

COMPETITIVE ANALYSIS

IDC MarketScape: Worldwide Datacenter Infrastructure Management (DCIM) 2011 Vendor Analysis

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IDC OPINION

IT and facilities are simultaneously experiencing unprecedented pressure to keep the business up and running. Over the next five years, new deployment models such as cloud, outsourcing, hosting, colocation, and traditional IT will challenge the datacenter's typical mode of operation. Efficiency, availability, and cost remain as the unattainable balancing act in the datacenter today. To add to this confusion and management conundrum, facilities and IT have not come together as they ought to. It seems that perhaps more than ever facilities goes one way and IT goes the other. It is imperative that as these deployment models permeate datacenter environments there is some level of orchestration keeping power, cooling, space, servers, networking, and storage in equilibrium. Datacenter infrastructure management (DCIM) is meant to perform this orchestration for space, power, and cooling in the datacenter, respective of IT systems' changing requirements. However, the process of choosing a DCIM vendor is becoming increasingly complex as well. In the past two years, over 20 companies claiming some level of capability and strategy have entered the DCIM market. This IDC MarketScape is meant to simplify the process by identifying key success criteria (both for today and for the future) and ranking DCIM vendors against those criteria. Key takeaways include:

- ☒ **There are a number of vendors on the cusp of DCIM.** From computational fluid dynamics (CFD) to structured cabling to pure IT and facilities vendors, there are quite a few companies that can perform part of a true DCIM player's roles. However, IDC believes that the true value of DCIM is in bringing together facilities and IT to address concerns in the datacenter around space, power, and cooling.
- ☒ **DCIM is still rapidly evolving.** Even as IDC was formulating this MarketScape, the landscape was changing. New partnerships, product capabilities, and even the players themselves continue to take shape. However, this is no reason to wait to adopt DCIM because a lack of knowledge and orchestration in the datacenter is a threat to efficiency and availability daily.
- ☒ **Most buyers and providers need to look for a balance between ease of use and functionality.** Today's DCIM providers' products almost fall into two categories — those that serve the enterprise well but are not easy to use and those that serve the small to medium-sized datacenters and are simple to deploy and manage. Buyers and providers alike need to be aware of this trade-off and plan accordingly.

IN THIS STUDY

This IDC study uses the vendor assessment model called IDC MarketScape. This research is a quantitative and qualitative assessment of the characteristics that explain a vendor's success in the marketplace and help anticipate its ascendancy.

This study assesses a number of vendors participating in the datacenter infrastructure management market. This evaluation is based on a comprehensive framework and set of parameters that assess vendors relative to one another and to those factors expected to be most conducive to success in this market during the short and the long term.

This study is composed of two key sections. The first is a definition or a description of what characteristics IDC analysts believe make a successful DCIM vendor. These characteristics are based on more than 10 in-depth interviews with DCIM buyers and key analysts' observations of industry best practices and were defined in consultation with many of the leading DCIM vendors in the market.

The second part of this study is a visual aggregation of multiple vendors into a single bubble-chart format. This display concisely illustrates the observed vendors in the DCIM market. The strategies axis represents a three- to five-year span and future perspective, while the capabilities axis represents current product and go-to-market execution.

In this IDC MarketScape, the market revenue of each vendor is indicated by the size of the circle representing the vendor. The plus, minus, and neutral symbols next to each vendor's name in parentheses indicate whether that DCIM seller is gaining, losing, or steadying, respectively, its current market share.

Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions and interviews with market leaders, participants, and end users. Market weightings are based on user interviews and the input of a review board of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions, on the IDC MarketScape, detailed interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and a consistent assessment of each vendor's characteristics, behavior, and capability.

Definitions

Datacenter infrastructure management (DCIM) includes planning, management, and optimization software and services for space, power, and cooling within the datacenter. This software and these services typically focus on the intersection of facilities and IT systems to create a datacenter-wide view. For a product to be considered DCIM, it must see at least one component on the IT side (virtual machines, server, storage, network equipment) and one component on the facilities side (cooling, power distribution unit [PDU], uninterruptable power supply [UPS], sensors, generators), although it may see

many more than one on each side. This market does not include proprietary software whose singular goal is the monitoring of a single product. Within this market, revenue may be recognized for services or software:

- Software revenue is revenue associated with the purchase of packaged software itself. Therefore, the software revenue data includes license, lease, "as a service," and subscription-based revenue of packaged (not custom) software for the purposes of datacenter infrastructure management. Revenue is counted in the calendar year that it is recognized. An example of software that is not counted would be software sold as part of the hardware. In other words, if a computer room air conditioner (CRAC) is sold with some product-specific software on board, this is not considered DCIM.
- Services revenue** is revenue associated with scoping, deploying, updating and supporting the software. Services revenue does not include consultative services for datacenter design or other services not in direct support of the software or the sale of the software.

This market is considered to be a competitive market that represents a portion of revenue in existing IDC software functional markets (see *IDC's Software Taxonomy, 2010*, IDC #222023, February 2010). DCIM represents a portion of the following existing software functional markets:

- Enterprise asset management
- Change and configuration management
- Event management

Under *IDC's Worldwide Services Taxonomy, 2011* (IDC #226877, March 2011), DCIM's corresponding services are considered to be a cross-functional solution services market, not a foundational market. These services fit under the datacenter site and facilities services.

