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THEMATIC DIGEST:

Identity & Access Management (IAM)



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Identity & Access Management (IAM): An Overview

Main concepts

IAM (Identity and Access Management) companies provide solutions for streamlining user identification and defining access to the right resources at the right time for the right purpose.

The IAM space is a niche segment that's expected to double in value and size by 2025 because of its large addressable market.

The main benefits of IAM solutions include Risk Mitigation, Business Alignment, and Cost Control.

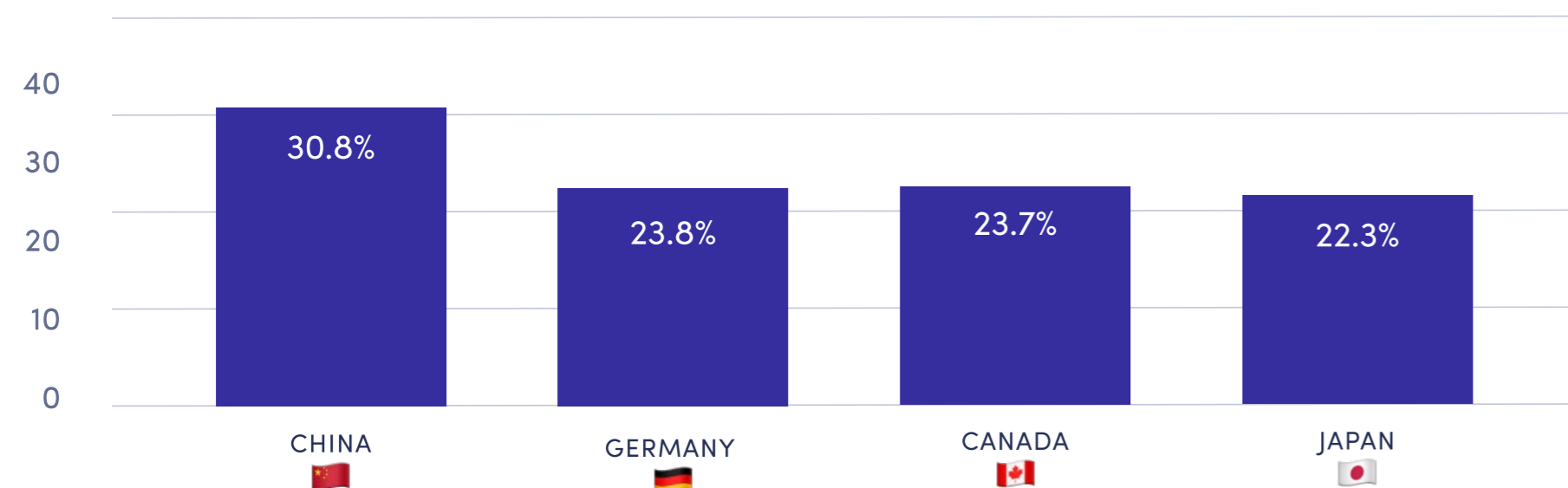
Current barriers to IAM adoption include poor business alignment, limited resources, and absence of a viable strategy around technology, people, & process.

IAM by Regions

North America currently accounts for the largest share in the global IAM market (with United States representing [40.58%](#) of the market).

