

INTERNET SECURITY:

Strategic Market Options and Market Forecasts to 2001

Internet security markets are poised to grow as firewalls, encryption, messaging, and servers are implemented using a range of systems architectures. Market growth is being fueled by the need for transmission of transaction data and preservation of data integrity. Systems architectures are being impacted by the need for integration of security functions.

Internet security software and servers are positioned to protect the integrity of data transmitted over a range of different types of networks. Security is provided by firewalls, encryption, tokens, secure sockets, industrial strength messaging, authentication systems, perimeter devices, smart cards, digital signatures, and authorization systems. Security is implemented in the context of audit trails, interlocks, and fraud detection systems that pull together the range of discrete products. End to end security products are evolving.

Security systems depend on fundamental architecture. Two different security architectures are general perimeter protection and discrete but logically independent domains. New architectures will support administrative protection at multiple levels of the enterprise. The rise of the Internet has posed the problem of protection against external intrusion into the enterprise network. Discrete but logically independent domains within the enterprise need bi-directional protection from within the network as well as from external threat.

Electronic funds transfer depends on elaborate network security systems. All types of orders and transactions need to be protected with security. As credit cards are used on the Internet, security becomes an essential aspect of developing user confidence in the integrity of the asynchronous data communications process. Messages generally need to be encrypted to protect against unwanted prying.

If the Internet is to support \$20 billion of purchases by 2000, security must be possible, implemented, and believable. The AT&T SecureBuy program which guarantees secure transactions over the Internet represents an early Internet initiative poised to reap the benefit of large market share early. Suppliers to this and other Internet initiatives are developing a market leadership position that will be difficult to dislodge by competitors that come later.

A new study from WinterGreen Research **INTERNET SECURITY: STRATEGIC MARKET OPTIONS AND FORECASTS TO 2001** documents the market shifts and points out the opportunities.

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