

Boomi's EAI in the cloud will be joined by other kinds of integration

Analyst: William Fellows

Boomi's multi-tenanted SaaS platform for enterprise application integration (EAI) in the cloud now has some 600 pay-per-use customers – most on the AtomSphere platform – and the company will likely double in size before the one-year anniversary of its acquisition by **Dell** in November 2010. Dell is thought to have paid \$60m for Boomi, which was then estimated to be running at less than \$5m a year.

The 451 take

Integration-as-a-service shop Boomi is one of the companies Dell is using to transform its business. Dell intends to nearly double its enterprise computing business by 2014, from \$16bn to \$30bn per year. Boomi, which sells what is effectively 'EAI in the cloud' to mostly SMBs that don't have their own IT development shops, is going after Dell accounts, which is leading it higher up the food chain. This isn't its exclusive focus, however; with its existing product shaped by adding more connectors, its next opportunity will surely be to move up the stack and enable workflow and process integrations.

The company's AtomSphere technology – and its Atom executables – can be deployed on runtime engines that may be on-premises or in a public cloud. Customers go to the Boomi website, where they design, develop and deploy application integrations using Build, Deploy and Manage components. The executable, which is then deployed inside each Atom, contains all of the information and business logic that's needed to provide the connection between applications. The integration itself is managed from the Boomi cloud. It can run on a scheduled basis, but most importantly – and setting it apart from traditional EAI – it can run behind firewalls because of its small size. Boomi provides some ETL mappings – but isn't a replacement for **Informatica** or any other heavy-duty mechanisms – and is updated automatically and universally. There's no patching required. Boomi estimates that it has already captured some 80% of the most common mappings between applications, which it has passed on in AtomSphere, such as mapping Customer ID 1 in one application to Customer ID A in another.

It is priced depending on the number of things being connected. The base setup of \$550 per month is for two connectors – for example, **salesforce.com** to **NetSuite** and **Great Plains Software**. The enterprise version with redundancy, high availability and other features is \$5,500 per month. It has integrators for some 80 SaaS applications and PaaS platforms, so far. The key use is for connecting CRM and salesforce.com applications, followed by marketing automation, HR and 'talent,' management, financials, ERP, and analytics. Boomi claims 600 customers and expects to double headcount to 80 by year-end.

Competition

Boomi says it sees Informatica, **IBM Cast Iron Systems** and **Pervasive Software** most often in competitive situations. Informatica is focused on heavy-duty database ETL work, and is caught in the classic innovator's dilemma, Boomi claims, insofar as whatever its cloud group does means effectively cannibalizing its on-premises, permanent license revenue. IBM's problem, it says, is having 20 or 30 integration plays. There's a gunfight between groups for integration business. It regards Pervasive as mostly 'marketecture.' It claims to not see **Talend**, **SnapLogic**, **iWay Software** or other smaller players.

Reproduced by permission of The 451 Group; copyright 2010-11. This report was originally published within The 451 Group's Market Insight Service.

For additional information on The 451 Group or to apply for trial access, go to: www.the451group.com