



AiteNovarica

NOVEMBER 2022

# SECURE VIDEO CONFERENCING

SME MARKET PERSPECTIVE

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TARI SCHREIDER

This report provided compliments of:

**Zerify**<sup>™</sup>

IMPACT REPORT

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## SECURE VIDEO CONFERENCING

SME Market Perspective

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## SUMMARY AND KEY FINDINGS

Companies such as Cisco, Google, Microsoft, and Zoom have long dominated the secure video communications and collaboration (SecVideo) market. Small and midsize enterprises (SMEs) have had to endure large enterprise-class solutions over-engineered for their needs. That is no longer the situation, as niche companies that offer SecVideo solutions as a primary product versus a video conference capability are readily available. This report presents the options available to SMEs to address their secure video communications and collaboration needs that do not include the usual suspects. The key findings from this report follow:

- **Security is everything:** A survey of 1,000 information technology and security personnel noted that 92.7% acknowledged security vulnerabilities in their video-conferencing solutions. SecVideo exclusive vendors offer solutions that place data security and privacy first versus making it an afterthought.
- **SMEs are a substantial slice of a growing SecVideo market:** The global video-conferencing market is reportedly US\$15 billion to US\$20 billion, with the SME SecVideo solution segment estimated at nearly US\$860 million.
- **Poor product visibility has left the SecVideo SME market underserved:** Many SecVideo solutions are designed for smaller companies, but SMEs are unaware that these secure video-conferencing options are hiding in plain sight.
- **SMEs have specific SecVideo needs:** SMEs require straightforward solutions to manage secure communications between employees and customers. They seek products with rich APIs sets that allow them to integrate SecVideo solutions into their branded, customer-facing applications and the capacity for localization, allowing them to function properly among various languages and social customs.
- **A fragmented, competitive SecVideo vendor market is ripe for consolidation:** The video-conferencing market comprises over 50 providers, with a dozen niche-oriented players vying for customers. Cost, niche market focus, and customer support are key to their survival. Larger video-conferencing vendors have and will continue to acquire smaller SecVideo solution vendors to garner market differentiation and competitive advantage.
- **Participating vendors:** Aite-Novarica Group profiled the North American and European SecVideo solution vendors Zerify Inc. and Pexip.

## INTRODUCTION

SMEs have asked if the Zooms of the world are the best solution available to establish security and privacy for voice and video communications. For many years, the answer has been a resounding no. But times have changed.

Solutions that offered forms a secure video are hardly new; the first commercial products emerged in the early 2000s. Their focus, however, has been large enterprises. There has been a slowly and quietly developing SecVideo market focused on SMEs for nearly 20 years. Today, a mature global industry exists with vendors from 10 countries offering solutions in various languages and serving over 100,000 customers and millions of end-users.

Large video-conferencing vendors took notice of these emerging SME-focused solutions and have invested US\$1.675 billion to acquire these smaller, nimbler, technologically advanced competitors. Today, nearly a dozen SecVideo solutions are available, and many far exceed the security and privacy functions of larger, market-leading video-conferencing products. Even so, SMEs may not be as familiar with what these solution providers offer.

Aite-Novarica Group believes the SecVideo market is one of the best-kept secrets that needs to be told. Still, given the volatility in this sector, SMEs must be cautious of the market dynamics when making a SecVideo solution purchasing decision. This Impact Report is designed to make SME management the smartest people in the SecVideo conversation, offering a clear, concise, contextualized view of the market and its solution capabilities. At the same time, SecVideo solution vendors will gain a broader market perspective of competitors, market headwinds, and market trajectory. This report is the first known analyst firm analysis of the SecVideo vendors focused on the SME market.

## METHODOLOGY

This Impact Report examines the state of the SecVideo SME market using primary and secondary research. Aite-Novarica Group conducted desk research on over 20 vendors offering secure video conferencing, settling on one dozen to analyze further. Vendors that actively marketed a SecVideo product, presenting a market presence, are included in this report as direct participants or as a listing in the SecVideo directory. Aite-Novarica Group selected two SecVideo vendors to participate in primary research, consisting of a questionnaire, interviews, and product demonstrations.

## A BRIEF HISTORY OF VIDEO CONFERENCING

We can thank Bell Labs for the foundation of video conferencing when they proved that image and audio files could be transmitted over wire in 1870. Further developments in video conferencing had to wait until the production of reliable cameras in the early 1920s and the birth of two-way radio in the 1930s. Finally, all the pieces were in place—transmission lines, cameras, and two-way video ability.

