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## Cloud Computing Confusion Continues

### Proofpoint survey reveals just half of IT professionals can define "cloud computing"; high number remain confused about security and cost savings issues

**SUNNYVALE, Calif. – November 9, 2009** –According to an August 2009 survey of more than 200 information technology (IT) professionals, the term "cloud computing" brings a host of definitions and perceptions that may, in fact, stall enterprise adoption of cloud computing technologies.

Proofpoint, Inc., the leading provider of SaaS email security, email archiving and data loss prevention solutions, and Osterman Research found that a large number of IT professionals are still confused about the term "cloud computing." Nearly 40 percent of IT professionals answered "yes" to the question, "when I hear the term 'cloud computing,' I am generally confused given the many definitions" (52% answered "no"). Thirty-three percent believe cloud computing is more hype than substance, while 24 percent "weren't sure." As expected, the understanding of cloud computing isn't any clearer in other areas of the enterprise.

For example, just 24 percent of respondents believe their CEO could define cloud computing while 59 percent responded their CEO would fail at the task. Finance directors would have a more difficult time defining cloud computing according to respondents – only 10 percent said their finance heads could accurately define cloud computing.

#### Concerns about Security of Cloud Computing Mixed, Many Remain Unconvinced of Fiscal Benefits of Cloud-based Solutions

Responses to the Proofpoint survey showed that opinions are split as far as the security of sensitive data in the cloud. Fifty percent of respondents believe that if they moved sensitive data to a cloud-based provider, they would run a higher risk of having that data compromised or being in violation of government data-protection statutes.

While 43 percent responded "yes" when asked if they felt that "cloud computing is less secure than managing things in house," 31 percent responded "not sure" (26 percent responded "no").

"Any great paradigm shift, cloud computing included, will always be accompanied by hype and a fair amount of confusion. So we're not surprised to see those percentages, even among the power users – IT professionals. There's still a significant amount of 'fear, uncertainty and doubt' surrounding data security and financial payback issues," said Gary Steele, CEO of Proofpoint.

Only 37 percent of IT professionals estimate that within the first year of implementation, their organization would realize cost savings from a cloud-based email security system. The number drops to 34 percent when asked about migrating an email archiving system to the cloud.

When asked about the difference in the quality of cloud-based email security services and cloud-based email archiving services, a large number of IT professionals believe the differences are significant. 46 percent of respondents see a significant difference between the cloud-based email security offerings on the market (19 percent do not) while 43 percent see a significant difference between the cloud-based email archiving solutions (21 percent do not).

"The takeaway is that clearly all clouds are not created equal. Given the increasing number of SaaS email security and compliance solutions available and differences in data security, service level agreements, effectiveness and ease-of-use, enterprises must conduct their due diligence when moving these types of functions to the cloud," continued Steele.

Previous Proofpoint research has found that a majority of enterprises intend to move both inbound and outbound email security functions to a Software-as-a-Service (SaaS) model. In its June 2009 survey of 220 email decision makers at companies with more than 1000 employees, Proofpoint found that 56 percent of respondents said they have or will deploy a SaaS security solution for inbound email scanning. 54 percent said they have or will deploy a SaaS security solution for outbound email scanning.

#### About Proofpoint, Inc.

Proofpoint secures and improves enterprise email infrastructure with solutions for email security, archiving, encryption and data loss prevention. Proofpoint solutions defend against spam and viruses, prevent leaks of confidential and private

information, encrypt sensitive emails and archive messages for retention, e-discovery and easier mailbox management. Proofpoint solutions can be deployed on-demand (SaaS) on-premises (appliance), or in a hybrid architecture for maximum flexibility and scalability. For more information, please visit <http://www.proofpoint.com>.

Proofpoint's August survey also found that cloud computing may be facing an unlikely detractor within the enterprise – the IT professional. When asked the question, "if we implemented cloud-based services, many of our IT staff members would perceive that our company was preparing to lay them off," 47 percent answered "yes" and 30 percent answered "no" (23 percent said "not sure").

### **Learn More about the Benefits of Cloud Computing for Email Security**

Proofpoint invites both skeptics and cloud computing converts to learn more about the pros and cons of deploying security features in the cloud and how next-generation SaaS solutions for email security, archiving and data loss prevention can deliver superior security, better performance and lower costs compared to on-premises approaches. Register to attend Proofpoint's live Web seminar "Cloud Computing Confusion: Is SaaS Email Security Right for Your Enterprise?" being held Wednesday, Nov. 18, 2009 by visiting:

<http://www.proofpoint.com/cloud-confusion-webinar>

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