

CYBERSECURITY: THE MEGATREND OF THE 2020S

Team8 — Global venture group
04/19/2021

The world of cybersecurity is changing, and cyber risk is taking on a whole new meaning for enterprises, not only technologically, but also financially, reputationally and operationally. Prior to the COVID-19 pandemic, cybersecurity was already approaching a tipping point—attackers were getting more sophisticated, attack surfaces were expanding and the bad actors' advantage was becoming more asymmetrical. Luckily, the pandemic may have also accelerated some positive shifts in the way organizations fundamentally think about cybersecurity.

The pandemic caused enterprises to become more reliant on their digital infrastructure as a building block critical to business operations. A second-order consequence of the expansion in the scope of digital transformation has been a spotlight on the importance of resilient infrastructure, vetted third-party suppliers and a sound supply chain. The recent SolarWinds attack illustrated how these concepts have been elevated in a digitally transformed and interconnected economy.

Enterprises should seize this opportunity to reexamine their infrastructure and make investments to solve root cybersecurity problems and vulnerabilities, ultimately leading to greater security and resilience.

To help navigate this path forward, we are excited to introduce our 2021 Cybersecurity Brief outlining the main themes, drivers and implications that we believe will be of critical importance to the industry in the next few years. The seven themes help shed light on the forces behind them and the way the overall cybersecurity environment is changing. This brief was created as much for ourselves as it was for innovators, operators and technologists, as we have used it to guide our company-building strategy and detail how we see the world of cybersecurity evolving.

In the coming weeks, we plan to release a blog post for each of the different themes mentioned below.

How we identified our themes

We collaborated with our Village: our community of 350+ C-level security executives from 300 enterprises across 20 countries, 25% of which are Fortune 500 and 55% of which are Forbes Global 2000. We also worked closely with our Team8 cybersecurity experts—many from Israel's elite 8200 military intelligence unit—and our global advisors to highlight the areas of immense future business growth and product depth from a technology, market trend, regulatory and venture funding standpoint. We considered both mature and nascent markets to gather a broad perspective and track early, emerging technologies that will influence the future and lead to high-growth opportunities in the next few years. We also considered Team8's "Attacker Perspective" (our unique insights into how attackers think and operate) and other Team8 internal resources, in addition to publicly available information. We then cross-referenced our findings with the responses from our proprietary 2021 Chief Information Security Officer (CISO) Survey, confirming the top areas where security leaders are increasing their investment.

Stay tuned for next week, when we will cover the first theme: cloud security.

Important Risks Related to this Article

The views expressed in this blog post are those of Team8. Any reference to "we" should be considered the view of Team8 and not necessarily that of WisdomTree Asset Management.

Team8 is a global venture group with deep domain expertise that creates companies and invests in companies specializing in enterprise technology, cybersecurity and [fintech](#). Leveraging an in-house, multidisciplinary team of company builders integrated with a dedicated community of C-level executives and thought leaders, Team8's model is designed to outline big problems, ideate solutions and help accelerate success through technology, market fit and talent acquisition. For further information, visit www.team8.vc.

For standardized performance and the most recent month-end performance click [here](#) NOTE, this material is intended for electronic use only. Individuals who intend to print and physically deliver to an investor must print the monthly performance report to accompany this blog.

Related Blogs

+ [Fortifying Your Portfolio with the WisdomTree Cybersecurity Fund](#)

Related Funds

+ [WisdomTree Cybersecurity Fund](#)

+ [WisdomTree Cloud Computing Fund](#)

For more investing insights, check out our [Economic & Market Outlook](#)

View the online version of this article [here](#).

IMPORTANT INFORMATION

U.S. investors only: Click [here](#) to obtain a WisdomTree ETF prospectus which contains investment objectives, risks, charges, expenses, and other information; read and consider carefully before investing.

There are risks involved with investing, including possible loss of principal. Foreign investing involves currency, political and economic risk. Funds focusing on a single country, sector and/or funds that emphasize investments in smaller companies may experience greater price volatility. Investments in emerging markets, currency, fixed income and alternative investments include additional risks. Please see prospectus for discussion of risks.

Past performance is not indicative of future results. This material contains the opinions of the author, which are subject to change, and should not to be considered or interpreted as a recommendation to participate in any particular trading strategy, or deemed to be an offer or sale of any investment product and it should not be relied on as such. There is no guarantee that any strategies discussed will work under all market conditions. This material represents an assessment of the market environment at a specific time and is not intended to be a forecast of future events or a guarantee of future results. This material should not be relied upon as research or investment advice regarding any security in particular. The user of this information assumes the entire risk of any use made of the information provided herein. Neither WisdomTree nor its affiliates, nor Foreside Fund Services, LLC, or its affiliates provide tax or legal advice. Investors seeking tax or legal advice should consult their tax or legal advisor. Unless expressly stated otherwise the opinions, interpretations or findings expressed herein do not necessarily represent the views of WisdomTree or any of its affiliates.

The MSCI information may only be used for your internal use, may not be reproduced or re-disseminated in any form and may not be used as a basis for or component of any financial instruments or products or indexes. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each entity involved in compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties. With respect to this information, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including loss profits) or any other damages (www.msci.com)

Jonathan Steinberg, Jeremy Schwartz, Rick Harper, Christopher Gannatti, Bradley Krom, Tripp Zimmerman, Michael Barrer, Anita Rausch, Kevin Flanagan, Brendan Loftus, Joseph Tenaglia, Jeff Weniger, Matt Wagner, Alejandro Saltiel, Ryan Krystopowicz, Jianing Wu, and Brian Manby are registered representatives of Foreside Fund Services, LLC.

WisdomTree Funds are distributed by Foreside Fund Services, LLC, in the U.S. only.

You cannot invest directly in an index.

DEFINITIONS

Fintech : Describes new tech that seeks to improve and automate the delivery and use of financial services