### 2017 THALES DATA THREAT REPORT

Trends in Encryption and Data Security

ADVANCED TECHNOLOGIES EDITION CLOUD, BIG DATA, IOT, CONTAINERS



## 2017 THALES DATA THREAT REPORT TRENDS IN ENCRYPTION AND DATA PROTECTION





### **DEPLOYING SENSITIVE DATA – WITHOUT DATA SECURITY**

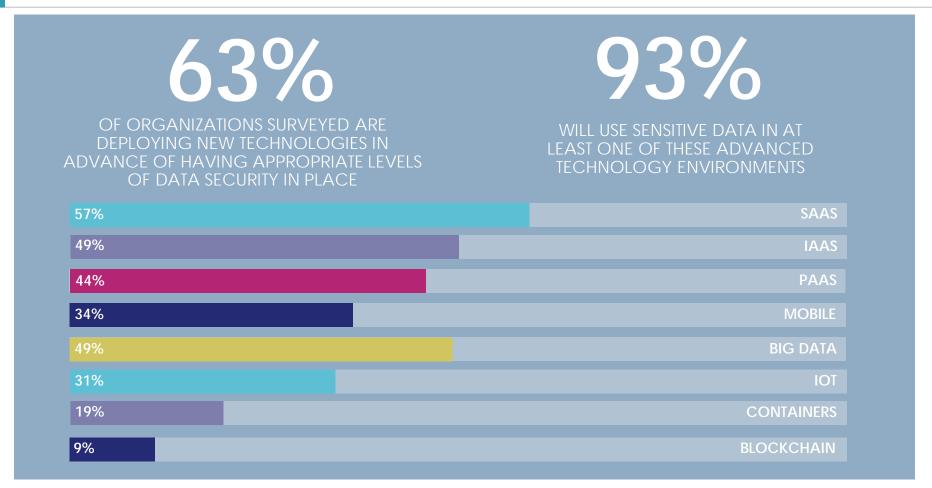
"CLOUD, BIG DATA, THE INTERNET OF THINGS (IOT) AND INCREASINGLY CONTAINER TECHNOLOGY ARE ALL BEING ACTIVELY EMBRACED AND COLLECTIVELY PACK A POTENTIALLY DISRUPTIVE PUNCH TO THE BASIC GROUND RULES OF VENERABLE BUSINESSES."

"NEARLY TWO-THIRDS (63%) OF RESPONDENTS ADMIT THAT THEIR ORGANIZATIONS DEPLOY THESE NEW INFORMATION TECHNOLOGIES PRIOR TO HAVING APPROPRIATE DATA SECURITY MEASURES IN PLACE."



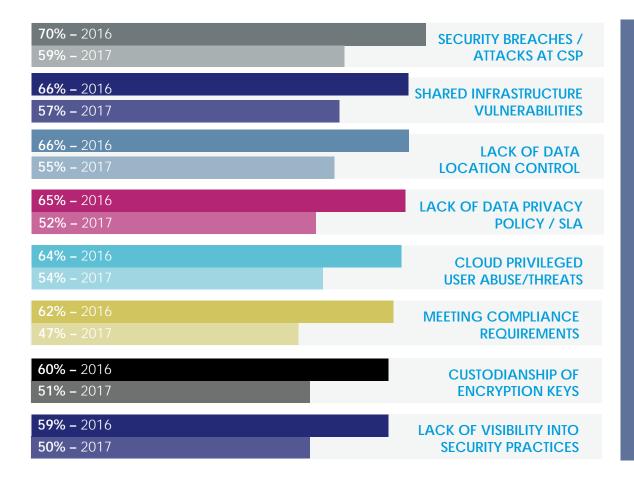
#### USING SENSITIVE DATA WITH ADVANCED TECHNOLOGIES

#### WITHOUT DATA SECURITY TO PROTECT INFORMATION



#### **CONCERNS ABOUT CLOUD SECURITY DECLINE**

#### IN SPITE OF HIGH USE OF SENSITIVE DATA

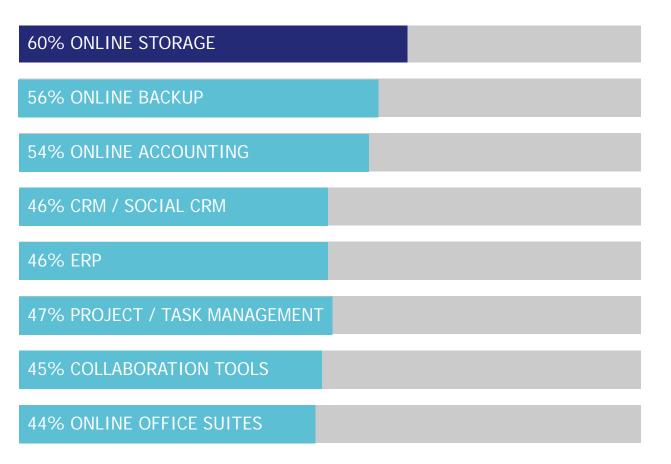


"Data breaches at cloud service providers to date have been rare, and generally not serious. Most major cloud providers have larger staffs of highly trained security professionals than any enterprise, and their scalability and redundancy can provide protection from the kinds of DDOS attacks that can plague on-premises workloads."

