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**FOR IMMEDIATE RELEASE**

## **MOBILE PHONE-BASED AUTHENTICATION PRODUCTS AND SERVICES TO GENERATE ALMOST \$760 MILLION IN REVENUE BY 2014**

**New analyst report from Goode Intelligence reveals that the market for mobile phone-based authentication products and services will grow significantly over the next five years**

*London, United Kingdom – 24 November 2009* – Goode Intelligence ([www.goodeintelligence.com](http://www.goodeintelligence.com)) today issued a new analyst report revealing that the market for mobile phone-based authentication products and services is set to grow significantly over the next five years.

Goode Intelligence forecasts that mobile phone-based authentication products and services will generate \$153 million in 2010 and that the market will grow to almost \$760 million in revenue by 2014; an increase of \$607 million.

The report, *The Mobile Phone As An Authentication Device – Analysis and Forecasts 2010 – 2014*, shows that the key drivers behind this market growth and the adoption of mobile authentication include:

- Increased employee mobility which requires secure access to company networks remotely
- An ongoing need to reduce operational costs in organisations
- The requirement to reduce fraud from identity theft and unauthorised access for eCommerce services
- Industry and government regulation including PCI DSS for credit card processing, FFIEC for financial services in the USA, CoCo for UK government interoperability and network access and HIPPA for US healthcare
- The move to cloud services that require more agile and scalable authentication services

Goode Intelligence also predicts that within the next 18 months, the two dominant authentication vendors, RSA and VASCO, will lose market share to the new mobile phone authentication specialist vendors.

“Incumbent authentication vendors, who are reliant on strong margins in selling hardware tokens, are threatened by the twin threats of falling margins, as the technology becomes commoditised, and reduced market share” said Alan Goode, Managing Director and Founder, Goode Intelligence.

“Furthermore, our research shows that the introduction of mobile Two-Factor Authentication (2FA) will not only result in mobile-only 2FA vendors taking market share from the current two dominant 2FA hardware token vendors but also that new markets will be opened up as a direct result. Strong authentication is no longer the preserve of an enterprise or corporate banking user; everyone that owns a mobile phone can now benefit from strong, agile authentication that is cost-effective and quick to deploy.”

Goode continued “Mobile phone-based authentication will grow the overall market for authentication products and services. This is good news for the likes of RSA and VASCO as it will help to offset their loss of market share to mobile-only authentication vendors.”

#### **Other findings from the report:**

- The growing adoption of Smartphones by corporate and personal users will drive the market for soft-token OTP deployments
- SMS OTP products and services will be the fastest growing area for mobile phone authentication in the next one to two years
- The total number of mobile OTP users (both SMS OTP and Soft-token OTP), as a percentage of the total OTP market (both hardware token and software) will increase from 12 percent of the market in 2010 to 61 percent of the market in 2014
- By 2014, almost 114 million unique users will generate nearly \$760 million in revenue for technology vendors involved in products and services that enable the mobile phone to become an authentication device

#### **About Goode Intelligence**

Goode Intelligence (GI) is a specialist provider of Information Security and Mobile Commerce research and analysis to global technology and telecommunications organisations. For more information about Goode Intelligence and the Mobile Phone Security Report Series, visit [www.goodeintelligence.com](http://www.goodeintelligence.com)

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