

Vendor Selection Matrix – Capacity Management SaaS And Software: The Top 15 Vendors Scope: Global 2016

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Vendor Selection Matrix Methodology

Data Summary:

- Unique, primarily survey-based methodology for comparative vendor evaluations.
- Roughly 60% of evaluation results are grounded on enterprise buyers' survey results.
- Analyst's opinion accounts for roughly 40% of evaluation results (not 100% as in most other vendor evaluations).
- More than 20,000 data points were collected.
- Data was collected in Q4 of 2015 and Q1 of 2016, covering 1,380 IT buyers of Capacity Management SaaS and Software. The survey was carried out as a combined telephone and online survey.
- The top 15 vendors of Capacity Management SaaS and Software (selected by the buyers in the survey) were evaluated.
- The evaluation is based on customer and vendor feedback, publicly available information, triangulation, as well as the analyst's opinion.



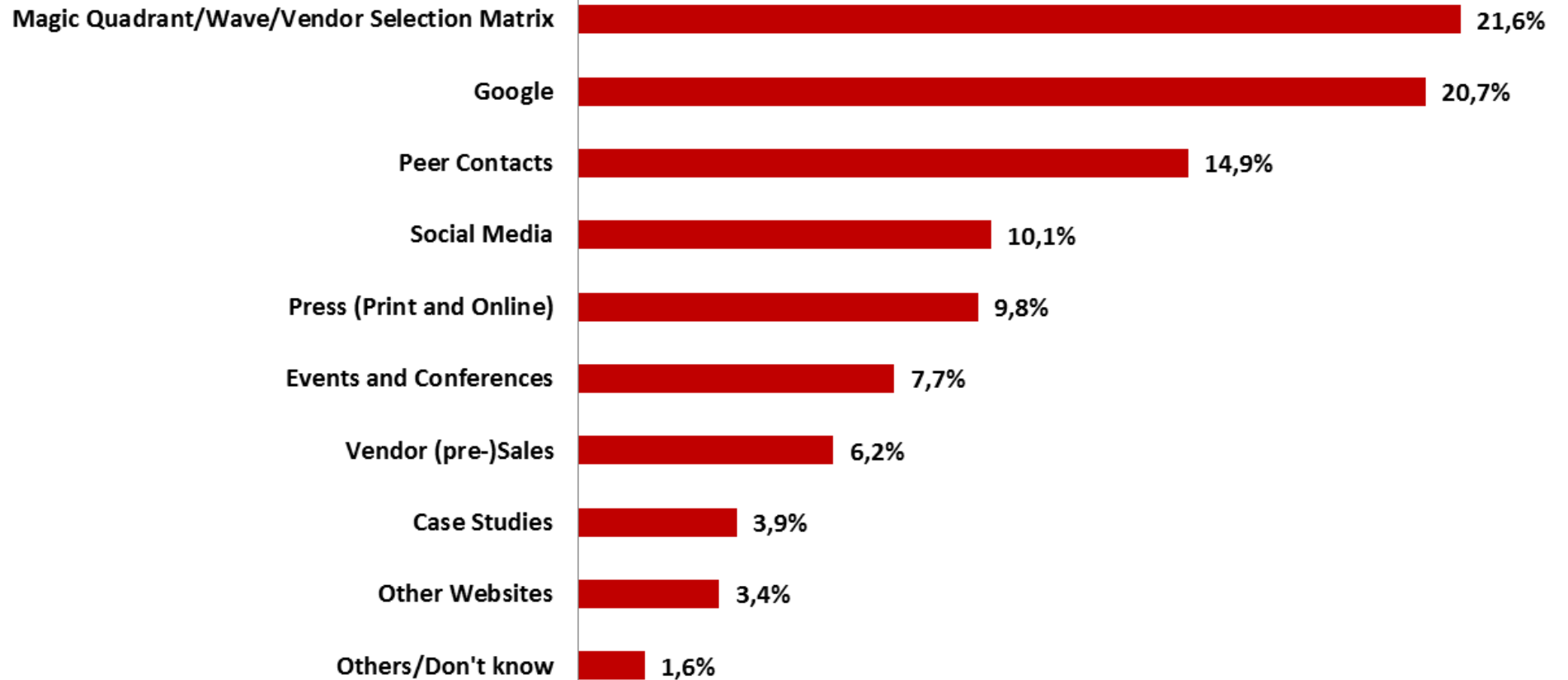
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What Tools Do You Use To Create The Vendor Longlist?