"Perhaps as a result of the recognition of these public cloud security realities, security concerns overall for public cloud are waning."

Garrett Bekker Principal Analyst, Information Security, 451 Research

# SAAS DATA SECURITY CONCERNS REMAIN HIGH WHILE SAAS USAGE FOR SENSITIVE DATA INCREASES



USING SENSITIVE DATA
IN SAAS
FNVIRONMENTS

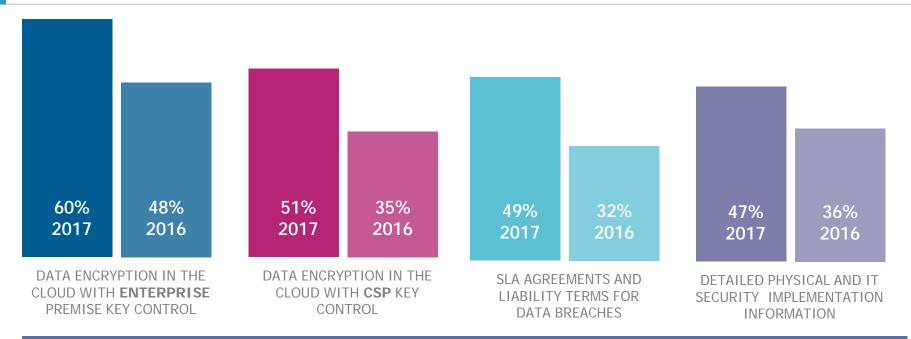
**57%** 

53%

2016

#### WHAT CAN CSPS AND SAAS PROVIDERS DO

#### TO INCREASE ENTERPRISE CLOUD ADOPTION? – ENCRYPTION OFFERINGS.

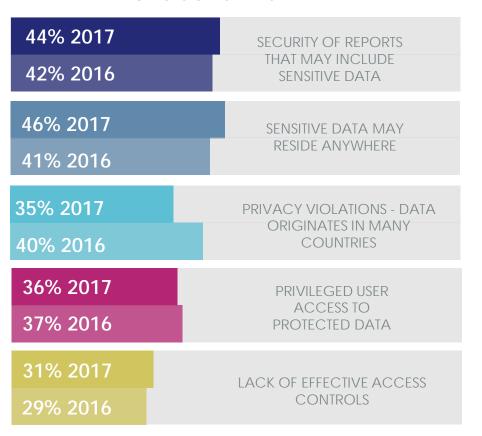


"Security remains a top barrier to further cloud adoption, and encryption with locally managed keys or BYOK (61%) is far and away seen as the technology that would most increase willingness to use public cloud globally, up sharply from 48% a year ago."

