



IDC MARKETSCOPE

IDC MarketScape Excerpt: Worldwide Client Virtualization Software 2013 Vendor Assessment

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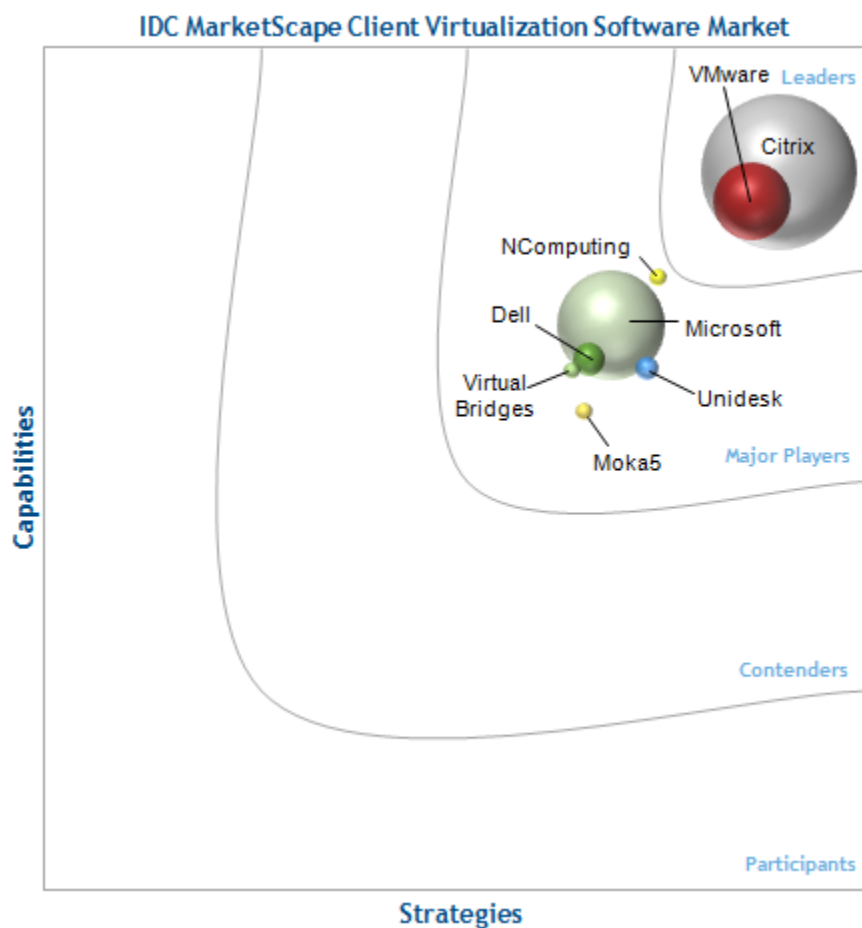
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THIS IDC MARKETSCOPE EXCERPT FEATURES: NCOMPUTING

IDC MARKETSCOPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Client Virtualization Software Vendor Assessment



Source: IDC, 2013

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Worldwide Client Virtualization Software 2013 Vendor Assessment (Doc # 245100). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

What started with smartphones and Macbooks and continued with the emergence of tablets – end users started to assert power over their devices and applications. The end result is that the days of IT dictating what device end users will use are nearly over. The rise of bring your own device (BYOD) is creating governance and regulatory nightmares while providing end users with unprecedented flexibility and agility. While IT is still intrigued by the possibility of a better desktop management model and the operational savings client virtualization software could deliver, it is the increased governance and the ability to deliver desktops, applications, and data to any device that are driving today's purchases.

The client virtualization software market has started to enter the maturity phase, and many vendors, through acquisitions, have started to expand their capabilities into physical desktop management, mobile enterprise application management, and SaaS application management. As vendors continue to expand their addressable market, they continue to integrate their existing portfolio, from both a technical and a licensing perspective. Customers are in turn confused about the capability and addressability of each vendor's solution. This IDC study represents the vendor assessment model called the 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 the vendor's ascendancy. The study assesses the capability and business strategy of many client virtualization software vendors. This evaluation is based on a comprehensive framework and a set of parameters expected to be most conducive to success in providing client virtualization solutions, during both the short and the long term. As the client virtualization software market is a highly competitive one, all vendors performed relatively well in the study. Key findings include:

- All vendors in this study can provide the underlying virtual desktop provision and management capabilities. Leading vendors are more likely to offer solutions that address a broader audience with simplified management tools as holistically being able to manage desktop, mobile, and cloud applications from a single management console is quickly becoming a must-have for next-generation IT.
- Larger vendors naturally offer more capabilities to their customers; thus many of them lead in this study. However, many innovations are coming from the smaller start-ups, which build their whole business around those differentiating innovations. The result is many start-ups are gaining rapid traction in the market and performed well in this study.
- The client virtualization software market is maturing at a rapid pace; new approaches such as workspace as a service (WaaS) and mobile experience virtualization are beginning to emerge.

