IDC MarketScape

IDC MarketScape: Worldwide Managed Detection and Response Service for Midmarket 2026 Vendor Assessment

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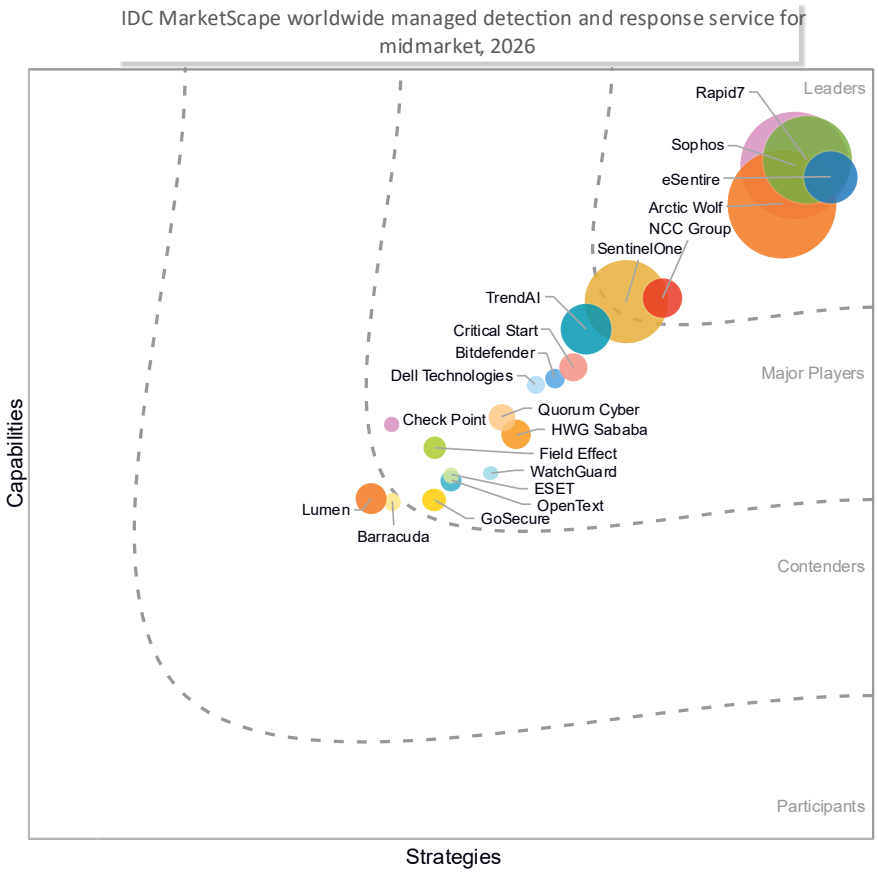
THIS EXCERPT FEATURES SOPHOS AS A LEADER

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape worldwide managed detection and response service for midmarket vendor assessment



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Please see the Appendix for detailed methodology, market definition, and scoring criteria.

ABOUT THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Managed Detection and Response Service for Midmarket 2026 Vendor Assessment (Doc # US52992326).

IDC OPINION

The managed detection and response (MDR) market is undergoing a structural transformation that goes well beyond incremental capability improvements. IDC's evaluation of MDR vendors for this study, conducted with a deliberate focus on the needs of midmarket organizations, reveals a market at an inflection point: one where the architectural decisions vendors are making today about artificial intelligence (AI) will define competitive positions for the next several years. The question is no longer whether AI belongs in a SOC. It is whether AI is bolted on to an existing service model or built into its foundation.

IDC observes a clear divergence in how vendors are approaching AI integration. A leading group of providers has moved beyond using AI for alert triage and noise reduction, which has become table stakes, and has deployed agentic AI architectures in which purpose-built AI agents autonomously conduct investigation, evidence collection, and response orchestration, with human analysts validating outcomes rather than performing them from scratch. These architectures are not experimental. Several providers evaluated in this study have agentic AI operating in production across their full customer base, completing end-to-end investigations at machine speed and generating complete audit trails of every action taken. Providers that remain in an AI-augmented human model, where analysts drive investigation with AI-generated suggestions, are already operating at a structural efficiency disadvantage relative to this leading group. IDC expects the gap to widen materially over the next 18 to 24 months as agentic capabilities mature and scale.

