

Application Security Benchmark Survey

Insights for the Healthcare Industry



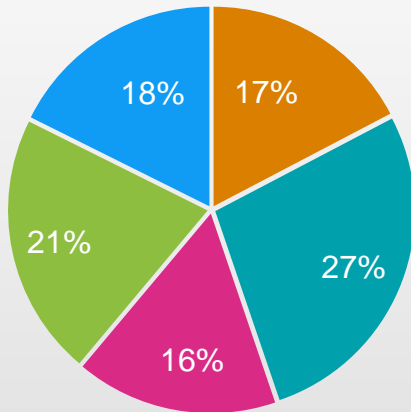
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Insights for the Healthcare Industry

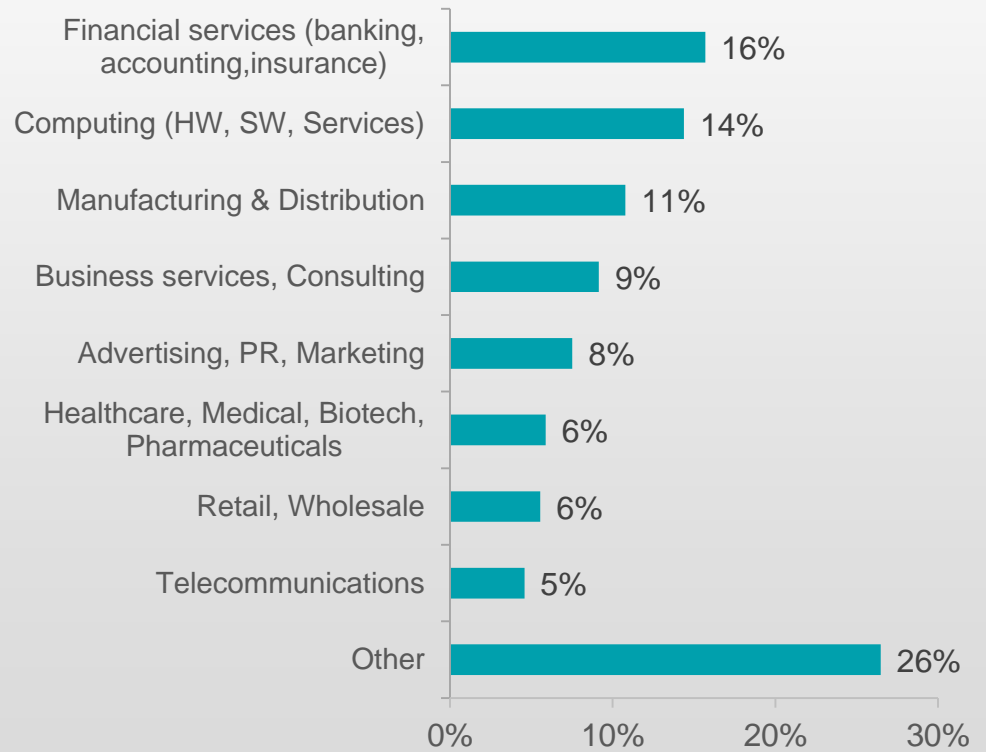
- About this survey
- What is being developed by enterprises?
- What is not being tested?
- How will things change in 12 months?
- Executive commitment
- A plan to close the gap

About The Survey

- Conducted by IDG Research from May-June 2014
- Respondents:
 - 100 US
 - 100 UK
 - 106 Germany & Switzerland



■ \$500 million - \$999.9 million ■ \$1 billion - \$2.9 billion
■ \$3 billion - \$4.9 billion ■ \$5 billion - \$9.9 billion
■ \$10 billion or more



What is being developed by enterprises?