Anyone who wants to credit Zoom for video conferencing will be disappointed to learn that the first video call was made 75 years before the company was founded. During the 1936 Summer Olympics in Berlin, Georg Schubert, a German inventor, demonstrated a prototype of modern video telephony for commercial purposes—the Gegensehn-Fernsprechanlagen, or "visual telephone system."<sup>1</sup> Then, during the 1964 World's Fair, AT&T introduced the Picturephone, a video phone that could make calls between Chicago, New York, and Washington, DC.<sup>2</sup> However, it failed to attract many commercial customers when potential customers learned that a call cost US\$16 to US\$27 for three minutes (US\$258 in today's dollars).

Several companies tried to pick up where AT&T left off with the Picturephone. Still, the years between 1964 and 1993 mostly saw the creation of foundation technologies, such as network video and packet video protocols. Then, in 1993, the World Wide Web entered the public domain, and things started to take off for video conferencing. AOL brought interconnectivity to personal computers, PictureTel introduced a product that converted PCs into videophones, and the first affordable webcam was launched.<sup>4</sup> Lots of trial and error occurred over the next 10 years until Cisco, Hewlett-Packard, and Lifesize introduced reasonably priced video-conferencing solutions. Finally, in 2009 and 2010, when Apple and WhatsApp allowed users to send texts, pictures, videos, and audio for free, the age of digital face-to-face communication began in a big way. The rest, they say, is video calling history.

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<sup>1</sup> Bradford Hanson, "A Missing Link in the History of the Videophone," National Vanguard, November 2, 2017, accessed October 28, 2022, <https://nationalvanguard.org/2017/11/a-missing-link-in-the-history-of-the-videophone/>.

<sup>2</sup> "Debut of the Picturephone," AT&T Channel, accessed October 8, 2022, <https://techchannel.att.com/play-video.cfm/2012/6/29/AT&T-Archives-Debut-of-the-Picturephone>.

<sup>4</sup> "History of PictureTel Corp.," Reference for Business, accessed October 28, 2022, <https://www.referenceforbusiness.com/history2/25/PictureTel-Corp.html>.

## THE SECVIDEO MARKET

Most people first learned video conferencing was vulnerable when they heard news reports of Zoom video-bombing during the early months of the COVID-19 pandemic. Until then, it was just assumed that larger video-conferencing vendors made solutions that provided security and privacy. These video-bombing events created security awareness, made companies rethink video-conferencing strategies, and reignited the need for secure video meetings.

Table A summarizes the trends that are driving the SecVideo market.

TABLE A: SECVIDEO MARKET SUMMARY

MARKET TRENDS	MARKET IMPLICATIONS
Video conferencing is an indispensable business survival tool.	SMEs and large enterprises have learned that customers expect the information they share with their vendors and service providers to be kept private. A security breach of confidential information exposed during a video conference can have catastrophic impacts on an SME.
Hybrid work environments are here to stay, and video conferencing must adapt to various technologies and bandwidth constraints.	Organizations must support employees in any location, often without the best connectivity. SecVideo solutions must have a lightweight technology stack and the ability to be resilient in a high-latency environment.
Video-conferencing experience is an extension of an organization's brand.	SecVideo platforms must offer a deep level of integration with various applications to extend an organization's brand. Users expect session recordings, advanced collaborations, spatial audio, real-time transcriptions, and long-term evolution (LTE/5G broadcast quality).
Organizations recognize that video conferencing carries the same risk profile as other web applications.	SecVideo providers must provide enterprise-class security to defend against network- and internal-based attacks. An area often overlooked is the user authentication requirement for a secure portal before access to a session is granted.

