

Allot Telco Security Trends Report Finds Widespread Need for IoT Security by Consumers Living in Connected Homes

Consumer concerns point to the necessity and demand of ISPs offering security services at a network level

HOD HASHARON, Israel, Oct. 10, 2018 /PRNewswire/ -- [Allot Communications Ltd.](#) (NASDAQ: ALLT) (TASE: ALLT), a leading global provider of innovative network intelligence and security solutions for service providers and enterprises worldwide, released findings from its latest Telco Security Trends Report that examines the confidence of Internet of Things (IoT) device security by consumers living in connected homes. The report reveals that consumers have low confidence in the security of their IoT devices and are willing to pay extra for security to safeguard the connected home. The report also highlights a strong opportunity for ISPs to deliver on-target cybersecurity services to their subscribers at the network/router level.



Based on anonymous data gathered from 1,261 consumers in 10 countries, the Telco Security Trends Report examines which IoT devices are being used and how often; what level of awareness consumers have of security threats to these devices; and the level of confidence consumers have in their device security. The report also uncovers if consumers are willing to pay for IoT device security services, and how much they're willing to spend.

Telco Security Trends Report findings include:

- There is an average of 8.4 connected devices per home, with smartphones and tablets making up the majority of that number, expanding the attack surface for hackers
- Half (50%) of the respondents are aware of threats to their IoT devices and only 20% of respondents are unequivocally satisfied with the built-in security of connected devices
- The top three consumer concerns around IoT device security issues are loss of privacy (28%), over-reliance on technology (26%), and cyberattack (22%)
- Seventy-four percent (74%) of consumers report awareness of and concern about connected devices
- Seventy-two percent (72%) of households are willing to pay a monthly fee, averaging \$5.26, for security services

"The Allot research points to a marked improvement in consumer awareness of security risks with IoT," says Patrick Donegan, Principal Analyst with cyber-security analyst firm, HardenStance. "The question now is who can build the most viable business models for addressing this opportunity?"

Continued IoT market growth is forecast for the remainder of 2018, with [Gartner](#) analysts estimating the market value to reach one trillion US dollars. The Telco Security Trends Report reveals that ISPs are positioned to benefit from this growth by leveraging their direct relationship with subscribers to deliver their own branded security services from within their own networks.

"This report provides a closer look at the true concerns of consumers using IoT devices and reveals some stunning facts. For example, when asked from whom consumers would buy security services, 73% of respondents expressed a preference. Of these, only 22% preferred their ISP, the second brand of choice when compared with three leading security brands and a fourth "other" brand," said Ronen Priel, vice president product and strategy at Allot. "ISPs have the unique opportunity to educate their subscribers directly about the benefits of network-delivered security and the limitation of end-point devices on which AV software cannot be uploaded, giving residential IoT products and services an additional boost and positioning service providers to become the consumer's security supplier of choice."

Additional resources:

- Download the Allot Telco Security Trends Report: http://info.allot.com/rs/639-LNU-402/images/Telco_Security_Trends_Q3_Press.pdf
- View the Webinar "Connect Home Cyber-Security: The Consumer's Perspective" <https://youtu.be/9KM9vh8H0UM>
- Stay up to date with the latest trends in enterprise and ISP security by checking out our blog: <http://blog.allot.com/>
- Read about [IoTSecure](#) or download a the [IoTSecure](#) datasheet
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About Allot

Allot Communications Ltd. (NASDAQ: ALLT) (TASE: ALLT), is a provider of leading innovative network intelligence and security solutions for service providers worldwide, enhancing value to their customers. Our solutions are deployed globally for network and application analytics, traffic control and shaping, network-based security services, and more. Allot's multi-service platforms are deployed by over 500 mobile, fixed and cloud service providers and over 1000 enterprises. Our industry leading network-based security as a service solution has achieved over 50% penetration with some service providers and is already used by over 20 million subscribers in Europe. Allot. See. Control. Secure. For more information, visit www.allot.com.

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This release may contain forward-looking statements, which express the current beliefs and expectations of Company management. Such statements involve a number of known and unknown risks and uncertainties that could cause our future results, performance or achievements to differ significantly from the results, performance or achievements expressed or implied by such forward-looking statements. Important factors that could cause or contribute to such differences include risks relating to: our ability to compete successfully with other companies offering competing technologies; the loss of one or more significant customers; consolidation of, and strategic alliances by, our competitors, government regulation; lower demand for key value-added services; our ability to keep pace with advances in technology and to add new features and value-added services; managing lengthy sales cycles; operational risks associated with large projects; our dependence on third party channel partners for a material portion of our revenues; and other factors discussed under the heading "Risk Factors" in the Company's annual report on Form 20-F filed with the Securities and Exchange Commission. Forward-looking statements in this release are made pursuant to the safe harbor provisions contained in the Private Securities Litigation Reform Act of 1995. These forward-

looking statements are made only as of the date hereof, and the company undertakes no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

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