Garrett Bekker Principal Analyst, Information Security, 451 Research

#### BIG DATA – TOP DATA SECURITY CONCERNS AND STATS

#### **TOP 5 CONCERNS**



36%
USING ENCRYPTION
TO PROTECT DATA
IN BIG DATA
ENVIRONMENTS TODAY

47%

USING SENSITIVE INFORMATION IN BIG DATA ENVIRONMENTS

44%

VERY CONCERNED THAT THEY ARE USING SENSITIVE INFORMATION IN BIG DATA WITHOUT DATA SECURITY CONTROLS

### IOT ADOPTION IS HIGH USE OF SENSITIVE DATA A CONCERN

86%
ADOPTING IOT

31%
USING SENSITIVE

**DATA IN IOT** 

32% VERY CONCERNED ABOUT

SENSITIVE DATA IN IOT

TOP 5 DATA SECURITY CONCERNS FOR IOT

36% - PROTECTING SENSITIVE DATA GENERATED BY IOT

30% - IDENTIFYING WHICH DATA
IS SENSITIVE

25% - PRIVACY VIOLATIONS

25% - PRIVILEGED USER ACCESS TO DATA AND DEVICES

24% - IMPACT OF ATTACKS ON IOT DEVICES

TOP 5 CONTROLS NEEDED TO INCREASE IOT ADOPTION

**56% ENCYPTION OF DATA** 

55% SECURE ID AND AUTHENTICATION

50% - ANTI-MALWARE FOR DEVICES

43% - IOT NETWORK ISOLATION

41% - ANOMALY DETECTION/ BEHAVIORAL ANALYSIS

# CONTAINERS SURPRISE ONLY 4 YEARS AFTER TECHNOLOGY INTRODUCTION (DOCKER™)

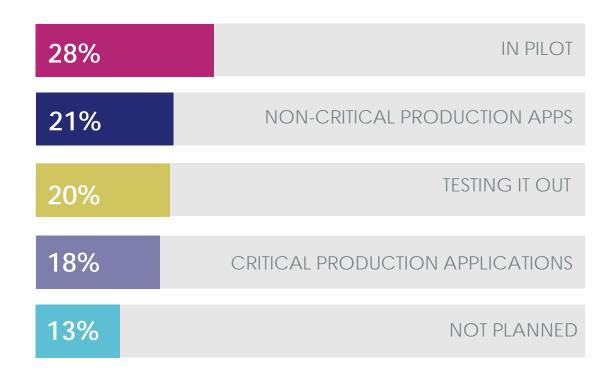


respondents are already using containers in production environments"

... 87% have

plans for using containers this year"

Garrett Bekker 451 Research



CONTAINER BASED APPLICATION DEPLOYMENTS

# CONTAINER SECURITY CONCERNS ARE SLOWING ADOPTION

#### **CONTAINER SECURITY CONCERNS**



THE TOP BARRIER TO EXPANDED CONTAINER ADOPTION

47% SECURITY

"Similar to the emerging IoT environment, there remains a lack of enterprise-grade security controls in most container environments today, owing largely to their relative immaturity."

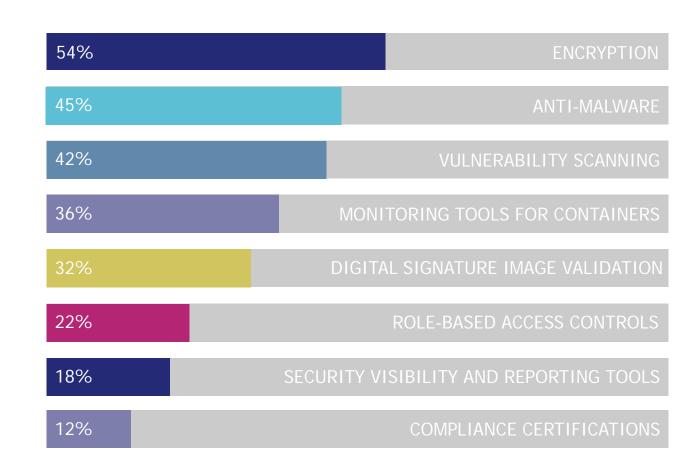
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## SECURITY CONTROLS TO INCREASE ENTERPRISE CONTAINER ADOPTION AND USE

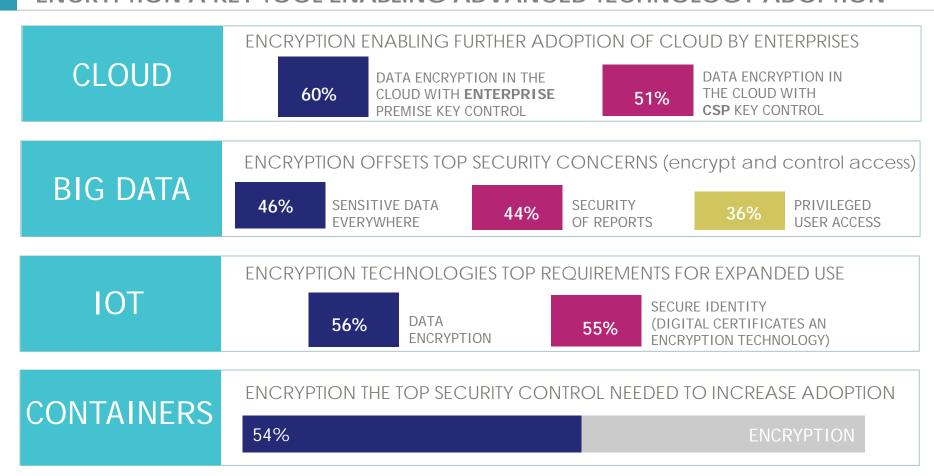
SECURITY CONTROLS THAT
WOULD INCREASE
ENTERPRISE WILLINGNESS TO
USE CONTAINERS

"As with all advanced technologies in our study, security is once again cited as the top barrier for container adoption (47%), followed closely by budget (44%) and staffing (33%). ."