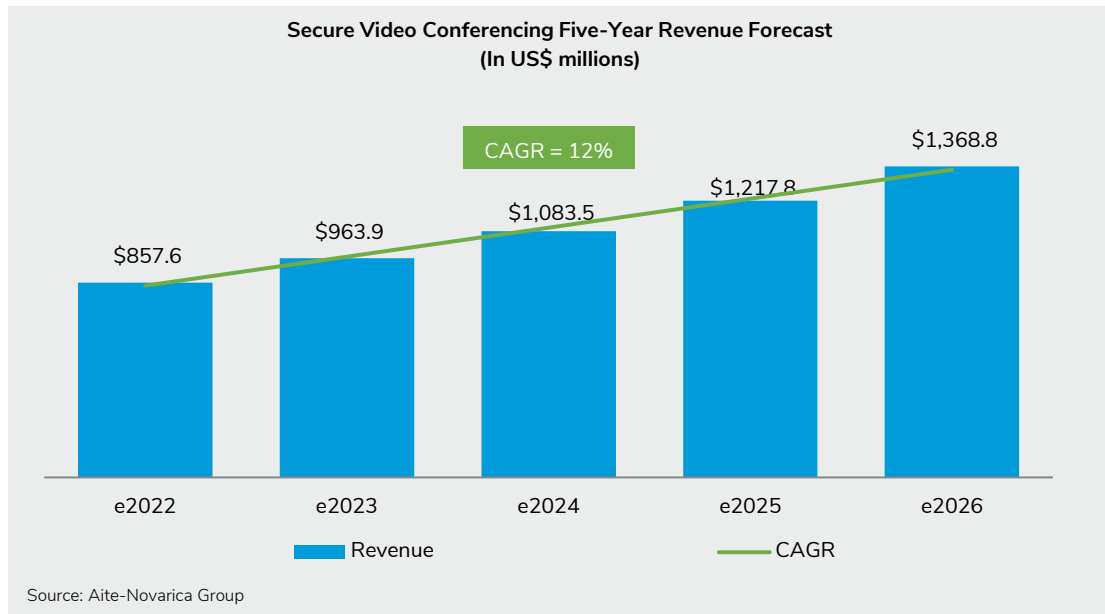
Source: Aite-Novarica Group

## SECVIDEO SME MARKET SIZE

The SecVideo market oriented toward SMEs is estimated to reach US\$857 million in 2022. Aite-Novarica Group estimates the market will reach US\$1.37 billion in 2026, growing at a conservative compound annual growth rate (CAGR) of 12%. The CAGR will be influenced by product churn among competing SecVideo and traditional large video-conferencing vendors.

Figure 1 presents the SecVideo SME market's projected growth from 2022 through 2026.

FIGURE 1: SECVIDEO SME FIVE-YEAR MARKET FORECAST



Aite-Novarica Group arrived at this market estimate by analyzing the actual and estimated annual revenue of 12 companies focusing on marketing secure video solutions to SMEs. Revenue per vendor was derived from direct interviews, Owler Crowdsourcing, and Crunchbase. Additionally, a formula for estimating revenue per employee model for security software vendors was used to cross-check the revenue forecast.



## MERGER AND ACQUISITION (M&A) ACTIVITY

M&G activity has seen nine deals, averaging US\$183 million for a total of US\$1.65 billion, for companies looking to expand their SecVideo solutions as a whole or part of their product portfolios. The largest single deal was Cisco Systems' 2015 acquisition of Acano for US\$700 million. Aite-Novarica Group projects M&A in the SecVideo market to resume in 2023 once interest rates drop and tech stocks become less volatile.

Table B presents SecVideo-related M&A activity.

TABLE B: SECVIDEO M&A ACTIVITY

ACQUIRED COMPANY	ACQUIRING COMPANY	DEAL SIZE (IN MILLIONS)	DATE	ACQUISITION RATIONALE
SecureVideo	Dura Software	US\$10	January 19, 2022	Access to a cloud-based secure video platform targeted at healthcare companies
Fuze	8x8	US\$250	December 1, 2021	Access to SOC-II, FIPS 140-2, U.S./EU Safe Harbor compliance, and third-party Health Insurance Portability and Accountability Act (HIPAA) attestation for compliant use in healthcare applications
Wikr	Amazon Web Services (AWS)	US\$160	June 25, 2021	Access to well-known security-focused communications platform to compete for government contracts
Highfive	Dialpad	US\$100	September 1, 2020	Access to video capabilities across the platform and increasing reliability, security, and flexibility for dispersed teams

ACQUIRED COMPANY	ACQUIRING COMPANY	DEAL SIZE (IN MILLIONS)	DATE	ACQUISITION RATIONALE
Kaptive	Lifesize	US\$10	August 20, 2020	Access to secure whiteboard technology
BlueJeans	Verizon	US\$500	April 15, 2020	Access to a cloud-based secure video platform with a large customer base
Vidyo	Enghouse Systems Limited	US\$40	May 17, 2019	Access to secure video solutions with a customer concentration in healthcare and financial services
Join.Me	GoTo	US\$5	July 26, 2016	Access to the mobile market
Acano	Cisco Systems	US\$700	November 20, 2015	Access to secure video-dedicated appliances to support large audiences

Source: Aite-Novarica Group analysis of public disclosures

## VENTURE CAPITAL INVESTMENT

The venture capital (VC) community has invested US\$573 million in SecVideo across six companies. The average total investment per company is nearly US\$95.5 million. The smallest VC investment total was US\$5 million, and the largest to date is US\$253.1 million. Aite-Novarica Group expects early-round VC investment in the sector to slow in favor of late-stage investments prepping companies for an IPO or acquisition.