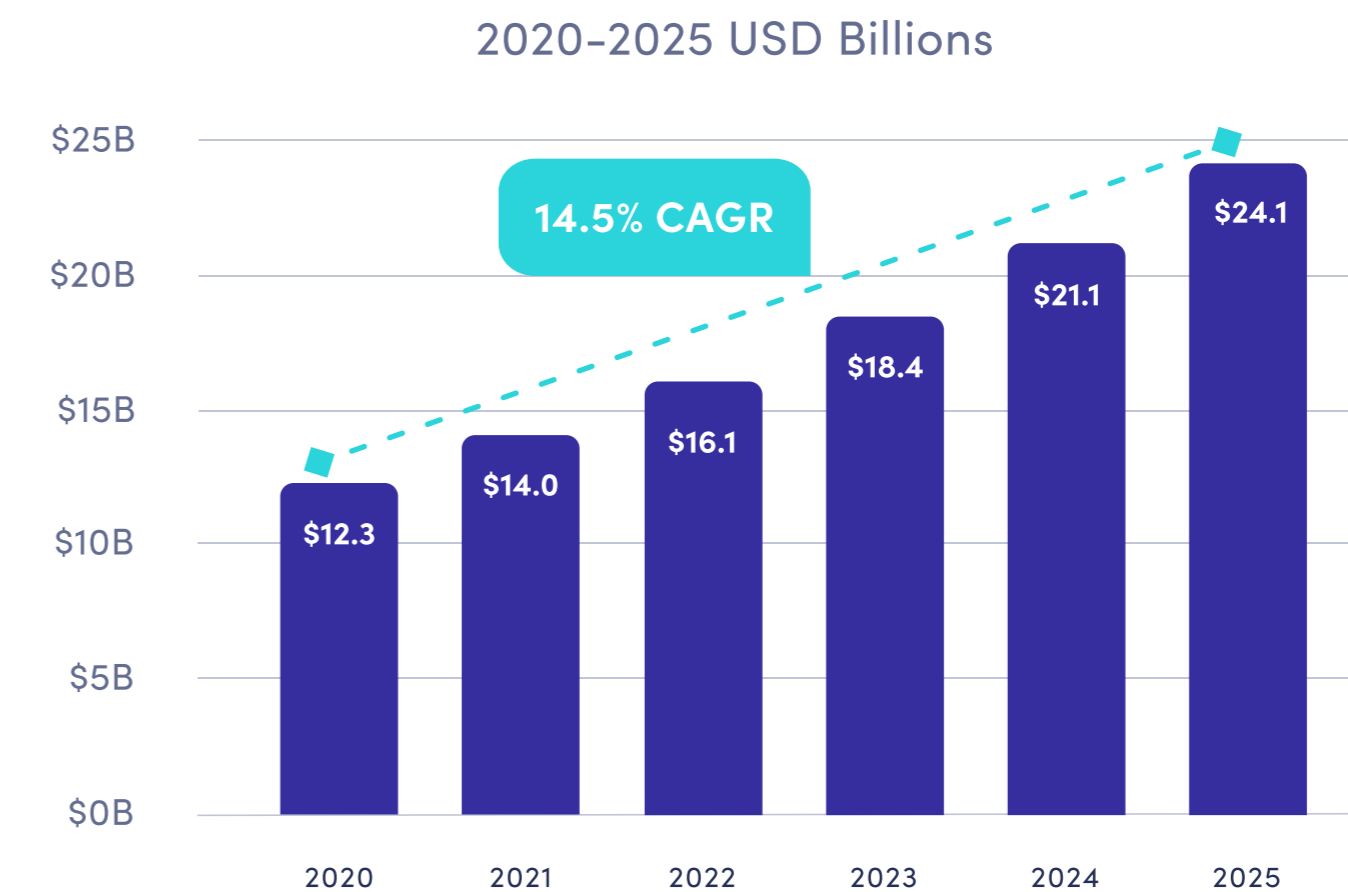
Asia Pacific is considered to be the most lucrative region for the IAM market, expected to originate [33%](#) of the IAM global market growth from 2021-2025, due to the rapid adoption of digital technologies and work-from-home trends.

IAM Market Growth Rate 2020-2027



Market Size

The global IAM market size is projected to grow from \$12.3B in 2020 to \$24.1B by 2025, representing 14.5% CAGR. This growth will be boosted by a surge in the number and complexity of cyber-attacks, the increasing adoption of cloud services, and work-from-home associated risks.








Sectors Served by IAM








(Source: Gartner, Forrester, Anexinet, Markets & Markets, Barclays, Deloitte, ITAM Review, StealthLabs)

Investors and Takeaways

Tailwinds

- 
 Constant changes and amendments to compliance and governance regulations [fuel massive IAM growth, primarily in the auditing and compliance sector.](#)
- 
 Companies are expected to increase IAM adoption to boost the efficiency and flexibility of their identification and access management processes. ([Ping Identity, 2021](#))
- 
 According to Forrester, [61%](#) of security decision-makers plan to increase their IAM budget in 2021, with 32% expecting to add an extra 5% or more on top of their current budget.
- 
 Business trends, such as those related with remote workforce (e.g., bring-your-own-device - "BYOD"), will drive IAM adoption to address companies' need to manage access of their parties' devices to their internal systems. ([Fortune Business Insights, 2021](#))
- 
 Faced with cybersecurity threats, IAM companies are expanding their services to provide another layer of security on top of password and credentials verification, and help detect suspicious behaviors. ([Identity Management Institute, 2021](#))