For a product to be considered DCIM, it does not need to monitor or report on all of the disparate systems in the datacenter. At a minimum, DCIM needs visibility into metrics and statistics generated by at least one of the following IT systems:

- Servers
- Storage
- Network equipment
- Virtual machines

DCIM also needs visibility into metrics and statistics generated by at least one of the following facilities systems:

- PDU
- UPS
- Cooling

- ☒ Sensors
- ☒ Generators
- ☒ Racks

SITUATION OVERVIEW

Datacenter infrastructure management has been around in the datacenter for a few decades; however, it is just recently that the market has ballooned with new players employing innovative approaches to facilities and IT management within the datacenter. This explosion in activity over the past two years has caused reverberations throughout the IT, facilities, building management system (BMS), and consulting services markets. DCIM is currently an emerging and fast-moving market with lots of disparate components.

Introduction to DCIM

DCIM is really about bringing together the worlds of facilities and IT in a software solution that stresses availability, efficiency, and cost savings. There are many reasons datacenter managers would choose to employ DCIM in their datacenter(s):

- ☒ **Availability.** In IDC studies of datacenter managers and their behavior, availability is often the key driver for decision making. The truth is that if a server, system, or datacenter goes down, the managers' employment is in jeopardy. Anything, whether software, hardware, or services, that can help managers obtain more uptime is something they would be interested in.
- ☒ **Efficiency.** Although green IT and carbon emissions are considered driving forces in the datacenter these days, IDC pushes datacenter managers and the general DCIM market to consider efficiency in a broader context. Of course efficiency does apply to energy, but there are equal concerns around efficiency in terms of people, processes, operations, costs, and the business. In many cases, the broader use of the term efficiency resonates more with datacenter operators than a stricter focus on carbon and green IT.
- ☒ **Cost savings.** DCIM has the potential to save datacenter operators millions of dollars in terms of time, energy savings, downtime, inefficient workflows, deferred capital spending on retrofits and new construction, and myriad other ways. The business case always must be made for a new or upgraded purchase. As with any other product or service, DCIM needs to hit the mark here to succeed.

Surrounding Market Dynamics

There are a number of market dynamics that are causing DCIM to explode like it has over the past two years. These drivers include:

- ☒ **Cloud computing.** Unprecedented dynamism on the part of IT requires facilities to be equally, if not more, nimble. Moving VMs, services, and service-level agreements (SLAs) around and in and out of the datacenter requires power,

cooling, space planning, and airflow to keep up. There is money left on the table and efficiency lost if a workload is moved into the cloud, but the facilities equipment still heats and cools the space as if the workload were there.

- ☒ **Datacenter as a factory floor.** For service providers including hosters, outsourcers, cloud providers, and the like, the datacenter is their factory floor. DCIM is the equivalent of their manufacturing execution system (MES). This push for the datacenter to be autonomic is fueling DCIM's rise.
- ☒ **Federating workloads.** As workloads spread across colicators, hosters, cloud providers, and internal IT, DCIM has the capability to integrate and keep track of these various environments. DCIM can also plug into IT service management (ITSM) and BMS systems alike, not just among disparate groups but also among disparate software, to be a translator and communicator. As IT evolves toward this federated model, facilities and datacenter operators need to be kept in the loop.

IDC MarketScape Vendor Inclusion Criteria

As the market for DCIM is rapidly evolving with new market entrants, new product updates, and partnerships, IDC chose to identify three main criteria that DCIM vendors had to meet to be included in this IDC MarketScape:

- ☒ Meet the definition for DCIM outlined in the Definitions section and notably have a software product that pulls, models, or measures metrics from facilities *and* IT
- ☒ Have over \$2 million in revenue from the sale of DCIM software and services in calendar year 2011 (This was measured using internal IDC estimates based on conversations with market key players, DCIM buyers, and datacenter operators.)
- ☒ Have a software product that is available as of August 2011

For large datacenter vendors with multiple capabilities beyond DCIM, IDC considered only their DCIM capabilities. The products considered from such vendors are explained in each individual vendor's write-up in the Vendor Summary Analysis section.

IDC believes that most of the vendors that have announced since August 2011 or were not included in this IDC MarketScape because of size requirements will meet the requirements to be included in next year's MarketScape. Vendors not included because they did not meet the criteria of size and timing include:

- ☒ JouleX
- ☒ AdInfa
- ☒ IO OS
- ☒ Power Analytics
- ☒ Romonet
- ☒ FieldView Solutions

