

A U.S. Market Study of Web Filter Total Cost of Acquisition:  
A Comparison of St. Bernard v. Websense  
For Web Filter Purchase in 2008 & 2009

May 2010



## **Objective:** To identify and quantify drivers of Total Cost of Acquisition in Web filtering

### Methodology Overview

- Survey developed, administered and analyzed by Robert Hale and Associates, and independently tested on a sample of Web filter administrators to ensure reliable metrics
- Conducted during April 2010.
- Random sample of 250 St. Bernard, and Websense users (125 organizations by each vendor).
- US Mid-enterprise commercial accounts were between 250 and 1,500 employees and the sample was stratified equally by vendor.
- Target respondents were IT professionals responsible for administration of Web filter.
- Survey was conducted both online and via phone, and included an incentive of a nominal Starbucks gift card (which was awarded at the end of the survey).
- Blinded survey request was vendor neutral. Survey positioned to help understand key trends in Web filtering use.
- Respondents with incomplete and/or unreliable surveys were contacted via phone to attempt clarification and resolution. If they were not reachable, they response was eliminated from the study.
- Overall statistical precision for 250 sample is 6.4%, and for each St. Bernard and Websense sample responses, the precision was 8.8% with a 95% level of confidence.

# Executive Summary

## Key Findings

- Total Cost of Acquisition (TCA) consists of 3 main drivers:
  - Cost of Web filter
  - Acquisition of additional required hardware
  - Set-up costs
- Each driver can be further reduced to two or more discreet sub-categories which contribute to TCA
- In a “typical” 750 seat company, costs above and beyond the Web filer expenses can be more than DOUBLE the TCA

# Web filter: Total Cost of Acquisition

(\*Normalized Per 750 Seat Company)

	<b>St. Bernard Cost</b>	<b>Websense Cost</b>
Acquisition Costs (other than web filter)	\$3,950	\$11,837
Set Up Costs	\$6,063	\$12,490
Cost of Web Filter	\$14,761	\$18,811
<b>Total Cost of Acquisition</b>	<b>\$24,774</b>	<b>\$43,138</b>

\* Data were normalized to eliminate the effect of different average customer size by vendor

# Web Filter Acquisition Costs Company Average (\*Normalized Per 750 Seat Company)

		<b>St. Bernard</b>	<b>Websense</b>
Hard Costs of Acquisition	Purchase of Servers	\$162	\$3,459
	Other Hardware Costs	\$182	\$3,888
	Licensing Costs	\$54	\$1,631
	Tech Support Agreement (above subscription)	\$3,552	\$2,859
	<b>Total Cost Associated with Acquisition</b>	\$3,950	\$11,837
	<b>Cost of System</b>	\$14,761	\$18,811
	<b>Total Hardware Costs</b>	<b>\$18,711</b>	<b>\$30,648</b>

\* Data were normalized to eliminate the effect of different average customer size by vendor

Technical Agreements are longer on average with St. Bernard as compared to Websense (2 years v. 1.5 years)

