	Not In	Not In	Not In	Not In	Product Challenger	Rising Star ★
Syntax	Not In	Not In	Not In	Not In	Product Challenger	Not In	Contender	Product Challenger
TCS	Not In	Not In	Not In	Not In	Product Challenger	Product Challenger	Leader	Not In
Tech Mahindra	Not In	Not In	Not In	Not In	Product Challenger	Product Challenger	Product Challenger	Product Challenger
TEHTRIS	Not In	Not In	Product Challenger	Not In	Not In	Not In	Not In	Not In
Thales	Product Challenger	Not In	Not In	Not In	Not In	Not In	Not In	Not In
Trellix	Not In	Leader	Leader	Not In	Not In	Not In	Not In	Not In
Trend Micro	Not In	Not In	Leader	Not In	Not In	Not In	Not In	Not In
Unisys	Not In	Not In	Not In	Not In	Market Challenger	Market Challenger	Market Challenger	Not In

Provider Positioning

Page 12 of 12

	Identity and Access Management (Global)	Data Leakage/Loss Prevention and Data Security	Extended Detection and Response (Global)	Security Service Edge (Global)	Technical Security Services	Strategic Security Services	Next-Gen SOC/ MDR Services	Next-Gen SOC/ MDR Services – Midmarket
Varonis	Not In	Product Challenger	Not In	Not In	Not In	Not In	Not In	Not In
Verizon Business	Not In	Not In	Not In	Not In	Not In	Contender	Product Challenger	Not In
Versa Networks	Not In	Not In	Not In	Leader	Not In	Not In	Not In	Not In
Wavestone	Not In	Not In	Not In	Not In	Not In	Product Challenger	Not In	Not In
Wipro	Not In	Not In	Not In	Not In	Product Challenger	Leader	Product Challenger	Not In
Xantaro	Not In	Not In	Not In	Not In	Product Challenger	Not In	Not In	Not In
Zscaler	Not In	Product Challenger	Not In	Leader	Not In	Not In	Not In	Not In

Key areas covered in the **"Cybersecurity – Services and Solutions 2025"** study.



Simplified Illustration Source: ISG 2025

Definition

Cybersecurity in the Age of AI and Upcoming Disruptive Technology

In the era of rapid technological advancements and AI integration into daily operations, the cybersecurity landscape has become increasingly complex and multifaceted. Regulatory requirements such as the Network and Information Security (NIS) 2 Directive in the European Union are elevating the demand for robust cybersecurity measures, compelling organizations to reassess their security frameworks amidst emerging threats. Simultaneously, the commoditization of hacking tools has significantly reduced entry barriers for malicious actors, resulting in a surge of cybercriminal activities and a corresponding escalation of risks.

The proliferation of technology has expanded the attack surface, posing critical challenges for organizations as they navigate between operational technology (OT) and IT. The scarcity of skilled cybersecurity personnel has amplified

this complexity, spurring accelerated demand for managed security services as companies seek external expertise to fortify their defenses.

Continued AI development presents risks and opportunities in the cybersecurity space. Security service providers help clients navigate the cybersecurity landscape, where vigilance is crucial in identifying and mitigating emerging threats and understanding the transformative impact of new technologies such as quantum computing. In response to these challenges, businesses are increasingly investing in solutions such as identity and access management (IAM), data loss prevention (DLP), extended detection and response (XDR), and security service edge (SSE), combining advanced tools and human expertise with behavioral and contextual intelligence to enhance their security posture.

Scope of the Report

This ISG Provider Lens® quadrant report covers the following eight quadrants for services/solutions: Identity and Access Management (Global), Data Leakage/Loss Prevention and Data Security, Extended Detection and Response (Global), Security Service Edge (Global), Technical Security Services, Strategic Security Services, Next-Gen SOC/MDR Services and Next-Gen SOC/MDR Services – Midmarket.

This ISG Provider Lens® study offers IT decision makers:

- Transparency about the strengths and weaknesses of the respective providers and software manufacturers
- differentiated positioning of providers according to segments (quadrants)
- Focus on the regional market

The study thus provides an essential decision-making basis for positioning, relationship and go-to-market considerations. ISG Advisors and enterprise clients also use information from these reports to evaluate their current and potential new vendor relationships.

