FROST & SULLIVAN

APPOMNI RECEIVES THE 2023 COMPANY OF THE YEAR AWARD

Identified as best in class in the global SaaS security posture management industry

F R O S T ✕ S U L L I V A N

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. AppOmni excels in many of the criteria in the global SSPM space.

AWARD CRITERIA

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

Addressing Unmet Needs

Following the COVID-19 pandemic, companies have increased their reliance on as-a-service technologies by migrating to the cloud, transforming digitally, and implementing remote working. In the last two years, the software-as-a-service (SaaS) market has observed tremendous growth based on the increasing adoption of SaaS applications and services. As a result, SaaS has become the new endpoint and vulnerable access point for cyberattacks, thus increasing SaaS security incidents. The global security landscape has notably experienced changes as SaaS continues its dominance in the cloud.

With the high volume of applications, users, configurations, and connected third-party applications in the dynamic cloud and SaaS environment, security or SecOps teams are challenged to ensure the security posture of SaaS applications, given that the traditional network perimeter approach is no longer sufficient in ensuring the security of the SaaS environment. Companies, particularly those that are heavily dependent on SaaS applications, are looking to adopt emerging SaaS security posture management (SSPM) solutions in their cybersecurity strategy, along with the rollout of new applications.

Founded in 2018, California-based AppOmni is one of the leading pure-play SaaS security companies worldwide. In 2022, the company introduced its flagship AppOmni Developer Platform to provide universal and consistent security protection across all SaaS applications, including customised applications built in-house or purchased from vendors. While many market participants are enhancing their SSPM solutions by increasing the number of SaaS applications being covered, the market still has an unmet need

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for an SSPM solution that provides consistent and comprehensive security coverage across core and custom SaaS applications.

AppOmni addresses this market demand by offering its one-stop AppOmni Platform, which is the first SSPM solution in the market that enables customers to implement common security capabilities across their entire SaaS ecosystem. The platform offers consistent protection across all applications and delivers unmatched data access management and centralized visibility across the SaaS environment. Moreover, the platform provides a framework that allows customers to establish rules for data access, data sharing, and third-party applications, in addition to monitoring their SaaS applications continuously with a consistent set of policies and security controls. By mapping the application security posture information back to the platform for monitoring, the company offers unrivalled SSPM capabilities, from identifying misconfiguration risks to providing guided remediation steps upon the detection of cybersecurity risks.

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- Ying Ting Neoh
Research Analyst

Compared to other market participants that adopt an endpoint and network-based approach that are ineffective in addressing the associated SaaS cyber risks, including over-privileged end-users and unmonitored SaaS-to-SaaS connections, AppOmni addresses these SSPM use cases comprehensively through its agentless SSPM platform that offers a contemporary approach to ensure scalability, identity governance and control, and provide visibility into SaaS applications.

The company leverages application programming interfaces (APIs) to gain visibility into SaaS applications while allowing security teams to define or create policies programmatically to reduce data exposure risks. The platform's SSPM capabilities secure SaaS applications and allow security beyond the traditional perimeter that is becoming less relevant. Through the platform, the company can help customers monitor and manage misconfiguration risks, ensure compliance, and access and use SaaS applications. AppOmni stands out from its market competitors because its consistent and comprehensive SSPM security portfolio continues to address customers' unmet needs.

Leadership Focus and Implementation of Best Practices

AppOmni is the market leader based on its clear vision of the future of security that requires comprehensive and consistent coverage for all SaaS applications and users. The AppOmni Platform offers a security framework with standardized security best practices and uniform security language for SaaS apps through SaaS log normalization, enabling customers to comprehend the risks easily across the SaaS ecosystem and applications. The company's unique SSPM offering bridges important security gaps in the SSPM industry and continues to address SaaS security issues proactively.

Even with a variety of SSPM offerings and capabilities in the market, AppOmni has an important advantage because its solution can leverage the SaaS security telemetry of more than 1 billion events daily, in

addition to its recently patented technology that deeply scans APIs, security controls, and configuration settings to monitor SaaS deployments and ensure they are in line with policies and best practices.