**MQ/VSM
Google
Peers
Social Media
Press**

**Decision Makers use
a mix of traditional
and online tools**



N=931 IT and Business Managers in Enterprises (Companies with more than 10,000 employees only)



Vendor Selection Matrix – Capacity Management SaaS And Software: Evaluation Scope

Coverage:

INFRASTRUCTURE	CLOUD	APPS	SLAs
Clients Server Mainframe Network Middleware...	Private Public Hybrid	ERP CRM SCM PPS...	Business Services IT Services Infrastructure Services Outsourced Services

Value Chain:

PLAN	ANALYZE	RUN	OPTIMIZE
Determine Capacity Requirements	Measure Current Capacity Usage	Gather Usage Data In An Ongoing Fashion	Predict Future Capacity Needs Accurately



Market Overview: The Market View

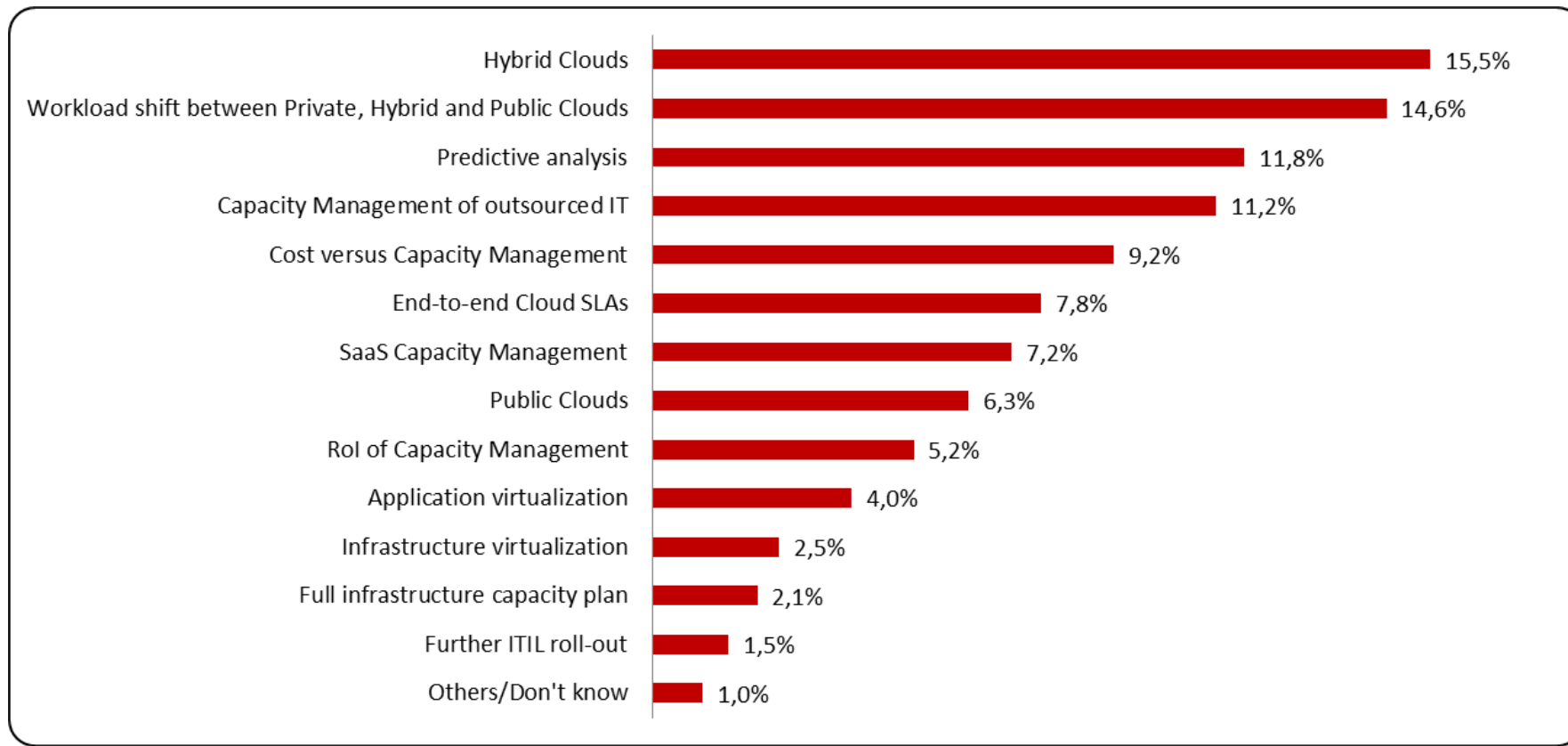
- **Across-the-board ITIL adoption is increasing the demand for Capacity Management.** After more than 15 years, 85% of enterprises are using ITIL* in some way. This high penetration of ITIL standards has led to a significantly higher IT process maturity for IT Service Management. Enterprises are now able to adopt new IT service innovations at a much faster pace than ever before. This is having a significant effect on Capacity Management as well.
- **The rise of the Hybrid Cloud.** The Cloud phenomenon has been adopted by enterprises at a breathtaking pace. However, most companies today are choosing Hybrid Cloud options. Cloud bursting and workload shifts between Clouds are here today, creating additional Capacity Management complexity and challenges.
- **A busy market with many vendors.** Research In Action believes that as of today, the broader Capacity Management market has more than 500 active competitors globally. Many of these competitors offer Capacity Management as add-on functionality. The current market size of the core Capacity Management market is roughly \$ 750 million, with a high growth potential. Very few vendors, however, cover the full spectrum of the market and the whole value chain. The vast majority of vendors specialize in one or two market segments.
- **A challenge to remain on top.** Given this high level of change in the Capacity Management market, it is no surprise that the vendor landscape is highly dynamic. New vendors for special requirements appear almost on a weekly basis. It is, however, also a major challenge for larger vendors to stay in the market leader quadrant. Even there, we see a lot of change and movement.