Healthcare enterprise application portfolio

Average number of internally developed enterprise applications

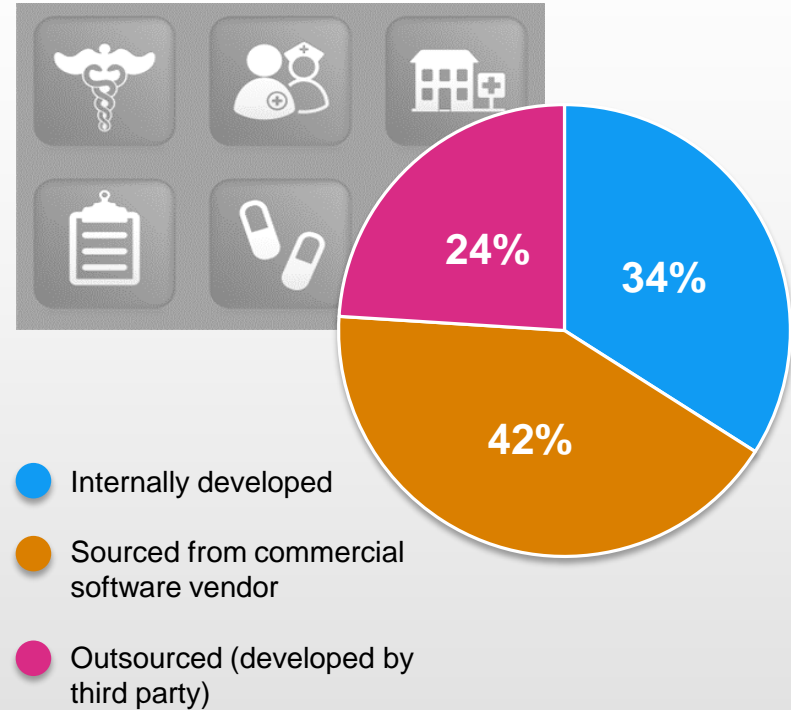


Source: Veracode and IDG Research Services

Q9. How many internally developed enterprise applications are currently deployed within your organization?

Healthcare Base: 18

Internally Developed vs. Externally Sourced



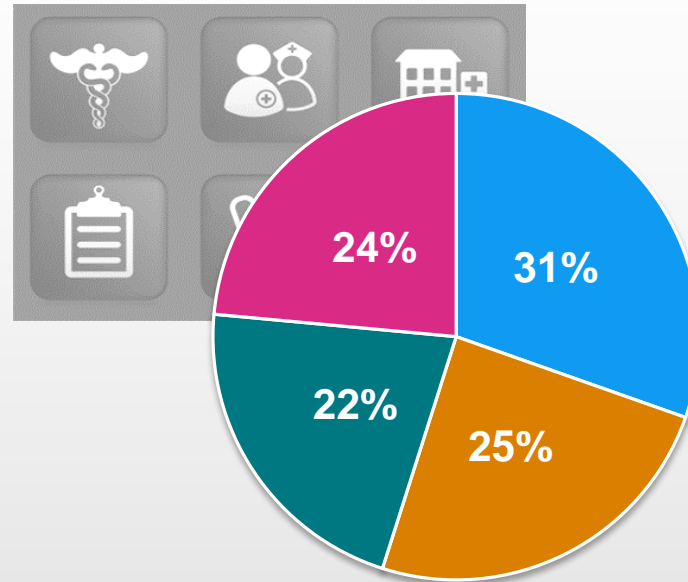
Source: Veracode and IDG Research Services

Q1. With the total equal to 100%, please estimate what proportion of your organization's total enterprise application portfolio is internally developed vs. externally-developed/sourced?

Healthcare Base: 18

Taxonomy of internally developed applications

HEALTHCARE



- Mobile Applications
- Web Applications
- Client/Server Applications
- Terminal Applications

Source: Veracode and IDG Research Services

Q3. With the total equal to 100%, approximately what percent of your *internally developed* enterprise application portfolio falls into the following application architecture categories?