In 2022, the company announced its latest patent US11418393B1: remediation of detected configuration violations, which encompasses various processes, products, and systems related to the remediation and auto-remediation of security issues within SaaS applications. The award of this newest patent enables the company to continue establishing its reputable brand value among its customers, in terms of adopting its SSPM offerings.

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Furthermore, AppOmni's solution offers an additional advantage over other SSPM offerings in the market. For example, as a leader in the SSPM domain, the company is the first major SaaS security vendor to be awarded the SOC 2 Type 2 designation in 2022. This designation showcases the company's implementation of best practices and certifies its ability to serve customers or enterprises carrying sensitive and business critical data in highly regulated industries, given that the evaluation of this certification is notably more stringent than SOC 2 Type 1. In addition, AppOmni's SSPM capabilities address some key compliance requirements among customers, including CCPA, GDPR, NIST, and ISO 27000.

From a technical standpoint, AppOmni outpaces other key market participants based on its centralized visibility, unmatched data access management, and security controls for customized applications, in addition to its SaaS applications, including Box, GitHub, Google Workspace, Jira, Microsoft 365, Salesforce, ServiceNow, Slack, Workday, Zoom, and many more. Unlike other market participants with a traditional cloud access security broker (CASB) approach, the company incorporates automation and allows for fast app discovery and latency-free deployment. The company's platform allows integration with leading SIEM and SOAR solutions, such as Splunk and Elastic, in addition to identity providers (IdPs) such as Okta.

Consequently, the company has been strategically expanding its security capabilities to extend its coverage of additional SaaS applications and enhance its threat detection and response capabilities for its SSPM product roadmap. AppOmni showcases its leadership focus and implementation of best practices in the global SSPM market through its SSPM integrations with third-party security solutions and strategic product development to provide customers with a comprehensive SSPM portfolio that complies consistently with key information and data security compliance requirements.

Financial Performance

With the growing number of SaaS-related breaches, such as the Circle-CI, Heroku, Oktapus, and Dragos breaches, and the growing concerns on misconfigurations, data breaches, and identity and account theft, customers are recognizing the importance of incorporating SSPM solutions into their security infrastructure.

As itgains traction, AppOmni has benefitted from the increasing demand for SSPM and has achieved

strong triple-digit annual recurring revenue (ARR) growth for the past three years. Based on Frost & Sullivan's estimates, the company's SSPM offering has experienced rapid growth, with an estimated triple-digit year-over-year (YoY) growth rate of more than 190% in 2022, solidifying AppOmni's position as a strong global SSPM market participant.

Moreover, the company successfully secured a few rounds of funding, including more than $70 million in 2022 alone. Backed by Cisco Investments, Salesforce Ventures, ServiceNow Ventures, Scale Venture Partners, and more, these funding roundshave helped the company enhance its platform and further expand its international growth.

As a channel-first company, AppOmni has leveraged its strategic partnerships and expanded its business presence beyond the North American market. In contrast, some competitors in the SSPM space lack the ability to expand beyond the North American market. In 2022, the company's customer base spanned across both the enterprise and mid-market segments, and the company continued to achieve growth across verticals, such as banking, financial services, and insurance (BFSI); retail/eCommerce; and technology.

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Customer Purchase Experience and Customer Service Experience

AppOmni has established a strong global and regional channel program called INFINITY Partner Program to educate the market about the need for SSPM for successful cybersecurity practices. The company partners with important global system integrators (SIs), value-added resellers (VARs), distribution partners, technology alliances, and managed security service providers (MSSPs), thus making its SSPM offering accessible to customers across different regions while providing them with the important elements for a robust cybersecurity strategy, including technology and top-notch support.

The company continues to strengthen its partner services through increased investments in technology training for its partners, including the re-launch of its new Partner Portal that allows partners to access the latest news, content, and training materials or register a new opportunity instantly when supporting customers.

