EXCERPT

Worldwide Mobile Enterprise Management Software 2012–2016 Forecast and Analysis and 2011 Vendor Shares

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IN THIS EXCERPT

The content for this paper is excerpted from the Worldwide Mobile Enterprise Management Software 2012–2016 Forecast and Analysis and 2011 Vendor Shares, by Stacy K. Crook, Stephen D. Drake and Benjamin Hoffman (Doc # 236835). All or parts of the following sections are included in this Excerpt: IDC Opinion, In This Study, Situation Overview, Future Outlook, Essential Guidance, and Synopsis. Table 1 and Figure 1 are also included.

IDC OPINION

In recognition of the growing convergence between the mobile device management (MDM) and mobile application management (MAM) markets, IDC is now producing an annual forecast and analysis document that combines the two markets into a new market called mobile enterprise management (MEM) software. This study effectively replaces the former mobile device management enterprise forecast and analysis. Key findings of this study include:

☑ In 2011, worldwide mobile enterprise management software revenue totaled $444.6 million. This number is expected to grow at a CAGR of 31.8% over the forecast period, resulting in total MEM software revenue of $1.8 billion by 2016.

☑ While the majority of MEM revenue will stem from the Americas region throughout the forecast period, vendors are stepping up both their direct and their indirect efforts into EMEA and Asia/Pacific (APAC) and have started to see significant growth in interest and uptake from these regions.

☑ SAP, with 16.4% share, continues to be the market leader in terms of market share by revenue; companies such as MobileIron, AirWatch, Good Technology, Fiberlink, and Zenprise each realized triple-digit growth for 2010–2011.

☑ Some of the large systems management players saw decreased growth from 2010 to 2011 as IDC believes legacy revenue stemming from older mobility offerings has started to taper off. However, companies such as IBM, BMC, and HP each unveiled new strategies in this space in 2012, and IDC expects to see growth pick up for each of these companies in the 2012–2013 time frame.

IN THIS STUDY

This study examines the mobile enterprise management software market for the period from 2011 to 2016, with vendor revenue trends and market growth forecasts. Worldwide market sizing is provided for 2011, with trends from 2011 and 2012. A five-year growth forecast for this market is shown for 2012–2016. A vendor competitive analysis, with vendor revenue and market shares of the leading vendors, is provided for 2011. This study also includes profiles of leading vendors and identifies the characteristics that vendors will need to be successful in the future.

Methodology

See the Methodology in the Learn More section for a description of the forecasting and analysis methodology employed in this study.

In addition, please note the following:

☑ The information contained in this study was derived from IDC's Software Market Forecaster database as of July 1, 2012.

☑ All numbers in this document may not be exact due to rounding.

☑ For more information on IDC's software definitions and methodology, see *IDC's Software Taxonomy, 2012* (IDC #235401, June 2012).

Mobile Enterprise Management Software Definition

In recognition of the growing need enterprises have to manage both mobile devices and mobile applications, IDC has decided to merge two previously distinct markets — mobile device management enterprise software and mobile application management software — into a new market called mobile enterprise management software. The mobile enterprise management software market will include products that offer standalone MDM, standalone MAM, or combined MDM-MAM functionality.

A mobile device management solution includes many of the standard features included in PC management solutions but also includes additional functionality that addresses the unique needs of mobile devices such as smartphones and media tablets and, increasingly, other areas (i.e., M2M modules or printers). Some of the key features of a mobile device management solution are:

☑ Device provisioning and managing configuration settings

☑ Inventory/asset management

☑ Software distribution (applications, operating systems [OSs], firmware updates)

☑ Remote wipe/lock, remote control for systems diagnostics

☑ Policy/compliance management (encryption management, device posture, etc.)

☑ Authentication and certificate management

☑ Real-time device monitoring, location information, GPS breadcrumbing

☑ Reporting and analytics on devices

Mobile application management (MAM) refers to a solution by which specific mobile applications can be managed, secured, and distributed by IT organizations and typically allow for enhanced policies to be applied to individual applications. Mobile application management solutions can either supplement MDM functionality or stand alone and typically include some combination of the following features:

☑ Management of the application life cycle:

❑ Granular application distribution capabilities by group or policy (often through a mobile enterprise application store)

❑ Application performance management and monitoring

❑ Application version management and end of life

❑ Detailed application analytics

☑ Granular security management and corporate policy control of applications and content:

❑ Enforce or restrict user authentication and encryption per application

❑ Apply micro-VPNs to individual apps

❑ Enable or disallow data storage, offline access, document sharing, and copy/paste

❑ Offer ability to wipe applications/data remotely

SITUATION OVERVIEW

Performance of Leading Vendors in 2011

Table 1 displays 2010 and 2011 worldwide revenue and 2011 growth and market share for mobile enterprise management vendors. SAP continues to be the market leader in this space and holds 16.4% share of the market. MobileIron realized the greatest growth from 2010 to 2011, with 421.4% growth, followed by AirWatch at 318.8% growth and Good Technology at 192.8% growth. Zenprise and Fiberlink also saw triple-digit growth of 166.7% and 140.4%, respectively.

