

* ISG® Cybersecurity Study

The State of Cybersecurity Today

Threats & Security Budgets Continue to Rise

- The top security threat perceived by organizations over the next 2 years centers around the evolution of AI and machine learning.
- 83% of enterprises report increasing their security budgets, with only 4% decreasing budgets.
- Personnel costs make up 28% of security budgets, hardware and software 51%, and outsourced and managed services the remaining 21%.
- The highest categories of security spend are detection and protection, each about a quarter of the budget.

4.6%

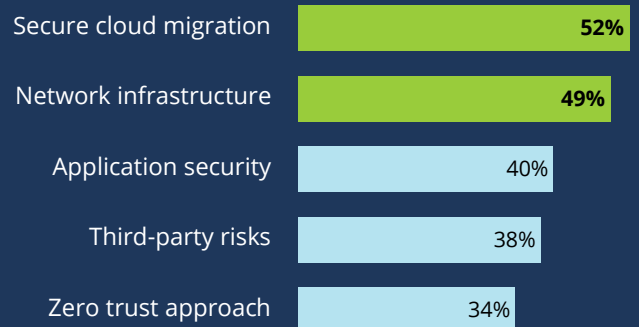
increase over budget from 2022

Companies continue to increase their security budgets despite planning to shave 7% off their overall cost base. Typical 2023 security budgets make up 0.8% of revenue.

Program Priorities

Gaps in Security Priorities vs. Investments

Infrastructure remains the highest priority with increasing levels of investment, as shown in the top **5 priorities chart**. But not all priorities are getting investment. Despite the lowest confidence in third-party privacy and insider threat management, only 20% plan to invest more in those areas.

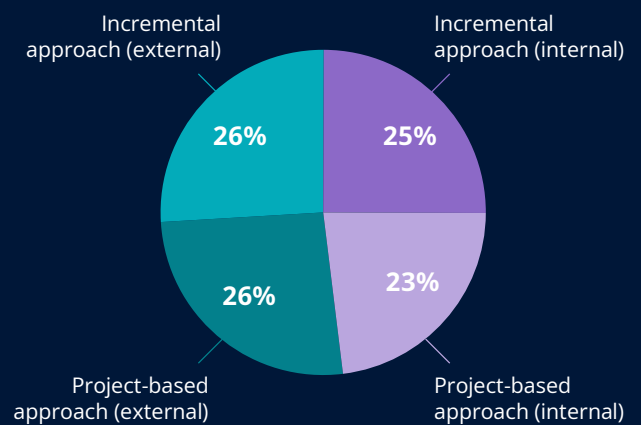


Note: Multiple responses allowed; will not add up to 100.

Enterprise Approaches

No Single Approach to Cybersecurity

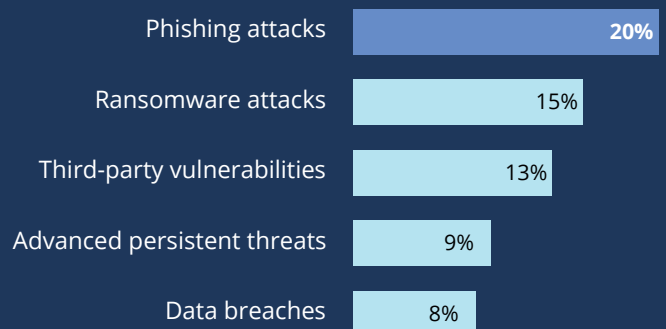
Enterprises are taking different cybersecurity approaches. Some are guided by an **external understanding** of risk, and some are guided by **internal simulations** of risk. Enterprises are also split almost equally between those using unproven solutions to stay ahead of the curve, and those using well-tested tech.



Security Incidents

Top 5 Most Challenging Incidents

95% of enterprises reported security incidents in the past year. Of those, 75% experienced **phishing attacks**, 60% viruses and 50% software vulnerabilities. While overall, enterprise security detection was considered the most important to identify incidents, for phishing attacks, over 37% highlighted a workforce training strategy.



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 **204 execs in G2000 companies**
interviewed from U.S., Germany, U.K., etc.

 **24% C-level roles**
(including CIO, CISO), 40% IT and security VPs

Contact us to find out more about this study. If your organization needs help navigating the technologies, processes and culture needed to refocus your cyber initiative, ISG can help.