Garrett Bekker 451 Research



## THE RISE OF ENCRYPTION ENCRYPTION A KEY TOOL ENABLING ADVANCED TECHNOLOGY ADOPTION



### **BEST PRACTICE RECOMMENDATIONS**

GARRETT BEKKER, 451 RESEARCH

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Re-prioritize your IT security tool set	Cloud and SaaS break legacy IT Security models – Data security with encryption and access controls across environments is required. Service-based solutions and platforms that include automation are preferred for reduced costs and simplicity.
Discover and classify	Get a better handle on the location of sensitive data, particularly for Cloud, Big Data, Containers and IoT
Don't just check off the compliance box	Global and industry regulations can be demanding, but firms should consider moving beyond compliance to greater use of encryption and BYOK, especially for cloud and other advanced technology environments.
Encryption and access control	Encryption needs to move beyond laptops and desktops.  Data center: File and application level encryption and access controls Cloud: Encrypt and manage keys locally, BYOK enables safe SaaS, PaaS and laaS  Big Data: Encryption and access control within the environment Containers: Encrypt and control access to data both within containers and underlying data storage locations loT: Use secure device ID and authentication, as well as encryption of data at rest on devices, back end systems and in transit to limit data threats

### **OUR SPONSORS**

































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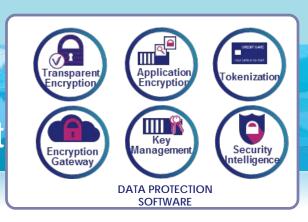
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### **HEALTHCARE DIGITIZATION – A DOUBLE EDGED SWORD**

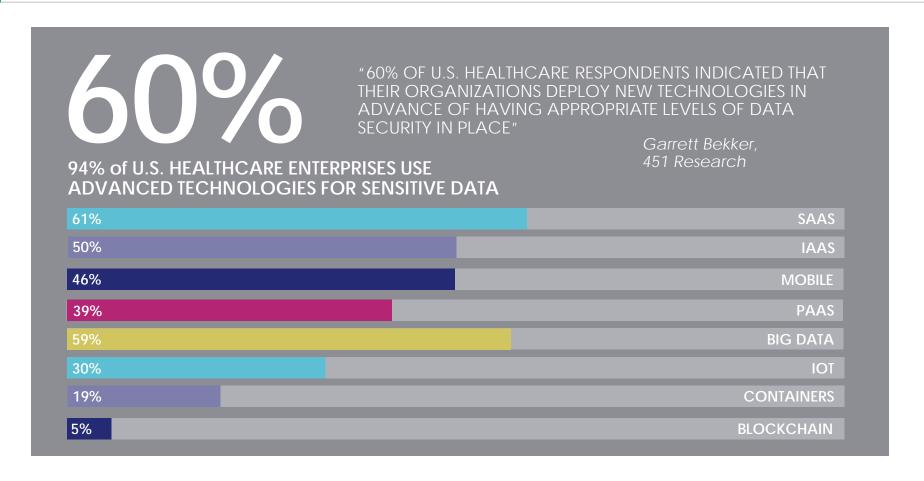
"PUSHED BY INTENSE REGULATION AND COMPLIANCE REQUIREMENTS HEALTHCARE RECORDS ARE GOING DIGITAL. THE DOUBLE-EDGED SWORD OF DIGITIZATION IS THAT INDIVIDUAL HEALTHCARE DATA IS EXPOSED TO MORE PEOPLE, IN MORE PLACES AND ON MORE DEVICES.

"ELECTRONIC HEALTH RECORDS (EHR) CONTAIN A TROVE OF PERSONAL DATA, MAKING THEM AN IDEAL TARGET OF ONE-STOP HACKING FOR CYBER THIEVES"



#### USING SENSITIVE DATA WITH ADVANCED TECHNOLOGIES

#### WITHOUT DATA SECURITY TO PROTECT INFORMATION



## MORE BAD NEWS DATA BREACHES ARE UP IN SPITE OF INCREASE SPEND

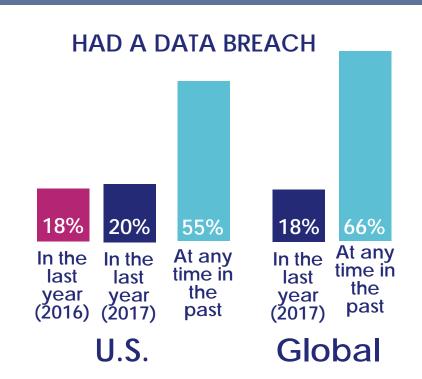
"90% of those in U.S. healthcare (and 88% in global healthcare) say their organizations are feeling some level of vulnerability to threats to sensitive data"

Garrett Bekker Principal Analyst, Information Security, 451 Research



90% U.S.

