Enterprise mobility management (EMM) is becoming a big business, but who are the biggest vendors in this space when it comes to revenue? This report details the top five largest EMM vendors by 2014 GAAP revenues. All of these companies are publicly traded, but report their EMM revenue in varying degrees of detail. We look at a cut from 451 Research's Enterprise Mobility Management Market Monitor that covers over 120 vendors across six key segments of the mobile management and security market. These vendors primarily play across the EMM landscape, offering a wide list of products that address the growing needs of the enterprise. For each of these five EMM vendors, we detail their product focus, their reported financials and then a SWOT analysis of the company as a whole.

### The 451 Take

The EMM market is made up of 125 vendors of all sizes. These are the top five by EMM revenues that are public and estimated by 451 Research. Even within these five vendors it is difficult to pin down their size because they don't report the same metrics, since they are all not public, or their EMM business is not broken out. The best measurement is GAAP revenue, so in this report and in our EMM Market Monitor, 451 analysts estimate from the bottom up the revenues for all 125 vendors. The EMM vendors in this report are all experiencing growth for the most part. As we update this report throughout the year, we expect this mix to change.

### Top five EMM vendors
The following vendors all had in excess of $150m in GAAP revenue for 2014:

- BlackBerry
- Good Technology
- IBM
- SAP
- VMware

This calculation includes revenue from sales and services for mobile device management (MDM), mobile app management (MAM), mobile app platform tools (MAP), mobile email container, mobile back end as a service (MBaaS) and mobile virtualization. This data comes from our EMM Market Monitor and references publicly reported GAAP revenue and 451 Research estimates where EMM-specific revenue was not disclosed.

Figure 1: Top five EMM vendors

Source: 451 Research Enterprise Mobility Management (EMM) Market Monitor, March 2015

BlackBerry focus

The first EMM vendor has offered its BlackBerry Enterprise Server (BES) since the introduction of the first BlackBerry mobile hardware. BES primarily redirects email from corporate email servers like Microsoft's Exchange. Alongside providing secure email, BES provides a very large set of management policies for BlackBerry devices. The majority of the EMM vendor's revenues come from the support of legacy BlackBerry 7 devices with BES. The company expects the revenue from these users to decline over time, particularly given the widespread use of iOS and Android powered devices in the enterprise. To address this, BlackBerry has its own multi-OS EMM offering with BES12, which allows BlackBerry to manage and secure corporate data smartphones and tablets running Android and iOS, in addition to its own devices.

The challenge is to grow its customer base using BES12 to a degree that offsets the decline of its
BES5 install base. BlackBerry did offer its EZ Pass program that let customers upgrade from BES5 or from competing EMM vendors for free with free support up to the beginning of 2015. BES12 supports the use of MDM, MAM and a mobile email container on Android, BlackBerry, iOS and Windows Phone.

451 Research estimates that BlackBerry has 11,000 BES customers. At the end of 2014, BlackBerry disclosed that 4,900 customers had upgraded to BES10 and BES12. There are about 37 million BlackBerry users worldwide, with a large percentage that is likely enterprise users. Because of this, BlackBerry claims to have more devices under management than AirWatch by VMware, MobileIron and Good Technology combined.

**BlackBerry financials**

Still a public company despite efforts to go private, BlackBerry reports revenue in three major buckets – hardware, services and software. Hardware is from its device sales, services revenue comes from its proprietary wireless network and revenue from carrier partners for the use of BlackBerry 7 devices, software revenue is split between BlackBerry's EMM offerings and its Internet of Things (IoT) play with QNX. We estimate that a large majority of the software revenue is for EMM, given the early stages for IoT. BlackBerry's software revenue did see significant growth, over 20% in Y/Y quarterly growth, in the fiscal 4th quarter ending February 28.

That said, for the last four reported quarters, BlackBerry software declined slightly from $235m in 2014 to $234m in 2015. At a time when BlackBerry is trying to shift customers from BES5 to BES12 there should be more growth, particularly when this revenue bucket includes IoT, which should also be growing – albeit from a much smaller base.

- **Strengths:** BlackBerry has or has had customers in nearly every large enterprise, and was once the gold standard for enterprise mobility.
- **Weaknesses:** The BlackBerry brand is tied to the decline of the company's once high-flying hardware business. It is difficult for IT to associate BlackBerry with EMM that can manage Android and iOS.
- **Opportunities:** BlackBerry still has a sizable, although declining, customer base to which it can offer BES12 for companies to manage their BYOD environments.
- **Threats:** There is a long list, over 120 vendors, which are targeting these customers to provide them with everything that BES12 does and more.
Good Technology focus

With an emphasis on secure mobile communication and collaboration tools, Good Technology provides a mobile email container, Good Work, which runs on top of the EMM vendor’s own MAM platform, Good Dynamics. Good also provides MDM, mobile content management, mobile service management and is expanding to provide MBaaS as well. Good has over 6,200 customers, with more than half of the Fortune 100 signed on. With a large number of customers using its secure email and collaboration and the integration of presence within Good apps, the EMM vendor claims that customers send 2.5 billion messages each week.