Provider Classifications

The provider position reflects the suitability of providers for a defined market segment (quadrant). Without further additions, the position always applies to all company sizes classes and industries. In case the service requirements from enterprise customers differ and the spectrum of providers operating in the local market is sufficiently wide, a further differentiation of the providers by performance is made according to the target group for products and services. In doing so, ISG either considers the industry requirements or the number of employees, as well as the corporate structures of customers and positions providers according to their focus area. As a result, ISG differentiates them, if necessary, into two client target groups that are defined as follows:

- **Midmarket:** Companies with 100 to 4,999 employees or revenues between $20 million and $999 million with central headquarters in the respective country, usually privately owned.
- **Large Accounts:** Multinational companies with more than 5,000 employees or revenue above $1 billion, with activities worldwide and globally distributed decision-making structures.

The ISG Provider Lens® quadrants are created using an evaluation matrix containing four segments (Leader, Product & Market Challenger and Contender), and the providers are positioned accordingly. Each ISG Provider Lens® quadrant may include a service provider(s) which ISG believes has strong potential to move into the Leader quadrant. This type of provider can be classified as a Rising Star.

- **Number of providers in each quadrant:** ISG rates and positions the most relevant providers according to the scope of the report for each quadrant and limits the maximum of providers per quadrant to 25 (exceptions are possible).

Provider Classifications: Quadrant Key

Product Challengers offer a product and service portfolio that reflect excellent service and technology stacks. These providers and vendors deliver an unmatched broad and deep range of capabilities. They show evidence of investing to enhance their market presence and competitive strengths.

Leaders have a comprehensive product and service offering, a strong market presence and established competitive position. The product portfolios and competitive strategies of Leaders are strongly positioned to win business in the markets covered by the study. The Leaders also represent innovative strength and competitive stability.

Contenders offer services and products meeting the evaluation criteria that qualifies them to be included in the IPL quadrant. These promising service providers or vendors show evidence of rapidly investing in products/ services and follow sensible market approach with a goal of becoming a Product or Market Challenger within 12 to 18 months.

Market Challengers have a strong presence in the market and offer a significant edge over other vendors and providers based on competitive strength. Often, Market Challengers are the established and well-known vendors in the regions or vertical markets covered in the study.

★ **Rising Stars** have promising portfolios or the market experience to become a Leader, including the required roadmap and adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market in the studied region. These vendors and service providers give evidence of significant progress toward their goals in the last 12 months. ISG expects Rising Stars to reach the Leader quadrant within the next 12 to 24 months if they continue their delivery of above-average market impact and strength of innovation.

Not in means the service provider or vendor was not included in this quadrant. Among the possible reasons for this designation: ISG could not obtain enough information to position the company; the company does not provide the relevant service or solution as defined for each quadrant of a study; or the company did not meet the eligibility criteria for the study quadrant. Omission from the quadrant does not imply that the service provider or vendor does not offer or plan to offer this service or solution.

Next-Gen SOC/MDR Services

Who Should Read This Section

This report is valuable for providers offering **next-gen SOC/MDR services** in **Germany** to understand their market position and for enterprises looking to evaluate these providers. In this quadrant, ISG highlights the current market positioning of these providers based on the depth of their service offerings and market presence.

Cybersecurity professionals

Should read this report to understand the emerging trends and immediate threats. The report can aid in strategic decision-making while enhancing productivity and reducing security complexity.

Technology professionals

Should read this report to understand emerging trends and gain insights into tailored security platforms and strategic objectives to stay apace with the changing security landscape.

