



# Research Report

## *Dynatrace Delivers Digital Performance Management with Business Visibility and Use-Case Analytics*

### ***Executive Summary***

Dynatrace, a leading APM vendor, recently announced a new release that features an intuitive customer experience cockpit, use-case analytics, and new global map views that offer digital business owners, development and IT operations improved visibility into end user experience across all channels. This comprehensive visibility with customized role views combined with real-time, actionable intelligence about application performance and customer digital experience provides a *digital performance management platform* that enables better collaboration among business and IT teams working to improve user experience and to provide proactive problem resolution.

### ***Background***

In December, 2014, Thoma Bravo, a leading private equity investment firm, completed its acquisition of Compuware Corporation. As part of this restructuring, Dynatrace was spun-off as a separate entity focused exclusively on the growing and evolving APM market.

The Compuware (now Dynatrace) APM business has grown through acquisition with Adlex (agentless end-user experience monitoring) in 2005, Gomez (web application performance monitoring) in 2009, Dynatrace (transaction and root-cause analysis) in 2011, and most recently, Keynote (user experience and digital performance intelligence). In each case, the acquisition has enabled the company to quickly respond to market needs by broadening capabilities to keep pace with changing application environments including web, cloud and mobile — and new classes of users such as IT operations and digital business owners.

Since the Dynatrace spin-off, the company is reporting a 58% growth rate, 31% increase in new customer acquisition, 64% uptick in partner-driven sales, and a 91% customer renewal rate. The company's customer base grew to more than 7,500 and included 1,025 new deals with companies such: KLM, Samsung, DHL, AT&T, Alibaba, McGraw Hill, McKesson, Nestlé, Swiss Life, Ford Motor Company, and others.

### ***Dynatrace Product Portfolio***

Dynatrace offers a comprehensive product portfolio that includes:

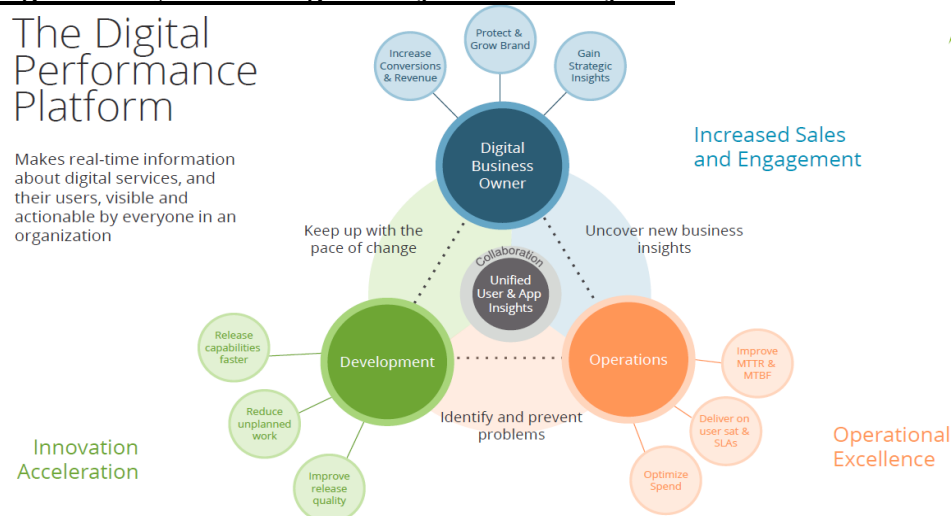
- *Dynatrace Application Monitoring* for Java, .NET, PHP, Node.js, z/OS and Nginx Cloud Services providing visibility and tracing of all transactions across private cloud, public cloud, and mainframe and mobile. An new webGUI provides business users with high-level business metrics and drill-down capabilities for contextual detail. Application owners can easily see code-level detail as well as full transactional context to identify the source of performance issues and access user impact. “Smart” baselining automatically applies advanced statistical models to

response times, failure rates and throughput in order to analyze application behavior. Packaged analytics use cases are provided for common scenarios.