TABLE 1

Worldwide Mobile Enterprise Management Software Revenue by Vendor, 2010 and 2011 ($M)

	2010		2011		
	Revenue ($M)	Share (%)	Revenue ($M)	Share (%)	2010–2011 Growth (%)
SAP	59.6	20.2	73.1	16.4	22.7
Microsoft	27.0	9.2	30.0	6.7	11.1
MobileIron	5.6	1.9	29.2	6.6	421.4
Good Technology	9.7	3.3	28.4	6.4	192.8
AirWatch	4.8	1.6	20.1	4.5	318.8
Subtotal	106.7	36.2	180.8	40.6	69.4
Other	187.7	63.8	263.8	59.4	40.5
Total	294.4	100.0	444.6	100.0	51.0

Source: IDC, September 2012

FUTURE OUTLOOK

Forecast and Assumptions

Worldwide Mobile Enterprise Management Software Forecast, 2012–2016

The worldwide market for MEM software will grow from $444.6 million in 2011 to $1.8 billion in 2016 at a CAGR of 31.8%. Table 2 presents IDC's estimate of growth for the worldwide mobile enterprise management software market for 2011–2016.

IDC analysts around the globe supplied regional input and insight into the worldwide mobile enterprise management software market forecast. The worldwide forecast is the aggregation of this regional data (see Table 2). In 2011, the Americas accounted for 65.1% of the market share, with the United States representing the largest segment of enterprise customers adopting MEM software. By the end of 2012, EMEA will represent one-quarter of the market and Asia/Pacific will be responsible for contributing 10.6%. While enterprise mobility trends are moving faster in the Americas and Western Europe right now, the sheer number of mobile workers with access to

mobile devices in emerging regions represents an exciting opportunity for MEM vendors to start to make headway in these areas of the world in the coming years.

Figure 1 shows a regional comparison for 2011 and 2016.

FIGURE 1

Worldwide Mobile Enterprise Management Software Revenue by Region, 2011 and 2016
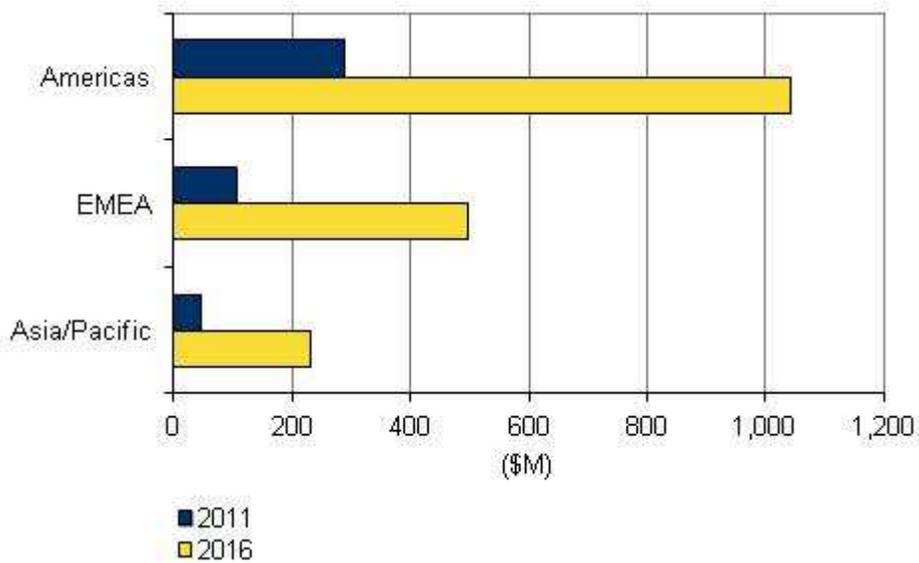
Source: IDC, September 2012

Market Context

The MEM software market represents a new IDC competitive market, so there is no previous forecast with which to directly compare it. This document effectively replaces IDC's mobile device management forecast and analysis. The last document authored on that market is *Worldwide Mobile Device Management Enterprise 2011–2015 Forecast and 2010 Vendor Shares* (IDC #229759, August 2011).

MobileIron

☒ MobileIron is a pure-play enterprise mobility management company. It has close to 400 employees and is based in Mountain View, California. MobileIron experienced some of the fastest growth in the market from 2010 to 2011.

☒ MobileIron's core MEM offering manages mobile apps, content, and devices. MobileIron offers both cloud and on-premise options for the enterprise and recently launched an SMB-specific solution with AT&T called MobileIron Basic Connected Cloud.

