

# Dell Boomi reaches a milestone: Hey, SIs and cloud hosts - consider it a wakeup call

**Analyst:** Carl Lehmann

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Dell has announced that its Boomi AtomSphere platform has exceeded one million cloud-managed integration processes per day. The company has also launched a strategic relationship with Wipro, which will offer a systems-integration practice using Boomi to connect on-premises applications and data assets with cloud services - assisting enterprises with their business processes (BPaaS), business applications (SaaS), middleware (PaaS) and infrastructure (IaaS) strategies. In this report, we will discuss some of the notable capabilities and shortcomings of Boomi AtomSphere, how it is pioneering hybrid cloud integration, and why other vendors that you would expect to lead the cloud-integration charge have been caught sleeping on the job.

## The 451 Take

Dell Boomi is a strong thought leader in the hybrid cloud-integration market. Its AtomSphere platform, Atom integration componentry and design capabilities such as its Suggest feature make it a desirable tool for integration designers and administrators alike. Users seeking an all-on-premises platform with integration design will need to consider alternatives, or reconsider why design in the cloud is undesirable. Its one-million-per-day milestone heralds the dawn of the hybrid cloud-integration market, and will become recognized as a wakeup call for systems integrators, cloud hosts and all manner of integration technology and services rivals to step up their efforts to enhance hybrid integration architecture as part of datacenter and cloud operating environments.

## **Context**

Boomi got its start in 2006. Recognizing early on the relevance and importance of cloud computing, the company sought to develop technology that could orchestrate the integration challenges of distributed, on-premises cloud services and multitenant architectures. Its AtomSphere platform captured market attention and the eyes of corporate planners at Dell. Dell bought Boomi in November 2010 for an estimated \$60m when the target's revenue was estimated to be less than \$5m annually.

Now part of Dell Software, Boomi reports 2013 year-over-year growth of 263%, helping it reach the milestone of one million integrations per day. The company attributes the growth to large enterprises that are accelerating their adoption of cloud and Web services integration. We estimate that Boomi will contribute roughly \$20-25m in revenue to Dell in 2013. That's not enough to influence Dell's financial performance, but it does call attention to the healthy birth of a new market - hybrid cloud-integration services.

## **Products**

Boomi's AtomSphere platform is a hybrid cloud-integration development and runtime environment. It was built from the ground up, unencumbered by legacy EAI, ETL and ESB on-premises middleware technology, and serves the unique integration needs of multi-tenant and cloud computing architectures. AtomSphere offers collaborative development and centralized design and control. The platform designs, executes and manages integration components called Atoms that perform integration tasks. Atom design is performed in Boomi's AtomSphere cloud, and their execution can be distributed to run in clouds or across on-premises systems. Atoms report back performance and execution data to a Boomi administration console in the AtomSphere cloud. Pricing is based on the number of connections and the feature set chosen, ranging from \$550 to \$7,000 per month.

One of Boomi's most noteworthy features is its Suggest capability. Essentially, it's a suggestion wizard for data mapping that allows users to tap into the collective intelligence of Dell Boomi customers by revealing final executable designs of data maps. It does so by anonymously indexing the data maps and map functions created in the AtomSphere platform, leveraging previously built maps. Suggest can recommend and automatically generate mappings for users who have started a new integration design but could use some guidance with its completion. As for product futures, Boomi will be expanding its capabilities in data-quality management. Soon it will formally unveil its cloud-based MDM offering with enhanced tooling to model, store, synchronize, validate and cleanse

master data - helping enterprises move toward cloud services.

## **Market dynamics**

At the same time that Boomi reported its integration-processing milestone, it announced a partnership with Wipro, a global systems integrator that caters to midmarket and large enterprises. Wipro's cloud-integration practice will be certifying several of its integration developers to perform hybrid cloud integration for its customers using Boomi. This represents the second such partnership for the division. In early 2012, Boomi announced a relationship with Infosys, whose Unified Cloud Ecosystem performs similar services.

To date, there has been a chasm between the traditional SI market and the emerging hybrid cloud-integration space. As early as a year ago, many SIs avoided technology and services from the likes of Boomi, fearing it would disrupt their service models and revenue streams. Likewise, when evaluating the service offerings from cloud services providers such as Amazon Web Services and Rackspace, you'll notice something missing - an integration strategy. All have connectivity services such as Amazon's Direct Connect, SQS and published APIs, and many work with third parties to enable data loading such as the way salesforce.com encourages vendors like MuleSoft, Jitterbit and Pervasive Software to develop data-loading technology as alternatives to its own Apex Data Loader. But so far, few cloud hosts have been paying attention to the broader requirements of hybrid cloud integration.