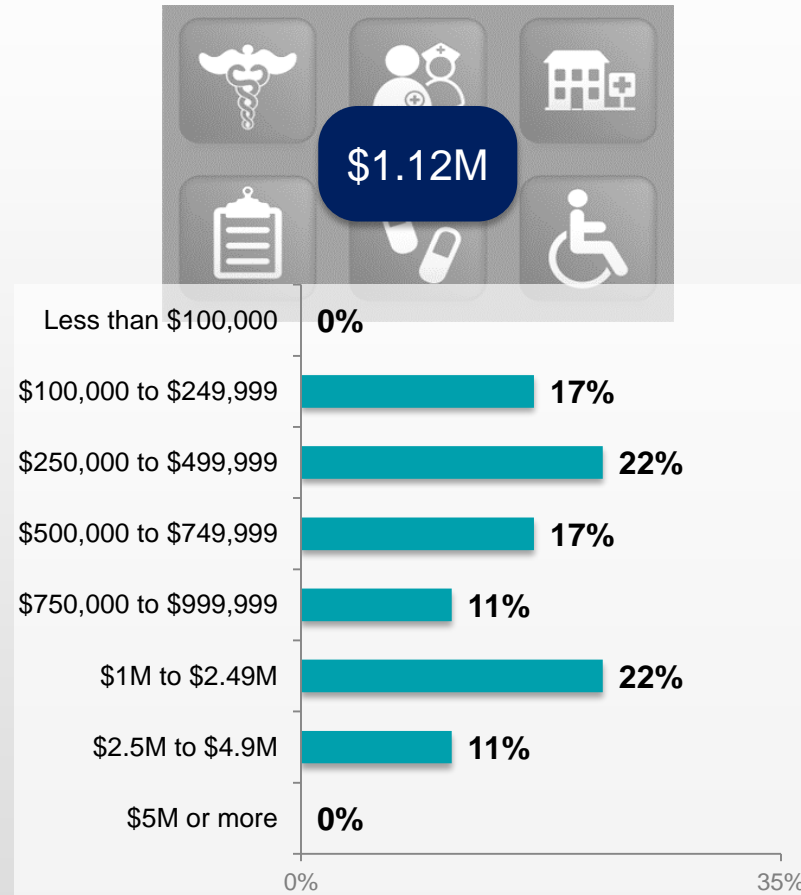
Healthcare Base: 18

**What is being spent on
securing internally
developed applications?**



Security spending on internally developed enterprise applications

HEALTHCARE



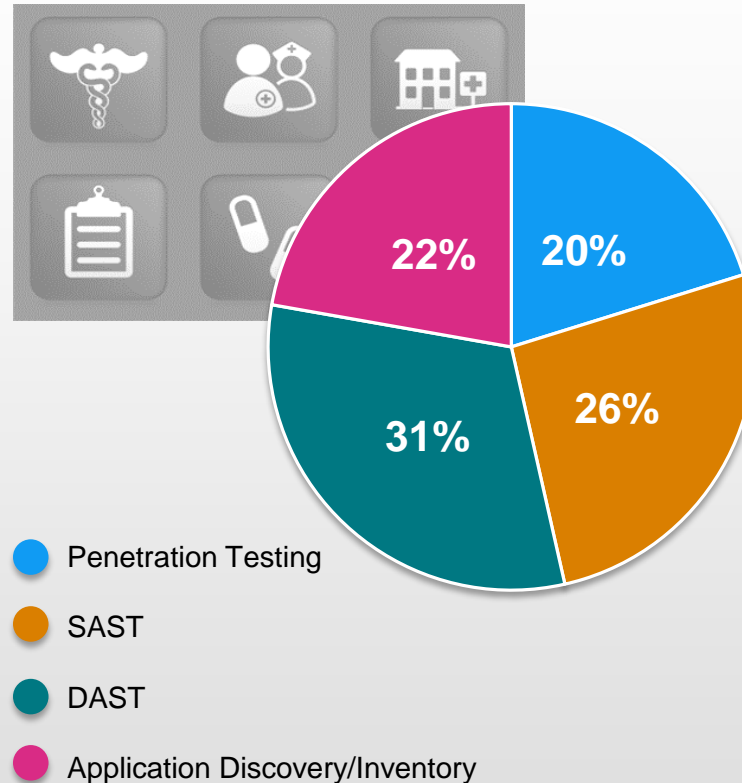
Source: Veracode and IDG Research Services

Q7a. Please estimate your organization's overall spend on application security for internally developed applications?

Total Healthcare Base: 18

Breakdown of application security spending on internally developed applications

HEALTHCARE



Source: Veracode and IDG Research Services

Q7b. Approximately what percent of your organization's application security budget for internally developed applications is spent on the following:

Healthcare Base: 18

What is not being tested?