- *Dynatrace User Experience Management* provides a single, unified view of native applications, hybrid applications, web applications and even third-party applications and users' experience across enterprise infrastructure, with search capabilities that enable administrators to get a history of any individual user's navigation, page requests and associated performance. Dashboard reporting provides a view of the individual user's visit with drill-down to line (s) of code that may be affecting performance. Everything is auto-instrumented including native, hybrid mobile and web applications for easy set-up.
- *Dynatrace Synthetic Monitoring* provides agent-less insight into third-party services and competition globally and can be administered easily from a remote location. Alerts on outages and poor performance are triggered using an analytics engine automatically processes, correlates and compares thousands of data points. Since traffic is synthetically generated, websites can be tested in advance to determine response to potential high-traffic events (new product, sale, or holiday season, for example) or with a controlled set of conditions to easily isolate root cause.
- *Dynatrace Data Center RUM* provides unified network and application monitoring and infrastructure performance analysis for all application workloads including SAP, Citrix, Oracle EBS, Database, TCP/IP MQ, VoIP and others. Issues are resolved from user-experience, application and network performance analysis through a single dashboard. By monitoring an application's actual user interactions, IT problems can be prioritized by quantifying affected users. Network trace files with transactional and user context can be captured on demand and retrospectively.

These modules provide the foundation for the Dynatrace Digital Performance Management Platform, designed to provide actionable insight to a range of stakeholders including digital business owners, development, and operations. The solution goes beyond problem identification and resolution— providing proactive management to prevent problems, higher quality applications that get to market faster, and business insight about users' digital experience to increase sales. (See **Figure 1**, below)

**Figure 1 –Dynatrace Digital Performance Platform**



Source: Dynatrace 2015

### Recent acquisition/partnerships

#### Keynote

The Dynatrace acquisition of Keynote (June 2015) will strengthen the company’s digital performance analytics capabilities, a primary area of growth for Dynatrace. Keynote and Dynatrace have been technology partners since 2010 when they collaborated to provide an integrated APM and Internet/mobile experience platform for performance diagnostics, capacity planning and problem resolution. The Keynote business will operate under the Dynatrace brand as a separate division driving line-of-business profiles and use cases, and user experience and behavior monitoring. The solutions will be offered in a software-as-a-service model and include products such as Real User Experience Management from Dynatrace. The vision is to use APM as the enabling technology to create a platform that will allow businesses to operate digital channels that optimize and control interaction with digital users while providing an “outstanding digital experience”. This collaborative platform will serve the three stakeholders critical to digital business: operations, developers and business owners.

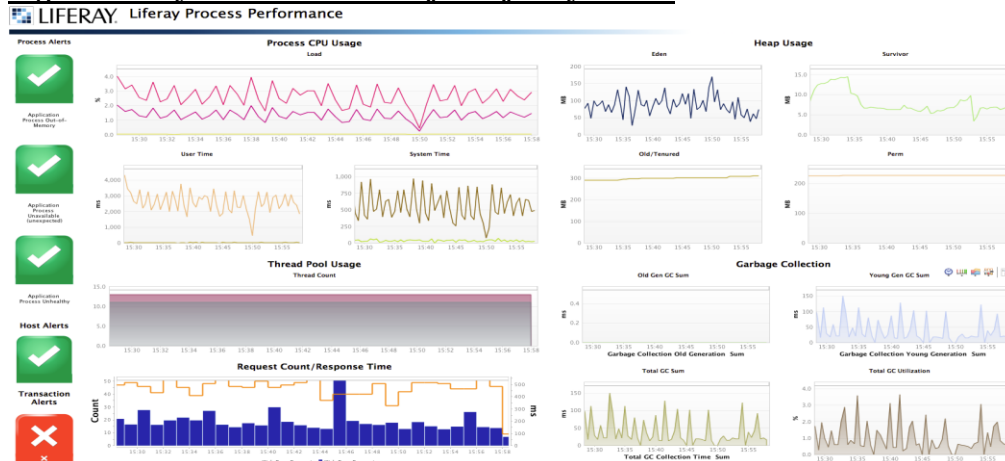
According to the company, both Keynote and Dynatrace customers will require no upgrades or change in services and will see immediate benefits including:

- Cloud –based SaaS services for Keynote customers such as Real User Experience Management as-a-Service, advanced third-party analytics and PurePath (end-to-end transaction tracking).
- Keynote’s “Insights” consulting services will be available to Dynatrace customers.
- Improved visibility, analytics and business-oriented use cases (such as eCommerce and DevOps) for both sets of customers.

#### Liferay Partnership

In July 2015, Dynatrace announced a partnership with Liferay, a leader in open-source portal software. The companies have developed unique dashboards and analytics to improve digital customer experience across web and mobile applications. The Dynatrace FastPack for Liferay Portal provides performance insight into, for example, issues in back-end systems, pre-production problems and conversion rates in a unified platform for development, operations and business owners. This enables delivery of competitive digital experiences across legacy systems, web, and mobile devices (see [Figure 2](#), below).

