

On the Radar: ServiceNow Express

ServiceNow for the SME and mid-market

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Summary

Catalyst

Since 2007, ServiceNow has continued to experience impressive growth, in terms of both its traction in the market and the functionality offered by its IT service automation solution. Firmly established as one of the leaders in the IT service management (ITSM) space, ServiceNow has introduced Express – a new ITSM offering aimed specifically at the small-to-medium enterprise (SME) and mid-market.

Key messages

- ServiceNow Express is an ITSM solution aimed at the SME and mid-market.
- The solution is targeted at organizations with between 100 and 500 employees.
- Express will appeal to customers who wish to recognize fast time to value from investment in ITSM technology.
- For ServiceNow, supporting the customer journey over the long term will be key for the success of the product.

Ovum view

Express is a new ServiceNow offering aimed at satisfying some of the common needs expressed by small and medium-sized enterprises. ServiceNow isn't the first vendor to offer a solution tailored for the requirements of this market; CA Technologies, LANDesk, and BMC, to name a few, have also taken a similar strategic approach over the past year or so.

The introduction of Express is certainly a smart strategic move by ServiceNow. The rate at which many organizations are growing is accelerating, and targeting such businesses while many are still considered small or mid-market means that ServiceNow is offering a solution that can be adopted early on in a business's life and that is able to grow as the organization's needs increase.

This new solution is not one that will be adopted only by those in the mid-market, however. Express will also appeal to larger organizations that have immature ITSM processes, and thus may currently find it difficult to source the budget for investment in extensive ITSM functionality. The lower price point of Express and its capable functionality, coupled with the strong and established ServiceNow brand in the ITSM space, mean the solution has great potential.

Recommendations for IT departments

Why put ServiceNow Express on your radar?

ServiceNow is a market leader in the ITSM space, and the company's ITSM platform offers functionality that can help organizations realize new business value from ITSM practices. Although the current solution is very capable, common barriers to adoption by potential SME and mid-market customers include requirements for the following: a tool that can be implemented quickly; one that can deliver fast time to value; and one with lower annual cost commitments.

ServiceNow Express is a solution designed to overcome such challenges. The technology has been designed to be easily configured and quick to implement – delivering the fast time to value that many SME and mid-market IT departments demand.

Should an organization's needs grow and require a more extensible ITSM solution, ServiceNow Express can be upgraded to the more comprehensive ServiceNow IT Service Automation Suite – migrating important data and configuration settings with it.

With Express, ServiceNow has extended its product offerings to meet the needs of a wider variety of customers. Express provides ServiceNow with a much wider appeal across the entire market. Given the company's strong reputation in the ITSM space, Ovum expects ServiceNow Express to have an impact on the SME and mid-market, attracting customers that may otherwise have chosen to adopt other, more affordable ITSM tools. The tool is also one that could be of benefit to other business units beyond just IT, and ServiceNow has openly expressed that it is keen to execute such an initiative.

Highlights

ServiceNow Express is targeted at organizations with between 100 and 1,000 employees. Traditionally, traction among this size band by the leading vendors in the ITSM space is low. With Express, ServiceNow joins vendors such as LANDesk, CA Technologies, and BMC in offering ITSM solutions that meet the needs of small and medium-sized businesses, and larger enterprises.

The solution will appeal to customers who wish to recognize a fast time to value from such an investment and have little immediate need for extensive product customizations. Express will appeal to those customers that seek a product which can be implemented quickly, and with standardized capabilities out of the box.

Background

ServiceNow has grown to become one of the most successful ITSM vendors in the space. The company's IT Service Automation Suite is one that is updated regularly, in line with developing user demands and new market opportunities. ServiceNow currently has over 2,360 enterprise customers globally, with strong presence especially in the Americas and EMEA.

Current position

Express is a version of ServiceNow that is specifically designed to meet the needs for small and medium-sized IT departments. Express appears to be very functionally capable when compared to the demands of the target market, and should more than meet the needs of a wide variety of industries. The applications offered in ServiceNow Express include

- incident management
- problem management
- change management
- service catalog/request catalog
- asset and configuration management
- visual task boards.

Offering support for the core IT service management processes is expected, but the inclusion of a service catalog and configuration management database (CMDB) is encouraging. Having such support will assist the early development of a service catalog, and CMDB will save IT departments a lot of work later on. The service/request catalog also offers customers a means by which value from investment in ServiceNow Express can be realized by business users. This is a value proposition that can be invaluable for IT departments that are attempting to source budget for investment in an ITSM tool – technology that many business executives may mistakenly feel offers little benefit to the wider business.

In addition to the core applications offered, other capabilities include

- codeless business rules
- reporting and dashboards
- mobile access
- live feed messaging
- knowledge management
- surveying tools
- service level agreement (SLA) management.

Given recent, similar movements by other vendors of ITSM, the SME and mid-market space is certainly one that is becoming more competitive. Ultimately, it is the customer who wins, as they are able to exploit very capable technology from vendors who have proven experience in providing ITSM solutions that have often helped much larger organizations to deliver greater business value.

How vendors choose to support the customer journey beyond the implementation stage and over the long term will be crucial to sustained success. By applying the experience gained through the support of larger organizations, vendors such as ServiceNow have a real opportunity to help new customers realize value from ITSM practices, and to further improve their own traction in the market as a result.

Data sheet

Key facts

Table 1: Data sheet: ServiceNow

Product name	ServiceNow Express	Product classification	IT service management
Version number	n/a	Release date	November 2014
Industries covered	All excluding federal	Geographies covered	US and Canada
Relevant company sizes	100-500 employees	Licensing options	Subscription model sold per IT user
URL	www.servicenowexpress.com	Routes to market	Direct sales
Company headquarters	Santa Clara, CA, US	Number of employees	2,360+

Source: Ovum

Appendix

On the Radar

On the Radar is a series of research notes about vendors bringing innovative ideas, products, or business models to their markets. Although On the Radar vendors may not be ready for prime time, they bear watching for their potential impact on markets and could be suitable for certain enterprise and public sector IT organizations.

Further reading

Market Review: IT Service Management Solutions, IT0022-000148 (August 2014)

ServiceNow: Eureka Release, IT0022-000150 (August 2014)

“ServiceNow launches Share to further its application developer community”, IT0022-000027 (May 2014)

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