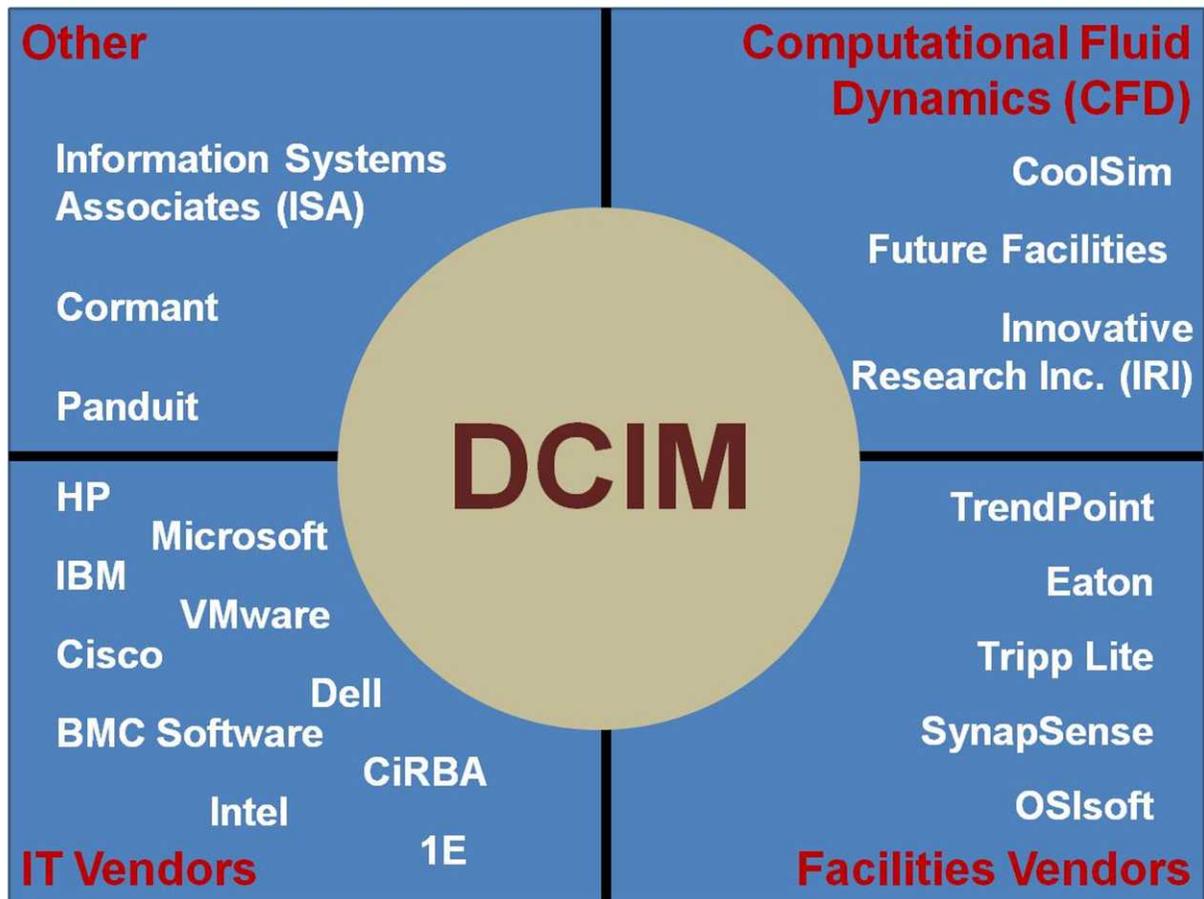
Not DCIM ... But Close

There are a number of players performing a market function that is similar to DCIM's. IDC has come to think of these players as on the edge of DCIM. Some of these vendors — with a few strategic moves or a couple of new product enhancements — could easily be DCIM players. Other vendors partner extensively with current DCIM players and therefore have a large impact on the market. Figure 1 illustrates who these vendors are and what their heritage is.

It is IDC's intention to make this MarketScape about current DCIM vendors. Therefore, all of the vendors listed in Figure 1 were excluded from this MarketScape. All of these sellers exhibit a specificity that is not consistent with IDC's DCIM market definition. True DCIM vendors are all major players in the market that look at both facilities and IT and perform the function of what IDC considers to be DCIM. IDC recommends that a buyer looking for a DCIM solution consider all of the sellers in this MarketScape.

FIGURE 1

Not DCIM Vendors ... But Close



Source: IDC, 2011

Market Strategies and Evaluation Criteria

IDC believes that DCIM vendors must exhibit the characteristics outlined in Tables 1 and 2 to be considered by datacenter operators. The factors are weighted as shown because IDC believes some characteristics are more important to datacenter managers than others. A weighting of zero does not mean that the subcriteria was not considered in the model; rather, it means that the subcriteria was not given additional weight.

Table 3 shows IDC's weights at an aggregate (offering, business, and go-to-market) level.

TABLE 1

Strategies Criteria Market-Specific Definitions and Weighting: Datacenter Infrastructure Management

Strategies Criteria	Market-Specific Subcriteria Definitions	Subcriteria Weighting
Offering strategy		
Functionality/offering road map	Viable road map for existing products or road map for forthcoming products has been disclosed, and flexibility for the future is built into this plan.	3.00
Delivery model	Plans are in place with channel programs with VARs (for additional services around the software sale), SaaS delivery models and auto-discovery/low-touch deployment capabilities for the future.	1.00
Cost management strategy	There is a strategy and road map for costs related to the development of, sales of, and support for DCIM offerings.	6.00
Portfolio strategy	The DCIM vendor has multiple partners in the market in varying areas (facilities, IT, other systems management vendors, etc.). This portfolio of partners supports either the DCIM product itself or the DCIM vendor.	0.00
Subtotal		10.00
Go-to-market strategy		
Pricing model	The pricing schema is clear, concise, and relevant. It is important to have pricing by the number of objects monitored, size of datacenter (in terms of space, power, and cooling), aspects monitored, or product (as part of a larger portfolio of products).	3.00
Sales/distribution strategy	The sales and distribution strategy aligns with each product offering. This alignment makes procurement as easy for the end user as possible.	1.50

TABLE 1**Strategies Criteria Market-Specific Definitions and Weighting: Datacenter Infrastructure Management**

Strategies Criteria	Market-Specific Subcriteria Definitions	Subcriteria Weighting
Marketing strategy	Marketing strategy includes a comprehensive plan for segmented, targeted audiences for each product and overall brand development, promotion, and demand generation. This plan corresponds with predicted revenue flows for the future.	2.00
Customer service strategy	There is a customer service strategy in place to reduce churn among the customer base, create brand evangelizers, and create brand loyalty. This plan is communicated clearly to customers.	0.00
Existing datacenter presence	There is an existing or not existing previous presence in the datacenter for some other product or service besides DCIM. This could be power and cooling equipment, KVM, cabling, CFD, or another product or service. This category is meant to measure the history, size, and positive or negative nature of this presence.	3.50
Subtotal		10.00
Business strategy		
Growth strategy	Management has targeted areas of the product, company, and customer base that they plan on growing over the next three to five years.	6.00
Innovation/R&D pace and productivity	Innovation and R&D align nicely with marketing, customers' wants and needs, and growth strategy.	2.00
Financial/funding model	Company's financing/funding plans and opportunities align to creating market value and staying true to the firm's core values, strengths, and attributes.	1.00
Employee strategy	The company's management is well connected to get the best talent in the business and retain new talent.	1.00
Subtotal		10.00