Business professionals

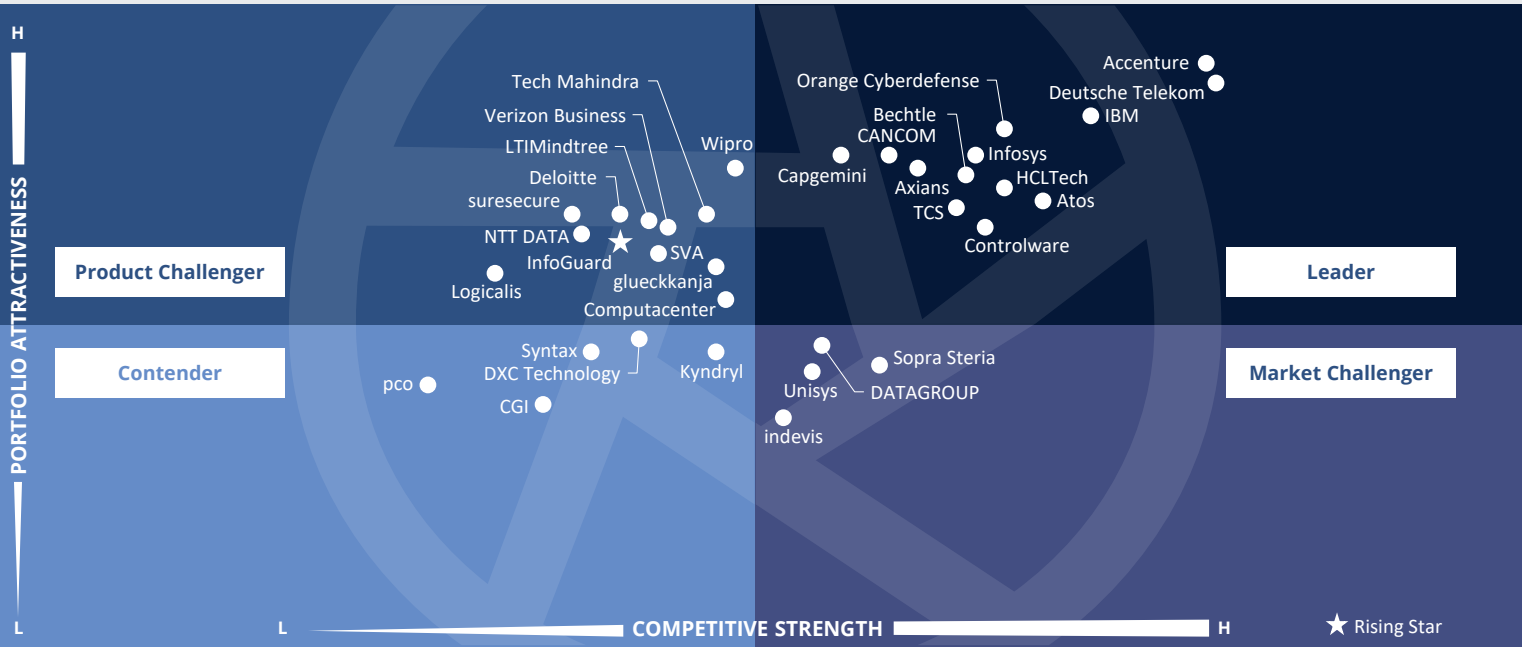
Must read this report to gain valuable insights into simplifying security operations and learn about practical solutions that can reduce complexity and enhance efficiency.

ISG Provider Lens®

Source: ISG RESEARCH

Cybersecurity – Services and Solutions
Next-Gen SOC/MDR Services

Germany 2025



This quadrant focuses on the **most relevant** providers of **next-gen SOC/MDR services** in Germany, excluding service providers that only offer their services for their own products. The shortage of skilled workers and the threat situation **are driving** the market.

Frank Heuer

Definition

Providers assessed in this quadrant offer services related to the continuous monitoring of IT and OT infrastructures by a security operations center (SOC). This quadrant examines service providers that are not exclusively focused on proprietary products but can manage and operate best-of-breed security tools. These service providers can handle the entire security incident lifecycle from identification to response and remediation.

Next-Gen SOC providers are in demand to strengthen enterprises' security posture and improve the effectiveness of security programs. They blend traditional managed security services with innovation to deliver integrated cyber defense and managed detection and response (MDR) services. These providers also invest in threat detection and hunting, threat intelligence, modeling and forensics, incident management and advanced technologies, such as automation, big data, AI and ML, to offer a holistic approach to proactive threat mitigation and advanced security.

In the following, "Managed Services" is used synonymously for "Next-Gen SOC/MDR Services".