The market itself is beginning to consolidate as larger vendors acquire unique smaller firms to access new capabilities and customer groups.

IDC MARKETSCOPE VENDOR INCLUSION CRITERIA

This IDC MarketScape includes vendors that create and sell software in the client virtualization space, with a focus on centralized virtual desktops, distributed virtual desktops, and virtual user session (VUS) software. Vendors that offer user state virtualization or application virtualization products but not one of the aforementioned products were not included because these two types of solutions address a certain need in the market but do not fulfill a direct need for client virtualization solutions. Vendors also needed to be earning at least \$10 million in revenue or demonstrate enough momentum in the marketplace to make nearly \$10 million by 2013 according to IDC estimates.

ESSENTIAL BUYER GUIDANCE

Device form factors inside organizations are changing rapidly, regardless of whether they are personally or corporate owned. The days of a relatively homogeneous ecosystem built around Microsoft Windows is nearly over. Nearly every organization needs to deal with different operating systems and different form factors and yet still retain the capability to deliver legacy Windows-based applications to all of these different devices over both local and wide area networks. Buyers should therefore look for the following characteristics when evaluating client virtualization solutions:

- **Scalability:** Solutions need to be able to scale to support your sized deployment and still be manageable. Not all solutions need to be able to scale out to 10,000 seats, if they are purposefully built for SMB organizations; however, in those cases, simplicity becomes a defining factor.
- **Device compatibility:** The driving force behind client virtualization these days is mobility, and if a product cannot support Apple iOS and Mac OS, Android, and Windows devices, then it probably is not a good fit for your organization.
- **Mobile experience virtualization:** Streaming Windows applications to mobile devices is just table stakes. To take it to the next level, vendors need to be able to improve the experience of streaming keyboard- and mouse-based applications on touch-first devices. This can be accomplished through client software, improved protocols, and/or mobile optimized APIs.
- **Storage optimization:** While the price of storage is consistently coming down, it is still a large cost for implementing and growing client virtualization deployments. Vendors that offer ways of reducing storage costs are more likely to offer better total cost of ownership.
- **Cloud enabled:** If a vendor's solution is not currently cloud enabled, it needs to be on the vendor's 18-month road map. While IDC does not expect cloud deployments to be the norm in the next year, many customers will start to explore the option, either as a primary delivery model or in a hybrid environment.

VENDOR SUMMARY PROFILE

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of one vendor's strengths and opportunities.

NComputing

NComputing vSpace virtualization software supports virtualizing Windows and Linux desktops using virtual user sessions with scalability up to 100 sessions per central server. This technology allows customers to publish desktops or single applications to its users, by hosting those instances on a single, centralized shared Windows Server operating system or Linux operating system. vSpace virtualization software can also be hosted in VM-based environments using Microsoft Hyper-V or VMware vSphere.

Over the past few years, NComputing has successfully evolved from a device-centric company whose virtualization software platform only supported its hardware end points to a software company with a client virtualization platform purpose built for simplicity, low cost, and minimal IT resource requirements. The vSpace virtualization platform has matured significantly over the past two years to provide scale, performance, manageability, and software client support for PCs/laptops and Windows devices. The upcoming mobile clients and cloud-based management will accelerate NComputing's transition to a software solution company.

IDC has placed NComputing in the Major Players category in this IDC MarketScape. NComputing's position reflects the company's successful evolution from a hardware company to a software company with a hardware solution.

Strengths

NComputing's strength as a vendor in this market is the company's ability to provide simplified end-to-end virtual user session solution at a low cost, which has bred success in the midmarket and small enterprise, especially with education customers and in emerging regions. NComputing plans to continue to take advantage of this market opportunity as it continues to offer solutions that drive down the cost per virtual client seat and many of its larger competitors will have a hard time scaling down and simplifying their product offerings to meet the needs of these customers.

Opportunities

In CY 1Q14, NComputing will release the Unified workspace-as-a-service solution, designed for the SMB and midmarket, to address customer needs with regard to security and compliance as a result of the explosive mobile device growth and increasing BYOD trend. This Unified Workspace solution leverages NComputing's existing vSpace technology and will enable secure access to any Windows, Linux, Web, SaaS app, and any on-premise or cloud content from any device. Additionally, the solution leverages cloud technology and economics, and supports all-cloud, all-on-premise, or hybrid cloud/on-premise deployment models.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will 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 decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represent the 2012 market share of each individual vendor within the specific market segment being assessed.