☒ Key to MobileIron's rapid growth has been MobileIron's channel strategy. The company achieves 100% of revenue through indirect sales. This channel includes a network of 180 partners that can resell MobileIron software across over 40 countries. Its resellers include 13 tier 1 mobile operators and over 160 mobile systems integrators and VARs. Right now there are almost 10,000 sales reps globally across these partners trained and certified to sell MobileIron and over 1,000 sales engineers trained to test and deploy MobileIron.

☒ MobileIron has been able to demonstrate customer success with over 60 publicly named customer references available. Its Customer Success team provides structured educational programs (MobileIron University), best practice toolkits (BYOD, apps, Android), technical certification, and 24 x 7 customer support.

ESSENTIAL GUIDANCE

As more and more companies adopt BYOD, it is essential for vendors to offer mobile management solutions that are appropriate for both audiences. IDC believes MDM offerings will begin to shift more toward the corporate-liable device population while MAM offerings may offer a better balance between the privacy and corporate responsibility needed for employee-liable devices. IT organizations will appreciate the ability to have one console with which to manage all devices and apps. In detail:

☒ As companies begin to deploy more and more mobile solutions across their IT infrastructure, the ability of the mobile offering to integrate with the back-end infrastructure becomes increasingly important. In general, organizations are looking to simplify their IT environments, not add complexity to it. Solutions that can seamlessly integrate into existing products and processes will be looked upon favorably.

☒ While the MEM ecosystem is becoming increasingly crowded, the reality is most companies are in the early days of mobile enterprise solution adoption, and there is still plenty of room for healthy competition. As the market begins to consolidate, however, organizations will begin to more closely scrutinize both how the vendor's solution fits into their longer-term plans and the financial viability of the said vendor. While many companies may initially approach a

vendor because they are seeking a point solution to solve a particular problem, it is very important to be able to demonstrate a longer-term vision and road map for the company that puts potential customers at ease.

LEARN MORE

Related Research

☑ *Mobile Enterprise App Stores: Open for Business* (IDC #236312, August 2012)

☑ *Mobile Risk Management: Helping Companies Proactively Mitigate Mobile Threats* (IDC #236231, July 2012)

☑ *Mobile Application Management Market Assessment, 2012* (IDC #235460, June 2012)

☑ *An Introduction to Mobile Enterprise Content Access and Collaboration Solutions* (IDC #235005, May 2012)

☑ *Motorola Mobility: Mobile Enterprise Vendor Profile* (IDC #234673, May 2012)

☑ *Symantec Makes Strategic Moves to Mobile Enterprise: Adds Key MDM, MAM and Mobile Enterprise App Store Components* (IDC #lcUS23397712, May 2012)

☑ *Worldwide Business Use Smartphone 2012–2016 Forecast* (IDC #234475, May 2012)

☑ *Worldwide Mobile Enterprise Security Software 2012–2016 Forecast and Analysis* (IDC #233664, March 2012)

☑ *IDC MarketScape: Worldwide Identity and Access Management 2011 Vendor Assessment* (IDC #FIN232806, January 2012)

☑ *Worldwide Mobile Worker Population 2011–2015 Forecast* (IDC #232073, December 2011)

☑ *Worldwide Smartphone Mobile OS 2011–2015 Forecast and Analysis* (IDC #232163, December 2011)

☑ *Market Analysis Perspective: Worldwide Mobile Enterprise Software, 2011 — Apps, Security and Management Drive Growth* (IDC #232183, December 2011)

☑ *Market Analysis Perspective: Worldwide Mobile Enterprise Device Solutions Markets, 2011 and Beyond — Consumerization Shapes the Future of the Mobile Enterprise* (IDC #232194, December 2011)

☑ *Worldwide Mobile Device Management Enterprise 2011–2015 Forecast and 2010 Vendor Shares* (IDC #229759, August 2011)

Synopsis

This IDC study examines the mobile enterprise management software market for the period from 2011 to 2016, with vendor revenue trends and market growth forecasts. Worldwide market sizing is provided for 2011, with trends from 2011 and 2012. A five-year growth forecast for this market is shown for 2012–2016. A vendor competitive analysis, with vendor revenue and market shares of the leading vendors, is provided for 2011. This study also includes profiles of leading vendors and identifies the characteristics that vendors will need to be successful in the future.

"Consumerization has brought new challenges to the enterprise in terms of how they must think about managing and securing devices and the sensitive corporate information on those devices," says Stacy Crook, senior analyst, Mobile Enterprise Research at IDC. The mobile enterprise management software market represents a category of mobility offerings that address the requirements of enterprises — that need solutions for both corporate- and employee-owned mobile devices — and users."

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