

Dell Boomi queues up performance and troubleshooting enhancements, reports 13x growth

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Dell recently announced the spring 2014 release of its Dell Boomi AtomSphere integration platform as a service (iPaaS). The enhancements, for the most part, address issues of integration-process execution. They include a collection of analysis and resolution capabilities that improve the reliability of the AtomSphere platform and the performance of integration processes that run within it. New features include message queuing and an XML-JSON conversion tool. Dell reports that use of the iPaaS has grown considerably, and that its customer-retention rates exceed the industry average.

The 451 Take

Dell Boomi was as an early pioneer in the iPaaS market. Its AtomSphere design has become what seems to be an iPaaS reference architecture of sorts. Many other vendors have patterned similar designs and messaging in their product roadmap and go-to-market strategy. This, along with its recent growth in customer and usage rates, positions Boomi as an iPaaS market leader. While its MDM strategy still needs some maturing, its new message queuing is likely to do well and we would expect other vendors to follow. Message queuing is a natural evolution of iPaaS capabilities, and we also believe API management to be of similar strategic importance – a capability we expect Dell Boomi and others will be pursuing more aggressively in the coming quarters.

Context

Boomi is part of the Dell Software group. Its products include the AtomSphere iPaaS and a master data management (MDM) offering that are used to integrate cloud and on-premises applications. When last we visited Dell Boomi, we discussed the implications of its execution milestone, reporting that the iPaaS exceeded one million cloud-interaction processes per day. We also suggested that such usage be considered a wakeup call to those unimpressed with the value of iPaaS offerings.

In recent announcements, Dell Boomi reported that customer growth, retention rates and service usage have exceeded historical highs. Year-over-year usage of its platform grew by a factor of 13, from 35 million integration processes per month last year to over 450 million currently. There are more than 7,000 production runtime environments deployed globally. The number of mappings indexed using its Boomi's Suggest feature (intended to help accelerate integration-process designs through crowdsourcing resources) has exceeded nine million, up from four million the year prior.

The Boomi team within Dell is currently staffed at roughly 100, and the firm reports that it expects to increase headcount to 150 by year-end. Revenue unique to Boomi was not reported; however, the firm states that subscription revenue grew on average 68% during the last four quarters. Dell also announced the spring 2014 enhancements to Dell Boomi that include Boomi Resolve, Predictive Assistance, a SOA Dashboard, Message Queuing and an XML/JSON conversion tool.

Strategy and products

Boomi Resolve is patterned after Boomi Suggest. Both are service enhancements that exploit the crowdsourcing value of the Boomi user community. Suggest assists designers with how best to design data mappings by exposing them to other similar mappings that currently execute in AtomSphere. Resolve makes use of the 17 million error messages captured in AtomSphere to date, to discover patterns and offer resolution options to common integration-execution errors.

The SOA Dashboard is pretty much just that. It exposes at-a-glance status reports of integration processes, offers alerts when performance thresholds are violated, and can expose drill-down data for resolution efforts. It falls short of enabling policy- or rules-based decisioning that governs integration-process execution. But to be fair, this is a capability that is only now being explored by iPaaS vendors, with thought leadership coming from Informatica and Software AG in its CloudStreams offering.

Predictive Assistance is a new service based on a patent awarded to Dell that uses metadata to monitor integrations and the data flowing through them. It too can trigger alerts when performance

thresholds vary, and notify the Dell Boomi Client Services team, which then assesses the variance and decides whether proactive action is warranted to call the customer. Dell attributes this to being a key differentiator in recent deals won. At present, the team proactively alerts roughly 15 customers per month to performance and execution issues.

Message queuing has been added to AtomSphere because several of Boomi's customers asked for it. They are among a growing number of end-user enterprises that are seeking to consolidate the IT vendors they do business with. This trend is driving a new type of convergence – a software convergence that 451 Research will be tracking in coming months. The spring release also includes a XML/JSON conversion wizard-like configuration tooling. Dell reported that it is expanding its global footprint to include an Atom Cloud hosted in London to better support the EMEA markets.

It seems that while the MDM offering has been available for several quarters, it has limited adoption. However, Dell Boomi reports that several prospects are evaluating the offering on a trial basis, and it expects double-digit growth later this year.

Customers

Dell Boomi reports it has 2,000 customers, and claims a 94% customer-renewal rate as compared to the industry average that it believes to be 90%. It attributes the customer stickiness to the success of its value messaging and the capabilities of the new Predictive Assistance feature.

Dell cited several reference customers that prefer to remain anonymous. Among them is a leading marketing-services company for consumer brands that use the AtomSphere iPaaS and MDM Platform to simplify the data management of over 45,000 active and 250,000 passive employees, improve its fulfillment processes between vendors and suppliers, and deliver information 'as a service' internally and externally to mobile applications.

Another is a midsized clinical reference laboratory that uses the iPaaS to integrate its ordering, pathology labs, laboratory information system and financial system with a database, and expose it for HL7 (healthcare informatics) and mobile communication with external and internal partners.

Competition

The iPaaS market has been picking up steam in the last few quarters, driven by accelerated SaaS deployment and an uptick in various other cloud-services adoption. Perhaps the top two leading contenders to Dell Boomi are Informatica Cloud and MuleSoft. Informatica Cloud has recently been enhanced to enable it to be more portable and dynamic in hybrid IT architectures. MuleSoft's

product portfolio includes an ESB, iPaaS and API management platform. It appeals to buyers that seek such capabilities from a single vendor.

Red Hat is readying its JBoss Middleware as a service. Its xPaaS strategy was announced late in 2013, and various aspects of it are expected become available during 2014 and into 2015. Talend too has an iPaaS in the works, and is likely to announce its availability in Q3 or Q4 of this year. SnapLogic continues to build out its iPaaS to be more capable and competitive in large enterprise environments, and Software AG introduced its Integration Live.

Jitterbit recently announced its Harmony elastic iPaaS, which includes capabilities to orchestrate processes across integrations, and uses a lifecycle management approach to integration-process designs. Attunity offers CloudBeam as an 'information availability' platform, citing its differentiators as speed, simplicity and a 'zero footprint' approach to data transfer and replication. It also recently launched its Maestro offering designed to orchestrate data distribution across platforms. Attunity is not an iPaaS per se, but it does fill a need to migrate and orchestrate data across globally distributed nodes.

Scribe has strength in Microsoft ecosystem integration. And a final vendor of note is Integround an emerging startup in Finland that is targeting smaller firms that could benefit from iPaaS at a low subscription price point.

SWOT Analysis

Strengths

Dell Boomi, as an early pioneer in the iPaaS market, has crafted what seems to be an iPaaS reference architecture from which other vendors are patterning their product roadmap.

Opportunities

The new support and reliability features are likely to attract a broader customer base that, heretofore, may have been skeptical of iPaaS offerings due to perceived risk. An Atom Cloud instance hosted in London should open many doors to the EMEA market.

Weaknesses

Dell Boomi MDM has met with lukewarm market response; API management seems to be a low priority for now.

Threats

Larger end-user organizations are seeking greater capabilities from fewer vendors. In the integration markets, they are beginning to seek vendors that also offer ESB and API management, as well as an iPaaS offering. It's good that Boomi added message queuing, but its lack of an ESB may hinder success in larger deals.

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