MDM Is Dead. Long Live EMM!

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The Bottom Line

Mobile device management (MDM) solutions do not offer businesses the full range of security, policy and compliance features to be truly able to manage mobile assets being deployed in the corporate environment. Some managed mobile service vendors are integrating capabilities onto unified platforms, shifting the focus to enterprise mobility management (EMM). This will force a response from all players from across the entire enterprise mobile ecosystem.

Highlights

- The complexity of managing siloed mobile assets is a major concern for businesses. Twenty-six percent of survey respondents cite it in their top two reasons for adopting a managed mobile solution. It ranks as the second biggest concern after the security of mobile data.

- The value of managed services is shifting beyond the management of costs and the implementation of basic security for deployed devices. The value of mobility is moving to focus on the liberation of businesses’ systems data through process mobilization and, crucially, the scaling of applications across the workforce to cater for this.

- Space solution providers need to be cloud-ready. Vendors need to offer both on-premise and cloud solutions to enable a cloud migration, but they should ensure they are innovating around enabling a secure, flexible and scalable cloud environment for their platforms.

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COMPANIES MENTIONED

Adobe, AirWatch, Amtel, Antenna Software, Appcelerator, Apperian, Apple, BoxTone, Cisco, ClickSoftware, Dell, EMC, Esselar, FeedHenry, Fiberlink, Good, Google, GroupLogix, Hewlett-Packard (HP), IBM, McAfee, Microsoft, MobileIron, Mocana, Oracle, Research In Motion (RIM), Salesforce, SAP, Sencha, Sybase, Symantec, Tellago, Unvired, Verivo, VMware, Webalo, WINIT, Zenprise
Enterprise Mobility Management Platforms Must Emerge

After developing at a hugely rapid pace over the past few years, the market landscape of managed mobility solutions for the enterprise is entering a new phase driven by five distinct trends (see Exhibit 1):

- A continually growing mobile workforce
- Mobile as an increasingly important channel for businesses to reach customers
- Smartphones and tablets emerging as legitimate enterprise computing devices
- Consumerization and bring-your-own-device (BYOD) driving user and enterprise technology decisions
- The rise of mobile applications to address worker and customer needs

Exhibit 1: Managed Mobility Enters a New Phase
Source: Yankee Group, 2012

Enterprises have largely attempted to address these trends using a modular and siloed approach. But the disparate features and capabilities of current point solutions must become better integrated. Increasingly, the capabilities of mobile device management (MDM), telecom expense management (TEM) and mobile application management (MAM) solutions are bleeding into one another. They will ultimately give rise to enterprise mobility management (EMM) platforms, which will provide businesses with a more flexible way of combining, integrating and utilizing modular enterprise services. These emerging platforms will also allow management of security, policy and compliance across these integrated capabilities.

For mobility to move from an opportunistic deployment of specific technologies to a more strategic value for businesses, platforms must be available to help IT better manage the cost, security and complexity of aligning assets with enterprise business systems. This technology shift will cause the market to move from bundled services to vendors engineering enough interoperability for closely integrated partnerships on these platforms, necessitating a much less piecemeal approach to security.
Methodology

This report draws upon materials from and interviews conducted with several leading managed mobile solution providers over the course of Q1 2012, including Amtel, Antenna Software, Apperian, BoxTone, Esselar, FeedHenry, Fiberlink, GroupLogix, McAfee, MobileIron, Mocana, SAP, Sencha, Tellago, Unwired, Verivo, Webalo, WINIT and Zenprise. The report also uses data from Yankee Group’s 2012 US Enterprise Mobility: IT Decision-Maker Survey, April, a quarterly survey of IT and line of business decision-makers across different-sized companies. Insights are also drawn from an extensive evaluation of Tier 1 operators’ managed mobility portfolios that Yankee Group conducted in 2011.

From Point Solution Silos to Enterprise Mobility Management

The underlying trigger for the emergence of these platforms is the increasing complexity for businesses in managing and supporting the explosion of mobile devices and applications in their corporate environment. Twenty-six percent of companies resort to using a managed mobility service because of the complexity of managing mobile assets in silos, second only to concerns over the security of mobile data.