"Tech Support " includes maintenance agreements + next-day replacement plan

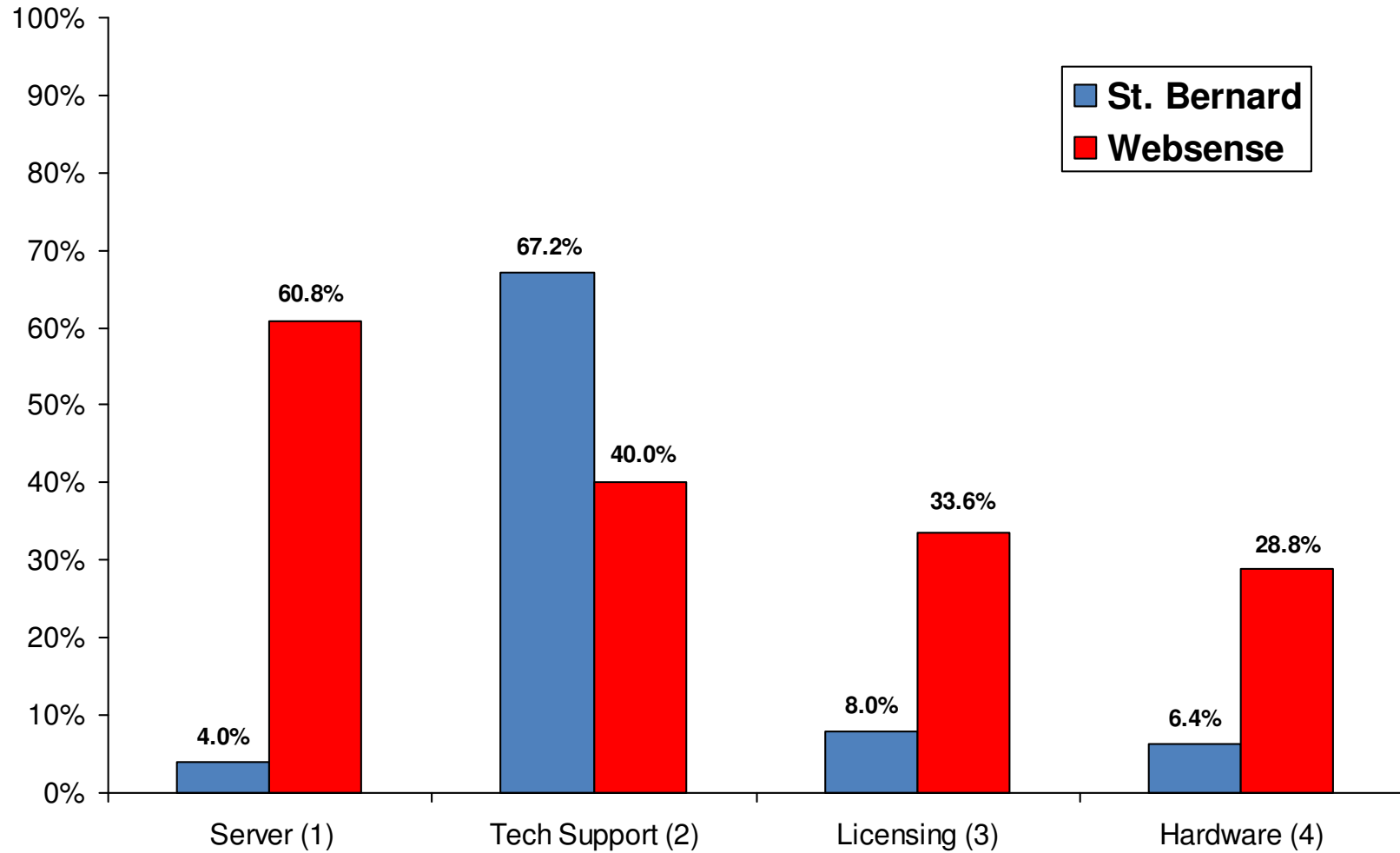
# Web Filter Setup Hours Company Average (\*Normalized Per 750 Seat Company)

		St. Bernard	Websense
Set Up	Hours to Deploy Clients	9.4	20.9
	Hours to Convert Company Policies to Web filter policies	45.6	94.8
	Hours spent on Technical Support	5.6	9.2
	<b>Total Hours Associated with Acquisition</b>	60.6	124.9
	<b>Total Set Up Cost (@ \$100 per hour)</b>	<b>\$6,063</b>	<b>\$12,490</b>

\* Data were normalized to eliminate the effect of different average customer size by vendor

# Comparison of St. Bernard v. Websense

## Percent of Companies that Purchased Items *in Addition to* Web Filter



(1) Server is any server in addition to primary/planned filtering server, (2) "Tech Support" includes maintenance agreements + next-day replacement plan specifically for St. Bernard, (3) Any other software + operating system + licensing required, (4) Hardware other than servers accounted for in (1)