* IT Infrastructure Library, see http://de.wikipedia.org/wiki/IT_Infrastructure_Library.



Market Overview: Market Trends 2016

What is your number one investment area in the Capacity Management SaaS and Software space for 2016?



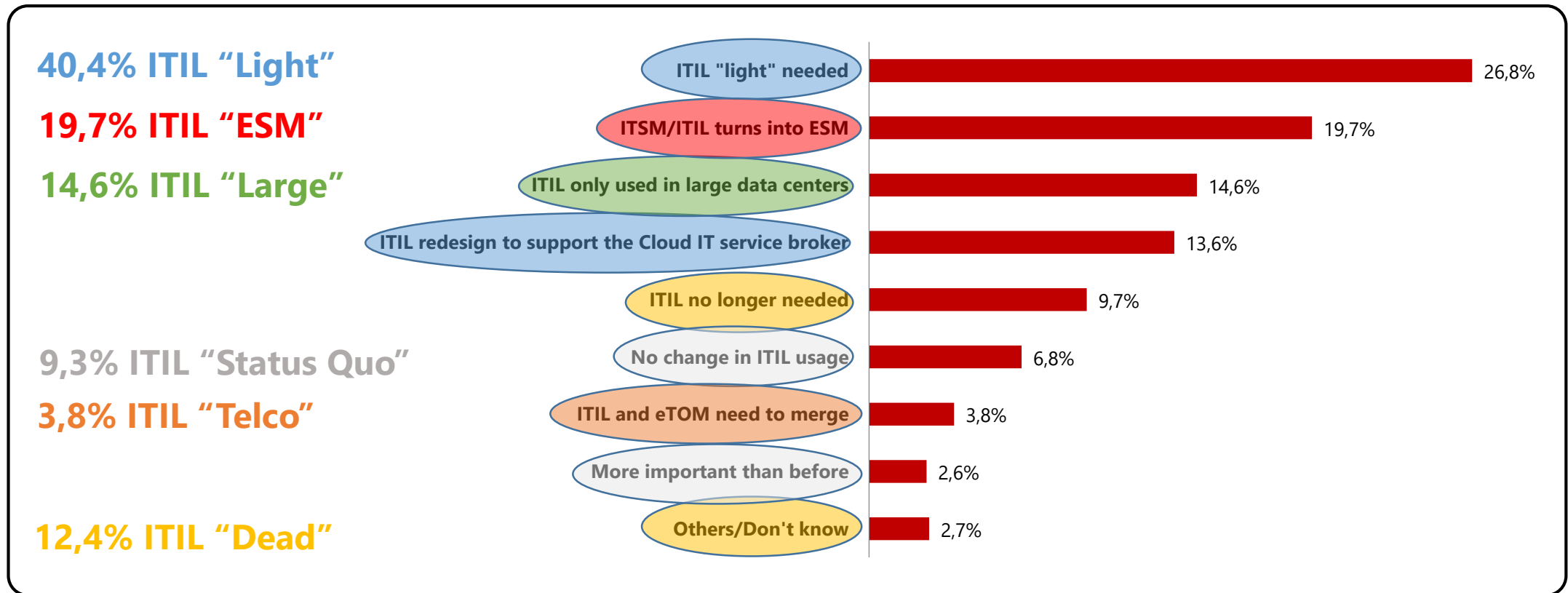
N=1,380 IT Managers in Enterprises



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Market Overview: The Future Of ITIL

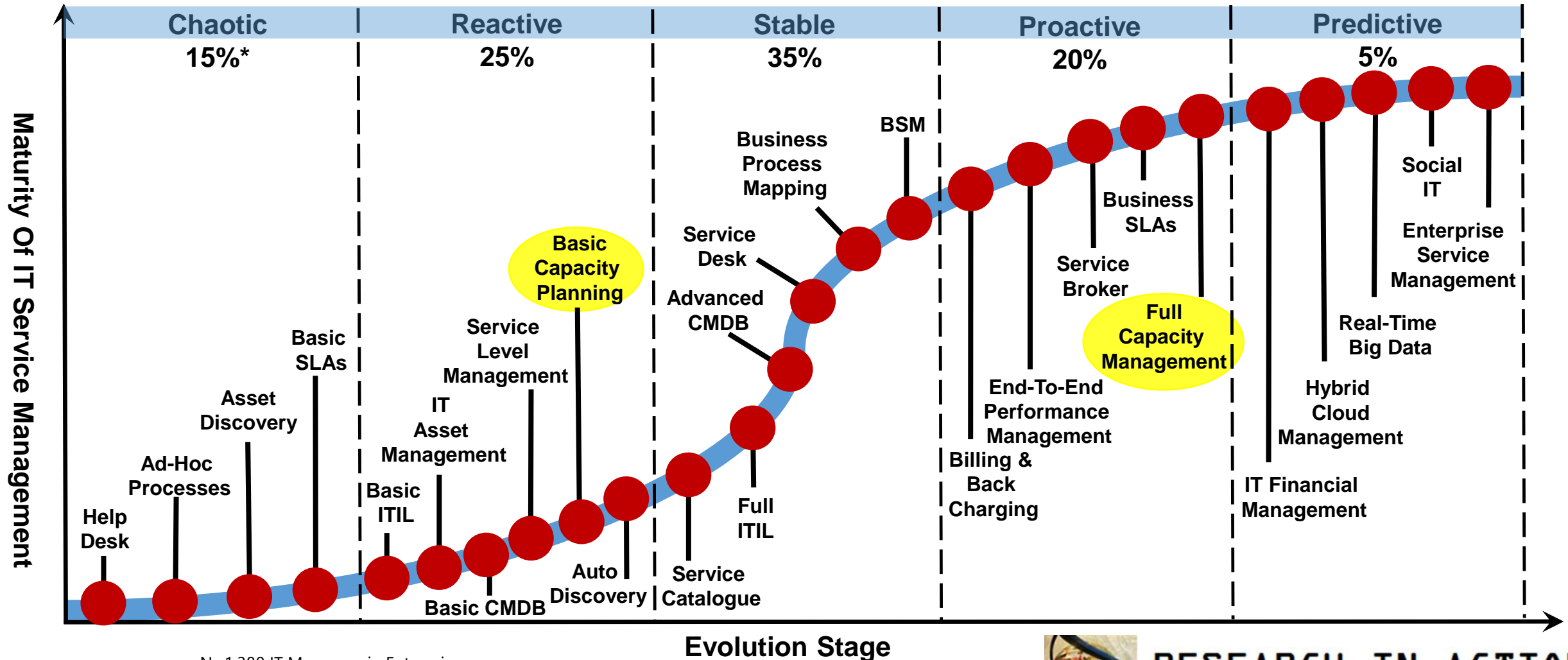
How Will ITIL Change Over The Next 5 Years?