The midmarket, in particular, stands to benefit from this shift. Organizations in the 1- to 2,000-employee range typically lack the internal security head count to absorb meaningful analyst workloads, making the efficiency gains from agentic AI directly translatable into faster response, broader coverage, and lower effective cost per protected asset. MDR providers that can demonstrate measurable outcomes at scale, not just describe their AI architecture in marketing terms, will find strong receptivity among midmarket buyers that have budget constraints but with no tolerance for slow response to confirmed threats. IDC encourages midmarket organizations to ask vendors for specific AI outcome metrics rather than capability descriptions, a distinction that this study found to be a meaningful signal of operational maturity.

Financial accountability has emerged as a second major differentiator, and its evolution has been rapid. The market has shifted from a posture of contractual service-level agreements (SLAs) with response time commitments to one where leading vendors now back outcomes with financial breach warranties of up to $3 million. This warranty arms race reflects growing vendor confidence in their detection and response capabilities, but it also reflects pressure from the cyberinsurance ecosystem, where insurers and insureds alike are looking for managed security service providers that can translate service commitments into quantified risk reduction. IDC found meaningful variation in how vendors structure these commitments: the stronger providers tie warranty coverage to specific coverage requirements, include incident response costs outside of the warranty cap, and back obligations from their own corporate balance sheet rather than through third-party underwriters alone. Buyers should treat the structure of warranty commitments as a window into how a vendor thinks about accountability, not just as a marketing differentiator.

A third force reshaping the MDR market is the convergence of continuous threat exposure management with detection and response operations. Historically, MDR was a reactive service augmented by proactive threat hunting. IDC now observes leading providers integrating vulnerability intelligence, attack surface data, and asset criticality context directly into the investigation workflow, so that when a threat is detected, the SOC analyst already understands the exposure context around the affected asset before the first keystroke. This integration produces faster and more accurate severity assessments, reduces unnecessary escalations, and enables providers to offer something closer to continuous risk reduction rather than incident response. For midmarket organizations that often lack dedicated vulnerability management programs, providers that embed this capability within MDR are effectively delivering two programs in one.

Threat intelligence (TI) remains a foundational differentiator, but IDC's evaluation reveals a widening gap between vendors that produce genuinely proprietary intelligence and those that aggregate commercial feeds. Vendors with the most defensible intelligence positions in this study share three characteristics: large dedicated in-house research teams, active relationships with law enforcement and national cyberagencies, and unique collection infrastructure, such as honeypot networks, backbone-level network telemetry, or vulnerability disclosure programs, that generate intelligence unavailable through any commercial subscription. For midmarket buyers, the practical implication is that the richness of a provider's threat intelligence directly affects the quality of the detections that protect them. Intelligence sourced exclusively from third-party platforms is available to every provider and to their adversaries. Intelligence sourced from unique collection infrastructure is structurally differentiated.

Finally, IDC notes that service structure and financial accountability mechanisms have become as analytically important as technical capabilities in evaluating MDR providers. The vendors that performed most strongly in this study are not uniformly those with the largest

research organizations or the most advanced AI. They are the ones that have thought carefully about how their service model maps to customer outcomes: clear tier differentiation that explains what changes between levels of service rather than just what is named, response authority frameworks that give the SOC the latitude to act without requiring customer approval at every step, and transparent metrics that allow buyers to hold providers accountable for the outcomes they promise. As the MDR market continues to mature, IDC expects buyer sophistication to accelerate alongside it, and providers that have built accountability into their operational model will be structurally better positioned than those that have treated it as a sales conversation.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

To be included in the 2026 worldwide MDR service for midmarket IDC MarketScape, providers had to meet the following criteria:

- The security service provider (SP) must offer managed service for threat detection and response; these could include any or all the following:
  - Pure-play MDR/MxDR
  - Managed EDR
  - Managed threat hunting
  - Managed SIEM
- At least $5 million in global MDR revenue in 2024 from midmarket customers (For the purpose of this study, IDC defines a midmarket organization as one with fewer than 2,000 full-time employees.)
- Minimum of 200 active midmarket MDR customers by the end of 2024
- At least 50% of total MDR revenue derived from midmarket customers
- MDR service must have been generally available to customers in 2024 or earlier
- Active MDR customers in at least two of the four global regions (North America, EMEA, APAC, LATAM)

The revenue threshold used for inclusion in this study was finalized in 4Q25, at which point full-year 2025 revenue figures were not yet available for the majority of participants. As a result, 2024 reported revenue was used as the basis for applying the inclusion criteria. It is important to note that the evaluation of vendor capabilities and strategies, as well as the bubble sizes reflected in the MarketScape graphic, are based on 2025 figures and information gathered through the study's active research period. The use of 2024 revenue was strictly limited to determining eligibility for inclusion in the study and had no bearing on any vendor's scoring, positioning, or bubble size representation within the IDC MarketScape.

While this study was conducted with a deliberate focus on the needs of midmarket organizations, IDC recognizes that every provider evaluated in this IDC MarketScape has the organizational scale, technical depth, and service breadth to serve large enterprise customers. The midmarket lens reflects the study's evaluative emphasis, not a ceiling on any participant's capabilities or addressable market. Several providers in this study count among their customers some of the largest and most security-mature organizations in the world, and a number of these providers operate global SOCs, maintain extensive compliance and regulatory certifications, and offer service tiers, comanagement models, and contractual frameworks specifically designed for enterprise-scale deployments. Buyers from larger organizations reading this document should feel confident that the providers evaluated here are well equipped to meet enterprise requirements and are encouraged to engage directly with vendors to understand how their offerings scale to their specific environment and organizational complexity.

ADVICE FOR TECHNOLOGY BUYERS

Assessing the current capabilities and strategic alignment of an MDR service provider to your IT and business needs can be a lengthy process. IDC advises organizations that want to buy MDR services to consider the following factors:

- **Understand the architectural trade-off before you short list.** Platform-native providers, those that deliver MDR through a platform you are already running or will adopt, offer faster activation, tighter telemetry integration, and lower initial complexity. Open architecture providers ingest from your existing security stack regardless of vendor, preserving prior investments and providing broader coverage potential, but require an integration and baselining period before the service reaches full effectiveness. Neither model is universally superior. The right answer depends on how homogeneous your environment is, how quickly you need protection in place, and whether your environment is likely to change significantly over the contract term.
- **Separate what you need now from what you will need in 24 months.** MDR providers vary enormously in how their service evolves over the contract life cycle. Some offer a largely static service with incremental improvements; others are actively integrating exposure management, agentic AI investigation, and proactive risk quantification into the base MDR offering on a rolling basis. Ask providers specifically what capabilities are on the road map, which capabilities are contractually committed versus aspirational, and how capability improvements are delivered to existing customers versus new ones. A provider with strong current capability but a weak strategic road map may look attractive at signing and underwhelming at renewal.
- **Treat threat intelligence as a first-order evaluation criterion, not a background capability.** There is a significant gap between providers that generate genuinely proprietary threat intelligence through dedicated research teams, unique collection

infrastructure, and active law enforcement partnerships, and those that aggregate commercial threat feeds. Intelligence sourced exclusively from commercial platforms is available to every provider simultaneously and offers no detection advantage. Intelligence produced from proprietary sources, including backbone-level network telemetry, global honeypot networks, or large-scale vulnerability research programs, provides pre-commercial visibility into attacker infrastructure and emerging tradecraft. Midmarket organizations are frequently targeted precisely because adversaries perceive them as less defended and benefit disproportionately from providers with strong proprietary TI depth.