For businesses, the modular and more integrated nature of the emerging EMM platforms moves them closer to providing a realistic end-to-end total cost of ownership (TCO). Although such offerings are relatively nascent, they also promise to put IT back in the driver’s seat with better visibility and manageability over their mobile assets. For end-user employees, the greater control this will afford to IT will encourage a more pervasive and dynamic attitude about what devices are supported and what access to applications is permitted and supported.

Yankee Group believes true EMM incorporates multiple components, as shown in Exhibit 2.

Exhibit 2: Policy, Security and Compliance Need to Scale Across Managed Services
Source: Yankee Group, 2012
Exhibit 3 shows the critical features within these components and displays how they fit together within a comprehensive EMM solution set.

Exhibit 3: Critical Features Needed for EMM Platforms
Source: Yankee Group, 2012

These are today often offered as stand-alone solutions, with some vendors integrating parts of different components and some enterprises deploying only portions of a whole solution. Today MDM, mobile security and TEM solutions have the widest use among businesses, being deployed by 65 percent, 63 percent and 58 percent (respectively) of businesses implementing any managed mobile service. These still work today as broadly independent managed services with little, if any, integration and planned interoperability between them outside the formal partnerships between specific service providers.

However, the value of managed services is shifting beyond cost management and the implementation of basic security for deployed devices. As more service types and vendor offerings come to market, the value of mobility is moving to focus on the liberation of businesses’ systems data through process mobilization and, crucially, the scaling of applications across the workforce to cater for this. While this is making businesses look much more closely at mobile enterprise application platforms (MEAPs) and MAM solutions, it also poses the question of how to integrate these solutions with existing MDM and TEM services across a fragmented vendor market to better address the life cycle of mobility management.
The Market Is Too Large for Anyone to Ignore

Although the technology is still relatively nascent, a leading pack of vendors is beginning to address the complex challenge of integrating different managed enterprise mobile services onto platform offerings. With this, the managed mobile services landscape is about to become one of the most competitively fought of all enterprise markets. This not only will force consolidation among current MDM, MAM and EMM vendors, but will also bring enterprise software providers, the main mobile OSs, cloud players and mobile operators into the fray:

- **Enterprise software vendors.** EMM platforms will come to eat a bigger and bigger piece of the enterprise mobility market, forcing enterprise software vendors and systems integrators that are not currently strong in this market, such as IBM, Hewlett-Packard (HP) and Dell, to get in the game and invest in mobility to protect their existing product portfolios.

- **The main mobile OSs.** Google, Research In Motion (RIM), Apple and Microsoft will be forced to address their enterprise offerings in a more systematic way or be forced to cede ground to holistic and OS-agnostic platforms pushing them out of the market. RIM, for example, is already late to the table—if not out of the game—with its BlackBerry Fusion MDM offering, demonstrating the risks of being off the pace in addressing the BYOD trend.

- **Cloud players.** Moving to address mobility will be a logical extension for cloud players such as EMC, Cisco and Salesforce as application-related platforms move to the cloud. In addition to the big cloud players, other niche enterprise platforms such as FeedHenry have also built their MEAPs in the cloud. FeedHenry also recently announced a partnership to enable developers to build applications on VMware’s CloudFoundry using the FeedHenry platform. The intersection of mobile and cloud promises to be a key future driver of enterprise mobile applications development, so Yankee Group expects a strong movement of cloud players into this space.

- **Mobile operators.** Operators have been pursuing buy (mainly TEM) and partner strategies (MDM, MAM) to build out their enterprise mobile and cloud portfolios over the past couple of years, with varying degrees of success. Common among them, however, is the desire to deliver and recognize value from bundled services for different business segments wrapped in professional and managed services.