88% Global

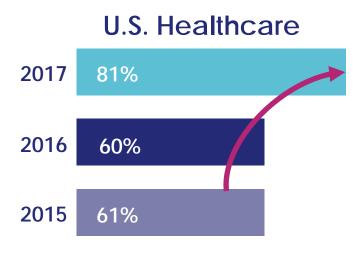


#### THE GOOD NEWS ABOUT HEALTHCARE DATA SECURITY

SAFE OPERATION 43% – U.S. 34% – GLOBAL\*

NEVER HAD A DATA BREACH OR COMPLIANCE FAILURE FOR DATA SECURITY VIOLATIONS

### INCREASING SPENDING TO PROTECT DATA

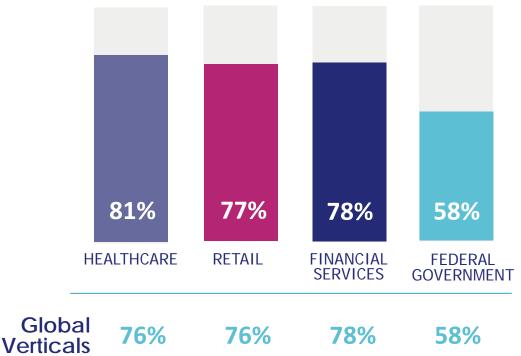


Global Healthcare 76% 2017

<sup>\*</sup> GLOBAL = OUTSIDE THE U.S. RESULTS

## U.S. HEALTHCARE IS UPPING THEIR GAME INCREASING SPEND MORE THAN OTHER VERTICALS





"Spending increases by US Healthcare on cyber security will lead all other vertical markets surveyed in the Report, both within the U.S. and globally"

Garrett Bekker Principal Analyst, Information Security, 451 Research

## US RATES COMPLIANCE THE TOP DRIVER FOR IT SECURITY SPENDING BUT LESS REGULATED GLOBAL COUNTERPARTS DO NOT

"COMPLIANCE IS A MINIMUM TABLE STAKE FOR REGULATED ENTERPRISES ... BUT BEING COMPLIANT DOES NOT MEAN YOU WON'T BE BREACHED"

Garrett Bekker, Principal Analyst Information Security, 451 Research





"Compliance ranked near the very bottom of spending drivers among global healthcare respondents, highlighting the differing effects of far more stringent regulatory and compliance requirements such as HIPAA/HiTech - in the US."

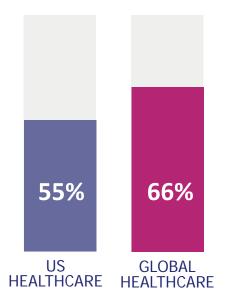
# COMPLIANCE SEEMS TO HELP U.S. HEALTHCARE COMPARED TO THEIR GLOBAL COUNTERPARTS

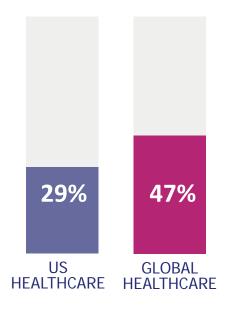
"Compliance is a minimum table stake for regulated enterprises ... But being compliant does not mean you won't be breached"

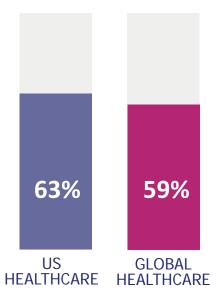
COMPARATIVE DATA
BREACH RATES
(SMALLER NUMBERS ARE BETTER)

COMPARATIVE VERY OR EXTREMELY VULNERABLE LEVELS (SMALLER NUMBERS ARE BETTER) Garrett Bekker Sr. Analyst Information Security, 451 Research

RATES OF COMPLIANCE AS "VERY" OR "EXTREMELY" EFFECTIVE AT PREVENTING DATA BREACHES







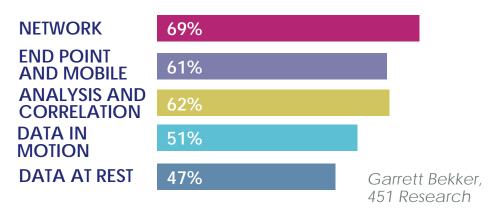
### U.S. HEALTHCARE INCREASING SPENDING THE MOST

#### WHERE DEFENSES OFTEN FAIL TO PROTECT DATA





#### IT SECURITY DEFENSE SPENDING INCREASES



... spending on securing internal networks from external threats is less and less effective – and relevant – as both the data and the people accessing it are increasingly external."

