Global Headquarters: 5 Speen Street Framingham, MA 01701 USA P.508.872.8200 F.508.935.4015 www.idc.com

EXCERPT

Worldwide Mobile Device Management Enterprise 2007-2011 Forecast and Vendor Shares (Excerpt from IDC #208771)

Stacy K. Sudan Stephen D. Drake

IN THIS EXCERPT

This excerpt is taken from *Worldwide Mobile Device Management Enterprise 2007-2011 Forecast and 2006 Vendor Shares* (IDC #208771, October 2007) and includes an IDC Opinion, Methodology, Market Definition, Situation Overview, Leadership Grid and the iPass Vendor Profile.

IDC OPINION

Worldwide mobile device management (MDM) enterprise license and maintenance revenue reached $205.7 million in 2006, growing just 7.1% over 2005. A number of factors contributed to the slowdown in growth, including two major acquisitions in the market and lower-than-expected revenue in corresponding markets such as mobile middleware. However, the overall market for enterprise converged mobile devices continues to experience healthy growth and bodes well for the state of the MDM enterprise market over the forecast period. IDC highlights the following:

- Over 2006 and into 2007, large mobility companies worked on integration of mobile device management with their respective mobile email applications — underlining the importance of mobile device management to mobile application deployments.
- IDC observed a renewed commitment and focus to mobile device management from many of the large systems management companies. Several vendors in this space are launching new and/or improved MDM offerings, and major acquisitions were made by HP and Symantec.
- The role of the mobile operator in MDM enterprise is still to be determined. However, IDC believes the most optimal way for mobile operators to participate in this market today is to offer targeted hosted solutions that will mainly appeal to the midmarket.
- There is a growing convergence between the markets for mobile device management and mobile security. A number of vendors are looking to add more advanced security capabilities such as encryption to the standard device wipe/lock features available in most solutions today.

Filing Information: September 2007, IDC #208771E, Volume: 1
Special Reports: Excerpt

Methodology

Mobile Device Management Enterprise Market Definition

An MDM enterprise solution provides the standard features found in all desktop administration solutions, such as the following:

- Maintaining PC hardware and software inventories
- Performing software distribution
- Managing antivirus scan files
- Enabling remote control for systems diagnostics

MDM enterprise solutions also include advanced functions that address the unique needs of mobile and wireless users. These solutions include the following:

- Support for a queued event architecture that manages the exchange of data and executes commands on clients and servers
- Online optimization through compression and checkpoint restart to better support slow-speed, unreliable WAN links
- Performance of management functions in the background while the user accesses network-based business applications
- Automated offline completion of inventory scans, antivirus scans, and software installations that reduce connection times
- Targeted backups of specific system, application, and data files that enable IS managers to recover or replace lost, damaged, or misconfigured systems
- Directory services integration providing additional options to network administrators to locate and manage network resources and perform inventory control of mobile devices
- Mobile security, including authentication and encryption, password protection, and the ability to lock a device and delete a portion or all of the content on the device
- Support for offline synchronization and over-the-air wireless synchronization and support for a broad range of OSs and connectivity environments

Increasingly, it is becoming a critical requirement for MDM enterprise vendors to provide these solutions in an integrated environment that enables an enterprise to manage and administer its mobile and nonmobile systems in a single view.

SITUATION OVERVIEW

The Mobile Device Management Enterprise Market in 2006

Growth in the mobile device management enterprise market did not reach its full potential over 2006. While a number of the smaller pure-play MDM vendors were able to achieve higher-than-average growth percentages, this was not the case for the majority of vendors. This can be attributed to the following factors:

- The market for mobile middleware achieved lower-than-predicted growth for 2006, and the fewer enterprise mobility deployments that took place, the less need there is for a corresponding MDM solution.
- Sybase iAnywhere and Nokia Intellisync were working to integrate their MDM capabilities with their respective mobility suite offerings. In addition, Sybase had a major release of its Afaria product right at the end of 2006.
- A number of systems management vendors have been in flux with their current offerings; CA has been busy developing a new MDM enterprise offering to better meet the needs of converged mobile devices, and IBM and Novell have been moving their MDM offerings onto new architectures that will allow for increased product innovation.
- Two major acquisitions were made in the market. HP bought Bitfone, and Symantec bought Altiris. Symantec chose to end of life its current MDM offering, and HP completely revamped the Bitfone product to better meet the needs of the enterprise.

IDC Leadership Grid

The IDC Leadership Grid provides a qualitative comparison of the suppliers within the mobile device management enterprise market. It is a pictorial representation of each vendor's position within the market based on two factors: the supplier's ability to gain share and its alignment with future market opportunities.

The x-axis measures the vendor's opportunity alignment or its ability to leverage essential market trends over the forecast period. The x-axis also considers the vendor's potential for growth and its ability to be a top-tier player in the market. The y-axis represents the vendor's ability to gain share based on such factors as financial strength, channels, customer perception, and partnerships.

To some degree, the IDC Leadership Grid offers a more comprehensive assessment of a company's position in the market than market share alone. The IDC Leadership Grid provides an analysis of multiple factors critical to success (see Figure 1).

FIGURE 1

IDC Leadership Grid: Worldwide Mobile Device Management Enterprise Market

Source: IDC, October 2007

Vendor Profile

iPass

The iPass mobility suite includes access to iPass global network and a combination of software and services to help companies manage their remote and mobile users and devices. In the past, iPass' mobile device management offering was typically sold as an add-on service to customers of its iPassConnect client, which enables users to securely connect to a variety of global networks, including WiFi, cellular, dial-up, DSL/cable, as well as satellite connections. In July of 2007, however, iPass announced its new iPass Mobility Management offering, which now includes global access, connection management, and device management capabilities in a single package. Since iPass believes mobile device management is a critical component of mobility, it is not increasing its price with the addition of the new functionality.

iPass' Mobile Device Management offering can handle mixed computing environments that include desktops, laptops, and mobile devices as well. Handheld support includes all flavors of Windows Mobile and Palm OS with BlackBerry and Symbian expected for 1Q08. In terms of functionality, the product can perform automated software distribution and patch management, automated assessment, and remediation. It can also keep track of hardware and software inventory. In addition, it has support for Windows Vista, Cisco NAC, a fully redundant architecture, and allows for several device lockdown options. In July, iPass also introduced Device Protection Online, which provides further security components and is easily integrated with the device management functionality.

iPass offers its device management solutions as traditional licensed software or as an online service hosted by iPass as part of its flat rate pricing. iPass has made several announcements in 2006 and 2007 that more closely align the company as a provider of managed mobility solutions for enterprises. These are positive steps for iPass as it looks to add value to its iPass Connect Client and be more than just an aggregator of connectivity. Further, iPass' focus on providing additional security components (such as its Device Protection module) will enhance its status as a trusted provider of mobility solutions to the enterprise market.