In a recent report on hybrid cloud integration, we called attention to why it is different from traditional application-to-application and business-to-business (B2B) integration methods and cited what organizations need to do to enable multisystem heterogeneous integration across on-premises and various cloud services. We noted that in late 2013 integration will surpass security as the primary barrier to cloud adoption. To date, cloud hosting providers have been focused on building out their infrastructure and in creating various instantiations of what amounts to cloud operating systems. Integration strategy and technology has taken a back seat (so far). And rightfully so, since cloud computing was spawned from virtualization - enabled by hypervisors and hardware standardization.

Now, cloud architecture requires a more comprehensive and perhaps standardized operating environment. Cloud technology offerings from open source projects like OpenStack and proprietary efforts from Amazon, VMware and others are slowly evolving to define what will ultimately become various cloud operating systems. Just as OS360, UNIX, VMS, DOS, Windows, OS2, NT, Linux, OS X, zOS and more evolved to dynamically manage the resources of computing devices, so too will

competing cloud operating systems evolve to dynamically control cloud resources such as VMs, hypervisors, converged systems (CPU, memory, storage, networks) and distributed datacenters. Now that more than half of enterprises have deployed various types of private clouds, many are considering public cloud services as alternatives to infrastructure and platform procurements. As this trend accelerates, it will become imperative for cloud hosts and SIs to think beyond infrastructure to include a hybrid cloud-integration strategy, thus heralding extraordinary market growth for technology and services from Boomi and others.

## **Customers**

Some of Boomi's customers report that the number of connections for the lower-priced editions is too restrictive, forcing them to upgrade to the higher-priced editions to realize value. Indeed, Boomi readily admits that it rarely wins deals based on price. It is not the least-expensive alternative among rivals. Customers usually choose Boomi because they are trying to solve several problems such as integration, server consolidation, centralized integration management and control, or addressing global data privacy issues.

Notable customers using the Boomi AtmoSphere platform include AAA Mid-Atlantic (automotive travel and insurance), Burroughs (financial services) and oneworld (airline consortium). AAA uses Boomi to simplify cloud and SaaS application integration across more than 50 applications, including salesforce.com, Workday and Zuora. Burroughs is employing Boomi as part of its reorganization strategy to reduce 52 different systems to three platforms. And oneworld uses Boomi as part of an inter-airline B2B strategy to collaborate, develop and manage all integrations and to model and map a standard frequent-flyer transaction format. Boomi's global cloud architecture also helped oneworld address the various data privacy requirements posed by several governments.

## **Competition**

Dell believes the death of middleware is imminent. Perhaps, but it's going to be a lingering death. Sort of like the death of the mainframe was predicted in the 1980s. Middleware will persist in various instantiations and therefore, traditional rivals to Dell will persist. Informatica, Pervasive and TIBCO will remain on vendor short lists for some time to come, not to mention the diverse middleware offerings from IBM (WebSphere, Cast Iron), Oracle (Fusion) and SAP (NetWeaver). The sizable investment in these platforms, and the depth to which they have become rooted within enterprise systems and applications, will ensure their survivability – at least for several years.

Indeed, such middleware providers aren't standing still - they too are introducing their respective cloud-integration variants. Among these rivals, Boomi most frequently competes with Informatica, closely followed by MuleSoft, Jitterbit and IBM Cast Iron; on occasion, it will encounter SnapLogic. There is a new kid on the block that may also vie with Boomi. Network Automation Inc (don't let the name fool you) looks at enterprise and cloud integration from a business process perspective, offering data, application and (the cool stuff) process-integration capabilities.

Some enterprises prefer that the next-generation integration technology they buy be a common architecture that can reside entirely on-premises or in a cloud, or be configured as a hybrid environment. While Boomi Atoms run anywhere, design and administration is only available as a cloud offering and is likely to remain so. Boomi wins competitive bakeoffs with its single user experience (interface) that provides a unified approach to application and data integration. Earlier versions of Boomi were not as easy to use for some integrations, and indeed some level of technical proficiency will be required to employ it effectively today. Boomi claims that its competitors are lagging here. Many have created offerings through successive technology acquisitions but have not yet properly reconciled the components into a uniform platform.

## **SWOT Analysis**

### **Strengths**

Boomi is a thought leader and offers a comprehensive and highly reliable hybrid cloud-integration platform with intuitive tooling and support features.

### **Opportunities**

The relationships with Wipro and Infosys represent the beginning of broad-based partnerships with a variety of cloud hosts and SIs as well as other OEM pacts with several enterprise application and SaaS providers.

### **Weaknesses**

Customers seeking an all-on-premises version of Boomi that includes Atom design will find this to be unavailable.

### **Threats**

Perhaps the greatest competitive threat to Boomi comes from the open source community and from vendors that have productized various open source integration projects, as well as emerging firms that are expanding their hybrid cloud-integration capabilities to include business process integration.

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