N=900 IT Managers in Enterprises



IT Service Management Maturity S-Curve 2016



N=1,380 IT Managers in Enterprises
 * Categories show adoption rates in Enterprises



Market Overview: The Future

- **Capacity Management will become the next frontier.** The vast majority of enterprises have already bought into the ITIL philosophy. Over the next few years, most enterprises will adopt either a lighter approach to ITIL or will move up to adopt full Enterprise Service Management. Both will result in companies moving up the IT Service Management Maturity S-Curve. Consequently, the adoption of Capacity Management will increase at the same rate.
- **But the complexity of IT Service Management will grow even more.** With SaaS, the Cloud, new applications still being developed in-house by both IT and business units, the complexity of the IT environment can become overwhelming. This will further increase the need for Capacity Management.
- **Consequently, this is where most of the spending will go:**
 - Hybrid Clouds and workload shifts between Private, Hybrid and Public Clouds
 - Predictive analysis
 - Cost versus capacity and RoI assessments as well as outsourced governance
 - End-to-end Cloud SLAs
 - SaaS for Capacity Management
- **SaaS will be the future platform of choice for RoI conscious buyers.** Going forward, new vendors will be predominantly SaaS players. A much better RoI as well as ease of deploy and upgrade are the major drivers for this. All of the big, incumbent vendors in the IT Service, Application and Operation Management space are today experiencing revenue decline from the shift to the SaaS delivery platform. The Capacity Management market will be no exception. However, the shakeout will be felt even more heavily by smaller incumbent vendors without the necessary financial backing to weather this storm.



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Market Overview: Key Points To Remember

- The importance of Capacity Management is growing as IT Service Management matures.
- SaaS as a delivery platform is helping to speed-up adoption and tackle further complexity.
- The vendor landscape is changing constantly.
- The top vendors in the evaluation are a mix of large portfolio players and specialized ones.
- The top five vendors for Capacity Management SaaS And Software in the Research In Action Vendor Selection Matrix are:
 1. BMC Software
 2. TeamQuest
 3. Hewlett Packard Enterprise
 4. Sumerian
 5. CA Technologies



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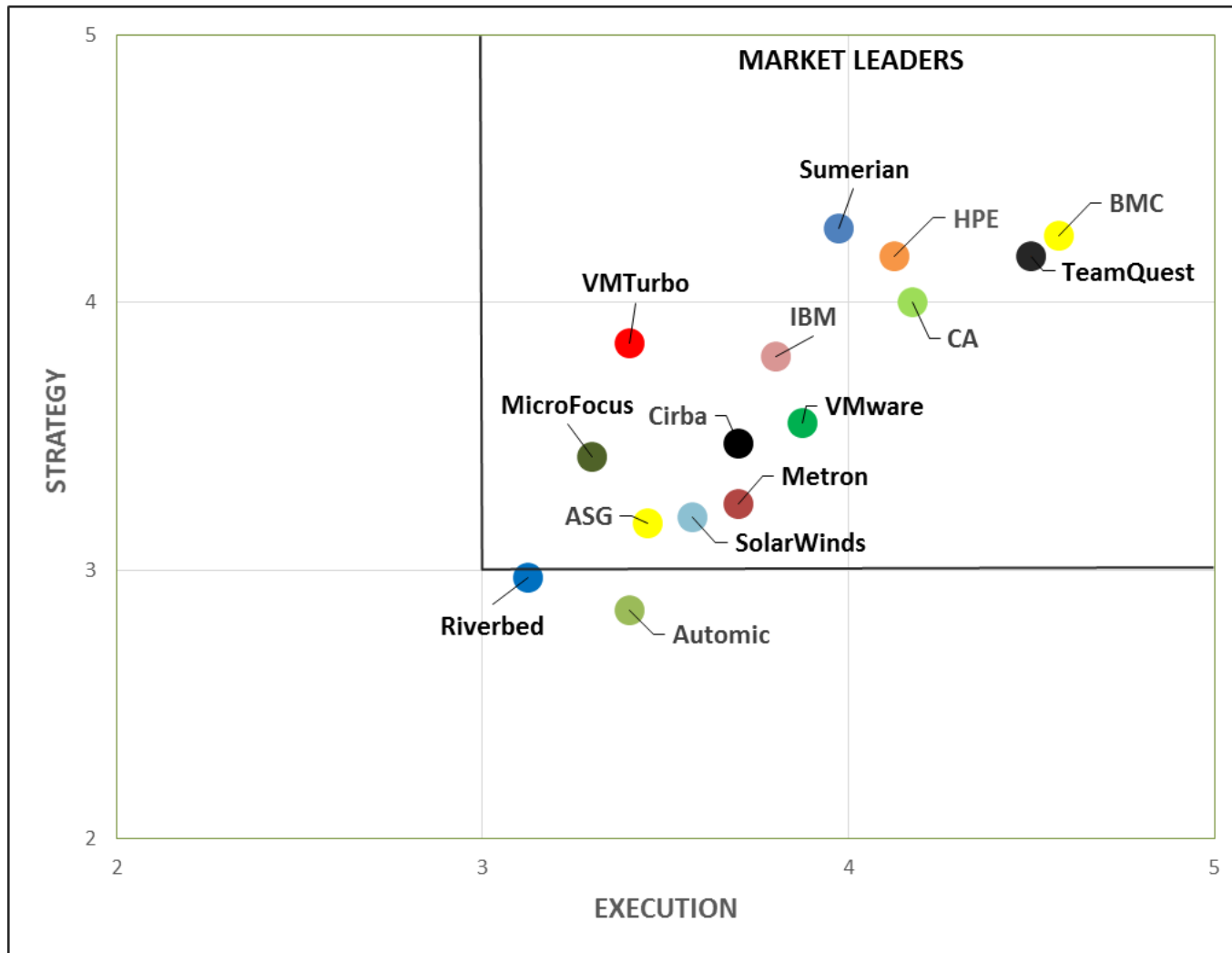
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Vendor Selection Matrix – Capacity Management SaaS And Software: Evaluation Criteria