The trend toward comprehensive EMM will spawn M&A activity to address the requirements of enterprises and the shortcomings of current incomplete vendor solution portfolios. We anticipate this M&A trend will come in two distinct flavors:

- **Large traditional ISVs and enterprise vendors acquiring independent mobile application development and management platforms, as well as MDM vendors.** Examples include SAP’s acquisition of Syclo, as well as IBM’s recent acquisition of Worklight and Symantec’s purchase of Odyssey Software.

- **Further consolidation of similar independent mobile software vendors.** This will come in the form of mobile application platforms acquiring similar companies to gain customers or complementary technology. It will also come in the combination of MDM, MAM/storefronts and mobile application development platforms to create more comprehensive enterprise mobility management offerings rather than siloed technology solutions.

**Winners**

For vendors in a crowded market of device management and a growing market for application management solutions, future longevity rests in only two routes: become a platform of choice enabling businesses to manage the bulk of their mobile operations or become best-of-breed to partner with one of these emerging platforms. A few companies—Antenna Software, BoxTone and SAP are good examples—stand out as having taken a lead in moving toward a more integrated platform offering.

Each of these vendors is ahead of the curve in realizing the challenges enterprises will face when it comes to integrating their MDM and MAM solutions and ensuring that a unified security, policy and compliance architecture can be applied across all mobile assets. Tight integration will increasingly become a hallmark of a leading solution as the pain of managing these multiple service infrastructures begins to show. These three are well-positioned to help businesses meet these challenges.
Antenna Software

In February 2012, Antenna released its AMPChroma mobile enterprise life cycle management product, a cloud platform from which businesses can design and build native, Web, HTML5, business-to-consumer (B2C) and business-to-employee (B2E) applications. It provides metered access to be able to integrate, publish, manage and analyze mobile applications. As a life cycle product, its pricing includes hosting, support and maintenance for applications and content published on the platform, and it can be integrated with enterprise and content management systems for real-time usage analytics. MDM is offered at an incremental price.

Antenna now stands as one of the most comprehensive and attractive independent mobile application platform vendors in the market, having acquired Dexterra, Vaultus and Volantis in recent years in anticipation of the move to mobile B2C applications from its traditional focus on mobile B2E (Vaultus) and the need for application deployment and storefronts (Volantis). While Antenna cannot boast a best-in-class MDM play, it remains an attractive option for enterprises as well as potential acquirers.

BoxTone

BoxTone has developed a platform of modular EMM services to address the lifecycle of a business’ mobility assets and related processes. The core platform has an extensible architecture that is interoperable with a multitude of enterprise systems and manageable from a single role-based console. It offers both MDM and MAM, as well as a variety of managed business and operations services such as security and compliance assurance, asset and expense management, and service management in addition to a number of related services such as performance and incident management and user self-service. Another important feature for emerging EMM platforms that is included here is real-time visibility of user transactions for improved service management and problem resolution. The modular nature of the platform also enables businesses to get closer to a TCO through ROI calculations based on adoption of either single or multiple bundled modules. BoxTone also announced in April 2012 an EMM partner network composed of a group of security, application, and mobile service and infrastructure partners that all integrate on the BoxTone platform.

BoxTone has done an impressive job of defining the EMM market and has played a strong role in moving the segment marketing beyond the siloed definitions of MDM and MAM, pointing to a future where mobility can become integrated into traditional business IT. In emphasizing both breadth of platform service integration and third-party service interoperability, it stands well positioned to help drive the EMM agenda.

SAP

Following its acquisition of Sybase two years ago, SAP continues to build out its mobile software and application portfolio. The Afaria 7.0 product is the underlying foundation for device management and support for BYOD, and the SAP mobility platform, Sybase Unwired Platform (SUP), stands as a unified development platform for mobile B2E and B2C applications. It has also worked to expand its portfolio of mobile B2E apps across a number of different categories and verticals built by both SAP (bolstered by its acquisition of Sycom in April 2012) and partners, as well as a portfolio of mobile B2C apps increasingly built by partners and driven by cloud delivery. It also recently announced partnerships with Adobe PhoneGap, Appcelerator and Sencha for broader mobile application development options in the area of HTML5 and hybrid applications. Sybase 365 is a global messaging infrastructure.