Headwinds

- 
 Converting enterprises with existing legacy systems to IAM can be challenging, time-consuming and costly.
- 
 Successful IAM projects are [long-term, ongoing endeavors](#) that require close monitoring and tweaking according to ever-changing business requirements.
- 
 Implementation difficulties stemming from either or both of these roadblocks:
 - A massive shortage of IAM specialists amid a raging demand.
 - Lack of IAM knowledge
- 
[Adoption is slow among SMBs](#) as they can't handle the cost of a comprehensive IAM solution and likely don't have the in-house expertise to successfully implement and manage it.
- 
 High security exposure since IAM solutions tend to store all credentials in one centralized location. ([Fortune Business Insights, 2021](#))

Investors interested in IAM

Private Equity

- Insight Partners
- Thoma Bravo
- Apax Partner
- Clearlake Capital
- Riverwood Capital
- Providence Strategic Growth
- KKR Growth
- TA Associates
- Y Combinator
- Great Hill Partners

Venture Capital

- ClearSky
- Foundation Capital
- Norwest Venture Capital
- SixThirty Ventures
- MassMutual Ventures
- Accel
- Meritech Capital
- Sorenson Ventures
- Dell Technologies Capital
- ForgePoint Capital

Global Competitive Landscape by Verticals

Access Management



American software company providing privileged access management services intended for computing systems and mobile device



Denver-based cloud directory platform designed to centralize and simplify access management and administration activity monitoring.



NY-based independent SaaS Management Platform (SMP) provider empowering IT.



California-based access control platform for technical staff and provide real-time monitoring for identifying data errors



California-based SaaS access management, security and compliance solutions provider that offers enterprise-grade access & more.



California-based identity intelligence and access management company that offers solutions for fraud prevention.

Identity Verification



New York-based identity authentication solutions provider that offers businesses with phone-centric tools and tokens to enable their customers to prove their identities with just a phone.



New York-based identity management company that specializes in powerful password authentication solutions.



San Francisco company specializing in zero-trust infrastructure built on user's digital fingerprints to provide stronger digital identity protection.



New York-based security company that delivers digital identity verification & fraud solutions that verify identities in real-time.



Operating in Atlanta, Georgia, patented authentication technology to detect fraudsters & authenticate legitimate callers.

General IAM



Toronto-based software that offers a comprehensive IAM suite to companies including password management, & a secure collaborative environment for employees.



Based in McLean, VA, provides access management for US government agencies users. Designed for group affiliation verification.



Toronto-based identity and authentication provider that delivers fast, painless, and secure consumer access to online services and applications.



Next-generation cloud identity company. Its products include Identity Management, Access Management, Identity Governance, AI-powered Autonomous Identity.



San Francisco-based IAM platform specializing in enterprise-grade unified access management.



New York-based password management and protection solutions company that enables users to enjoy fast, frictionless, and secure access to their accounts.

(Source: Pitchbook)

M&A and Funding Deals

Recent M&A



OverWatchID was acquired by SailPoint Technologies (10/04/21) for \$20.9M

Post valuation: \$20.9M



Ilex International was acquired by Inetum (09/06/21) for \$11.77M

Post valuation: \$11.77M



CloudKnox was acquired by Microsoft (07/21/21) for an undisclosed amount.

Post valuation: N/A



Vivvo was acquired by PwC Canada (12/14/20) for \$5M.

Post valuation: \$5M



Identropy was acquired by Protiviti (12/21/20) for an undisclosed amount.

Post valuation: N/A



Onion ID was acquired by Thycotic Software (06/02/20) for an undisclosed amount.

Post valuation: N/A

Recent Funding Rounds



SecZetta: Identity Governance for non-employees

Last Deal Size: \$20.25M of Series B funding

Lead Investors: SYN Ventures (09/02/21)



ForgeRock: Access Management

Last Deal Size: \$92.3M of Series E funding

Lead Investors: Accel (04/21/20)



RSA Security: Identity Governance

Last Deal Size: \$2.075B through LBO

Lead Investors: ANIMO Ventures (09/01/20)



Ockam: Identity Governance

Last Deal Size: \$4.9M through a combination of Seed1, Seed2 & Seed3 funding

Lead Investors: Future Ventures (05/06/19)



OneLogin: Access Management

Last Deal Size: \$100M of venture funding (combination of debt and equity)

Lead Investors: Blue Cloud Ventures (01/10/19)

Annex I

Glossary: Main Benefits



Risk Mitigation

- Enforcing enterprise-wide security policies and standards, encompassing individual locations, business units, and access points of both business partners and customers.



Business Alignment

- Ensuring user access rights are aligned with business responsibilities and goals, while enabling organizations to use custom tools and capabilities to monitor and manage the use of privileged access.



Control Cost

- Streamlining identity verification and access authorization reduces on-going user administration costs and enhances individual & collective productivity & efficiency.

(Source: Deloitte)



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