Internally developed applications not tested for security vulnerabilities

HEALTHCARE



ALL APPLICATIONS

60% not tested for vulnerabilities



MOBILE APPLICATIONS

63% not tested for vulnerabilities



WEB APPLICATIONS

57% not tested for vulnerabilities



CLIENT/SERVER APPLICATIONS

59% not tested for vulnerabilities



TERMINAL APPLICATIONS

64% not tested for vulnerabilities

Source: Veracode and IDG Research Services

Q5a. For each application architecture listed below, approximately what percentage of your organization's internally developed applications do you test for security vulnerabilities? (Total does not have to add up to 100%)

Healthcare Base: 18

Importance of closing the gaps in application security testing

HEALTHCARE



Respondent organizations reporting less than 100% coverage citing a critical or very important need to close gaps in coverage:



87% MOBILE APPLICATIONS
(N = 15)



80% WEB APPLICATIONS
(N = 15)



69% CLIENT/SERVER APPLICATIONS
(N = 16)



69% TERMINAL APPLICATIONS
(N = 16)

Source: Veracode and IDG Research Services

Q5b. For each application architecture listed below, how important is it for your organization to close the gaps in coverage and move closer to testing 100% of your internally developed applications for security vulnerabilities?

Healthcare Base: 18

How will things change in 12 months?



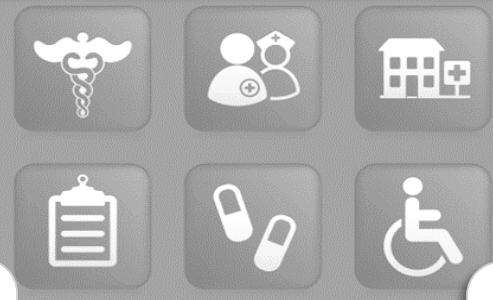
Changes in application security programs: 12 month projection for Healthcare industry

Estimated 2015 Need: **\$3.11M**

To test all current and new applications with existing approaches

Average gap between need and budget

\$1.95M



Average growth of internally developed applications

9.7%
average increase

(or 177 new apps)

Change in security spend for internally developed applications

2.92%
average increase

Estimated 2015 Budget: **\$1.15M**

Source: Veracode and IDG Research Services

Q5a. For each application architecture listed below, approximately what percentage of your organization's internally developed applications do you test for security vulnerabilities? (Total does not have to add up to 100%)

Healthcare Base: 18

Source: Veracode and IDG Research Services

Q8. How do you expect your organization's overall spending on application security for internally developed enterprise applications to change over the next 12 months?

Healthcare Base: 18

Executive commitment



Executive commitment to application security testing

HEALTHCARE



44%

Executives have mandated an enterprise-wide program and are tracking implementation

28%

Executives are aware of but have not mandated an enterprise-wide program

28%

Executives are interested in application security for business critical applications only

0%

Executives have little interest in application security programs

Source: Veracode and IDG Research Services

Q9. Which of the following most accurately describes the level of executive commitment to application security testing (for internally developed applications) within your organization?

Healthcare Base: 18

A Plan to Close the Gap*

Anticipated spending increases are dramatically lower than the minimum spending increase that IDG determined is required to close the gap.

Simply extrapolating the existing assessment approaches to close the gap puts the CSO in an untenable budgetary situation.

The key is rethinking these elements:

- How security gets built into applications as they are being developed
- How to build in security at the scale and pace required to support the more than 340 anticipated new applications that enterprises, on average, will develop in the next 12 months
- How to build in security so that it lowers the financial burden of proactively managing risk

By seeking out best practices for implementing application security at scale, CIOs and CSOs can use their expected budget increases for initiatives that tackle their existing gap in a significant way.

** Except from "Why Application Security is a Business Imperative" IDG Research, Aug 2014*

SIZE UP YOUR APPLICATION SECURITY STRATEGY.

It's big. It's bold. But is it enough? Answer these five quick questions to see how your current AppSec strategy stacks up against your peers.

Start the assessment

<http://www.veracode.com/application-security-assessment>

