VMware's End-User Computing (EUC) division recently hosted an event in San Francisco to detail the company's latest partnerships and product developments, with a strong emphasis on mobile. VMware CEO Pat Gelsinger and EUC executive VP and GM Sanjay Poonen co-chaired the session. The event highlighted key customers Starbucks and Stryker, which are both leveraging AirWatch by VMware. Starbucks deployed an inventory-tracking app for store workers to more quickly determine product stock levels than the current paper-based method. The rollout of this app has cut inventory management time in half. Stryker has built more than 116 internal apps to support employees, and is now looking at mobile to directly support patient care with patient-facing mobile apps. Stryker has closed several million-dollar-plus deals with the use of its mobile sales apps. Several key partners of VMware's EUC unit were also in attendance, including AT&T, Box, DocuSign and salesforce.com.

The 451 Take

This was a mobile-focused event, and that it was co-chaired by VMware's CEO spoke volumes about the emphasis the company is putting on these partnerships and products. Mobile may not generate the lion's share of EUC's revenue today, but it is the portion that is growing the fastest – and growth is good. The expansion of enterprise focus by Apple with the help of VMware and only a select few enterprise mobility management (EMM) vendors comes at a time when Microsoft and Google are getting more serious about mobility in the enterprise with Windows 10 and Android for Work, respectively. Simplifying app deployment in the complex world of mobile leverages the broad adoption of Apple mobile devices – of which most are running the latest version, iOS 8 – and should help Apple stay ahead of its competitors. Partnering with VMware and others will allow it to do so in a managed and secure way.
Doubling down on iOS

VMware has expanded its support for iOS in the enterprise. AirWatch by VMware has developed mobile app configuration templates and vertical-specific services. Verticals include education, retail, healthcare, transportation and finance. The idea is to provide IT with a simple way to distribute a bundle of iOS apps to speed iOS adoption in the enterprise. This deeper support for iOS comes on the heels of Apple announcing in its latest earnings call that it would work with a few dozen providers beyond its partnership with IBM. Of the 25-30 vendors included in this program, there are only a few EMM firms, including AirWatch.

Expansion of ACE

Closely aligned with the iOS partnership, VMware also announced new partners that have joined its App Configuration for Enterprise (ACE) program. The program was announced at Mobile World Congress in March with five members besides AirWatch: Box, Cisco, salesforce.com, Workday and Xamarin. New members include bigtincan, Deputy, DocuSign, Dropbox, Everbridge, Imprivata, Kony, Lua, MicroStrategy, OnBase by Hyland, ScrollMotion, ServiceMax, Showpad, Syncplicity by EMC, and Webalo.

Offered as an open standard approach by AirWatch, ACE leverages the native iOS mobile app management capabilities built into iOS 7 and beyond. Developers integrate iOS app management capabilities into their apps, and then AirWatch and any other EMM providers – specifically, mobile application management tools – that support ACE can manage mobile apps downloaded from Apple's App Store. There are currently no other EMM vendors that have signed on for ACE.

VMware Identity Manager

Identity management is becoming an increasingly important component of mobility as more corporate data is being pulled to mobile devices, and the movement of that data crosses several data silos. To address this, the mobile and cloud vendor has unveiled VMware Identity Manager. Users are seeking a consumer-grade experience that lets them quickly and easily download and start using the app immediately. They want to seamlessly move corporate data across several apps and services. Identity management provides the underlying security to allow this to happen.

When paired with AirWatch, VMware Identity Manager provides an additional factor of authentication that can streamline the provisioning of apps and services. This also enables IT to
control access to corporate data through network-based management polices, in addition to on-devices controls provided by AirWatch's EMM capabilities. VMware Identity Manager is available with AirWatch Blue and Yellow Management bundles, starting at $150 per user per year.

Split billing

To address a California Courts of Appeals ruling that could drive wider requirements for businesses to put in place tools and methods for splitting the cost of corporate and personal service on mobile devices, AirWatch by VMware and AT&T have disclosed the integration of AT&T Work Platform. AirWatch Telecom Management allows IT to separate corporate voice, messaging and data from the personal service plan on a device. A VoIP client on the device supports the voice component and allows for companies to own the phone number even on a personal device. The messaging component is served an integrated messaging client built into the AT&T Work Platform app. AT&T Work Data is a separate data plan that tracks the use of wireless data ranging from 300MB to 3GB per month. Data usage from corporate apps is tracked by AirWatch, and data from the AT&T Work Data plan is used before dipping into personal plans, if need be.

Competition

The most direct competition for VMware in the mobility space comes from MobileIron and its OneTouch program. MobileIron is also one of the few EMM providers in Apple's new, yet-to-be-named enterprise partnership program. IBM and SAP are perhaps the largest EMM firms that compete with VMware, and also offer a broad set of management and mobile app enablement/development technologies. Citrix is highly relevant here as it provides XenDesktop for VDI and XenMobile EMM to vie with VMware's Horizon and AirWatch. Microsoft's Intune and Enterprise Mobility are gaining traction, and present a longer-term threat.

SWOT Analysis

**Strengths**

VMware has a very large install base of customers that EUC can sell into organically and has acquired disruptive technologies such as mobile productivity and collaboration.

**Opportunities**

The end-user computing market provides a key area of growth for a company that has been very successful in the datacenter space, and is now turning toward mobility and VDI.

**Weaknesses**

The challenge for EUC is to build on relationships focused on datacenter teams in organizations.

**Threats**

Mobile apps continue to erode the need for traditional desktop workspaces and the budget imperatives that they drive. Mobile management is still critical, but data-focused protections loom in the future.