Source: IDC, 2011

TABLE 2**Capabilities Criteria Market-Specific Definitions and Weighting: Datacenter Infrastructure Management**

Capabilities Criteria	Market-Specific Subcriteria Definitions	Subcriteria Weighting
Offering capabilities		
Functionality/offering delivered	Current DCIM offering is advanced and meets the needs of a given segment of the market.	3.00
Delivery model appropriateness and execution	Channel programs with VARs (for additional services around the software sale), SaaS delivery models, and auto-discovery/low-touch deployment capabilities are in place.	1.00
Cost competitiveness	The pricing of the products and services is either in line with the market, given its capabilities, or strategically out of line.	6.00
Portfolio benefits delivered	Complementary offerings and services are in place to enable adoption of DCIM.	0.00
Subtotal		10.00
Go-to-market capabilities		
Pricing model options and alignment	The pricing schema is clear, concise, and relevant. It is important to have pricing by the number of objects monitored, size of datacenter (in terms of space, power, and cooling), aspects monitored, or product (as part of a larger portfolio of products).	2.00
Sales/distribution structure, capabilities	The sales and distribution strategy aligns with each product offering. This alignment makes procurement as easy for the end user as possible.	2.50
Marketing	The marketing organization resources are aligned with revenue generation efforts.	1.50
Customer service	The customer service organization is aligned with the way high-growth, high-profit, or high-revenue customer segments want to purchase.	0.50
Existing datacenter presence	There is an existing or not existing previous presence in the datacenter for some other product or service besides DCIM. This could be power and cooling equipment, KVM, cabling, CFD, or another product or service. This category is meant to measure the history, size, and positive or negative nature of this presence.	3.50
Subtotal		10.00

TABLE 2**Capabilities Criteria Market-Specific Definitions and Weighting: Datacenter Infrastructure Management**

Capabilities Criteria	Market-Specific Subcriteria Definitions	Subcriteria Weighting
Business capabilities		
Growth strategy execution	The company has continued and plans to continue executing on its growth strategy.	4.50
Innovation/R&D pace and productivity	Innovation keeps pace with the competition and is done in the correct areas organically.	4.00
Financial/funding management	To this point, the company has attracted enough promising funding to succeed in the market.	1.00
Employee management	Once employees are hired, they are encouraged, fostered, and grown.	0.50
Subtotal		10.00

Source: IDC, 2011

TABLE 3**Aggregate Criteria Weighting for Datacenter Infrastructure Management**

Strategies Criteria	Weighting	Capabilities Criteria	Weighting
Offering strategy	4.50	Offering capabilities	4.00
Go-to-market strategy	4.50	Go-to-market capabilities	4.00
Business strategy	1.00	Business capabilities	2.00
Total	10.00	Total	10.00

Source: IDC, 2011

FUTURE OUTLOOK

IDC MarketScape: Worldwide Datacenter Infrastructure Management

The IDC vendor assessment for the datacenter infrastructure management market represents IDC's opinion on which vendors are well positioned today through current capabilities and which are best positioned to gain market share over the next three to five years. Positioning in the upper right of the grid indicates that vendors are well positioned to gain market share. For the purposes of discussion, IDC divided potential key strategy measures for success into two primary categories: capabilities and strategies.

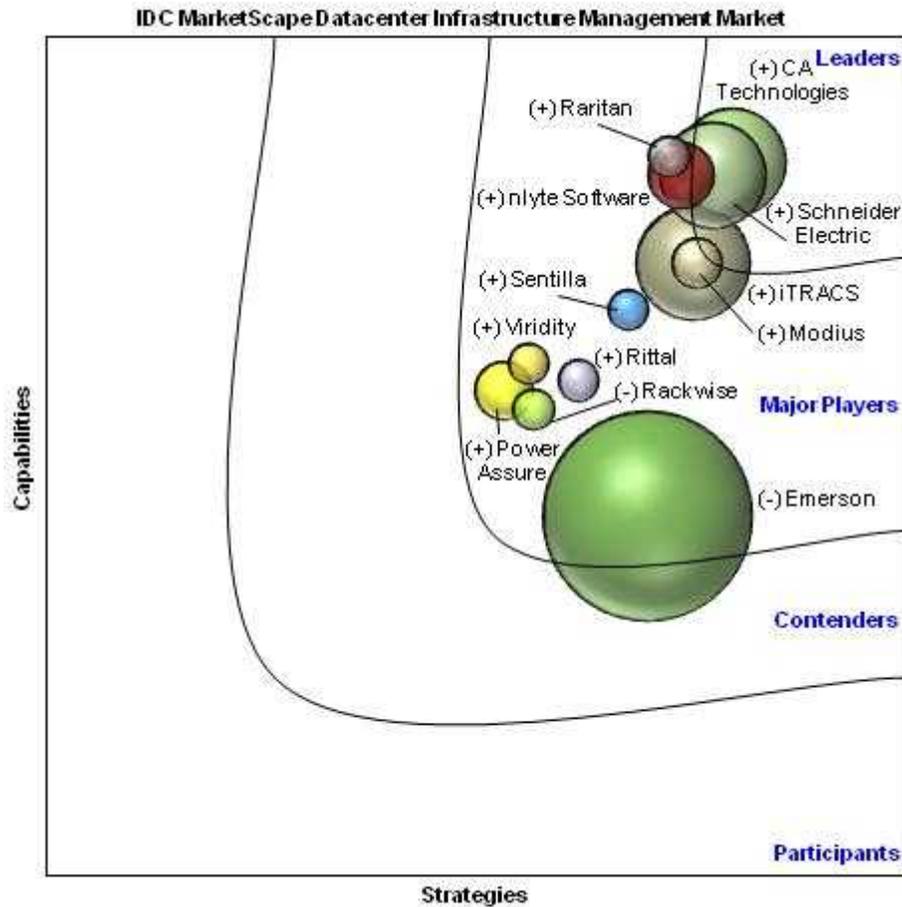
Positioning on the y-axis reflects the vendor's current capabilities and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and the product today, here and now. Under this category, IDC analysts look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis or strategies axis indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level strategic decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the future, in this case defined as the next three to five years. Under this category, analysts look at whether or not a supplier's strategies in various areas are aligned with customer requirements over a defined future time period.