- **Demand specificity on detection and response metrics, and on how those metrics are defined.** There is wide variation not just in the numbers vendors report but in how they define the underlying measurements. Mean time to detect means different things depending on whether the clock starts at event occurrence, at log ingestion, or at the first analyst action. Mean time to contain means different things depending on whether it measures the first response action taken or confirmed containment on the first affected host. Before comparing metrics across providers, require each vendor to define its measurement methodology precisely. Providers with mature metrics programs will answer this without hesitation.
- **Evaluate financial accountability mechanisms as seriously as technical capabilities.** The MDR market has moved toward financial warranties and penalty-backed service-level agreements, and the structure of these commitments varies significantly across providers. The most accountable frameworks combine contractual response time SLAs with financial penalties for nonperformance and breach warranties that compensate customers for losses arising from incidents occurring under the provider's watch. Examine whether incident response costs are included within or separate from warranty caps, whether coverage requires specific configuration prerequisites that may be difficult to maintain, and how claims are actually processed and paid. Transparency around compensation paid to customers in prior periods is a meaningful signal of operational accountability.
- **Assess the customer portal as a strategic asset, not a reporting dashboard.** MDR can be an opaque service: activity happens in a provider's SOC, and customers often have limited visibility into what is being done on their behalf and why. There is a clear divide between providers whose portals deliver genuine investigative capability, including natural language query against security data, AI-generated investigation summaries, shared forensic tooling, and exposure-aware risk context, and those whose portals remain primarily alert notification interfaces. For midmarket organizations where security staff may double as IT generalists, a portal that translates SOC findings into plain language, actionable outputs is a practical prerequisite for deriving full value from the service.

- **Consider comanagement maturity if your organization has any internal security capability.** Many organizations with up to 2,000 employees have at least some internal security practitioners, whether a dedicated analyst, a security-aware IT manager, or a virtual CISO. For these organizations, a fully managed model that treats the customer as a passive recipient may not be the right fit. The most mature comanagement offerings include shared investigation workbenches, role-based response authority frameworks, and formal RACI structures that define precisely which actions the provider takes autonomously, which actions require customer authorization, and which action the customer handles independently.
- **Evaluate the provider's commitment to MDR as a primary business.** This study includes providers ranging from pure-play MDR companies for whom MDR is the only business to large, diversified technology vendors for whom MDR is one service line among many. A provider for whom MDR represents the majority of revenue has structural incentives to invest in detection engineering, threat intelligence, and SOC capability that a provider treating MDR as a portfolio add-on does not. Midmarket buyers entering multiyear contracts should satisfy themselves that the provider's organizational commitment to MDR is durable, not contingent on portfolio priorities that may shift.
- **Plan carefully for implementation and integration.** Develop a clear plan for onboarding MDR services, including integration with existing security tools and platforms, and ensure the provider can support your specific implementation timeline and environment. Time to value varies significantly across providers and is directly influenced by architectural model, onboarding automation maturity, and the complexity of your existing environment. Ask providers for reference customers with similar environment profiles to your own.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

Sophos

Sophos is positioned in the Leaders category in the 2026 IDC MarketScape for worldwide managed detection and response service for midmarket.

Sophos is a privately held cybersecurity company headquartered in Abingdon, the United Kingdom, and backed by Thoma Bravo. The company operates as a cybersecurity product and services vendor with a portfolio spanning endpoint protection, firewall, network security, email security, cloud security, and managed detection and response. Following the

acquisition of Secureworks in February 2025, Sophos significantly expanded its MDR capabilities and customer base and MDR has become a strategic focus for the combined organization. Security operations are delivered through a globally distributed SOC model organized around the Sophos X-Ops function, which unifies threat research, detection engineering, and managed service delivery under a single operational structure. Multiple comanagement engagement models are available, spanning notify-only, collaborative investigation, and full response authorization.

Sophos MDR is delivered through two core tiers, Sophos MDR and Sophos MDR Plus, supported by modular add-ons including exposure management, next-gen SIEM, and identity threat detection and response. Tier differentiation is driven by the level of response authority, the scope of financial warranty protection, and the depth of proactive and exposure management services included at each level. MDR Complete includes a $1 million Breach Protection Warranty covering ransomware events and a 60-minute time to respond according to contractual SLA for 90% of high-severity cases. The modular architecture allows organizations to expand their managed security coverage incrementally based on specific requirements without committing to a fixed higher tier. A bring-your-own vulnerability scanner capability supports ingestion from Microsoft, Tenable, Qualys, and Rapid7, removing the barrier to exposure management adoption for organizations with established vulnerability management tools. The platform architecture is vendor agnostic, supporting both Sophos-native telemetry and third-party signal ingestion across endpoints, networks, cloud, email, and identity, with a dedicated Stronger Together with Microsoft operational motion that extends and operationalizes Microsoft security signals within the MDR workflow. Sophos holds Microsoft MDR Verified SMB solution recognition.