Table C presents SecVideo-related VC investments.

TABLE C: SECVIDEO MARKET VC INVESTMENT

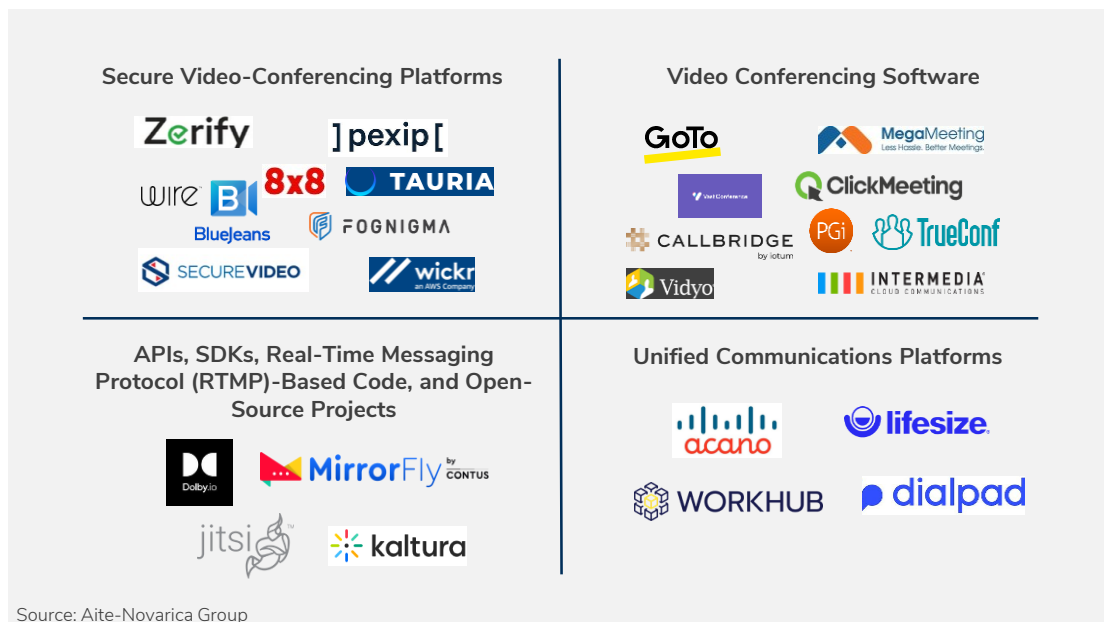
COMPANY	TOTAL FUNDING (IN MILLIONS)	WHERE ARE THEY NOW?
8x8	US\$253.1	Went public on the NASDAQ market in 1997
BlueJeans	US\$175	Acquired by Verizon in 2020 for US\$500 million
Wickr	US\$74.6	Acquired by AWS in 2021
Wire Swiss GmbH	US\$60.1	Raised a Series C round of US\$23.9 million in 2022 in preparation for an IPO
Tauria	US\$5.2	Seed round raised in 2019, continuing as a private company
Zerify	US\$5	Operating as a growing company in the secure video and collaboration market

Source: Aite-Novarica Group analysis of public disclosure documents

## VIDEO-CONFERENCING MARKET CATEGORIES

The video-conferencing market is broad, spanning four main categories. Figure 2 shows the distribution of video and collaboration solutions across these categories. Large companies, including Cisco, Google, Microsoft, and Zoom, were excluded. All products offer various levels of security; this report focuses on the secure video conference platform category.

FIGURE 2: MARKET CATEGORIES



The four categories are described below:

- **Secure video-conferencing platform:** A purpose-built video-conferencing solution with end-to-end encryption to allow only invited parties to participate in sessions. Chat and sharing capabilities are provided using security protocols.
- **Video-conferencing software:** A software-based solution that allows two or more persons to talk and see each other remotely. These solutions have evolved to include many qualities of unified communication platforms.
- **APIs, SDKs, etc.:** Free or open-source code application programmers use to develop a web-based voice, video, and messaging application integration.