Figure 2 shows each vendor's position in the vendor assessment chart. A vendor's market share is indicated by the size of the bubble, and a (+), (-), or (=) icon indicates whether or not the vendor is growing faster than, slower than, or even with, respectively, overall market growth.

FIGURE 2

IDC MarketScape: Worldwide Datacenter Infrastructure Management Vendor Analysis



Source: IDC, 2011

Market Analysis

The market for DCIM is set to grow considerably over the next five years. IDC predicts that through 2015, DCIM, including service and software revenue, will enjoy a healthy compound annual growth rate (CAGR) of 25.5%. IDC believes that there will be even more market participants over the next three to five years, with the market for DCIM continuing to grow before going through a consolidation phase.

Given this growth, there will be quite a bit of partnering and a few key acquisitions over the next one to three years. This move toward consolidation is inevitable as each vendor vies to have the most comprehensive offering, in terms of both importing data and exporting capabilities (reports, workflow analysis, trending, etc.).

As of 2011, the majority of this market by far is in the United States. This is purely a function of the number of datacenters and also the size and sophistication of those datacenters that currently reside in the United States. As time goes on, there will be impressive buildout, which is already under way, in Asia (in places like Singapore, Taiwan, and even mainland China). This expansion will drive DCIM to emerging markets. For now, concerns around intellectual property and market size are holding DCIM in the United States and Western Europe. A few of the key players in this market have extensive histories with or are based in Europe.

The largest factor holding DCIM back today is the age-old division between facilities and IT. Making the DCIM sale is difficult at times because the utility bill goes to one group (facilities) and the other group (IT) drives up the utility bill. The ugly truth is that IT is much more willing to overprovision power and cooling, sacrificing efficiency to gain availability. IDC advises that DCIM vendors and datacenter operators consider rephrasing the conversation to revolve around availability. It is imperative that IT realizes how much capacity is left in the datacenter in terms of space, power, and cooling. Without this knowledge, there is a threat to availability every time IT plugs in a new piece of equipment or deploys a new VM.

Vendor Summary Analysis

Rittal

Rittal is based in Herborn, Germany, and is a company in the Friedhelm Loh Group. Rittal has 9,000 employees worldwide and is one of the world's leading systems suppliers for housing and enclosure technologies in the area of IT infrastructure. The company offers complete solutions for modular and energy infrastructure. Rittal's product range includes server racks, network enclosures, UPSs, PDUs, IT cooling, and datacenter monitoring systems. Rittal's datacenter infrastructure management product is called RiZone.

According to IDC analysis and buyer perception, Rittal is an IDC MarketScape Major Player worldwide. Rittal performed well in the criteria offering strategy and business strategy, particularly its delivery model, growth strategy, and portfolio benefits. It did less well in go-to-market strategy and business capabilities. IDC finds that, in general, Rittal is mostly a facilities infrastructure datacenter vendor with a DCIM offering on the side. The criterion where Rittal scored lowest is business capabilities, but the firm has a great strategy for the future. Time will tell if Rittal will execute against its business strategy, bumping up its score for business capabilities in the longer term.

iTRACS

iTRACS was founded in 1987, and at that time, its main focus was on connectivity and asset management. In October 2009, iTRACS introduced its Converged Physical Infrastructure Management solution with 3D visualization. iTRACS is headquartered in Oak Brook, Illinois. IDC considered iTRACS and its entire product portfolio in its evaluation.

According to IDC analysis and buyer perception, iTRACS is an IDC MarketScape Major Player worldwide. The company performed well in criteria regarding business

strategy and capabilities — in particular, its innovation, funding, and employee management scored high. It did less well in criteria about offering strategy and capabilities — specifically its delivery model and cost competitiveness.

IDC finds that iTRACS provides a very capable product that fits well with larger, more advanced datacenter environments. It has very capable employees, great marketing, and a sound financial base. However, its product, more than its competitors' products, is reliant on services. IDC finds that creating a visualization and inventory as detailed as iTRACS' takes time and work, but it is worth it for many datacenter operators. IDC anticipates that iTRACS, building on its current capabilities in visualization and connectivity, will evolve over the next few years.

Modius

Modius is a DCIM software company out of San Francisco, California. Founded in 2004, its sole product is OpenData, which is offered in multiple versions: Machine Edition, Standard Edition, and Enterprise Edition. Over the course of seven years, Modius has built out OpenData capabilities from a unified alarm management tool to a robust infrastructure management system that provides visibility and decision support for the extended power and cooling chain. IDC scored all of Modius and OpenData against the criteria used for this IDC MarketScape.