The Sophos X-Ops Counter Threat Unit (CTU) is the company's dedicated threat intelligence organization tracking a substantial number of distinct threat groups including ransomware operators, initial access brokers, and nation-state actors. CTU intelligence is primarily derived from proprietary research, with the majority of operationalized intelligence generated internally rather than sourced from commercial feeds. This intelligence feeds directly into detection engineering, playbook development, and proactive hunt initiation across the MDR service. Sophos publishes flagship research including the Active Adversary Report and the annual State of Ransomware report covering organizations across multiple countries, which serve both as customer-facing intelligence resources and as thought leadership outputs that reflect the depth of CTU's research operations.

Threat hunting within Sophos MDR is conducted through a dedicated hunting program with a structured cadence of hypothesis-driven campaigns initiated from CTU intelligence and cross-customer telemetry analysis. Hunt findings feed directly into new detection rule development, with a meaningful volume of new detections generated annually from hunting activity. The Sophos Intelix platform, organized as a hub-and-spokes threat intelligence

architecture, provides the data infrastructure that connects CTU intelligence to SOC analyst workflows and detection engineering pipelines.

GenAI and agentic AI investment is a defined strategic priority within Sophos MDR operations. Investigation agents are being deployed to automate end-to-end investigation workflows for defined detection categories, with current implementation covering Microsoft and Sophos endpoint detections. The PRIME QA Agent applies generative AI to score 100% of analyst investigations for quality consistency, providing systematic quality assurance across SOC operations at a scale that is not achievable through manual review. Together, these agentic capabilities are designed to improve investigation consistency, reduce analyst toil on repetitive tasks, and accelerate triage timelines. The CISO Advantage program extends the MDR relationship into an executive engagement model, providing security leaders with board-ready governance resources, cyberinsurance alignment guidance, and strategic intelligence briefings derived from CTU research.

The acquisition of Arco Cyber has added the VET framework, standing for Visibility, Exposures, and Threats, to the Sophos portfolio, creating a cross-portfolio intelligence fabric that connects exposure management data with threat telemetry and detection operations. This positions Sophos to deliver continuous threat exposure management outcomes within a managed service model, correlating active threat activity with underlying vulnerability and misconfiguration data to prioritize both immediate response and longer-term posture improvement.

IDC sees Sophos' investment priorities center on three themes. The first is the continued development of agentic AI–led MDR operations, including always-on agentic threat hunting and autonomous investigation and response offload for defined high-confidence scenarios, with human validation retained at critical decision points. The second is hyper-personalized, co-delivered MDR that moves toward configurable service delivery by customer type, partner model, region, and sector, including expanded white-label managed SP capability and a partner-extensible agentic toolkit that enables managed SPs and managed security SPs to build customized managed security practices on top of the Sophos platform. The third is the continued integration of Sophos Central and the Secureworks Taegis platform into a unified operational backbone, which the company expects will improve detection correlation across combined telemetry sources, accelerate time to value for new customers, and reduce the cost to serve across the combined customer base.

Strengths

Sophos' agentic AI program has progressed to a point where investigation agents are autonomously closing a significant proportion of cases and the PRIME QA Agent provides systematic quality assurance across analyst investigations at full coverage. Together, these capabilities deliver faster case resolution and consistent investigation quality across the customer base.

The Sophos X-Ops Counter Threat Unit's scale, depth of its proprietary intelligence production, and its active participation in law enforcement-coordinated threat actor disruption operations provide a threat intelligence foundation that directly informs detection content, hunting campaigns, and response playbooks. The combination of this intelligence depth with cross-customer telemetry from a large global MDR customer base creates a network effect where threat visibility improves continuously as the customer base grows.