- **Unified communications platforms:** Video conferencing comprises hardware and software with integrated communications tools, including voice, video, messaging, and content sharing. APIs allow the introduction of customer and third-party apps to enhance the communications experience.

## SECVIDEO SOLUTIONS: CAPABILITIES, PRICING, AND GUIDANCE

Organizations expect SecVideo solutions to offer many of the same robust features as the larger video-conferencing solutions. However, SecVideo products must meet certain a minimum set of security requirements.

Table D presents the table stakes for a SecVideo solution. These features are not exhaustive; they represent the minimum requirements an organization should expect from a SecVideo solution.

TABLE D: SECVIDEO CAPABILITIES

CAPABILITY	OVERVIEW
<b>Audit reporting</b>	Audit recording of events with reports indicating participants, security features enabled during the meeting, and any attempted policy violations.
<b>Anti-theft</b>	Prevent meeting participants from copying information by locking out the camera, microphones, screen capture, and clipboard use.
<b>Data eraser</b>	Delete data on demand to support right-to-be-forgotten privacy clauses.
<b>Encrypted audio and video</b>	Deploy a solution supporting encrypted video and audio communications using a minimum of 128-bit advanced encryption standard.
<b>Event locking</b>	Lock the event from further entry once all invited participants have joined.
<b>Keylogging detection</b>	Prevent hidden keyloggers from capturing keystrokes, i.e., credentials and data.
<b>Meeting authentication</b>	Enforce zero-trust standards by requiring meeting hosts and participants to authenticate for each meeting.
<b>Multifactor authentication (MFA)</b>	Require a minimum of two-factor authentication for users to verify their identity before accessing a meeting.

CAPABILITY	OVERVIEW
One-time passcodes (OTP)	Send users a unique one-time use password to access a meeting.
Participant removal	Remove unwanted or misbehaving event participants.
Secure meeting links	Generate secure meeting links.
Secure recordings	Securely store event recordings in an encrypted format.
User provisioning	Provide a portal to provision users best when integrated with Active Directory or Lightweight Directory Access Protocol (LDAP).
Waiting room	Deploy a mantrap using waiting rooms where meeting participants can be vetted before entry.
Device component protection	Protect user devices from malware taking over cameras, microphones, keyboards, and clipboards; prevent audio-out speakers stream eavesdropping; and provide anti-screen scraping.

Source: Aite-Novarica Group

## PRODUCT PRICING

SecVideo solutions are priced for any size budget, with monthly fees ranging from US\$4.99 to US\$188. SMEs are cautioned to perform a total cost of ownership analysis to understand the true cost of a SecVideo subscription license. The number of users, calls, meeting participants, and call attendant support can increase costs. Discounts are commonly offered for increasing the number of user seats and paying the monthly cost in an annual lump sum. Many solutions offer a 14-day trial and a low-end "freemium" version, so SMEs should certainly try before they buy.

The feature set also influences price. For example, if an organization desires data sovereignty, unlimited users, a service-level agreement, and rich analytics, those can be charged individually.

Table E provides pricing guidance for SecVideo solutions.

TABLE E: SECVIDEO PRODUCT PRICE PARAMETERS

CATEGORY	STANDARD (MONTHLY)	PROFESSIONAL (MONTHLY)	ENTERPRISE (MONTHLY)
<b>Business size</b>	Micro	Small	Midsize
<b>Example service levels</b>	<ul style="list-style-type: none"> <li>• One to five users</li> <li>• Unlimited calls in North America</li> <li>• 1GB file transfers</li> <li>• Auto-attendant</li> </ul>	<ul style="list-style-type: none"> <li>• Six to 250 users</li> <li>• Unlimited calling to three to 15 countries</li> <li>• 1GB to 5GB file transfers</li> <li>• Integrations support</li> </ul>	<ul style="list-style-type: none"> <li>• Unlimited users</li> <li>• Unlimited calling to 50+ countries</li> <li>• &gt;5GB file transfers</li> <li>• Data sovereignty</li> </ul>
<b>Lowest price</b>	US\$4.99	US\$9.95	US\$4.00
<b>Highest price</b>	US\$99	US\$88.00	US\$188
<b>Average price</b>	US\$19.60	US\$25.30	US\$25.14
<b>Median price</b>	US\$12.48	US\$15.98	US\$14.81

Source: Aite-Novarica Group analysis of published SecVideo pricing



## SECVIDEO GUIDANCE

Table F summarizes the primary sources of SecVideo guidance SMEs can follow to evaluate and deploy SecVideo solutions.