According to IDC analysis and buyer perception, Modius is an IDC MarketScape Major Player worldwide. Modius performed well in the offering capabilities and strategy criteria, particularly in its cost competitiveness and portfolio benefits. It did less well in go-to-market strategy and capabilities, especially regarding its pricing model and marketing strategy. Overall, IDC finds that Modius has a great product that reports live data feeds elegantly. However, it needs to simplify its pricing structure and to hone its marketing strategy. IDC believes that Modius has the potential and product to do very well in the DCIM market. Modius needs to work on simplifying its pricing and targeting its message. IDC anticipates watching Modius evolve over the next few years and advises Modius to keep its product strong while building out its go-to-market strategy and capabilities.

CA Technologies

CA Technologies is one of the more established players in the management software arena. CA Technologies is based in Islandia, New York, and has over 14,000 employees. CA Technologies has a variety of software products that can help organizations with everything from service automation to cloud security. CA Technologies' DCIM product is called CA ecoMeter; CA ecoMeter, CA ecoGovernance, and CA ecoDesktop make up the CA ecoSoftware suite. IDC considered only CA ecoMeter when evaluating CA Technologies' DCIM strategy and capabilities.

According to IDC analysis and buyer perception, CA Technologies is an IDC MarketScape Leader worldwide. CA Technologies performed well in the business capabilities and strategy criteria, particularly in its growth strategy, innovation, and employee management. It did less well in go-to-market strategy and capabilities, especially regarding its pricing model. Overall, IDC finds that although CA Technologies' ecoSoftware business unit is part of a larger organization, CA

Technologies simultaneously benefits from behaving like a start-up. Its product is capable for large-scale organizations and for service providers but is not overwhelming to maintain and manage day to day. IDC anticipates seeing how this market leader will evolve over the next year or so.

Sentilla

Sentilla was founded in 2003 and is based in Redwood City, California. The company and its software solution — Sentilla — share the same name. Sentilla's focus is on datacenter infrastructure management and the company sells no other products into the datacenter beyond its software. When analyzing this company, IDC considered all of Sentilla and its product portfolio.

According to IDC analysis and buyer perception, Sentilla is an IDC MarketScape Major Player worldwide. Sentilla performed well in the criteria regarding business capabilities and strategy, particularly its funding model and innovation. It did less well in go-to market strategy and capabilities. IDC finds that in general Sentilla is a start-up with lots of momentum in this space. Sentilla is now officially "VMware Ready" and partnering with BMC to go to market. To ensure future success, Sentilla needs to evolve its distribution strategy to make Sentilla software more easily available. It has shown a willingness to be nimble and go where its product is most needed. These moves, along with its low-maintenance product, are promising signs for this smaller but capable DCIM vendor.

Viridity

Viridity is a start-up out of Burlington, Massachusetts, and produces products called EnergyCenter and EnergyCheck. This venture-backed firm was founded in 2007. Viridity's sole focus is on datacenter infrastructure management with its products EnergyCenter and EnergyCheck. When evaluating Viridity, IDC considered the entire company and product lineup.

According to IDC analysis and buyer perception, Viridity is an IDC MarketScape Major Player worldwide. Viridity performed well in the criteria regarding offering capabilities and strategy, particularly its delivery model and functionality of its products. It did less well in go-to-market strategy and business capabilities, specifically its funding management and marketing plans for the future. In general, IDC finds that Viridity is an interesting up-and-coming DCIM vendor. Its product addresses the concerns of Viridity's targeted datacenter managers. EnergyCenter is easy to deploy and manage while addressing many datacenter operators' chief concerns. To ensure success for the future, Viridity needs to show stability and focus in its marketing plans and business execution. Beyond piecemeal, smart tactics, Viridity needs a cohesive, long-term strategy. IDC believes this is typical of start-ups crossing over into broader success and needing to transition from a "get the product out the door" mode to a "longer-term success" operation.

Schneider Electric

Schneider Electric is a global energy management vendor working on everything from electrical equipment, smart meters, and UPSs to building management and datacenter infrastructure management software. In 2007, Schneider purchased what

was known then as American Power Conversion (APC), a company founded in 1981 by three electronic power engineers from the Massachusetts Institute of Technology (MIT). Schneider Electric is currently a conglomerate with a relatively new software business unit inside of it. For the purposes of this MarketScape, IDC considered only datacenter infrastructure management software and not what Schneider calls datacenter facilities management (DCFM) software. IDC evaluated Schneider Electric's StruxureWare Central and StruxureWare Operations platforms.

According to IDC analysis and buyer perception, Schneider Electric is an IDC MarketScape Leader worldwide. Schneider performed well in the business capabilities and strategy criteria sections, particularly regarding its growth strategy, innovation, and employee management. It did less well in go-to-market strategy and capabilities, especially its pricing model and customer service. Overall, IDC finds that Schneider is making significant efforts to package its extensive portfolio of datacenter software solutions simply.

IDC advises Schneider to try to evolve its go-to-market strategy by simplifying its pricing and making its customer service higher touch. Simultaneously, Schneider should work toward maintaining its strengths in employee management, growth strategy, and innovation. As the market continues to change and expand, IDC will observe how and if Schneider Electric's DCIM software business develops and responds to market demands.