Eligibility Criteria

1. Offer standard services, including **security monitoring, behavior analysis, unauthorized access detection, advisory on prevention measures, penetration testing** and all other operating services, to provide ongoing, real-time protection without compromising business performance
2. Provide security services, such as prevention and **detection, security information and event management (SIEM) services,** security advisors and auditing support, either remotely or at clients' site
3. MDR-specific capabilities, including **advanced threat intelligence** and **behavior-based and human-led threat hunting,** delivering **offensive and defensive** security capabilities with a **unified view** for reporting and metrics
4. Possess **accreditations** from security tools vendors
5. **Manage own SOCs**
6. Maintain **staff** with certifications such as Certified Information Systems Security Professional (CISSP), Certified Information Security Manager (CISM) and Global Information Assurance Certification (GIAC)
7. Offer a variety of **tiered** pricing models

Observations

The demand for Managed Detection & Response (MDR) services and services from security operations centers (SOCs) is being driven by increasingly sophisticated, frequent, complex and versatile cyberattacks. The need for constantly updated specialist knowledge and the simultaneous shortage of qualified specialists are increasingly bringing these managed services into the focus of companies in Germany.

Globally distributed SOCs play a special role for large companies due to their often international presence. However, large companies also value SOC locations in the EU and Germany due to the increased importance of data protection.

Midsize companies are increasingly interested in SOC and MDR services to tackle the growing challenges posed by a severe shortage of skilled workers. SOCs in Germany and German-speaking contacts are significant advantages for this target group.

In general, providers are also expected to be highly innovative. This includes the expansion of SOCs toward cyber defense centers, where threats are countered using AI and automation. In addition to reactive measures, proactive services are becoming increasingly important. For industrial customers, the incorporation of OT security to safeguard networked production facilities is becoming increasingly relevant.

InfoGuard is the new Rising Star. pco is newly represented in the quadrant, Materna Radar is no longer, as the focus has changed. Advens, CyberProof, I-TRACING and Riedel Networks have not yet qualified for the quadrant, but they show promising approaches for a future presence in provider evaluation.

Of the 68 providers that were assessed specifically for the German market in this study, 34 qualified for this quadrant, with thirteen Leaders and one Rising Star.

accenture

Accenture offers its clients a very comprehensive range of services and can cover all topics from a single source. Accenture meets the requirements of its often globally active major clients very well due to its own international presence.

Atos

Germany is one of **Atos'** SOC locations, which is also of interest to many large companies. Both the topics covered and the services provided by Next-Gen SOC/MDR Services address a broad spectrum.

axians

Axians IT Security offers a wide range of services and managed security topics as part of its next-gen SOC/MDR services. An increased level of security and flexible solutions are offered for particularly vulnerable data and systems.

BECHTLE

Bechtle's Next-Gen SOC/MDR services cover a wide range of services and managed technologies. They are also modular and customizable. Bechtle also operates a dedicated SOC in Germany with German-speaking support.

CANCOM

CANCOM's Next-Gen SOC/MDR services portfolio covers a broad spectrum of managed technologies and offers numerous services. Among other things, CANCOM operates a dedicated security operations center in Germany.

Capgemini

As part of its Next-Gen SOC/MDR Services, **Capgemini** offers a wide range of services that address a broad spectrum of managed security topics. Capgemini has a large team of experts in Germany, especially when measured by the number of customers.

controlware

Controlware has a large team of experts in Germany in terms of the number of customers, in particular, and it offers modular, customizable next-gen SOC/MDR services.

Deutsche Telekom operates Next-Gen SOC/MDR services in Germany, among other countries, and also maintains an extremely large team for its services in this country. The provider is continuously developing its already comprehensive offering.

HCLTech

HCLTech operates several dedicated security operations centers in Germany alone. HCLTech is also strongly positioned in terms of personnel for its next-gen SOC/MDR services in Germany. The portfolio covers many services and technologies.

IBM offers one of the broadest portfolios of IT security services in the market. The provider's next-gen SOC/MDR services are based on high-performance, in-house technology. Its worldwide network of SOCs enables global operations.

The services provided by **Infosys** as part of the Next-Gen SOC/MDR services leave nothing to be desired. Infosys is also strongly positioned in terms of personnel for these services in Germany.

Cyberdefense

Orange Cyberdefense is represented worldwide with SOCs, enabling the global operation of cybersecurity solutions. Germany is also one of the countries in which Orange Cyberdefense operates security operations centers.

TCS's Next-Gen SOC/MDR services enable the operation of all cybersecurity technologies, including OT security. TCS has a large team in Germany, both in terms of absolute numbers and the number of customers.