TABLE F: SECVIDEO STANDARDS

ORGANIZATION	GUIDANCE	SUMMARY
Cybersecurity and Infrastructure Security Agency	Guidance for securing video conferencing	It provides four principles and tips to secure video conferencing and compares the security features of six video conference solutions.
National Institute of Standards and Technology (NIST)	NIST SP 800-46 Rev 2 Guide to Enterprise Telework and Remote Access Security  Guidance for preventing eavesdropping and protecting privacy in virtual meetings	It offers guidance on navigating virtual meeting security based on the risk level of each call and provides information on security considerations for several types of remote access solutions. It also recommends securing various telework, remote access, and bring-your-own-device technologies.

Source: Aite-Novarica Group

## SECVIDEO VENDOR DIRECTORY

Table G is a directory of 12 vendors focusing on the SecVideo market for SMEs.

TABLE G: SECVIDEO VENDORS

COMPANY	HQ	FOUNDED	EMPLOYEES	REVENUE (IN MILLIONS)	FUNDING (IN MILLIONS)
<b>8x8</b>	Campbell, California	1987	2,362	US\$638	US\$253.1
<b>BlueJeans by Verizon</b>	San Jose, California	2009	616	US\$100	US\$175
<b>Fognigma</b>	Herndon, Virginia	2010	12	US\$1	Self-funded
<b>Pexip</b>	Oslo	2011	450	US\$85	Self-funded
<b>Privus</b>	Grafenauweg, Switzerland	2016	11	US\$1	Self-funded
<b>SecureAppbox AB</b>	Stockholm	2011	20	US\$1	Self-funded
<b>SecureVideo</b>	San Antonio, Texas	2012	12	US\$2.5	Self-funded
<b>Tauria</b>	The Hague	2022	16	US\$1	US\$5.2
<b>Tixeo</b>	Montpellier, France	2003	23	US\$1	Self-funded
<b>AWS Wickr</b>	New York	2011	85	US\$17	US\$76.4
<b>Wire Swiss GmbH</b>	Berlin	2012	115	US\$6	US\$60.1

COMPANY	HQ	FOUNDED	EMPLOYEES	REVENUE (IN MILLIONS)	FUNDING (IN MILLIONS)
Zerify Inc.	Edison, New Jersey	2001	14	Less than US\$10	US\$5

Source: SecVideo vendor profiles and public information

## PROFILED SECVIDEO VENDORS

This section presents profiles of two SecVideo vendors, including firmographics and product summaries.

### PEXIP

Pexip AS (Pexip), founded in 2011, is a public 450-employee video technology company focused on developing secure communications solutions headquartered in Oslo, Norway. With an employee presence in 17 countries, Pexip is one of the world's largest providers of SecVideo solutions. The company focuses on three strategic areas of growth: video interoperability, secure meetings, and Video-Platform-as-a-Service. Pexip customers range from large Fortune 500 enterprises such as Accenture to smaller public sector organizations like Paulding County Sheriff's Office.

Pexip for Secure Meetings is a video platform that delivers high-quality, reliable video meetings while allowing organizations to maintain complete control over shared meeting data and event metadata. The platform can be hosted anywhere and provides a data-sovereign solution for an organization's most critical communications. The Pexip solution can be tailored to meet the most rigorous privacy demands and accommodates custom workflows, authentication, branding, and in-meeting messaging. Pexip is resilient and enables organizations to continue communicating during network outages while reducing the risk of cybersecurity threats and data breaches.

Detection of brute force attacks on meeting PINs and conferences, active protection from malicious clients, role-based admission systems for administrators, client protection from flooding attacks, media encryption in calls, remote logging to security information and event management (SIEM) platforms, audit trails, availability ensured by automatic failover and automatic scaling adjustments are some of the security and continuity features of the platform.

Table H provides basic firm and product information.