Cross Tabulation Precision  $\pm 8.8\%$  © 2010 Robert Hale and Associates

# Detail By Vendor

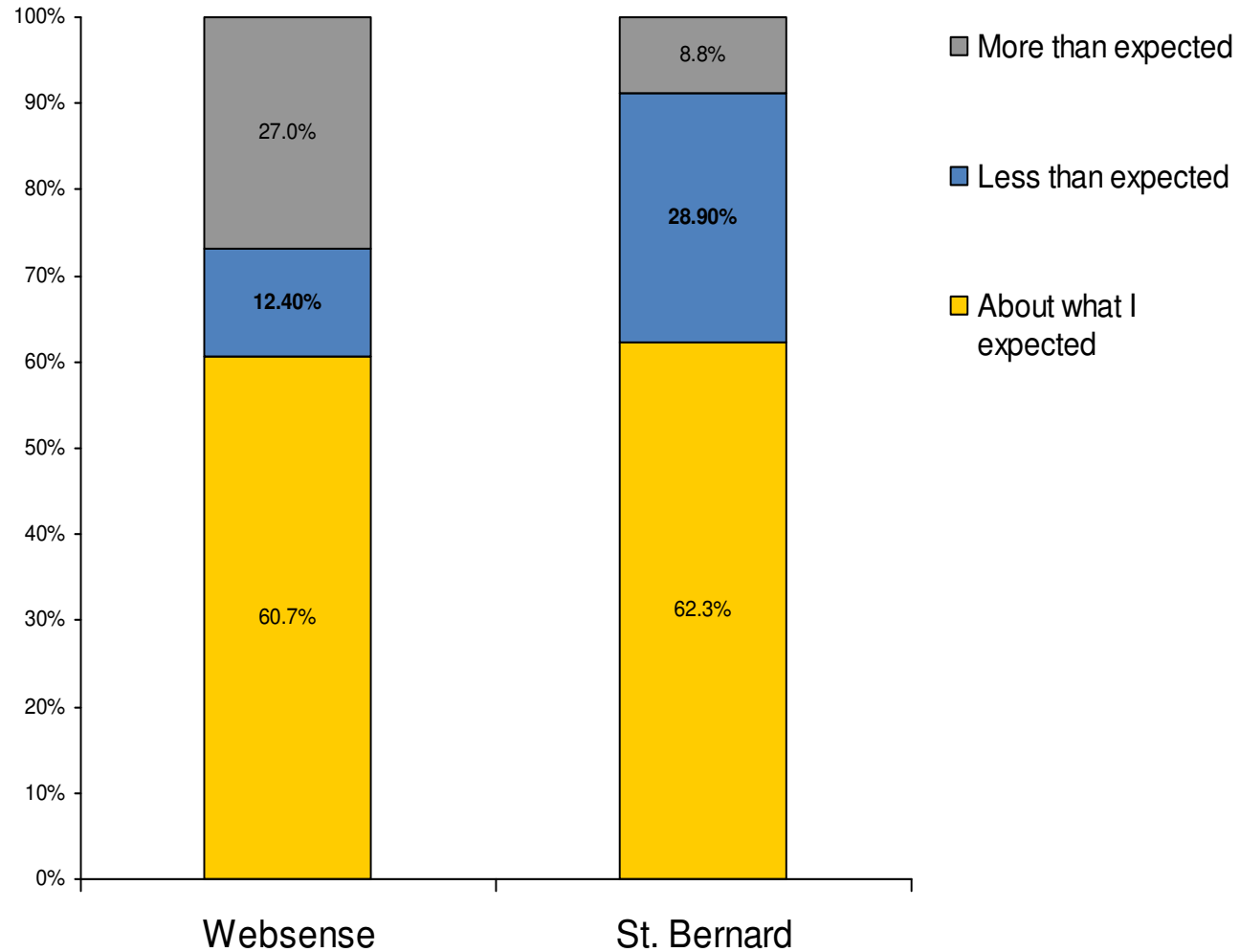
# Web Filter Acquisition Costs

## Hard Costs Detail by Web Filter Vendor

		St Bernard					Websense			
		Average Units	Average Cost Per Acquisition	% Companies that Acquired	Overall Average Costs		Average Units	Average Cost Per Acquisition	% Companies that Acquired	Overall Average Costs
Hard Costs of Acquisition	Purchase of Servers	1 Server	\$3,000	4.0%	\$120 <sup>(S)</sup>		2.4 Servers	\$7,200	60.8%	\$4,378
	Other Hardware Costs	NA	\$2,109	6.4%	\$135 <sup>(S)</sup>		NA	\$17,090	28.8%	\$4,922
	Licensing Costs	NA	\$500	8.0%	\$40 <sup>(S)</sup>		NA	6,142	33.6%	\$2,064
	Tech Support Agreement (above subscription)	NA	\$3,915	67.2%	\$2,631 <sup>(S)</sup>		NA	\$9,050	40.0%	\$3,620
<b>Total Average Cost Associated with Acquisition</b>					\$2,926 <sup>(S)</sup>					\$14,984
<b>Average Cost of System</b>					\$11,809 <sup>(S)</sup>					\$23,812
<b>Total Hard Costs</b>					\$14,735					\$38,796

