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Microsoft Is A Leader In Application Server Platforms

The Forrester Wave™ Vendor Summary, Q3 2007

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EXECUTIVE SUMMARY

Microsoft is a Leader in our evaluation of application server platforms, due to the strong and mature development, deployment, management, and interoperability features of its Windows Server platform, which is based on .NET. Microsoft isn't pushing advanced features like real-time, business event management, and business rules as aggressively as its Java/J2EE/Java EE competitors, but it has a comprehensive set of features. Microsoft doesn't disclose either the growth or market presence of its application platform suite, but Forrester believes it to be strong and growing based on survey and anecdotal evidence. Microsoft's lower prices and cost advantages on multicore servers, compared with the other players, helped drive its strategy scores to the highest levels in the evaluation.

MICROSOFT IS BEST AS A GENERAL-PURPOSE PLATFORM

The large magnitude of Microsoft's customer base is obvious. Microsoft reports having added about 1,000 platform customers during its last fiscal year and says that 60% to 80% of its platform customers are on maintenance contracts. Forrester believes MSDN to be the largest developer program in the industry.

Forrester evaluated Microsoft's current offering and strategy for application server platforms against approximately 175 criteria (see Figure 1). Microsoft's platform has strong features across the board in all feature categories but lacks several of the key advanced features required for large-scale Web apps and SOA applications. Specifically, Microsoft lacks a real-time option, business event management (BEM), and some advanced caching modes. Microsoft's scores also suffered from the lack of choice among third-party development frameworks, which is important to many large-enterprise buyers. Microsoft remains an all-or-nothing platform proposition. This means that the product is an especially good fit for buyers that:

- **Are looking for a comprehensive and productive application server platform.** Microsoft has a very comprehensive application server platform. Its platform is very well integrated and provides both the widely used features of today's Web applications and many of the advanced features that will drive the next generation of SOA apps. Microsoft today supports development in multiple programming languages (but not yet BPEL), a strong yet highly usable application development tools portfolio, and extensions for Ajax development. Metadata management, however, is a weakness. Microsoft Windows Server also has common administration, strong provisioning features, and a no-downtime upgrade process, but it has limited tools for auditing and managing composite applications.



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Microsoft's platform will be good for applications both in large corporations and in its traditional market of small and medium-size businesses (SMBs). Forrester sees no reason to confine Microsoft's application server platform to SMBs on the basis of its features, strategy, or market presence. Java/J2EE/Java EE platforms will be better for complex enterprises that want greater freedom of choice than Microsoft provides. As is well known, Microsoft does not support the Java platform standards, but its interoperability features are quite good. Microsoft supports the representative Web services standards in our criteria and provides a good range of technology adapters out of the box.

- **Are looking for a low-cost, easy-to-use platform.** Microsoft's development and administration-management tools are easy to use, in part because of their close integration with the underlying platform. Buyers scared off by the potential complexity of Java development and the Java platforms will find a marked difference in Microsoft's platform. They will also find Microsoft's costs lower than the Java/J2EE/Java EE platforms.

To see how Microsoft stacks up against eight other competitors, see the Forrester Wave™ evaluation of the application server platform market.¹

Figure 1 Microsoft Windows Server 2003 Evaluation Overview

CURRENT OFFERING	
Products included	Microsoft Windows Server 2003, .NET Framework 2.0, .NET Framework 3.0, BizTalk Server 2006, and Microsoft Office SharePoint Server 2007.
Architecture	The architectural strengths of the Microsoft Windows Server platform are: its strong common security, management, and patching services; its strong identity management features; strong user interface (UI) options supported; and its availability in many national languages. The architectural weaknesses of the Microsoft Windows Server platform are: its reliance on manual methods for user and data state management, lack of common metadata management services, poor modularity, lack of support for a broad range of operating environments, and lack of event management features. Microsoft is not an option for those seeking Java/J2EE platforms. Microsoft is also not an option for those seeking platform software under open source licensing.
Scalability, availability, and reliability	The strengths of the Microsoft Windows Server platform in scalability, availability, and reliability are: its built-in high-availability features, strong isolation of application and user faults, backup/restore features, basic clustering features, support of compensating transactions, and workload managers. The weaknesses of the Microsoft Windows Server platform in scalability, availability, and reliability are its lack of a real-time options and limited caching features.
Application development	The strengths of Microsoft Windows Server in application development are: its support of multiple programming languages (but not yet BPEL), its strong application development tools portfolio, and its support of Ajax development. The weaknesses of Microsoft Windows Server in application development are the additional license fees required to take advantage of the vendor's rich tools portfolio and its limited metadata management features.
Deployment, administration, and management	The strengths of Microsoft Windows Server in deployment, administration, and management are: its common administration, its provisioning features, and its no-downtime upgrade process. The weaknesses of Microsoft Windows Server in deployment, administration, and management are its limited tools for auditing composite applications (including secure audit), and its limited tools for administering and managing composites as composites.
Standards and interoperability	Microsoft's strengths in standards and interoperability are in interoperability. Microsoft provides strong support for the Web services standards on our list, all of which are aimed at interoperability. Microsoft also provides a good range of technology adapters out of the box. Microsoft's weakness in standards and interoperability is that it doesn't accommodate any of the Java standards, but it does provide strong interoperability with Java/J2EE/Java EE.

Source: Forrester Research, Inc.

Figure 1 Microsoft Windows Server 2003 Evaluation Overview (Cont.)