All of the company’s software offerings run on its Good Dynamics MAM technology, and this emphasis on MAM is paying off, with over 1,600 customer-developed apps secured by Good. While the company has been knocked by customers for its user experience, Good Work has significantly improved the user experience while still offering high levels of security. The latest version of Good’s offerings include the Good Launcher – an interface that allows users to quickly move among Good, third-party ISV and customer-developed applications that are managed and secured by Good Dynamics.

Good Technology financials

As a private company looking to go public, Good has disclosed its financial performance. Focused on enterprise mobility, nearly all of its revenue is driven by EMM. The EMM vendor paused its IPO in 2014, but is looking to enter the public market in the next year. For 2014, the company had GAAP revenues of $211m from sales of its EMM products and mobile service management that it acquired from BoxTone. Revenues were up 32% from $160m in 2013. Some of this revenue is from amortization of license payments that will end in 2019. Despite that, 451 Research estimates that Good's GAAP revenue for EMM alone in 2014 is greater than $150m. It experienced a significant jump in revenue, particularly recurring revenue; the EMM vendor moved to user-based pricing in August 2013. The result of this was recurring revenue growing 74% from $47m in 2013 to $82m in 2014.

- Strengths: Strong brand awareness in enterprise mobility and mobile security, with significant IP around mobile messaging.
- Weaknesses: Previous products were viewed as putting security ahead of user experience, but the company has focused on improving user experience and enabling productivity for the last two years.

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Opportunities: With Good's security and collaboration focus, its EMM products are seen as strong alternatives to IT organizations that are BlackBerry holdouts.

Threats: More EMM vendors are focusing on integrating secure email and MAM with their own mobile email containers - a segment of the market that Good has owned for some time.

IBM focus

IBM has put significant emphasis on enterprise mobility with its MobileFirst initiatives and product support teams. In mid 2014, IBM inked a partnership with Apple to drive iOS further into the enterprise. This partnership covers the entire lifecycle for mobile: delivery, support and repair for Apple hardware; management and security for iOS devices, with devices pre-configured for enterprise use within an organization; and, most importantly, significant guidance and frameworks for the development and deployment of mobile apps that are embedded with IBM's analytics and 'big data' application capabilities. Behind this deal are IBM's MobileFirst Protect as its EMM offering, formerly Fiberlink MaaS360; and IBM MobileFirst Platform, which was formerly Worklight. This is IBM's mobile app platform, which gives IT the tools to build, customize and provision mobile apps at scale.

IBM has over 6,000 employees that are focused on enterprise mobility and more than 100,000 IBM consultants and software developers that can support global organizations. IBM claims to have transformed business processes with mobile technology for over 4,000 customers. There are over 200 IBM apps in public app stores that have had over one million downloads.

IBM financials

IBM does not break out financials or customer information for MobileFirst. Under a nondisclosure agreement (NDA), the company shared its customer count for MobileFirst Protect, which puts it squarely among the top five for EMM vendors. Nearly 20% of those customers are using IBM's Secure Productivity Suite. A large majority of these customers use IBM's MAM capabilities. Almost half of customers are using content management to protect corporate documents on mobile devices.

Although we can't share specifics due to an NDA, the customer counts and notable deals that were won by IBM's mobile team in 2014 are significant.

Strengths: IBM has paired a strong EMM platform with app development capability, something
that few enterprise mobility vendors have done.

- **Weaknesses:** There are only so many multi-million mobile deployments ready to sign up each quarter that can move the needle for IBM. This is a long-term battle.
- **Opportunities:** IBM has the products and integration capability to take on major enterprise mobility deployments – which many of its key customers will have to take on.
- **Threats:** The large number of smaller vendors that are moving quickly to adopt new EMM approaches to find the first technology to tip the market.

**SAP focus**

With the acquisition of Sybase in 2010, SAP became one of the sole owners of both an EMM and app development platform. Over the last five years, the company has shifted its emphasis from device management to app enablement – ahead of the EMM market as a whole. An early player in the MDM market, SAP's Mobile Secure is now less a lead-in product for sales, and may be added to agreements with limited margin. SAP's emphasis on mobile has moved from stand-alone but integrated EMM and MAP to app development philosophy targeting all end points in the enterprise.

SAP Fiori started as a series of over 500 task-oriented mobile applications emanating from a growing focus within the company on Design Thinking. It has since grown to become the unifying set of design principles against which all of SAP's applications are now being re-envisioned.

The HANA PaaS provides tools for building applications in the cloud with infrastructure, database and application services. The back end connects to cloud applications like SuccessFactors and Ariba, and is ultimately designed to be a gateway to all of an enterprise's data sources whether coming from an SAP application or not.

