

SMBs still spending more on IT than SBs

But SBs adoption rate to pick up soon.

By S. Ananda

Malaysia-based small and medium businesses (SMBs) are expected to spend over US\$45 million on IT security this year. According to the latest study by New York based Access Markets International (AMI) Partners Inc, which has its regional office in Singapore that represents an annual growth of over 28% year on year.

Spending on anti-virus solutions will account for close to 25% of overall IT security expenditure, with more than nine in ten PC-enabled SMBs having installed anti-virus software. AMI's definition of SMBs is commercial organisations that employ from 1 to 1000 staff. AMI excludes government departments, educational institutions and charity organisations.

The importance of other security applications such as anti-spyware and

anti-spam are clearly recognised by the larger organisations in Malaysia. Currently, only over a quarter of small businesses (those employing from 1 to 99 staff) use anti-spyware solutions versus 65% of medium businesses (those employing from 100 to 999 staff) which have already deployed the technology in their organisations. Adoption is also significantly higher among medium sized businesses (MBs) for anti-spam measures,

AMI says a third of small businesses (SBs) regarded enhancing enterprise IT security as important or very important, compared with 64% of MBs. 'Clearly, while current IT security spending is being driven by medium to large businesses, in the next five years we expect almost half of security spending to

be associated with SBs in Malaysia,' says Raju Chellam, Vice President of AMI Partners Asia-Pacific. According to him, SBs in Malaysia will gradually come up to speed on security adoption, driven by increasing reliance on the Internet, growth in e-commerce and mounting awareness of the importance of business continuity measures.'

Raju says that as the need to remain in operation becomes acute,

businesses of all sizes will count the cost of exposing their systems to security threats and the adverse effects of compromising the integrity of its core operations. 'This is true of Malaysia based SMBs as well,' he adds.

As for security issues, while basic anti-virus measures have clearly gained a strong foothold in SMBs in Malaysia, the adoption of Virtual Private Networks (VPNs) is still relatively low among these businesses. This is particularly apparent amongst PC-enabled SBs where less than 5% are currently using VPNs. Indeed, more than two-fifths of LAN-enabled SBs revealed that they were not using VPNs and had no intention of using this technology. About 25% were not aware of this technology at all.

Not surprisingly, adoption of network firewalls was far more prevalent among LAN-enabled MBs than among SBs, indicating that these larger businesses were in a stronger position to protect and defend their networks from intruders. Security solutions such as patch management are expected to be used by the majority of MBs in 2006. However adoption of these solutions is low among Malaysia's small businesses. It is obvious that more initiatives by security vendors will be required to educate resource-strapped SMBs about the benefits of VPNs and automated patch management as a key tool in enhancing cyber security.

The survey included analysis of computing, networking and telecoms needs and prospects among SMBs in 25 countries worldwide, including 14 in the Asia-Pacific-Japan region. **mb-e**

HOW MUCH WILL MALAYSIAN SMBs SPEND?

