

Netskope Cloud Report

In the second Netskope Cloud Report™, we've compiled the most interesting trends on cloud app adoption and usage based on aggregated, anonymized data from the Netskope Active Platform. What is particularly interesting is that cloud app adoption has spread across virtually every business function. What's shocking is that IT professionals underestimate the number of apps in use in their organizations by 90 percent. The number of apps per category is concerning to IT professionals – on average, there are 35 HR and 18 Finance/Accounting apps in use per enterprise, where by their own estimates, they had assumed only one or two per department. And in an interesting twist, we found that of all the apps detected, Twitter has the highest usage in enterprises, beating out popular apps for Storage, Productivity, and other enterprise-oriented categories.

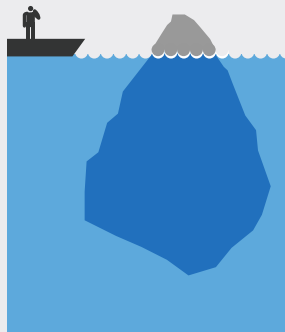
Report findings are based on billions of cloud app events seen across hundreds of thousands of users and represent usage trends from October–December 2013.

Report Highlights

Twitter is the most popular cloud app in the enterprise



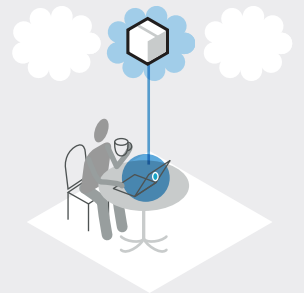
Enterprises use 10 times the number of cloud apps than IT thinks they do



Enterprises use an average of 35 cloud HR and 18 Finance/Accounting apps













Three of the top 10 cloud apps are Storage, and enterprises use an average of 26 such apps



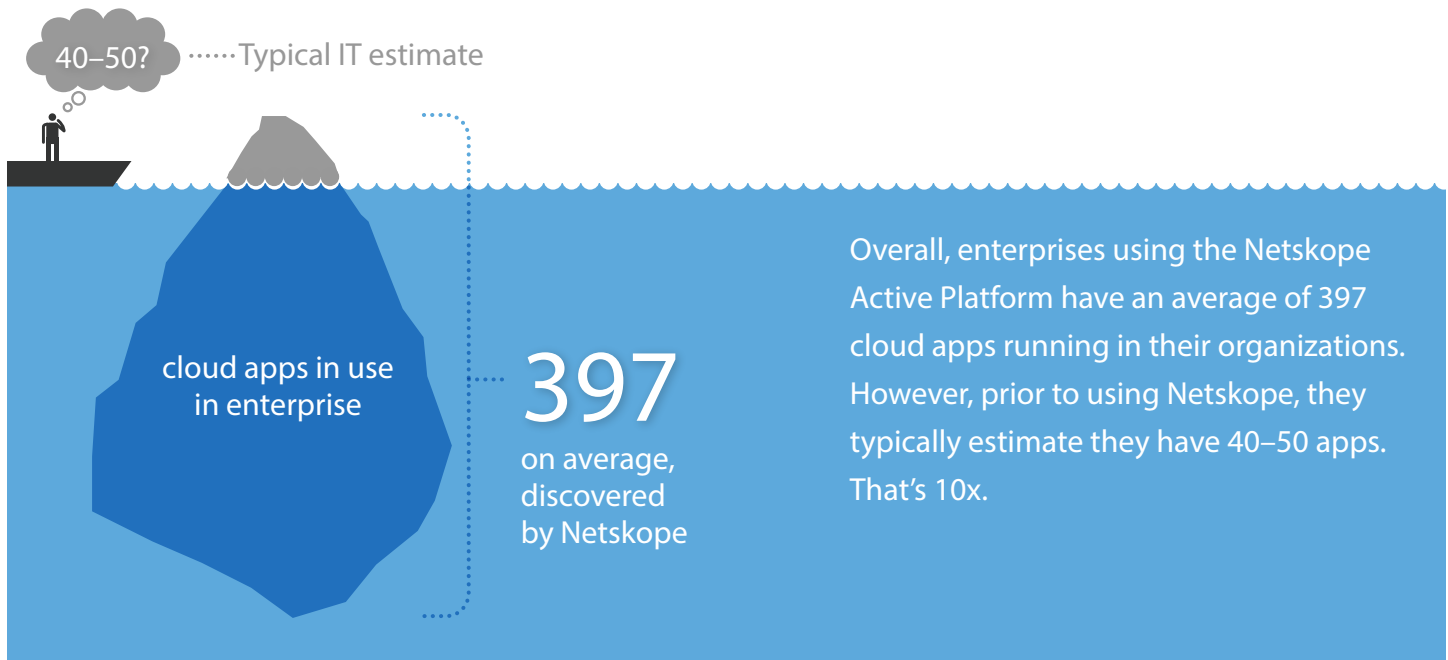
Twitter, a Consumer App, is #1 in Enterprise Usage

What are the top apps used in the enterprise? According to usage seen in the Netskope Active Platform, Twitter tops the list. We define “usage” as number of distinct app sessions.¹ While it may seem ironic that a consumer cloud app is number one on the list for enterprise usage, it’s not surprising. Twitter has become increasingly relevant in business as marketers, salespeople, research and development professionals, and even executives find social media to be an impactful tool in promoting their organizations, consuming relevant news and content, and building their personal brand. While popular consumer apps Facebook and LinkedIn were also among the top used in the platform, those apps did not make the top 10 list.