"...organizations keep spending on the same solutions that worked for them in the past but aren't necessarily the most effective at stopping modern breaches"

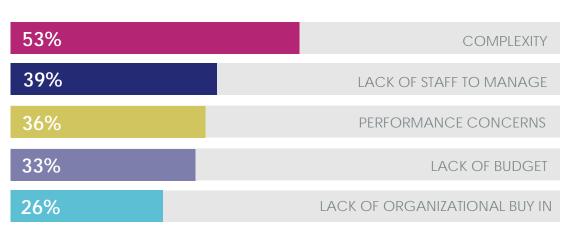
# COMPLEXITY AND SKILL SHORTAGES TOP BARRIERS TO DATA SECURITY DEPLOYMENT

PERCEPTION OF COMPLEXITY UNIVERSALLY THE TOP BARRIER

"...The lack of skilled security staff has been a consistent theme in 451's research efforts the past few years, and in conjunction with complexity, makes a strong case for data security functionality delivered as a service"

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PERCEIVED BARRIERS TO ADOPTING DATA SECURITY

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#### THE MOST DANGEROUS INSIDERS

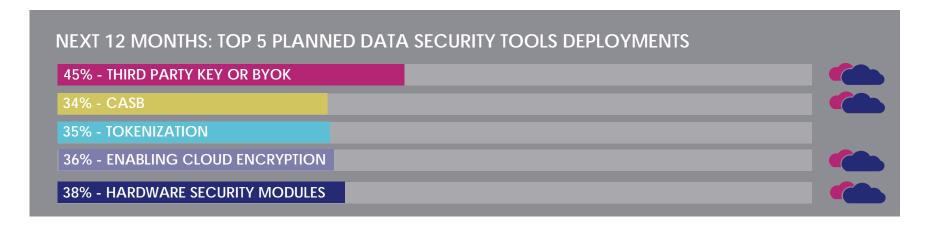
61%	PRIVILEGED USERS
46%	EXECUTIVE MANAGEMENT
33%	CONTRACTORS
26%	SERVICE PROVIDERS

# IN SPITE OF ALL THE FUROR AROUND NATION STATE HACKING, CYBER CRIMINALS TOP THE LIST OF CONCERNS BY A WIDE MARGIN



### CLOUD DRIVING HEALTHCARE DATA SECURITY CONTROL PLANS

4 OF 5 PLANNED DATA SECURITY CONTROLS ARE DRIVEN BY CLOUD AND SAAS



N IMPLEMENTATION NOW: TOP 5 DATA SECURITY TOOL	.S
78% - DATABASE OR FILE ENCRYPTION	
77% - DATA ACTIVITY MONITORING	
73% - MULTIFACTOR AUTHENTICATION	
70% - IDENTITY AND ACCESS MANAGEMENT	
67% - SIEM	_

<sup>\*</sup> U.S. RESULTS

#### **CONTAINERS SURPRISE**

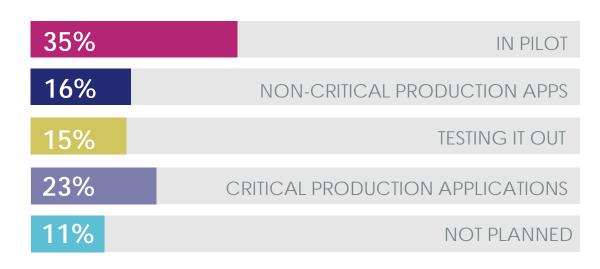
### ONLY 3 YEARS AFTER TECHNOLOGY INTRODUCTION (DOCKER)

 $_{"}...39\%$  of

respondents are already using containers in production environments

... 23% in critical applications"

Garrett Bekker 451 Research



CONTAINER BASED APPLICATION DEPLOYMENTS

58% SELECTED ENCRYPTION

AS THE #1 SECURITY
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Part of the **NUVIOS** group