SAP still needs to demonstrate how its portfolio of different technologies, when put together, actually makes for a unified EMM platform rather than a bundled suite of individual technology components. However, its goal to create such a platform, the strength of its individual owned assets and its partnership strategy is clear.

Losers

IBM

Despite its recent acquisition of Worklight, IBM still lacks a comprehensive mobility strategy. While it has a broad enterprise service portfolio and numerous assets in the area of mobility—app development, mobile unified communications and collaboration (UC&C), device management and professional services—it has yet to establish best-of-breed in any of these areas or articulate a cohesive mobility strategy. Of course, IBM has the ability to make further acquisitions in this area and catch up.
Oracle

Unlike SAP, Oracle has yet to put a significant stake in the ground when it comes to mobility. As applications go mobile, and as cloud and mobility intersect, it would seem logical for Oracle to pursue a more active role in the mobility space.

RIM

While it is not game over for any of the losing companies, RIM really dropped the ball by not acting more quickly to embrace and cater to the BYOD trend among its business customers. It has come late to market with its Fusion product and has little appreciable claim to mindshare in the enterprise mobile applications space. As the company’s financial results continue to slide, CEO Thorsten Heins’ focus on reevaluating the company’s scope and bringing renewed innovation for the business segment should help RIM become more competitive. However, it has a mountain to climb to be able to quickly bring to market an integrated solution built beyond just MDM leveraging a third-party enterprise service ecosystem.

Time Will Tell

Only time will tell whether individual point solutions will be able to build out their own platforms or partner widely enough with emerging platforms to ensure their own longevity. Companies such as AirWatch, Apperian, ClickSoftware, Good, MobileIron and Zenprise are leading the field in MDM and MAM solutions but have made few moves to build out a wider platform offering. If they’re not pursuing this strategy, they should focus on making themselves the go-to companies for platform partnerships or targets for acquisition. The winning platforms will be those with breadth of service relevance, managed service experience and the ability to scale the architecture easily and effectively. Point solutions should look to develop maximum geographic reach, local-market operational expertise and architectural flexibility for platform interoperability.

Conclusions and Recommendations

The market for managed enterprise mobile services is quickly moving beyond the value that TEM and MDM alone can bring to businesses. As mobility’s value moves on to the strategic liberation of data in businesses’ enterprise systems, companies will look to build and deploy mobile applications for which MAM and MEAP solutions will be required. This increasing complexity in architectures and infrastructures is leading some vendors to forge ahead in creating integrated platform offerings providing both breadth of services and greater service interoperability. To be competitive in this, we recommend that space solution providers:

• **Focus on business and operations management.** What is at stake here is a platform for businesses to manage, if not their entire, then the bulk of their mobility operations. The value will lie less in the core device and application management features on offer, but more so in the features that give those businesses the visibility and flexibility over service management around these assets.

• **Build out a partner network.** However integrated a platform solution, the diversity of services required by businesses beyond core TEM, MDM and MAM capabilities will require close partnerships with other service and application providers. BoxTone’s EMM Partner Network stands out as a good example of this approach.

• **Be cloud-ready.** Businesses will migrate to adoption of cloud services at different paces, but migrate they will. Vendors need to offer both on-premise and cloud solutions to enable this staggered migration, but should ensure that they are innovating around enabling a secure, flexible and scalable cloud environment for their platforms.

• **Become best-of-breed point solutions.** Those companies that do not see a future in building out their own platform should concentrate on becoming a partner of choice, optimizing their own solution interoperability and geographical operational experience.
Further Reading

Yankee Group Research
“SAP Flexes Its Muscles in Mobility,” April 2012

“2012-2016: Operators Will Find Differentiation in Managed Mobility,” February 2012

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“Helping Businesses Capitalize on the Enterprise Mobile Application Explosion,” November 2011

“MEAPs Need to Rethink the Application Paradigm to Survive the Cloud Onslaught,” August 2011

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