IDC believes that, given the advances made by the client virtualization software vendors and partners as well as the emerging service provider (cloud)-hosted models, ROI for client virtualization can become an achievable and measureable benefit. Of course, an organization shouldn't approach client virtualization purely because of ROI. Client virtualization is a new model of managed end-user computing, and organizations should approach it with a clear understanding of how client virtualization can benefit their environments in an operational sense.

When evaluating client virtualization software vendors, it is more important to focus on the solutions the specific vendors provide than to focus on the size of the vendor. Many start-ups in this IDC MarketScape offer unique capabilities that can minimize the initial cost of deployment, simplify management, and improve user experience. In fact, most start-ups have larger customers and partnerships that ensure their survival.

IDC MarketScape 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, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, 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, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

IDC defines virtual client computing (VCC) as a client computing model that leverages a range of software and virtualization solutions to improve upon the limitations associated with the traditional distributed desktop environment. The VCC model encompasses four client virtualization software technologies, which are discussed in the sections that follow.

Desktop Virtualization

Desktop virtualization technologies utilize hypervisor to decouple an operating system (OS) from the host hardware and isolate the specific client environment from other OSs running aboard a physical device. There are two types of desktop virtualization technologies:

- Centralized virtual desktop (CVD, or more commonly known as VDI) is a form of server-based computing; it utilizes server-grade hypervisor to host multiple unique and isolated client operating systems aboard a single server or group of servers in the datacenter environment. The virtual desktops are delivered to end users' devices via the network.
- Distributed virtual desktop (DVD) leverages client-grade hypervisor and/or host operating systems in an isolated environment on a distributed client device, such as a laptop. Therefore, the virtual machine resides on the local client hardware.

Application Virtualization

Application virtualization software encapsulates and isolates an application from its underlying host operating system, as well as from other local applications running within a client environment.

Virtual User Session

Virtual user session (VUS) is a mature server-based computing model that creates a shared environment to host multiple users from a single operating system. Each user gets access to his/her own profile and instances of installed applications.

User State Virtualization

User state virtualization (USV) encapsulates and isolates an end user's profile information and settings from its underlying host operating system, as well as from other local applications.

LEARN MORE

Related Research

- *Mobile Experience Virtualization: Bridging the Desktop to Mobile Application Gap* (IDC #245101, December 2013)
- *Market Analysis Perspective: Worldwide Client Virtualization Software, 2013: Flexible Workspaces* (IDC #245095, December 2013)

- *Worldwide System Infrastructure Software 2014 Top 10 Predictions: Buyers, Markets, and Ecosystems Transformed* (IDC #244386, December 2013)
- *Amazon Enters Workspace-as-a-Service Market with WorkSpaces and AppStream* (IDC #lcUS24457013, November 2013)
- *VMware Acquires Deskton to Accelerate Desktop as a Service* (IDC #lcUS24396113, October 2013)
- *Citrix Industry Analyst Conference: Enabling Mobile Workstyles Through Cloud Solutions* (IDC #lcUS24389613, October 2013)
- *VMware Reaffirms End-User Computing as Strategic Priority* (IDC #lcUS24331813, September 2013)
- *Worldwide Virtual Client Computing 2013-2017 Forecast* (IDC #241837, June 2013)
- *Worldwide Virtual Client Computing 2012 Vendor Shares* (IDC #241785, June 2013)
- *XenDesktop 7: Reimagined for the Cloud and Mobile World* (IDC #lcUS24143913, June 2013)
- *VMware Announces VMware Horizon Suite for Managing and Securing Multi-Device Access to Virtualized Desktop Services* (IDC #lcUS23977713, February 2013)
- *Worldwide Workspace-as-a-Service 2012-2016 Forecast: The Emerging WaaS Market* (IDC #238600, December 2012)
- *IDC MarketScape: Worldwide Client Virtualization 2012 Vendor Analysis* (IDC #237753, November 2012)

Synopsis

This IDC study represents the vendor assessment model called the IDC MarketScape. This research is a quantitative and qualitative assessment of the characteristics that explain a vendor's success in the client virtualization marketplace and help anticipate the vendor's ascendancy. IDC assesses the capabilities and business strategies of many desktop virtualization vendors. This evaluation is based on a comprehensive framework and a set of parameters expected to be most conducive to success in providing client virtualization solutions, during both the short and the long term.

"The rise of mobile and cloud applications is subverting existing IT management paradigms. Holistically being able to manage desktop, mobile, and cloud applications from a single management console is quickly becoming a must-have for next-generation IT," said Brett Waldman, research manager, Client Virtualization Software. "With the market rapidly changing, vendors are innovating to keep up with the increasingly demanding end-user workforce and regulatory issues that the consumerization of IT is bringing upon IT departments. It is important to understand the strengths and capabilities to understand which vendors are a good fit for a specific organization."

About IDC

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