

BMC IT Service Desk SaaS Solution Gets Boost From Salesforce.com

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Partnering with salesforce.com will enable BMC to quickly offer its small-to-midsize-business IT service desk tool, Service Desk Express, as a software-as-a-service solution within a fast-growing market segment.

NEWS ANALYSIS

Event

On 19 November 2009, BMC Software and salesforce.com announced that the Force.com platform will host BMC's small and midsize business (SMB) IT service desk tool, Service Desk Express (SDE; previously called Magic Service Desk), which will be offered using a software-as-a-service (SaaS) delivery model in the second quarter of calendar year 2010. Salesforce.com will become a reseller of SDE on Force.com.

Analysis

Over the last two years, IT service desk vendors have used a SaaS delivery model for competitive differentiation. Offering a SaaS delivery model will enable BMC to compete with a small handful of other SaaS vendors.

Most established IT service desk vendors are rearchitecting their existing products to support SaaS delivery, but BMC is entering the SaaS market by partnering with an application-platform-as-a-service (APaaS) vendor, salesforce.com. BMC is developing the SDE SaaS service desk tool on Force.com. The new product will offer self-service, incident and inventory management functions geared to meet the needs of SMBs.

This partnership gives BMC a much-needed foundational platform capability as well as quick access into the SaaS IT service desk market. For companies requiring an enterprise-class IT service management tool, BMC offers Remedy, which BMC delivers as an on-premise solution. The partnership with salesforce.com will also give BMC:

- Accelerated entry into the SaaS market for SMBs, through the platform and infrastructure that salesforce.com already has in place
- Instant credibility and expertise in the SaaS delivery model
- A competitive advantage over rivals that were also considering using Force.com as a platform for IT service desk SaaS solutions
- A third distinct IT service desk product, the new SDE SaaS offering, which will reduce the room for error in BMC's product road map execution and funding

The SMB market for IT service desk SaaS solutions is wide open. To date, only a few smaller vendors, such as Inteq, have earned a limited amount of revenue in this market. IT service desk solutions from leading SaaS vendors like Service-now.com and SaaS solutions from traditional IT service desk vendors like Axios, CA, FrontRange and HP primarily focus on the enterprise market.

RECOMMENDATIONS

- **Existing SDE customers:** Since you have already purchased the on-premises tool, you will benefit less from the move to a SaaS model; however, plan for BMC's continued investment in the on-premises SDE offering.
- **SMBs evaluating new IT service desk tools:** Evaluate the new SaaS SDE offering when it is released, keeping in mind the pros and cons of a SaaS offering compared to a traditional on-premises model.

- **Prospective SDE customers:** Be aware that BMC's multiple-product strategy means that SDE will never offer enterprise functionality to the degree available through Remedy and there is no easy upgrade path from SDE to Remedy.

RECOMMENDED READING

- "The 2009 IT Service Desk Market Landscape"— The evolving role of IT support and the ease of developing first-generation workflow engines are expanding the IT service desk vendor landscape. **By Kris Brittain and David Coyle**
- "Deciphering IT Service Desk Licensing, Pricing and Packaging"— An understanding of the expanding range of tools, licensing, pricing and packaging models can enhance the IT service desk tool selection process. **By Kris Brittain, David Coyle and Jarod Greene**

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