TABLE H: PEXIP FIRM AND PRODUCT INFORMATION

CATEGORY	DESCRIPTION
Headquarters	Oslo, Norway
Founded	2011
Revenue	US\$85 million
Funding	Self-funded
Key investors	Stockholders
Website	pexip.com
Number of employees	450
Ownership	Public
Key product names	Secure Meetings, Secure Collaboration, and Pexip for Business Continuity
Product category	SecVideo platform
Product landing page	pexip.com/secure-communications
Product launch date	October 2013
Deployment options	On-premises, cloud, private cloud, hybrid
Top three product differentiators	<ul style="list-style-type: none"> <li>• Flexibility: The software can be hosted on-premises or in any cloud environment, works with existing video hardware, and can be securely joined by mobile, computer, and meeting room.</li> <li>• Full data control: The solution offers users full ownership of all data and metadata, even from Pexip.</li> <li>• Customization: The solution supports branding and watermarks and fits into more complex workflows.</li> </ul>

CATEGORY	DESCRIPTION
Industry focus	Defense, finance, government, healthcare, and public sector
Number of customers	2,000
Certifications	ISO 27001, DISA JITC, FIPS 140-2, CSPN, CCN-STIC
Product availability	Global
Product sales strategy	Resellers and white label
Pricing structure	Pexip is sold as a platform plus capacity changes. Additional costs can come from adding capabilities such as Microsoft Teams and Google Meet Interoperability. The base price is US\$15,000 annually.

Source: Pexip, as of October 31, 2022

### Aite-Novarica Group's Take

Pexip is a well-established video-conferencing solution with a sizable worldwide customer base. Pexip's video platform can be tailored to meet the most rigorous privacy needs while maintaining full control over meeting data. Its customers, including the U.S. Airforce and Defense Information Systems Agency, are a testament to its military-grade communications security. Pexip is ideal for handling classified information, intellectual property, M&A materials, confidential client or patient data, or national security documents. It can be configured to ensure that all meetings, data, and metadata remain completely sovereign to an organization, whether on-premises or within a dedicated cloud deployment.

Aite-Novarica Group sees Pexip as one of the market's more established and robust SecVideo solutions backed by a financially stable company. Organizations looking for a global solution will certainly want to look into Pexip to address SecVideo needs or replace existing video-conferencing solutions from one of the big players.

**ZERIFY INC.**

Zerify Inc. (Zerify), founded in 2001, is a public, 14-employee cybersecurity software company focused on developing secure video-conferencing and collaboration solutions based in Edison, New Jersey. The company was formerly known as StrikeForce Technologies. Zerify was founded in 2001 by Mark L. Kay, Chairman and CEO. Before joining Zerify, Kay was an established leader, CIO, and managing director at JPMorgan Chase (JPMC).

Zerify Meet, formerly known as SafeVchat, protects sensitive data during video-conferencing sessions with a zero-trust architecture, where every user must be authenticated every time. At the core of the Zerify Meet platform is an out-of-band MFA technology that verifies meeting creators and meeting participants via a separate out-of-band channel only the meeting creator or participant has access to. Out-of-band authentication overcomes the limitations of single-channel, in-band authentication systems that man-in-the-middle attacks can compromise.

The product has five security levels; encrypts audio and video; secures endpoint functions for cameras, microphones, speakers, and keyboards; and disables clipboards and screen scraping. Zerify Meet achieved a HIPAA compliance seal through a program provided by the Compliancy Group in May 2022.

Table I provides basic firm and product information.

TABLE I: ZERIFY FIRM AND PRODUCT INFORMATION

CATEGORY	DESCRIPTION
Headquarters	Edison, New Jersey
Founded	2001
Revenue	Less than US\$10 million
Funding	US\$5 million
Key investors	Self-funded, cash-positive, and profitable

CATEGORY	DESCRIPTION
Website	zerify.com
Number of employees	14
Ownership	Public
Key product names	Zerify Meet, Zerify Defender, Zerify API
Product category	SecVideo platform
Product landing page	zerify.com/solutions/zerify-meet
Product launch date	December 2021
Deployment options	On-premises or cloud deployment; works with all browsers
Top three product differentiators	<ul style="list-style-type: none"> <li>• Zero-trust architecture (authenticates every user)</li> <li>• Comprehensive meeting management system and reporting module</li> <li>• Desktop agent locks down the camera, microphone, speakers, keyboard, and clipboard and prevents screen-scraping malware</li> </ul>
Industry focus	Education, financial, government, healthcare, and legal
Number of customers	100
Certifications	HIPAA
Product availability	Global
Product sales strategy	Direct, reseller, and white label
Pricing structure	Enterprise: US\$14.95/month – volume discounts available.

Source: Zerify Inc., as of October 31, 2022



### Aite-Novarica Group's Take

Zerify is making a name as the zero-trust secure video-conferencing solution. It has a growing legal and financial services industry customer base, and its HIPAA certification attracts healthcare companies. It is also the only known SecVideo product that will protect user devices from malware taking over cameras, microphones, and clipboards, and hijacking keyboards; prevent audio-out speakers stream eavesdropping; and provide anti-screen scraping.