Emerson Network Power

Emerson Network Power is based in Columbus, Ohio, and is a business unit of Emerson, a global diversified manufacturing and technology company. Emerson Network Power has approximately 45,000 employees worldwide and holds some of today's most popular brands in the datacenter — names such as Liebert, Knurr, Aperture, Avocent, and Chloride, among others. The company offers complete solutions for the datacenter. The product range includes precision cooling, AC/DC power, racks, cabinets, embedded computing and power, airflow management, remote monitoring, access and control, and infrastructure management. For the purposes of this MarketScape, IDC considered Emerson Network Power's Aperture, AvocentDSView3, and Avocent Data Center Planner software products as DCIM. IDC did not include Avocent MergePoint, Avocent KVM, and other out-of-band management or the firm's other software management products (because those products did not fit IDC's definition for DCIM). Further, vendor market share and revenue were not part of the evaluation criteria for this assessment.

According to IDC analysis and buyer perception, Emerson is an IDC MarketScape Major Player worldwide. Emerson performed well in go-to-market capabilities and go-to-market strategy, particularly in its marketing capabilities and strategies. It did less well in offering strategy and capabilities, especially regarding its cost management and delivery model.

Emerson acquired two large companies in recent years: Aperture (2008) and Avocent (2009). IDC finds that since these acquisitions, the DCIM space has exploded with new, innovative entrants. Emerson needs to prove that, despite its size, it can keep pace with these new start-ups. Trellis, coming out in 2012, is meant to bring together inorganic

and organic knowledge and put forward a comprehensive DCIM solution. Trellis represents a significant investment by Emerson in terms of development resources and organizational focus and priorities. Much of Emerson's categorization (between major player and contender in future years' DCIM MarketScape) will depend on how Trellis fares in the market. Further development of the Aperture platform is being minimized awaiting Emerson's new platform, Trellis. Trellis will deliver and extend upon Emerson's current capabilities in the Avocent, Aperture, and Liebert product families. With such a large presence in the DCIM market, Emerson has the size and history to change customer perceptions. IDC anticipates Emerson's next big bet with Trellis (in 2012), which could have a dramatic effect on next year's IDC MarketScape results.

Power Assure

Power Assure, like Sentilla, nlyte, and Modius, is based in California — Santa Clara to be specific. Power Assure was founded in the summer of 2007, and its DCIM product is called EM/4. As Power Assure is a start-up, it is focusing on DCIM and is squarely a datacenter infrastructure management vendor. IDC considered all of Power Assure and EM/4 in its MarketScape analysis.

According to IDC analysis and buyer perception, Power Assure is an IDC MarketScape Major Player worldwide. Power Assure performed well in business capabilities and strategy, particularly in its marketing strategy and customer service capabilities. It did less well in offering strategy and capabilities, especially regarding its cost management strategy and portfolio benefits. Overall, Power Assure is a promising start-up in the DCIM space. IDC is impressed with the company's customer service. As a start-up, Power Assure is giving its customers a higher touch than can be found at some of its competitors. However, IDC recommends that Power Assure consider what growth could do to its current customers and future prospects. As the market evolves, it is important that Power Assure keep focused on growing while staying close. IDC anticipates seeing what lies ahead for this innovative start-up.

Raritan

Raritan has been around since 1985, historically specializing in keyboard, video, and mouse (KVM) appliances for datacenters. Raritan is based in Somerset, New Jersey. The company offers power management, KVM over IP, serial console management, analog KVM switches, and other products and services. Raritan's DCIM-specific solution is dcTrack. IDC did not include CommandCenter Secure Gateway (CC-SG) or Raritan's Power IQ power management software when considering Raritan's DCIM capabilities and strategy. This is because those products do not fit IDC's definition for DCIM.

According to IDC analysis and buyer perception, Raritan is an IDC MarketScape Major Player worldwide. Raritan performed well in offering capabilities and strategy, particularly in its delivery model and cost competitiveness. It did less well in business capabilities and go-to-market strategy, especially regarding its funding management, customer service, and distribution strategy. In general, IDC finds that Raritan's product itself is one of the best in the market. However, Raritan struggles with marketing to specific segments of the DCIM market (large versus small datacenters) and with how to grow but retain great service. IDC recommends that Raritan start

treating dcTrack as a start-up inside its larger organization to give the solution great customer service, nimbleness, and marketing focus. IDC believes that because Raritan is a small DCIM player with a large company backing, Raritan is a major player in the market and a company to watch.

nlyte Software

nlyte Software is a nine-year-old datacenter infrastructure management vendor based in Menlo Park, California. nlyte Software just released its latest product update, nlyte 6.2. It is an independent software vendor solely focused on DCIM. IDC considered all of the nlyte DCIM suite and nlyte 6.2 (including every version, Express through Enterprise) in its evaluation.

According to IDC analysis and buyer perception, nlyte Software is an IDC MarketScape Major Player worldwide. nlyte Software performed well in offering and go-to-market capabilities, particularly in its pricing model and cost competitiveness. It did less well in go-to-market capabilities and strategy — specifically customer service and sales. In general, IDC finds that nlyte Software is becoming a more established player in the DCIM space. It is respected in the industry for its marketing prowess and branding. As a standalone early stage company, nlyte Software does not have the deep investment pockets of some of its larger competitors. While it is functionally strong in moves, adds, and changes (MAC) management, capacity planning, and workflow, it offers only basic integration to real-time data. As a result, it recently partnered with OSISOft to expand its live data footprint. However, in this MarketScape, IDC considered only the nlyte DCIM Suite functionalities. nlyte Software does, however, have an impressive go-to-market strategy including extensive partnerships and distribution strategies. IDC believes that over the long term, there are many datacenter operators that do not need live data that is up to date down to the second. For those datacenter managers, nlyte may be a great solution, and IDC believes there are a large number of potential buyers. Time will tell just how many there are and how nlyte Software will perform in that segment.