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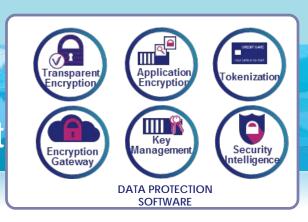
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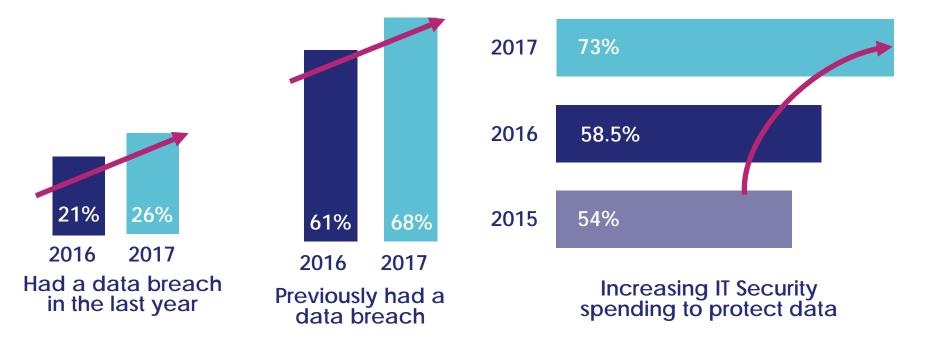
#### THE BIG DISCONNECT

"OUR 2017 REPORT FINDS A GLOBAL SITUATION WHERE SPENDING ON SECURITY IS UP - SHARPLY IN SOME SECTORS – YET SUCCESSFUL DATA BREACHES ARE ALSO UP SIGNIFICANTLY."

"CLEARLY, THERE'S STILL A BIG DISCONNECT BETWEEN WHAT WE ARE SPENDING THE MOST OF OUR SECURITY BUDGET ON AND WHAT'S NEEDED TO ENSURE THAT OUR SENSITIVE DATA REMAINS SECURE."

### BREACH RATES ARE ACCELERATING DESPITE INCREASED IT SECURITY SPENDING TO PROTECT DATA

# NO WONDER ENTERPRISES FEEL VULNERABLE TO DATA THREATS

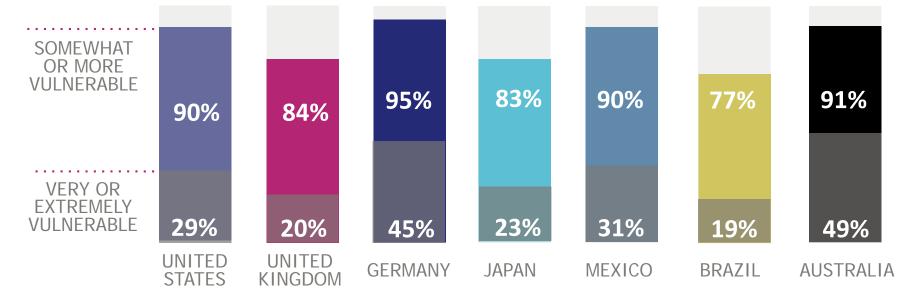


### GLOBAL VULNERABILITY TO DATA THREATS





#### **REGIONAL**



### COMPLIANCE THE TOP DRIVER FOR IT SECURITY SPENDING AND RATED AS HIGHLY EFFECTIVE AT PROTECTING DATA

IN SPITE OF PRIORITIZING COMPLIANCE FIRST FOR THE LAST TWO YEARS, AND INVESTING TO MEET COMPLIANCE REQUIREMENTS, THE RATE OF BREACHES KEEPS RISING

59%

BELIEVE
COMPLIANCE IS
VERY OR
EXTREMELY
EFFECTIVE AT
PREVENTING
DATA BREACHES

IT SECURITY SPENDING PRIORITIES

44% COMPLIANCE

**38% BEST PRACTICES** 

36% PROTECT REP & BRAND

35% PREVENT DATA BREACHES

35% INCREASED CLOUD USE

"Compliance is a minimum table stake for regulated enterprises ... But being compliant does not mean you won't be breached"

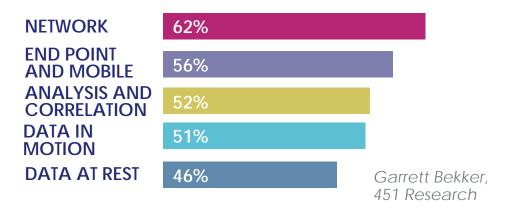
Garrett Bekker Sr. Analyst Information Security, 451 Research

