

REPORT REPRINT

BMC chases new customers with Intelligence analytics service

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The company is combining IT and business data in a new analytics service that it hopes will appeal to IT operations departments and technologists in the line of business. It's delivering on a cloud-based, open strategy that should attract a new breed of customer.

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Continuing its march toward offering more services from the cloud, BMC rolled out its TrueSight Intelligence analytics service to general availability. Intelligence joins Pulse as a cloud-based infrastructure-performance offering from BMC, and is an analytics service that brings together business and operations data. BMC is taking a relatively open approach with Intelligence, building the service on open source technologies like Cassandra and Spark, but also inviting users to ingest data from most any third-party IT monitoring or business data tool that they use.

THE 451 TAKE

With Intelligence, BMC is responding to several important trends in the application- and infrastructure-performance market. It is bringing together business and operations data in an analytics service that can both help IT executives respond to the changing demands on their positions and appeal to line-of-business technologists, a new, albeit uncertain, market for IT analytics tools. Finally, BMC is adopting a more open stance with Intelligence, building the product on open source technologies and embracing data from most any source - moves that may attract customers that might not have considered BMC in the past. While Intelligence has room to grow, BMC has made a good start toward responding to these market demands.

CONTEXT

In 2015, at its annual Engage customer conference, BMC rolled out a new strategy that it calls 'digital enterprise management,' which is designed to help boost the company's efforts at standing out in a competitive market. The introduction of the new strategy followed a period of stagnation at BMC that led the company to go private in 2013 and bring in some fresh blood to help direct it toward responding to the current needs in the market.

Along with the digital enterprise management strategy, BMC announced a handful of new or refreshed products. One of them is TrueSight Intelligence, a cloud-based analytics service that BMC has now introduced to general availability. Intelligence joins Pulse, the cloud monitoring service that BMC acquired from Boundary in September 2015. These cloud services represent a new direction for BMC, one that not only makes it easy for customers to sign up for the services, but also gives them the tools to monitor a modern IT infrastructure. The services point BMC in the right direction, helping it to become more competitive with newer market entrants and responsive to customers.

PRODUCTS

TrueSight Intelligence collects and analyzes business and operations data from a variety of sources, and is delivered as a service. Using a REST API, Intelligence can ingest data from third-party products like Splunk and AppDynamics, BMC products like TrueSight IT Data Analytics, and sources of business data such as a social sentiment app. BMC envisions a wide array of metrics and events that could be pulled into Intelligence beyond infrastructure performance metrics, including the number of tweets with a certain hashtag, alerts from IoT sensors and even the temperature in a city pulled in from a source like Weather.com.

BMC claims Intelligence examines any kind of metric that is ingested, calculating a baseline and identifying abnormalities. It then aggregates the data and visualizes it along with data from different sources together to show patterns as well as relationships. Combining data in this way could, for example, help an IT ops leader discover how much time the team has to respond to an incident before there is an impact on business, in order to better design procedures for responding to such incidents and prioritize work flows.

However, BMC reports that during the beta period, users primarily started out by aggregating IT performance data from different sources. Some pulled in additional data, including metrics about how frequently a feature was used and financial data like revenue. While some customers said they were interested in adding social media data to the mix, none have yet. Nor have any companies incorporated weather or marketing data. While customers have only just started trying out Intelligence, BMC's experience aligns with what we're hearing from other vendors that

are similarly trying to combine business and IT data – few businesses are actually using such services yet. We think that many enterprises are just starting to come to grips with how to collect and manage the growing volume of IT operations data that they produce. Most may not feel ready to take the next step of aggregating business and IT operations data.

Intelligence is priced based on what BMC is calling ‘packs’ – customers can buy a pack of 50 metrics or 100,000 events. Users can choose from a 90-day data-retention plan or a year of retention. For longer-term retention, BMC will work directly with individual customers.

In the future, BMC expects to add a recommendations capability to the product. This will offer guidance on how to react to an incident and build packages designed to meet the needs of verticals.

TECHNOLOGY

Intelligence was built on open source tools, including Storm and Spark, for real-time processing and streaming, as well as Cassandra, in an effort to ensure the service can scale to large data volumes and quickly present data to customers. Adopting these open source technologies represents a departure for BMC, and was a smart move that allowed the company to come to market with a big-data-analytics product far quicker than it would have if it had built the service with proprietary software. Use of the technologies also may appeal to customers that historically may not have considered BMC but that value open source.

Intelligence uses BMC’s own machine-learning technology that currently does things like probable cause analysis in other TrueSight products. BMC hopes to further develop the machine-learning capabilities in Intelligence.

STRATEGY

BMC believes that technologists in lines of business may be interested in using Intelligence, in addition to IT ops professionals. Like other monitoring-analytics vendors similarly trying to appeal to line-of-business customers, BMC is likely to face challenges targeting this new user segment. However, the company acknowledges that it has some learning to do in order to sell to tech owners in the line of business, and says it has been adjusting its go-to-market strategy to better address this new user segment. Additionally, BMC says one reason it chose to use a SaaS delivery model along with the offer of a 30-day trial was with these new customers in mind.

For its traditional IT operations customer, BMC is positioning Intelligence as service ops that leaders can use to advance their value in the organization by allowing them to make decisions that serve the business, rather than simply making sure their services operate well. If it can aptly describe this vision to customers, BMC should appeal to forward-thinking IT executives who understand that their role in the enterprise is evolving.

BMC says it expects to deliver more monitoring products as a service in the future. For instance, it said that while Intelligence lacks the log management features of BMC’s on-premises TrueSight IT Data Analytics product, log management is likely to be included in Intelligence in the future. BMC should continue to build on Intelligence and Pulse (the application monitoring service based on the Boundary acquisition) to appeal to enterprises that want to get started quickly with a subscription service rather than installing and maintaining an on-premises product.

COMPETITION

With Intelligence, BMC will compete with vendors – such as Datadog, Moogsoft and, to a degree, BigPanda – that similarly ingest and correlate data from an array of third parties. While those vendors typically also offer APIs so that customers can pull in data from sources of their choosing, they emphasize IT data that comes from monitoring, log management or infrastructure vendors, thus falling short of TrueSight Intelligence’s mission of bringing together business and operations data.

SOASTA, AppDynamics and New Relic have products that offer insight into how IT infrastructure performance impacts the business; however, those vendors emphasize collecting and analyzing their own monitoring data. BMC is taking a more open approach, ingesting data from a variety of third-party sources.

Given the relatively low adoption of services like Intelligence and those from competitors that combine IT operations and business data, these offerings appear to be reaching the market a bit early. However, we think that Intelligence will be well positioned once more businesses get comfortable with managing the volume of data they are collecting and begin to learn about new ways to strategically use that data.

In application monitoring, BMC is most often lumped in with CA, IBM and Hewlett Packard Enterprise. Those giants have been slow to respond to the more advanced analytics offerings coming out from newer vendors.

SWOT ANALYSIS

STRENGTHS

BMC has an edge over newer IT data analytics services in that it has a strong base of current customers to tap into with new offerings like Intelligence.

WEAKNESSES

BMC will need to continue to work hard to shed its image as an old-school IT management and monitoring vendor, and invite customers and prospects to consider its new offerings.

OPPORTUNITIES

With Pulse and now Intelligence, two cloud-based services designed to respond to new demands for monitoring products, BMC has the chance to get ahead of its Big Four competitors.

THREATS

In the fast-moving IT monitoring market, BMC faces a growing number of new competitors, some of which already have a host of related cloud-based monitoring and analytics services.