APP NAME	CATEGORY	APP NAME	CATEGORY
1  Twitter	Consumer	6  LiveChat	Help Desk
2  Dropbox	Storage	7  EVERNOTE®	Productivity
3  Google Drive	Storage	8  zendesk®	Help Desk
4  Salesforce.com	CRM / SFA	9  Concur	Finance/ Accounting
5  Box	Storage/ Collaboration	10  successfactors™ an SAP Company	HR

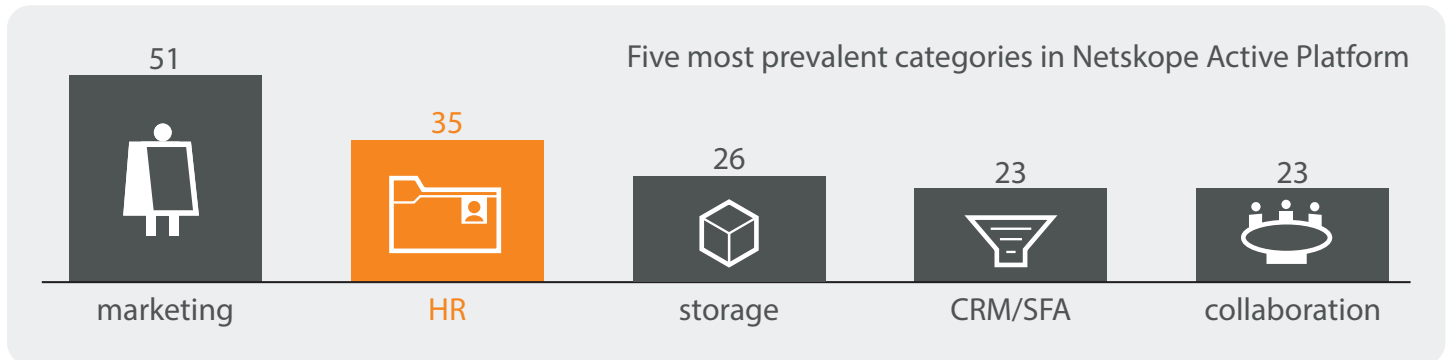
Reality vs. Perception: More Cloud Apps Than You Realize



77% of those cloud apps are not enterprise-ready

This lack of visibility has tremendous security and compliance consequences. For one thing, 77 percent of those cloud apps are not enterprise-ready, which means they're rated "medium" or below in the [Netskope Cloud Confidence Index™](#),² an objective measure of cloud apps' security, auditability, and business continuity that has been adapted from Cloud Security Alliance guidance. Even enterprise usage in such apps is high: 67 percent of sessions are in apps rated "medium" or below. Some of the functional distinctions separating top- and bottom-rated apps include audit logging, granular role-based policies, and separation of customers' data in the cloud.

35 HR Apps per Enterprise



The five most prevalent categories in the Netskope Active Platform are: Marketing, HR, Storage, CRM/SFA and Collaboration.

Perhaps the most striking of these is the number of cloud HR apps per enterprise: 35. While HR is a broad category, with specific apps for benefits, salary, performance, time-tracking, and more, the number still raises security and compliance questions. With that many apps, IT professionals are concerned about whether they have the appropriate controls in place to protect personally-identifiable information. Similarly, there are 18 Finance/Accounting apps per enterprise. While the category isn't in the top five, the number of apps is surprising given regulatory implications. For public companies who must comply with Sarbanes-Oxley, the high number raises the question about whether cloud financial systems and data are being accessed only by authorized individuals. While not every one of the HR or Finance/Accounting apps is subject to regulation, it's not always clear which ones are and whether they are properly controlled. For that, IT must monitor activity within the apps and understand what content is being accessed, edited, deleted, and shared, with whom it is shared, and so on.