(S) statistically significantly from Websense at 95% confidence interval

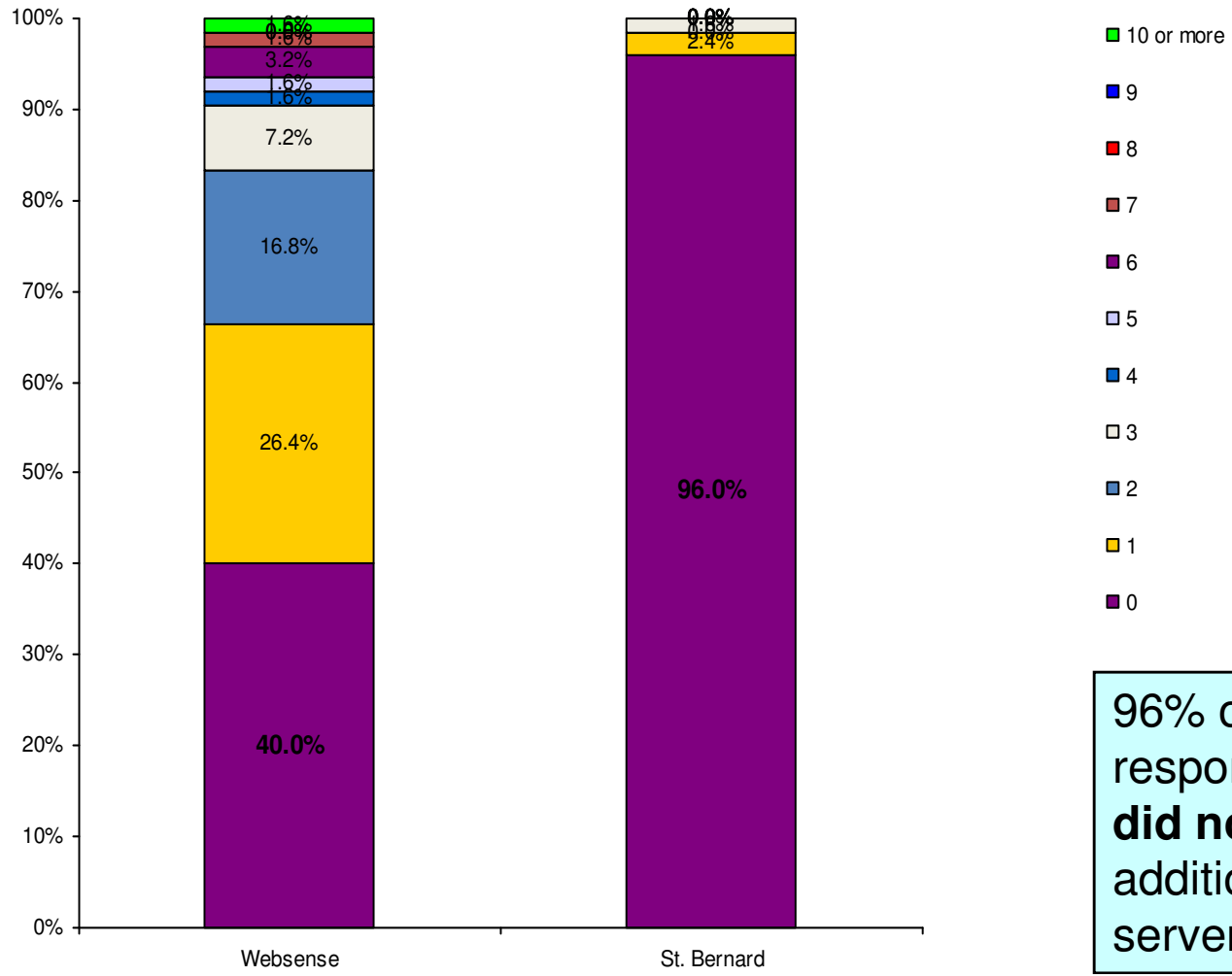
## Total amount of time for setup and installation of current Web filter solution versus expectations prior to purchase