Strategy		
Vision & Go-To-Market	30%	Does the company have a coherent vision in line with the most probable future market scenarios? Does the go-to-market and sales strategy fit the target markets and customers?
Innovation & Partner Ecosystem	20%	How innovative is the company? How is the partner ecosystem organized and how effective is the partner management?
Company Viability & Execution Capabilities	15%	How likely in the long-term survival of the company? Does the company have the necessary resources to execute the strategy?
Differentiation & USP	35%	Does the solution have a Unique Selling Proposition (USP) and clear differentiators?
Execution		
Breadth & Depth Of Solution Offering	30%	Does the solution cover all necessary capabilities expected by the customers?
Market Share & Growth	15%	How big is the market share and is it growing above market rate?
Customer Satisfaction & Mindshare	25%	How satisfied are customers with the solution and the vendor?
Price Versus Value	30%	How do customers rate the relationship between the price and perceived value of the solution?



Vendor Selection Matrix – Capacity Management SaaS And Software: Results – The Top 15 Vendors



	Strategy	Execution	Total
1 BMC	4,25	4,58	8,83
2 TeamQuest	4,18	4,50	8,68
3 HPE	4,18	4,13	8,30
4 Sumerian	4,28	3,98	8,25
5 CA	4,00	4,18	8,18
6 IBM	3,80	3,80	7,60
7 VMware	3,55	3,88	7,43
8 VMTurbo	3,85	3,40	7,25
9 Cirba	3,48	3,70	7,18
10 Metron	3,25	3,70	6,95
11 SolarWinds	3,20	3,58	6,78
12 MicroFocus	3,43	3,30	6,73
13 ASG	3,18	3,45	6,63
14 Automic	2,85	3,40	6,25
15 Riverbed	2,98	3,13	6,10



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Vendor Selection Matrix – Capacity Management SaaS And Software: Results – The Top Five Vendors

Sumerian: The rising SaaS star in Capacity Management

- **General:** Sumerian is one of a new breed of vendors offering Capacity Management in a SaaS distribution model. The company is also the innovation leader in this market.
- **Strategy:** Sumerian is highly differentiated, clients like the vision of applying advanced IT operational analytics to forward thinking predictive Capacity Management. Sumerian is also filling an important gap in the ServiceNow ecosystem giving the company a strategic edge.
- **Execution:** Sumerian has the highest scores for customer satisfaction and price versus value in the industry. Clients like Sumerian's innovative SaaS approach which can be deployed almost instantly.
- **Customer Quote:** "Sumerian's SaaS Capacity Management solution has been instrumental in avoiding severe outages that we used to experience on a regular basis." CIO Global financial services company.
- **Bottom Line:** Sumerian is the big surprise in this evaluation. All systems go for future growth.