The system offers a desktop protection agent that prevents eavesdropping malware; locks down cameras, microphones, audio out-streams, keyboards, and clipboards; and prevents screen-scraping malware. Recognizing that customers may also use other video-conferencing solutions, Zerify offers Zerify Defender to protect other video conference systems, including Zoom, Microsoft Teams, Webex, and Pexip. One of the product's strongest points is its out-of-band MFA and use of one-time passwords, and its simplified single price structure of US\$14.95 per month for an enterprise license makes it one of the most economical SecVideo products.

Aite-Novarica Group expects the company to gain more international traction with its General Data Protection Regulation (GDPR) compliance capabilities release by the end of 2022. Zerify Meet is a product that should be in any video-conferencing evaluation, and Aite-Novarica Group believes it is an ideal solution for the SME market offering secure video conferencing with advanced malware protection.

### SECVIDEO PRODUCT COMPARISON: PEXIP AND ZERIFY

On the surface, many SecVideo products may appear similar; however, nothing could be further from the truth. Aite-Novarica Group created a 30-point essential capability of the SecVideo products checklist to assist SMEs in selecting the appropriate solution.

Table J compares Pexip's and Zerify's solutions against this checklist.

TABLE J: SECVIDEO CAPABILITIES COMPARISON

CAPABILITY	PEXIP	ZERIFY
User provisioning	■	■

CAPABILITY	PEXIP	ZERIFY
Password	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
MFA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
SSO	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Out-of-band authentication	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Dial-in authentication	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Authentication not used warnings for public meetings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Anti-crashing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Meeting lock	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Secure meeting links	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Participant control	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Malware detection	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Audio encryption	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Video encryption	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
128-bit or higher encryption strength	<input checked="" type="checkbox"/> (256-bit)	<input checked="" type="checkbox"/> (128-bit)
Data backup	<input checked="" type="checkbox"/>	<input type="checkbox"/>

CAPABILITY	PEXIP	ZERIFY
Data erasure	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Auditing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
GDPR compliance	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Turn off cameras	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Mute microphones	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Malware takeover prevention for cameras	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Malware takeover prevention for microphones	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Malware takeover prevention for keyboards	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Clipboard hijacking prevention	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Screenshot prevention (anti-screen scraping)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Audio-out speakers stream eavesdropping prevention	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Zero-trust integration	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Secure breakout rooms	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Meeting sovereignty	<input checked="" type="checkbox"/>	<input type="checkbox"/>

CAPABILITY	PEXIP	ZERIFY
Uptime guarantee	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Certifications	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Capability score	22	27.5

Source: SecVideo product questionnaires

Legend: =Yes, =Partial, =No

## CONCLUSION

### Buyers of SME SecVideo solutions:

- Understand the total cost of ownership (TCO) of a SecVideo solution considering calling volume and countries, users, and the number of estimated participants.
- Consider products with security attestations first. For example, several SecVideo products have achieved HIPAA and International Organization for Standardization (ISO) credentials.
- Contemplate the longevity of potential SecVideo solution providers in light of the projected volatility of the market and the existential threat posed by larger vendors.
- Choose a solution with robust security capabilities, but not at the expense of basic video-conferencing functionality and application integration with Microsoft and Google applications.
- Don't be intimidated by looking outside the usual suspects of video-conferencing solutions.

### SME SecVideo solution vendors:

- There may be headwinds in positioning against larger, more established video-conferencing vendors, but SMEs do have a real need for inherent security solutions.
- Focus on land-and-expand strategies to grow vertical markets to build customer bases; refrain from being all things to all verticals. Vertical privacy and security standards will drive SME requirements.
- Investments in market awareness are nearly as important as product enhancements. Even excellent products will struggle to gain market share if SMEs never hear of them.
- Promote white-label strategies to offer co-branded solutions to differentiate from large video-conferencing providers.

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Aite-Novarica Group is an advisory firm providing mission-critical insights on technology, regulations, strategy, and operations to hundreds of banks, insurers, payments providers, and investment firms—as well as the technology and service providers that support them. Comprising former senior technology, strategy, and operations executives as well as experienced researchers and consultants, our experts provide actionable advice to our client base, leveraging deep insights developed via our extensive network of clients and other industry contacts.

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