InfoGuard has emerged as a Rising Star among providers of next-gen SOC/MDR services. Its increased commitment in Germany is contributing to this success.

Leader

"Capgemini impresses its major clients with its comprehensive, innovative next-gen SOC/MDR services and international presence."

Frank Heuer

Capgemini

Overview

Capgemini, headquartered in Paris, France, employs more than 341,100 people worldwide. The company's German headquarters is located in Berlin. In FY24, the company generated revenues of €22.1 billion, with Applications & Technology being the largest segment. Capgemini is one of the largest European management consultancies. The provider's cybersecurity offering also includes managed security services, which are provided from a network of round-the-clock Cyber Defense Centers.

Strengths

Global player: Capgemini has a strong global presence and is represented by Security Operations Centers on several continents.

Large team: Capgemini has a large team of experts for managed security services in Germany, especially in terms of the number of existing customers.

High level of industry-specific expertise: Capgemini's customers include a significant number of leading companies in numerous industries. The provider has developed several industry-specific solutions.

High-performance, growing offering: Managed security services also meet high customer requirements from a single source. As part of its managed security services, Capgemini offers a wide range of services that address a broad spectrum of managed security topics. The provider is also continuously developing its portfolio and maintains an extensive network for this purpose, in which customers and technology providers can participate as required. Further development is supported by a budget worth millions. One focus area is AI, which makes the operation of SOCs considerably easier.

Caution

Expanding the local presence could be worthwhile. A SOC in Germany could strengthen Capgemini's appeal among many interested parties, especially SMEs.

Appendix

Methodology & Team

The market research study "ISG Provider Lens 2025 - Cybersecurity – Services and Solutions" analyzes the relevant software providers and service providers in the German, Global markets on the basis of a multi-stage market research and analysis process and positions these providers based on the ISG research methodology.

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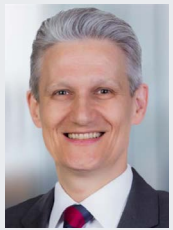
The research and analysis presented in this study will include data from the ISG Provider Lens® program, ongoing ISG Research programs, interviews with ISG advisors, briefings with service providers and analysis of publicly available market information from multiple sources. The data collected for this report represent information that ISG believes to be current as of May 2025 for providers that actively participated and for providers that did not. ISG recognizes that many mergers and acquisitions may have occurred since then, but this report does not reflect these changes.

All revenue references are in U.S. dollars ($US) unless noted.

The study was divided into the following steps:

1. Definition of Cybersecurity – Services and Solutions market
2. Use of questionnaire-based surveys of service providers/ vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities & use cases
4. Leverage ISG's internal databases & advisor knowledge & experience (wherever applicable)
5. Use of Star of Excellence CX-Data
6. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
7. Use of the following key evaluation criteria:
   * Strategy & vision
   * Tech Innovation
   * Brand awareness and presence in the market
   * Sales and partner landscape
   * Breadth and depth of portfolio of services offered
   * CX and Recommendation

Author



Frank Heuer
Principal Analyst

Frank Heuer is a Principal Analyst at ISG Germany. His focus is on cybersecurity, digital workspace, communication, social business & collaboration and cloud computing.

His main areas of responsibility include advising ICT providers on strategic and operational marketing and sales. Mr. Heuer is a speaker at conferences and webcasts on his main topics and a member of the IDG expert network. Mr. Heuer has been active as an analyst and consultant in the IT market since 1999.

Author (Global - IAM)

Bhuvaneshwari Mohan
Author and Research Analyst

Bhuvaneshwari is a Senior Research Analyst at ISG and is responsible for driving and co-authoring ISG Provider Lens® studies on Digital Business Enablement, Supply Chain, ESG Services and Cybersecurity. She contributes to the research process with necessary data and market analysis, develops content from an enterprise perspective, and authors Global Summary reports. She comes with 8 years of hands-on experience and has delivered insightful custom reports across verticals.

She is a versatile research professional having experience in Competitive Benchmarking, Social Media Analytics, and Talent Intelligence. Prior to ISG, she honed her research expertise in Sales Enablement roles with IT & Digital Services Providers and was predominantly part of Sales Enablement teams.