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Vendor Selection Matrix – Capacity Management: Results – Detailed Results (I)

	<u>Weighting</u>	ASG		Automic		BMC		CA		Cirba	
		Score	Result	Score	Result	Score	Result	Score	Result	Score	Result
Strategy											
Vision & Go-To-Market	30%	3	0,90	2,5	0,75	4	1,20	3,5	1,05	4	1,20
Innovation & Partner Ecosystem	20%	3	0,60	3	0,60	4	0,80	3,5	0,70	3	0,60
Company Viability & Execution Capabilities	15%	3	0,45	3	0,45	4,5	0,68	4,5	0,68	3	0,45
Differentiation & USP	35%	3,5	1,23	3	1,05	4,5	1,58	4,5	1,58	3,5	1,23
	100%		3,18		2,85		4,25		4,00		3,48
Execution											
Breadth & Depth Of Solution Offering	30%	4	1,20	3	0,90	5	1,50	5	1,50	3,5	1,05
Market Share & Growth	15%	3	0,45	3	0,45	5	0,75	5	0,75	3	0,45
Customer Satisfaction & Mindshare	25%	3	0,75	4	1,00	4,5	1,13	3,5	0,88	4	1,00
Price Versus Value	30%	3,5	1,05	3,5	1,05	4	1,20	3,5	1,05	4	1,20
	100%		3,45		3,40		4,58		4,18		3,70
Scale Explanation: 1 (Low) To 5 (High)											



Vendor Selection Matrix – Capacity Management: Results – Detailed Results (II)

	<u>Weighting</u>	HPE		IBM		Metron		MicroFocus		Riverbed	
		Score	Result	Score	Result	Score	Result	Score	Result	Score	Result
Strategy											
Vision & Go-To-Market	30%	4	1,20	3,5	1,05	3,5	1,05	3	0,90	3	0,90
Innovation & Partner Ecosystem	20%	4,5	0,90	3	0,60	3	0,60	3,5	0,70	2,5	0,50
Company Viability & Execution Capabilities	15%	4,5	0,68	5	0,75	2,5	0,38	4	0,60	3,5	0,53
Differentiation & USP	35%	4	1,40	4	1,40	3,5	1,23	3,5	1,23	3	1,05
	100%		4,18		3,80		3,25		3,43		2,98
Execution											
Breadth & Depth Of Solution Offering	30%	3,5	1,05	4,5	1,35	3,5	1,05	3	0,90	3	0,90
Market Share & Growth	15%	4	0,60	4,5	0,68	3	0,45	3	0,45	3	0,45
Customer Satisfaction & Mindshare	25%	4,5	1,13	3,5	0,88	4	1,00	3	0,75	3,5	0,88
Price Versus Value	30%	4,5	1,35	3	0,90	4	1,20	4	1,20	3	0,90
	100%		4,13		3,80		3,70		3,30		3,13
Scale Explanation: 1 (Low) To 5 (High)											



Vendor Selection Matrix – Capacity Management: Results – Detailed Results (III)

	<u>Weighting</u>	SolarWinds		Sumerian		TeamQuest		VMTurbo		VMware	
		Score	Result	Score	Result	Score	Result	Score	Result	Score	Result
Strategy											
Vision & Go-To-Market	30%	3,5	1,05	4,5	1,35	4	1,20	4	1,20	3,5	1,05
Innovation & Partner Ecosystem	20%	2,5	0,50	4,5	0,90	4	0,80	4	0,80	3	0,60
Company Viability & Execution Capabilities	15%	4	0,60	3	0,45	4	0,60	3	0,45	4,5	0,68
Differentiation & USP	35%	3	1,05	4,5	1,58	4,5	1,58	4	1,40	3,5	1,23
	100%		3,20		4,28		4,18		3,85		3,55
Execution											
Breadth & Depth Of Solution Offering	30%	3	0,90	3,5	1,05	4,5	1,35	3	0,90	3,5	1,05
Market Share & Growth	15%	3	0,45	3	0,45	4,5	0,68	3	0,45	4	0,60
Customer Satisfaction & Mindshare	25%	3,5	0,88	4,5	1,13	4,5	1,13	4	1,00	3,5	0,88
Price Versus Value	30%	4,5	1,35	4,5	1,35	4,5	1,35	3,5	1,05	4,5	1,35
	100%		3,58		3,98		4,50		3,40		3,88
Scale Explanation: 1 (Low) To 5 (High)											



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Vendor Selection Matrix

Vendor Selection Matrix Disclaimer:

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