Rackwise

Rackwise is a DCIM vendor headquartered in San Francisco, California. It has been selling products and services into datacenters since 1997. Rackwise's DCIM products are called Datacenter Essentials, Optimization, Intelligence, and Business. Until recently, Rackwise was a subsidiary of Visual Network Design Inc. On September 23, 2011, Visual Network Design performed a reverse merger with Rackwise. For the purposes of this MarketScape, IDC considered all of Rackwise and its product lineup.

According to IDC analysis and buyer perception, Rackwise is an IDC MarketScape Major Player worldwide. Rackwise performed well in criteria relating to its offering capabilities and strategy, particularly regarding portfolio benefits and functionality. It did less well in business strategy and capabilities, specifically its funding management and innovation plans for the future. With its recent access to additional institutional funds, Rackwise should be able to implement its future strategies. In general, IDC finds that Rackwise is a DCIM player with a lot of product functionality. Rackwise's product is built on Visio, can scale, and is agentless. However, IDC guides Rackwise toward the firm's increasing focus on business and capital

management. Rackwise, which has a great product, should continue to market and sell effectively. Time will tell if the assimilation of Intel's Data Center Manager into the Rackwise product offerings and the joint cross-marketing programs will take Rackwise to the forefront of the DCIM industry.

ESSENTIAL GUIDANCE

Advice for Datacenter Operators and Buyers

Guidance for IT and facilities groups considering using DCIM software or deciding which vendor to choose is as follows:

- ☒ **Internal audit first.** This is important to figure out holes in the current internal toolset and what is most needed. Are the attributes outlined in this document important to your organization or not? What would the payoff of each attribute be for your organization, as opposed to "neat" or a "nice to have"?
- ☒ **Get facilities and IT together for the DCIM effort.** Bringing the two groups together can help for funding the purchase, increasing availability, and making sure that the datacenter is getting the most out of DCIM software. It is also a best practice for IT and facilities to work together in the datacenter so that IT is aware of the power and cooling it is using and facilities is aware of the IT it is supporting.
- ☒ **Balance the breadth and depth of the offering versus ease of use and ongoing maintenance.** IDC found in its MarketScape research that many vendors can perform amazing functionality and comprehensiveness, but the ongoing maintenance and back-end work is considerable. On the other hand, if the IT and facilities groups are looking for basic features and functionality, that can be performed by some DCIM vendors with little services and ongoing maintenance costs.

Advice for DCIM Providers

Guidance for DCIM vendors considering their long-term strategy and efforts to gain market share is as follows:

- ☒ **Make DCIM easy to use, deploy, and maintain.** If the DCIM product is geared toward small and medium-sized datacenter environments, it is vital that DCIM vendors make the purchase, setup, and ongoing maintenance simple. On the other hand, if DCIM will be used to automate and control a complex environment in real time, be prepared to offer services with the product itself to provide an easy setup for the in-house IT department. Ongoing maintenance in the form of services is not appreciated by datacenter operators and buyers.
- ☒ **Be prepared to educate during the sales process.** Many customers are still discovering the power of DCIM and what its capabilities are. Vendors need to be prepared with education materials as well as competitive positioning. Proof of concepts is still common in the DCIM market, and that is an indicator to IDC that

DCIM is still in the early-adopter stage. IDC heard more than one horror story during the IDC MarketScape vendor assessment process from buyers around the vendor not educating them enough on naming conventions and "rack and stack" procedures.

- ☒ **Know where your company stands among the competition.** The DCIM market is bubbling with activity, and new competition is entering the market regularly. In addition, IDC is seeing many new partnerships and acquisitions. This turbulence is making DCIM vendors' knowledge of their surroundings vital. Customers' first concern will be to learn more about DCIM, and their second concern will be why they should go with one vendor versus another.

LEARN MORE

Related Research

- ☒ *Datacenter Infrastructure Management (DCIM): A Comprehensive Guide for Datacenter Operators* (IDC #231373, November 2011)
 - ☒ *Software and Analytics Fuel Power and Cooling Market for Datacenters in Calendar 3Q11* (IDC #231490, November 2011)
 - ☒ *The Current State of Datacenter Carbon Regulations: A Cross-Geography Comparison* (IDC #230332, September 2011)
 - ☒ *Worldwide Enterprise Server Cloud Computing 2011–2015 Forecast* (IDC #228916, June 2011)
 - ☒ *Worldwide Datacenter Infrastructure Management 2011–2015 Forecast* (IDC #228027, April 2011)
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Synopsis

This IDC study introduces the vendor assessment model called the IDC MarketScape to the worldwide datacenter infrastructure management (DCIM) market. The methodology behind this model uses both quantitative and qualitative assessments of vendors' characteristics that explain success in the marketplace and can help anticipate vendors' ascendancy. This study covers a variety of vendors that provide DCIM software and solutions. This evaluation is based on a comprehensive framework that assesses vendors across a wide variety of technical and operational criteria, weighted by factors IDC believes are the most influential today and will be the most influential over the next three to five years.

"Datacenter infrastructure management is rapidly evolving within the datacenter and is expected to increase uptime, cut utility bills, and reduce waste. Today's internal datacenter operators and service providers are being pushed to compete with each other in terms of availability, cost, and efficiency. Datacenter infrastructure management software and services can help achieve this trifecta simultaneously and

keep the datacenter in continual balance," said Katherine Broderick, senior research analyst, IDC's Enterprise Servers and Datacenter Trends.

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