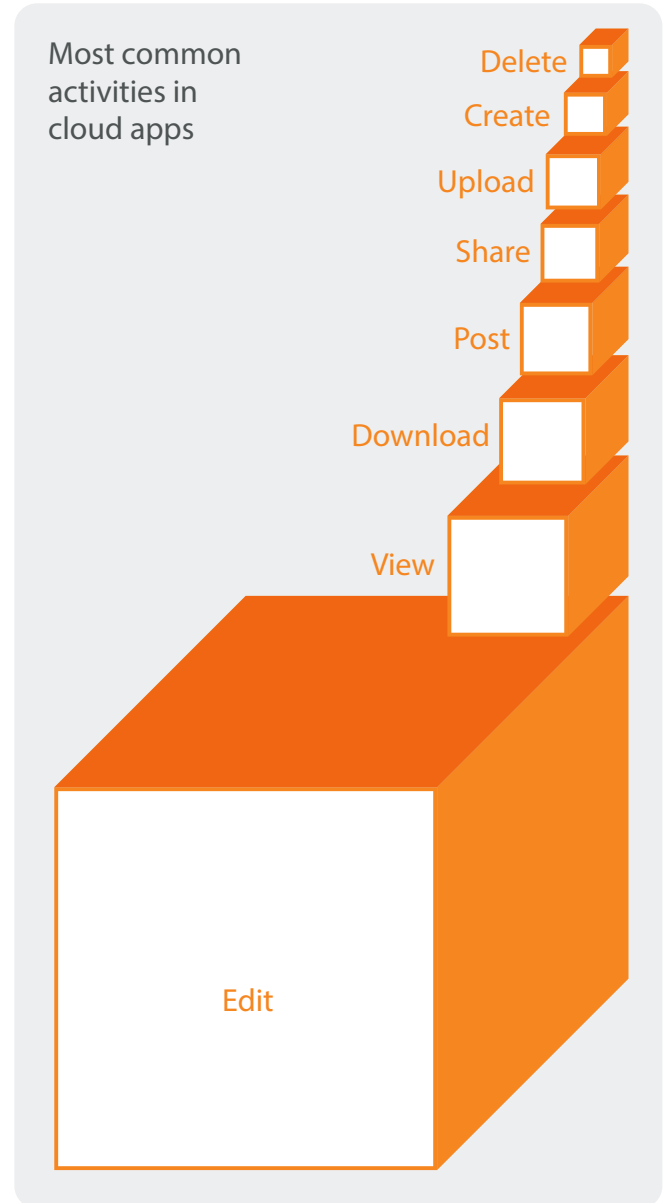
We also found the number of Storage apps per enterprise to be remarkably high at 26. Unlike HR or Finance/Accounting, which cover a broad set of functions, Storage apps are narrower in scope, and have redundant functionality with each other. Even organizations that have chosen to standardize on one Storage app like Dropbox or Google Drive have discovered a "long tail" of such apps that are unsanctioned but in use. Given the ease with which content can be synced across multiple devices and shared outside of an organization in these types of apps, this number was especially concerning to IT professionals.

What Are People Doing in Cloud Apps?

The activities we track in the Netskope Active Platform are especially telling when juxtaposed against **policy violations**, activities concerning data classified as “sensitive” or “confidential,” and data leakage incidents.³

Activities such as upload, share, and download are among the most watched in the Netskope Active Platform because they can signal data leakage or compliance violations. For example, one biopharmaceutical company discovered the use of several big data cloud apps to analyze clinical trial data. Their goal is to prevent the upload of data sets that contain personal health information to such apps that don't meet their HIPAA-HITECH compliance standards.

Similarly, a media company discovered users improperly sharing intellectual property with unauthorized third parties via cloud file sharing. Their goal is to limit the sharing of particular content with people and partners outside of the company and even with certain groups within the company. Whether motivated by compliance, loss of intellectual property, or loss of reputation, the concern is widespread. The Ponemon Institute recently reported that 90 percent of organizations admit to losing control of sensitive content in cloud file sharing apps.



◀ **90%** of organizations admit losing control of sensitive content in cloud file-sharing apps

What Are People Doing in Cloud Apps? (Continued)

Today, the vast majority of policy violations result in an “alert” **action**,⁴ versus a “block.” We believe this is because the ability to block activities within cloud apps is relatively nascent in the market, and IT professionals are first getting their arms around what activities are being performed and in what context (e.g., sharing sensitive content with people outside of the company, improperly editing fields in Finance/Accounting apps, downloading proprietary content to mobile devices, etc.). As enterprises gain more insight into how their employees are using cloud apps and optimize their policies as a result, we expect policy violation figures to vary widely from period to period. We also expect to see an increase in the use of user coaching messages as a means of educating users about risky behaviors and creating transparency around what policies the enterprise is setting.

Notes

1. A session is a distinct time period in which a user logs into an app, performs a series of activities, and then ceases to work in the app for a period of time. Existing usage metrics (e.g., HTTP sessions) are often inaccurate because users don't always log out following active usage. Netskope has developed a proprietary heuristic to measure a more accurate period of activity, which we define as a session. Usage is defined as number of discrete sessions.
2. The Netskope Cloud Confidence Index™ is a database of nearly 3,000 cloud apps that are evaluated on 30+ objective enterprise-readiness criteria adapted from Cloud Security Alliance guidance, including security, auditability, and business continuity. The results of the evaluation are normalized to a 0–100 score and mapped to five levels from “poor” to “excellent.”
3. We define a policy violation as an activity against which a policy has been set in the Netskope Active Platform.
4. We define a policy action as the resulting action (such as alert, block, or bypass) the administrator instructs the Netskope Active Platform to take in real-time when the system detects a violation of a set policy.