STRATEGY

Product strategy	Microsoft's planned enhancements are strong for both large-scale Web applications and service-oriented architecture (SOA) applications. Microsoft's vision for SOA applications is strong: The company has promising ideas for large-scale Web applications. Microsoft's partner strategy has been very effective, generating huge numbers of partners in all categories. Microsoft's product end-of-life policy is disappointing: commitment to standard support for less than five years.
Corporate strategy	Microsoft's Server and Tools Business Division, which "owns" Microsoft's application server platform, is one of the three groups within Microsoft's Platform Products and Services Division. Forrester estimates that Microsoft devotes about 20% of its total development resources to the application server platform. Microsoft's strategy is strong, except for its weakness in interoperability. Microsoft has a strong ability to execute in both large-scale Web applications and SOA applications. Microsoft is well aligned with its primary market and moderately well aligned with its secondary large-enterprise market.
Financial strength	Microsoft is the largest software vendor and clearly has the financial resources to fund its application platform strategy. During its 2006 fiscal year (ended June 30, 2006), Microsoft generated revenues of \$44.28 billion, \$12.6 billion in net income, and had cash flow of \$12.6 billion. The FY 2006 growth rate was 11% compared with the prior fiscal year. In October 2006, Microsoft announced Q1 2007 revenue of \$10.8 billion for the period that ended September 30, 2006, an 11% increase over the same quarter of the prior year.
Pricing and costs	Microsoft did not provide enough information for an accurate comparison with the other vendors in this evaluation. Microsoft publishes its list prices and pricing model, and it is fairly direct, depending on the customer's ability to estimate the number and costs of the Client Access Licenses (CAL) required by a given configuration. Based on Microsoft's pricing information, Forrester estimates that the company's prices and likely costs are in the middle of the range represented by the vendors in this evaluation. Microsoft offers low-priced entry-level products and treats servers that employ multicore processors the same as servers employing conventional processors. Microsoft's maintenance rates vary and are not public.

Source: Forrester Research, Inc.

Figure 1 Microsoft Windows Server 2003 Evaluation Overview (Cont.)

MARKET PRESENCE

Installed base	Microsoft does not disclose its installed base, but the large magnitude of Microsoft's customer base is obvious. Microsoft reports having added about 1,000 customers during its last fiscal year and says that 60% to 80% of its customers are on maintenance contracts. Microsoft also did not provide a count of members of its Microsoft Developer Network (MSDN), but Forrester believes MSDN to be the largest developer program in the industry.
Services	Microsoft did not disclose the size of its implementation engineering staff. Microsoft itself offers Web-based training and relies on its partner network for classroom and on-site training.
Employees	Microsoft employs about 70,000 worldwide and does not reveal either software engineering or sales force employee counts.
Distribution channels	Microsoft relies primarily on distribution partners but does not reveal the exact size of its large network.

Source: Forrester Research, Inc.



Go online to download additional in-depth data and scores for this vendor and other vendors included in this Forrester Wave evaluation.

SUPPLEMENTAL MATERIAL

Online Resource

The underlying spreadsheet for Figure 1 is available online. The spreadsheet includes more detailed data and scores for this vendor.

This detailed data and scores for this vendor are also available online through an Excel-based vendor comparison tool that provides detailed product evaluations and customizable rankings.

The Forrester Wave Methodology

We conduct primary research to develop a list of vendors that meet our criteria to be evaluated in this market. From that initial pool of vendors, we then narrow our final list. We choose these vendors based on: 1) product fit; 2) customer success; and 3) Forrester client demand. We eliminate vendors that have limited customer references and products that don't fit the scope of our evaluation.

After examining past research, user need assessments, and vendor and expert interviews, we develop the initial evaluation criteria. To evaluate the vendors and their products against our set of criteria, we gather details of product qualifications through a combination of lab evaluations, questionnaires, demos, and/or discussions with client references. We send evaluations to the vendors for their review, and we adjust the evaluations to provide the most accurate view of vendor offerings and strategies.

We set default weightings to reflect our analysis of the needs of large user companies — and/or other scenarios as outlined in the Forrester Wave document — and then score the vendors based on a clearly defined scale. These default weightings are intended only as a starting point, and readers are encouraged to adapt the weightings to fit their individual needs through the Excel-based tool. The final scores generate the graphical depiction of the market based on current offering, strategy, and market presence. Forrester intends to update vendor evaluations regularly as product capabilities and vendor strategies evolve.

ENDNOTES

- ¹ Forrester evaluated the major application server platform suites and vendors across 175 criteria and found that Oracle received the highest scores across all of the scenarios we evaluated, due to its wide range of features and strong strategy. Microsoft and IBM, among the major players, were also Leaders, though not as strong as Oracle. Oracle rose above the other vendors in five separate customer requirement scenarios for the application server platform category. Our analysis produced two surprises. First, Pegasystems, a vendor focused on the business process management market, was a Strong Performer in two of the scenarios, approaching Big Blue in its scores. Second, Sun Microsystems revealed itself to be a Strong Performer, approaching the status of established player BEA Systems in that regard. Another of the business process management (BPM) and service-oriented architecture (SOA) vendors, Magic Software, was a Strong Performer in that category. JBoss, which has the most attractive pricing by far in this category, fell short of the leading vendors primarily because it has fewer features, as did SAP. See the July 11, 2007, “[The Forrester Wave™: Application Server Platforms, Q3 2007](#)” report.