To support the expansion of its partner program through new hires, the company has been growing its headcount across all functions (400% growth) including partner sales. The expansion of its partner programs resulted in five-fold growth in North America and four-fold growth in EMEA in the number of partners in 2021. In addition to strengthening its channel partner program in North America and EMEA, the company expanded its channel presence in Asia-Pacific (APAC) in 2022, adding to the growing success of the INFINITY Partner Program. The company's channel partner expansion to the APAC region is followed by the company's appointment of its first distribution partners in EMEA, Ignition Technology UK and Eden Data, an IT services and consulting organization focusing on startups and small- and medium-sized businesses (SMBs), in line with the company's efforts to make its enterprise-level SSPM platform available to SMBs. AppOmni's consistent effort to spearhead the channel recruitment and expansion of its partner

program has benefited customers tremendously, with increased SaaS security knowledge, better distribution, and professional service offerings in their respective regions.

To offer flexible pricing structures and better consumption models to support customers' product adoption, AppOmni has revamped its pricing tiers and added new tiers to meet the business and security needs of organizations of all sizes. The three tiers of pricing packages include the Essentials, the Enhanced, and the Enterprise. These different pricing tiers are designed for customers with different business and security needs, including customers that have recently embarked on their SaaS security journey, customers with an existing SaaS security program but require expansion support, and customers that require a robust and complete SaaS security program with a high number of applications and user counts. The company's complimentary risk assessment allows security teams to understand the attack surface of the SaaS environment and the respective organizations' need for SSPM before purchasing.

In addition, AppOmni is the first vendor to offer a standalone SSPM solution in the Google Cloud Marketplace, which includes comprehensive SaaS security capabilities for Google Workspace in 2022. This listing allows customers to test and purchase directly from Google Cloud Marketplace, which enables procurement teams to support customers with security enhancements and to improve the customer purchase and service experience. As a result, many Fortune 25 customers have started adopting AppOmni's SSPM for Google Workspace.

AppOmni's methodology in providing partners with strong pipeline growth, service delivery opportunities, and the ability to differentiate themselves, coupled with flexible pricing structure, 24/7 support, and powerful technology for customers, has undoubtedly paid off. The company's SSPM offering, which saves costs by speeding up the process and enabling security with fewer resources, has allowed customers to obtain an early return on investment (ROI).

In 2022, the company successfully protected more than 80 million users across different SaaS platforms and secured more than 260 million exposed data records. AppOmni's ability to deliver value through a positive customer experience is underlined by a more than 90% customer retention rate in 2022. Frost & Sullivan recognizes AppOmni's customer service and ability to incorporate customer-centric designs into its business strategy and offerings, allowing the company to establish trusting relationships and loyalty with customers in the global SSPM market.

Conclusion

SaaS applications are increasingly in the spotlight in the modern cloud and SaaS environment, in addition to the risks and security challenges associated with them. In 2022, AppOmni successfully leveraged the new wave of technology trends and continually sought ways to differentiate its SSPM offering with its Developer Platform. This platform addresses the challenges faced by many security teams by providing centralized visibility and consistent access control to SaaS applications while ensuring compliance.

Through its comprehensive offering and market strategy, the company has achieved stellar growth and has captured a high market share in the global SSPM market.

With its strong overall performance, AppOmni earns Frost & Sullivan's 2023 Global Company of the Year Award in the SSPM industry.

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

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

Best Practices Award Analysis

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

Visionary Innovation & Performance

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

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

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

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

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

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

About Frost & Sullivan

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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™.

Learn more.

Key Impacts:

- **Growth Pipeline:** *Continuous Flow of Growth Opportunities*
- **Growth Strategies:** *Proven Best Practices*
- **Innovation Culture:** *Optimized Customer Experience*
- **ROI & Margin:** *Implementation Excellence*
- **Transformational Growth:** *Industry Leadership*

The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- Mega Trend (MT)
- Business Model (BM)
- Technology (TE)
- Industries (IN)
- Customer (CU)
- Geographies (GE)