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AppDynamics Executing on Customer Demands: Adds New Analytics, ACI Integration, and AWS Lambda Support
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IDC's Quick Take
On January 23, AppDynamics, a Cisco company, made four announcements pertaining to its vision for the Central Nervous System for IT, the Cognition Engine, serverless support for AWS Lambda, and the Cisco ACI integration. These announcements show solid product execution and continued focus on the customer, and they set the stage for a potentially more prominent position under the Cisco product portfolio as it relates to analytics and performance management. Notably, the ACI and analytics capabilities have been heavily anticipated by the AppDynamics install base.

Product Announcement Highlights
There are four key announcements analyzed in this research. The highlights are as follows:

- The vision for the Central Nervous System for IT positions AppDynamics around AIOPs with a focus on providing businesses full visibility, deep insights, and automated actions across all technology domains — the application, infrastructure, and network.
- The Cognition Engine builds on AppDynamics' dynamic baseline, transaction snapshots, and business analytics capabilities using acquired technology (Perspica) to deliver application performance diagnostics via anomaly detection and automated root cause analysis.
- The Serverless Agent for AWS Lambda, the first of AppDynamics' special purpose agents, was built to show the impact that serverless functions can have on applications within the larger context of the business and end-user experience.
- AppDynamics for Cisco ACI is the only monitoring solution with end-to-end transaction tracing and correlated data models that pinpoint which constructs in the network are impacting application performance, in a role-based context.

IDC's Point of View
Multicloud is a new enterprise reality, increasing technology complexity and operational management challenges across all layers of applications, infrastructure, and networks. As IT executives manage both Waterfall and Agile development methodologies, legacy and modern application architectures (i.e., three tier, containers, and microservices), and multiple cloud environments, executives must invest in performance and analytic management capabilities that enable speed and quality mechanisms across their processes, enabling scale. When executed correctly, performance and analytics capabilities can drive sustainable competitive advantages across speed and quality (i.e., customer experience) parameters.

AppDynamics, a Cisco company, has created a vision for the Central Nervous System for IT based on customer feedback and requirements that focuses on collecting data from across multiple domains and applying analytics to identifying and solving problems faster. The vision also suggests that more types of roles (infrastructure platform engineers, SREs, DevOps engineers, cloud architectures, etc.) across an IT
organization require access to the data, and the related answers, to prevent poor service performance and bad customer experiences. Data access and sharing across different roles has never been more important to team success and achieving business outcomes. The vision sets a foundation for achieving these requirements while taking advantage of Cisco's ACI capabilities.

Besides the new messaging, the announcements focus on technology capabilities spanning the Cisco ACI integration that drive a broader view of performance and transaction management, inclusive of networking teams, the use of new analytic capabilities for root cause analysis and anomaly detection, and AWS Lambda support. AppDynamics customers have been anxiously waiting for ACI integration and have been curious to see how the Perspica capabilities would be used. Many AppDynamics customers are interested in seeing how Cisco's corporate strategy will utilize the performance and analytic capabilities, notably as Cisco has unique access to data collection (and analysis) capabilities across its security, network, management, and multicloud product portfolio. These announcements are likely to foreshadow future performance and analytic developments that play a larger role across the large Cisco product domains, taking center stage on continuing the performance and analytic tradition that AppDynamics created prior to Cisco purchasing the company.

**IT Executive Recommendations**

These announcements will be welcomed by large Cisco enterprise clients that have made AppDynamics investments. The integration into ACI offers an opportunity for NOCs and network executives to use a single data pool to identify and answer performance questions in concert with existing infrastructure and operations and application support teams. ACI integration should drive faster collaboration and teamwork and reduce finger pointing while potentially replacing some other existing network management tools that have become too expensive, have limited analytics, or create a silo-centric data pool.

IT organizations investing heavily into the AWS cloud often need more advanced monitoring solutions, notably as production workload requirements demand more advanced management capabilities. These types of capabilities will be essential for production AWS environments and optimizing public cloud resources that impact the customer experience.

On the analytics front, the addition of new acquired capabilities that address problem identification and root cause across multiple data types (application, infrastructure, and network) is an important step forward in reducing ticket counts and MMTR and MTTF metrics. It's also interesting that Cisco has a broader opportunity here with security data as part of this story longer term. Customers should inquire with Cisco on if this is going to be the main analytic engine for Cisco's broader portfolio, enabling multiple types of users across IT teams to engage and identify and solve problems using a consolidated data set, with context-sensitive dashboards.

These announcements show continued software execution by Cisco. This portfolio is increasingly mentioned on quarterly financial calls and is a growth engine for Cisco. There is additional work being completed around the go-to-market strategy and the role of partners in seeding the broader Cisco install base. As a company, Cisco is extending its reach into new buying centers and is showing its market strengths across multiple IT roles. Capabilities, such as ACI integration and analytics, will grease the skids for partners looking to bundle and seed AppDynamics into more network deals. Customers should consider how their processes are changing as it relates problem identification and resolution and should provide feedback to Cisco on how it can further compress the cycles, reducing costs, driving more automation and speed, and improving the customer experience.
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