Author (Global - XDR)

Gowtham Sampath

Assistant Director and Principal Analyst, ISG Provider Lens®

Gowtham Sampath is a Prinicipal Analyst with ISG Research, responsible for authoring ISG Provider Lens® quadrant reports for Banking Technology/Platforms, Digital Banking Services, Cybersecurity and Analytics Solutions & Services market. With 15 years of market research experience, Gowtham works on analyzing and bridging the gap between data analytics providers and businesses, addressing market opportunities and best practices.

In his role, he also works with advisors in addressing enterprise clients' requests for ad-hoc research requirements within the IT services sector, across industries. He is also authoring thought leadership research, whitepapers, articles on emerging technologies within the banking sector in the areas of automation, DX and UX experience as well as the impact of data analytics across different industry verticals.

Author (Global - SSE)

Yash Jethani

Senior Manager and Principal Analyst

Yash has over 14 years of professional experience, primarily in the technology, media and telecom (TMT) vertical. He has contributed to thought leadership, market and competitive research, consulting, business development, and due diligence as well as account management cutting across corporate marketing, risk, strategy, and sales functions.

Prior to ISG, Yash worked with KPMG in India supporting their national TMT practice in advisory, thought leadership as well as strategic pursuits. While at IDC, he was responsible for delivering custom as well as syndicated research for Telco & IoT Asia Pacific clients.

He has also had stints with CGI and TCS in supporting their corporate and account marketing initiatives with a focus on next-gen IT delivery within Telco/ Comms verticals. He currently contributes to ISG Provider Lens global research studies as a lead analyst for software defined networks, managed network services as well as telecom and media managed services studies across regions. Yash holds a PGDM in Telecom & IT supported by an engineering degree in computers. He is also TM Forum certified and actively contributes as a member to the Bangalore Software Process Improvement Network, a non-profit.

Enterprise Context and Global Overview

Monica K

Assistant Manager, Lead Research Specialist

Monica K is an Assistant Manager and Lead Research Specialist at ISG, where she also serves as a digital expert. She co-authors Provider Lens® studies, the global summary report, and the enterprise perspective for the cybersecurity, ESG, and sustainability markets. Her responsibilities include managing comprehensive research projects and collaborating with internal stakeholders on diverse consulting initiatives.

With over a decade of experience in technology, business, and market research, Monica brings valuable expertise to ISG clients. Previously, she worked at a research firm specializing in IoT, product engineering, vendor profiling, and talent intelligence.

Research Analyst – Global region

Sandya Kattimani

Senior Research Analyst

Sandya Kattimani is a senior research analyst at ISG and is responsible for supporting and co-authoring ISG Provider Lens® studies on Contact Center, Life Sciences, Mainframes. Sandya has over 6 years of experience in the technology research industry and in her prior role, she carried out research delivery for both primary and secondary research capabilities. Her area of expertise lies in Competitive Intelligence, Customer Journey Analysis, Battle Cards, Market analysis and digital transformation. She is responsible for authoring the enterprise content and the global summary report, highlighting regional as well as global market trends and insights. Prior to this role she has worked as technology research analyst, where she was responsible for project work which includes detail technology scouting, competitive intelligence, company analysis, technologies study and other Ad hoc business research assignments.

Study Sponsor

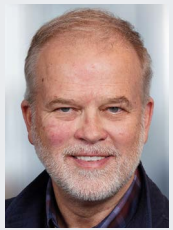
Heiko Henkes

Managing Director & Principal Analyst, Global IPL Content Lead

Heiko Henkes serves as Managing Director and Principal Analyst at ISG, overseeing the Global ISG Provider Lens® (IPL) Program for all ITO studies, alongside his pivotal role in the global IPL division as a strategic program manager and thought leader for IPL lead analysts.

Henkes heads Star of Excellence, ISG's global CX initiative, steering program design and its integration with IPL and ISG's sourcing practice. His expertise lies in guiding companies through IT-based business model transformations, leveraging his deep understanding of continuous transformation, IT competencies, sustainable business strategies and change management in a cloud-AI-driven business landscape. Henkes is known for his contributions as a keynote speaker on digital innovation, sharing insights on using technology for business growth and transformation.

IPL Product Owner



Jan Erik Aase

Partner and Global Head – ISG Provider Lens®

Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor.

Now as a research director, principal analyst and global head of ISG Provider Lens®, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.

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