### INCREASING SPENDING THE MOST WHERE DEFENSES OFTEN FAIL TO PROTECT DATA





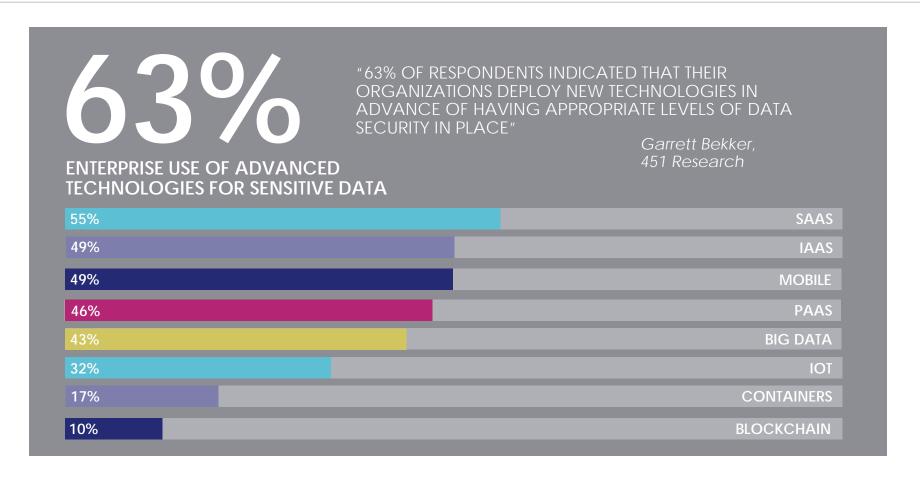
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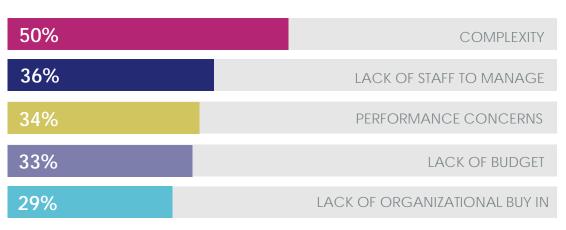
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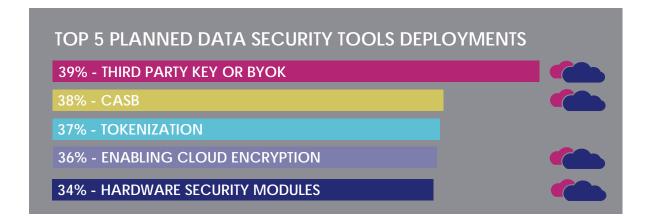
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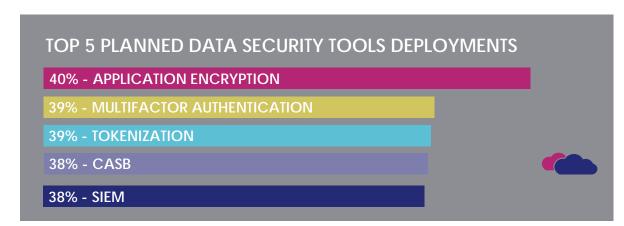
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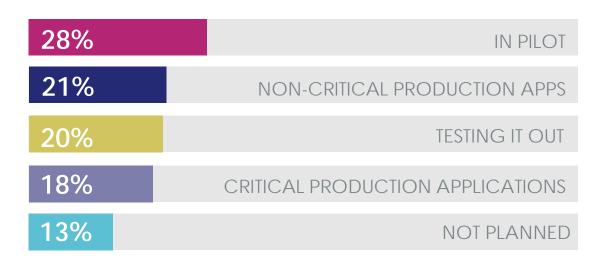
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#### NEW REGULATIONS ARE DRIVING ENTERPRISE BEHAVIOR

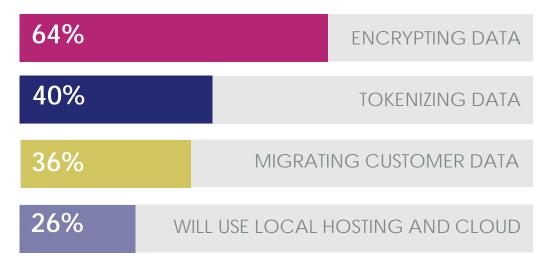
#### DATA PRIVACY AND SOVEREIGNTY IMPACTING ENTERPRISES WORLDWIDE

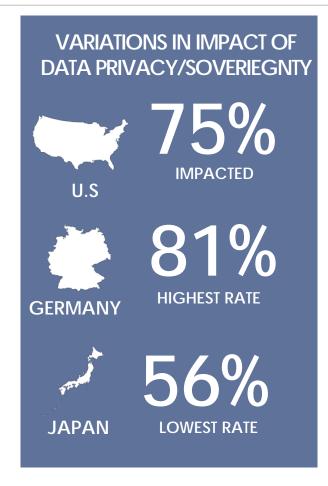


**72%** 

Globally are Impacted by Data Privacy and Data Sovereignty

#### **ADDRESSING REQUIREMENTS BY:**





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GARRETT BEKKER, 451 RESEARCH

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