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# Additional servers required to support the initial installation of the Web filter

60% of Websense respondents had to buy on average **2.4** additional servers

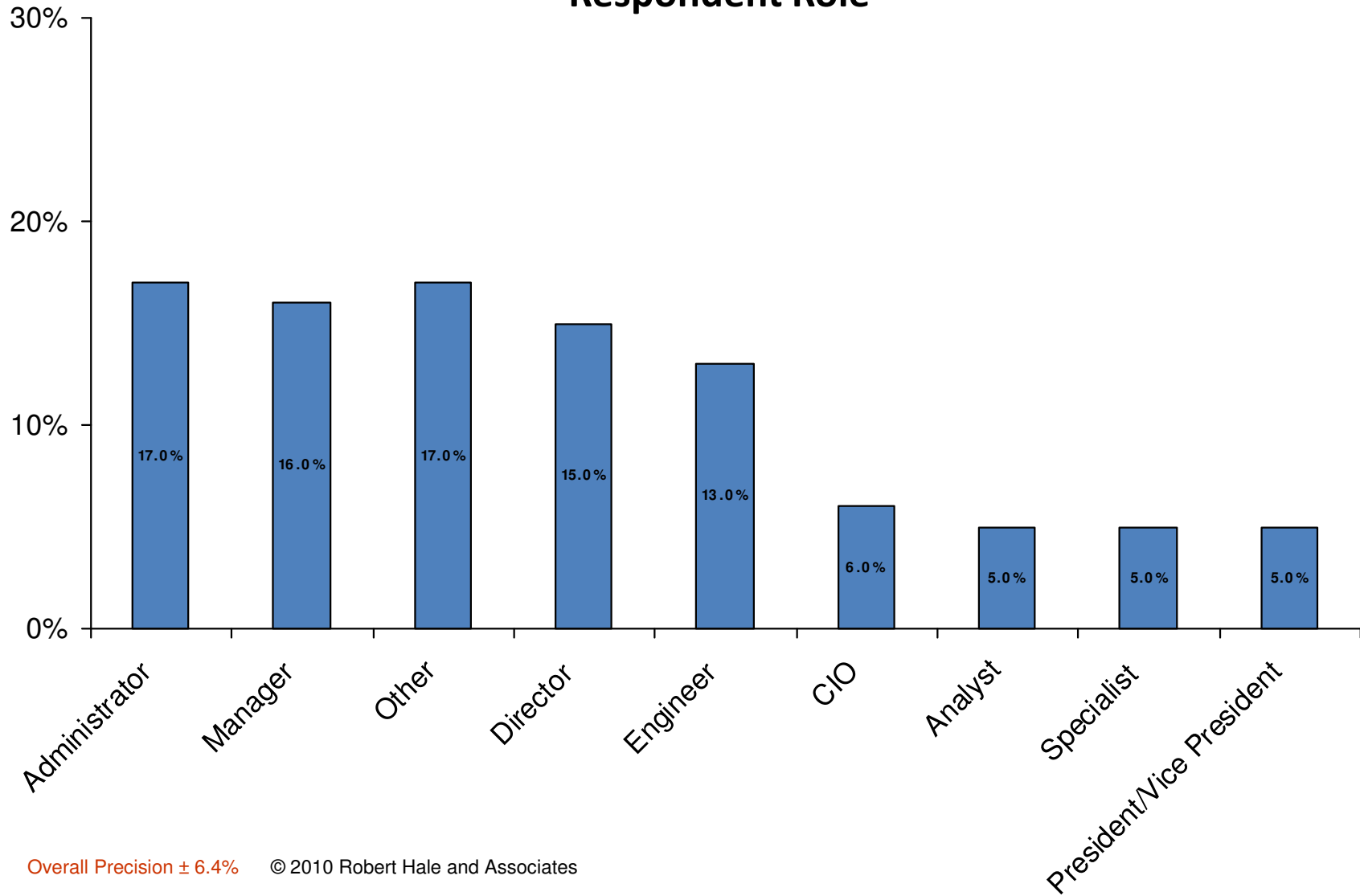


96% of SBS respondents **did not** require additional servers

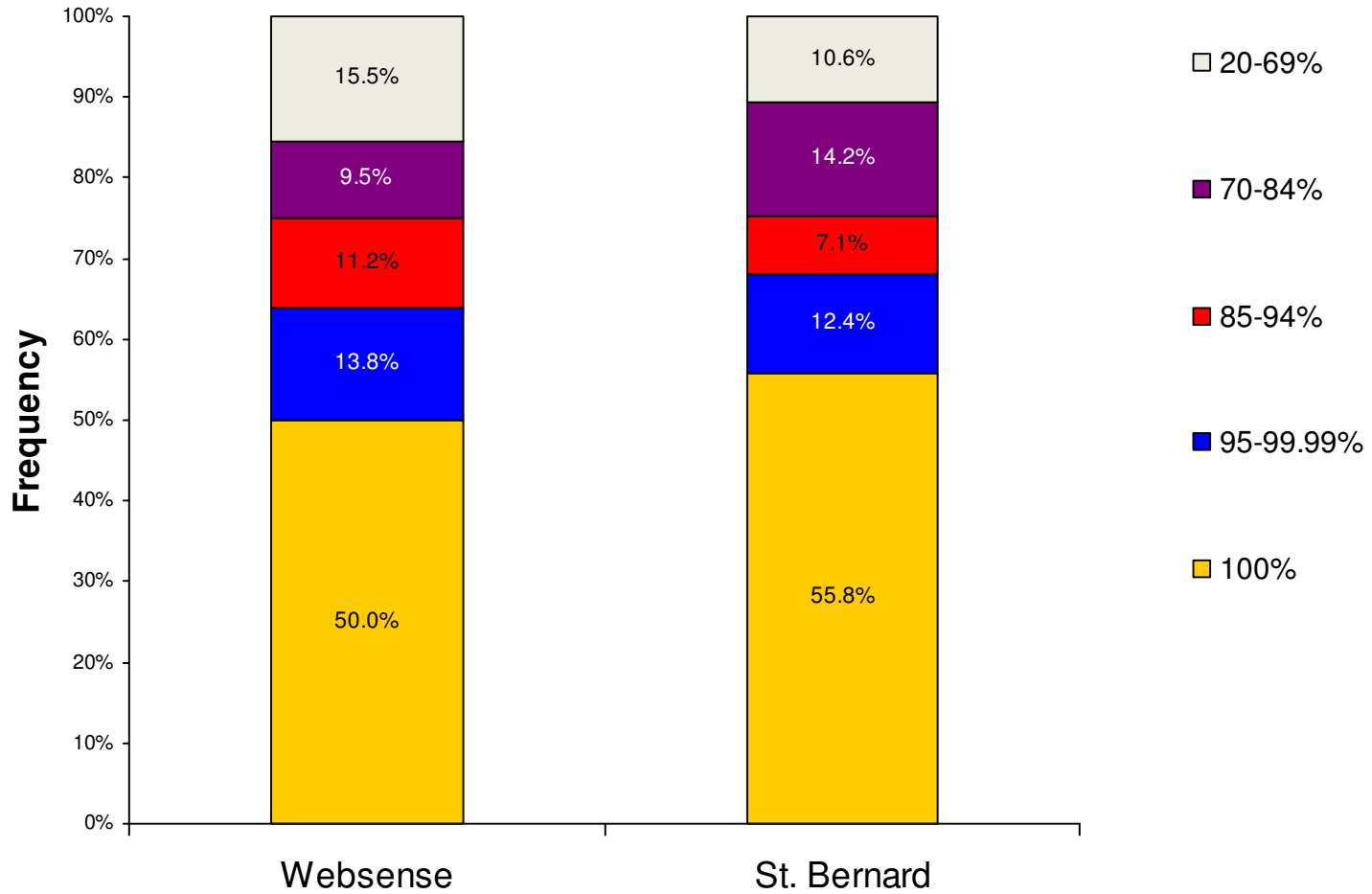
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# Demographics