For provisioning of apps, SAP Mobile Place is a Web portal that takes the place of native corporate and public app stores. The addition of Mobile Place to SAP's Mobile Secure is designed to simplify the deployment of applications across an organization and provide a quick on ramp for SAP services.

**SAP financials**

SAP does not break out revenues for its enterprise mobility business. The overall move to cloud by SAP's customers means pressure on the company's operating profit as higher-margin on-premises software gives way to less profitable services-based offerings. The IT vendor announced 7% growth in IFRS revenues for 2014, but a 3% drop in operating profit.
SAP recently laid off 3% of its over 74,000 employees, with emphasis on moving employees into growth areas. The movement to the cloud and overall flat to limited growth for IT budgets is driving IT's limited willingness to spend heavily on mobility to date, which is likely a challenge for SAP's mobile group. SAP's emphasis on mobile apps goes hand in hand with the market's adoption of mobile apps in the enterprise overall.

As a key initial player in this space, the slow uptake for MAP and declining pricing for MDM is likely putting pressure on growth for SAP's mobile business. Its scale and large install base of customers to cross-sell mobility to puts SAP in the top five. However, a likely lower growth rate for this business means the mobility unit is still not yet moving the needle for SAP.

- **Strengths**: SAP has a huge customer base of more than 282,000 enterprise customers into which it can sell enterprise mobility products. SAP wants to simplify mobile security by integrating SAP HANA Cloud Platform services and SAP Business Apps.
- **Weaknesses**: The emphasis on mobile productivity puts the company at the whims of the overall market demand for building out advanced mobile strategies that support the use of products like HANA.
- **Opportunities**: There are very large customers that will want and need advanced mobile products that SAP provides that plug into SAP back-end systems that are moving to the cloud.
- **Threats**: Competitors that are offering streamlined low-cost app development products that mobilize business processes connecting to legacy SAP infrastructure.

**VMware focus**

VMware's focus on EMM is driven by its End User Computing (EUC) group and specifically AirWatch, an acquisition that VMware has shrewdly (but not surprisingly, given its history with EMC) is keeping as a stand-alone company. Its EUC business experienced double-digit growth for all quarters in 2014: management has significant internal expectations for VDI and EMM.

With 50 million virtual machines, 500,000 customers and more than 15,000 EMM customers, there is little doubt about VMware's significant role in the enterprise software market, but growing this large business will require significant organic and inorganic growth. VMware EUC has closed seven M&A deals in the last 24 months, which have been integrated to varying degrees by design. The goal is for these acquisitions to gain significant share in disruptive technology markets. Putting significant assets from engineering, marketing and finance behind these disruptive acquisitions, VMware wants to take the hardware cost out of computing and drive significant growth in EUC.
VMware financials

In a market segment where profitability is tough to come by, VMware plans for AirWatch to have neutral earnings per share by the end of Q4 2015. This is on top of AirWatch announcing more than $200m in booking (non-GAAP) EMM revenue for 2014. It said that it has been able to increase adoption of its EMM bundles as customers integrate tools beyond mobile device management. 451 Research's EMM Market Monitor estimates that AirWatch had more than $150m in GAAP revenue for EMM in 2014. Mobility is a significant element of EUC's growth strategy, but there is a two-way street in upselling customers. VMware's 500,000 customers represent opportunities for AirWatch, and at the same time, AirWatch's 15,000 customers can be sold VMware's Workspace Suite.

- Strengths: VMware has a large installed base of customers into which EUC can sell organic and acquired disruptive technologies such as mobile productivity and collaboration.
- Weaknesses: The challenge for EUC is to build on relationships that are focused on the datacenter team in organizations. VMware is not a household name for mobile – hence the continued AirWatch branding.
- Opportunities: The end-user computing market provides a key area of growth for a company that has been very successful in the datacenter, and is now turning toward mobility.
- Threats: Mobile apps continue to erode the need for traditional desktop workspaces and budget imperatives that they drive. Mobile management is still critical, but data-focused protection looms.

Runner-ups

Right behind these top five vendors are those that have significant EMM revenue for 2014. Most prominent is MobileIron, which had public GAAP earnings of $132.3m for 2014. Citrix also has significant revenue in the mobile space, but a large portion of this being driven by ShareFile, its file sync and share offering. We expect Citrix to continue to grow as it expands its app ecosystem and moves into MBaaS. Dell's EMM business is also in this range, with its emphasis on the medium-sized business market. Kony has more than $100m in EMM revenue, with its business focused on its mobile app platform supported by MDM and MAM. Microsoft is also relevant here, both with management by Exchange but also rising emphasis of InTune. Its revenue is low today, with much of its EMM offered for free, but we see this changing over the next year. Sophos also has significant EMM revenues and a large customer base with is worldwide emphasis on simple management of mobility for the midmarket.