Sophos' managed services portfolio breadth, spanning MDR, exposure management, next-gen SIEM, identity threat detection and response, and a vendor-agnostic platform with bring-your-own tooling support, combined with a flexible comanagement model and an extensive managed SP channel, provides a service architecture designed to accommodate organizations across every size, maturity level, and technology preference without requiring displacement of existing investments.

Challenges

Sophos is nearing completion of a significant platform convergence program following the Secureworks acquisition, integrating Sophos Central and Taegis XDR technology into a unified operational architecture, with completion expected in summer 2026. While the combined entity brings expanded telemetry sources, customer scale, and detection engineering capabilities, organizations entering multiyear MDR engagements should assess its maturity. Sophos has indicated that the convergence is expected to yield higher detection correlation and improved time to value as it completes.

Sophos' breach warranty coverage is available at the MDR Complete tier and above, meaning customers on the base MDR tier do not have access to financial warranty protection. Organizations for which warranty coverage is a procurement requirement should evaluate the tier structure and associated investment level as part of their service selection process.

Consider Sophos when

Organizations of any size seeking a managed detection and response service with deep proprietary threat intelligence, flexible comanagement engagement models, and a vendor-agnostic platform that accommodates existing security investments should evaluate Sophos' MDR offering.

APPENDIX

Reading an IDC MarketScape graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market definition

Managed detection and response (MDR), as a subset of managed security services (MSS), combines the tools, technologies, procedures, and methodologies used to provide full cybersecurity detection and response capabilities for an organization. Service providers can deploy MDR services utilizing a mixture of customers' existing capabilities and partner-supplied tools or services and private intellectual property. MDR services are typically supplied by a provider's well-trained cybersecurity staff that works in one or more 24 x 7 x 365 remote SOCs.

LEARN MORE

Related research

- *Digital Sovereignty: Ramifications for Cybersecurity Capabilities and Practices in a Hostile World* (IDC #US54542526, May 2026)

- *The Essence of the RSAC Conference 2026 for the MDR Market* (IDC #IcUS54480326, April 2026)
- *IDC's Worldwide Security Services Taxonomy, 2026* (IDC #US53982726, March 2026)
- *Market Analysis Perspective: Worldwide MDR and Managed Security Services, 2025* (IDC #US53101725, November 2025)
- *Worldwide Managed Security Services Market Shares, 2024: Opportunity for All, in All Managed Security Areas* (IDC #US53101625, September 2025)
- *Worldwide Managed Security Services Forecast, 2025–2029* (IDC #US53101826, September 2025)

Synopsis

This IDC study presents a vendor assessment of MDR service providers worldwide through the IDC MarketScape model. For this study, IDC evaluated a group of MDR service providers with operations and customers worldwide, with a deliberate focus on the needs of midmarket organizations, which IDC defines for this study as organizations with up to 2,000 employees. Of the group of providers evaluated, the majority actively participated through a structured request for information process, with provider briefings and customer references, while two providers were assessed based on IDC's knowledge of their security services offerings and secondary research. Providers were measured in terms of current capabilities and future strategies for delivering MDR services to midmarket and enterprise customers worldwide. As noted in the inclusion criteria, all providers evaluated in this study have the organizational scale, technical depth, and service breadth to serve customers well beyond the midmarket segment.

Yogesh Shivhare, senior research manager, Security and Trust at IDC, says, "The managed detection and response market has entered a new phase of maturity, one defined less by whether providers can deliver effective threat detection and more by how they do it and what they stand behind. This study reveals a market where artificial intelligence architecture, financial accountability, and the depth of proprietary threat intelligence have become the primary axes of differentiation. MDR remains one of the most compelling security investments available to midmarket organizations, offering access to SOC capabilities, threat intelligence programs, and incident response expertise that would be prohibitively expensive to build internally. But the gap between leaders and the broader field is widening, and buyers that treat MDR as a commodity purchase will increasingly find that the details of how a service is structured, measured, and backed determine whether it delivers on its promise."

ABOUT IDC

International Data Corporation (IDC) is the premier global market intelligence, data, and events provider for the information technology, telecommunications, and consumer technology markets. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries. IDC's analysis and insight help IT professionals, business executives, and the investment community make fact-based technology decisions and achieve their key business objectives.

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