## Respondent Role



# Percent of Employees with Internet Access

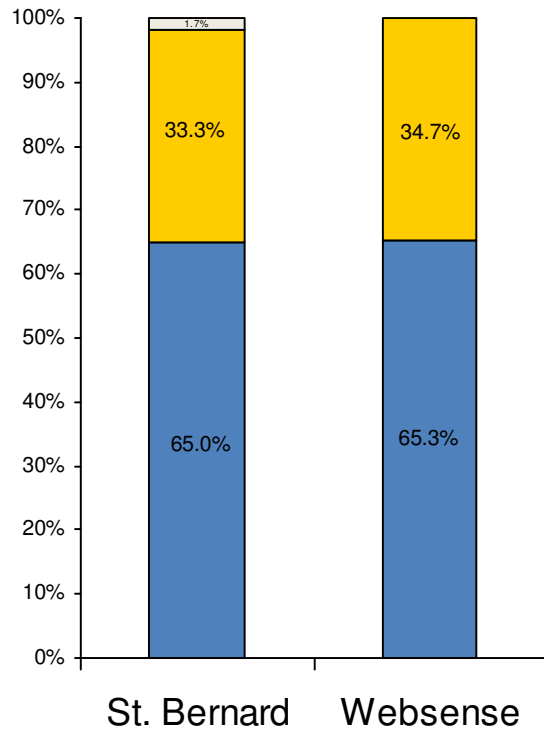


Cross Tabulation Precision  $\pm$  8.8% © 2010 Robert Hale and Associates

# Organization of Corporate Web Filtering Policies

## Do You Have Single or Multiple Policies

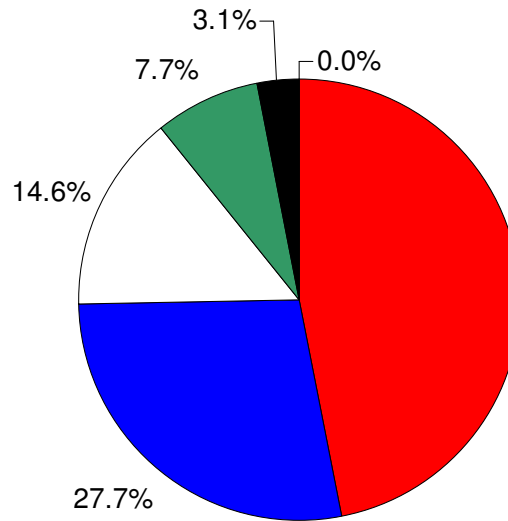
- Do Not Know
- Single Policy for All Employees
- Multiple Policies



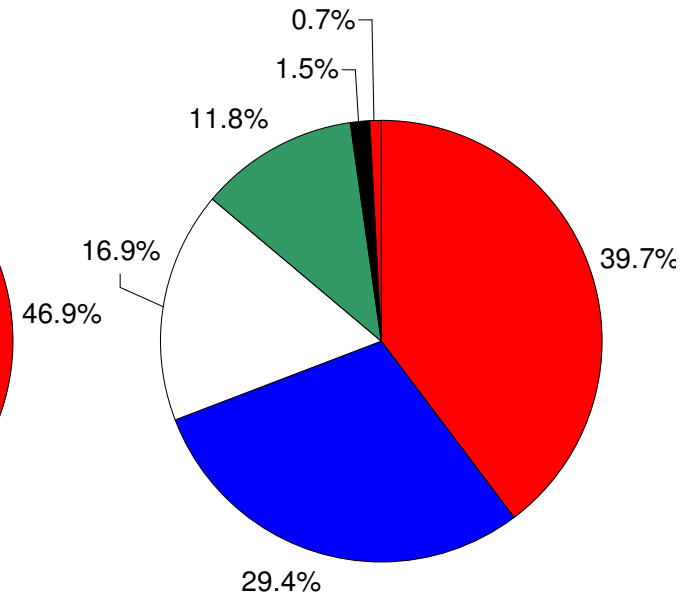
## How Do You Organize Multiple Policies

- By Function
- By Management Level
- By IP Address
- By Location
- Other
- Do Not Know

### St. Bernard



### Websense



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Pie charts are normalized to 100% (of companies with multiple policies)