**Figure 2 – Dynatrace FastPack for LifeRay Portal**



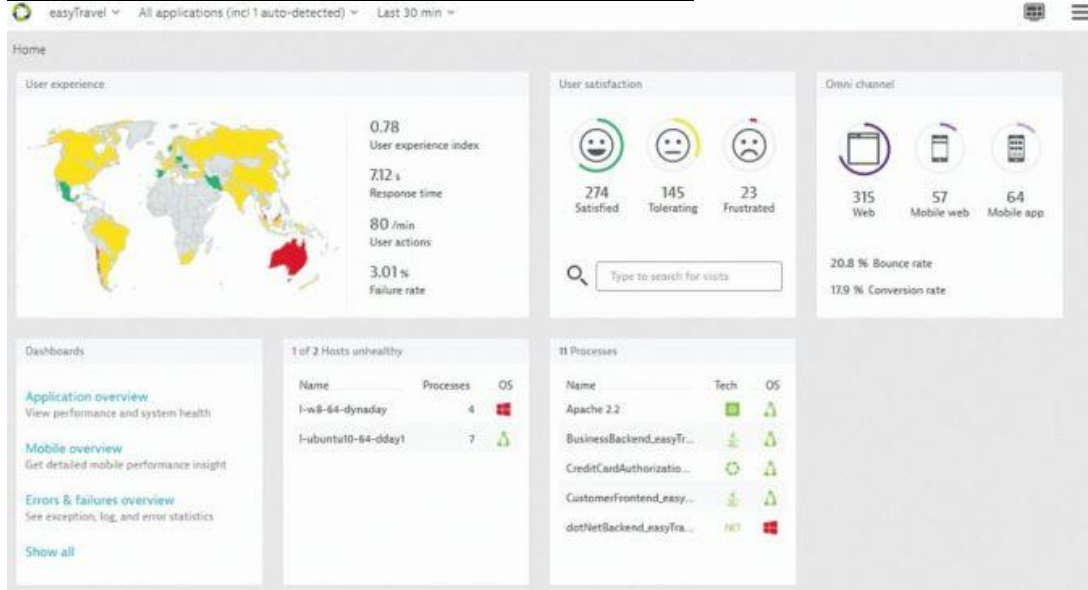
Source: Liferay, 2015

### Dynatrace 6.2– A Closer Look

The latest release (July 2015) includes the following features and enhancements:

- *Customer experience cockpit*- Enables collaboration across business and IT teams using a range of devices and venues including mobile, web and desktop devices globally. With the cockpit visibility and functionality, these teams can understand individual user experience across multiple channels--tracking specific site visits and packaging technical details and context together to send to IT for real-time resolution based on real-time insight. (see **Figure 1**, below).

**Figure 1 – Dynatrace Customer Experience Cockpit**



Source: Dynatrace, 2015

- *Enhanced use-case analytics*: pre-built use-cases illustrate geographic regions where users have poor response time, the operating system being used and what channel (mobile, web) is experiencing the problem. This is accomplished by pulling relevant information from millions of transactions in real-time enabling multi-dimensional analytics to quickly identify patterns, predict problems and make informed decisions.
- *New Map Views*: New user experience management world and regional map views give line-of-business and IT leaders an at-a-glance view of their global users' experience. Support people can drill down to the individual visit with a single search term to see the contextual data around issues for quick, efficient problem resolution.
- *Continuous Delivery*: New test overview and test results dashboards enable DevOps teams to track, compare and identify performance problems build per build prior to production, improving application quality and time-to-market.
- *Global Resource View of Application Infrastructure*: Enables infrastructure teams managing enterprise, virtual, hybrid and cloud-based systems to organize and monitor all of their infrastructure metrics in one unified dashboard.
- *New and Enhanced Agents*: MongoDB, Node.js, IBM WebSphere Liberty Profile, IIB9, TIBCO Rendez-vous, RabbitMQ, Hybris and others.

***Summary Observations***

Dynatrace is expanding the definition of APM under the broader category of Digital Performance Management. The Dynatrace Digital Performance Platform provides real-time information regarding digital services and their users that is visible and actionable across the organization. In this case, the focus is not on the application, but rather on the user and how the user is experiencing the application. As a result, the business can understand not just application performance and how and where to resolve application problems, but also how those issues will affect users—and ultimately customer satisfaction and sales. With the dramatic increase in user-facing applications and social channels, user experience is the new competitive frontier. Businesses are increasingly looking at statistics like bounce and conversion rates as indicators of business performance.

Dynatrace has a compelling APM solution— providing visibility and transaction tracing, application diagnostics and use-case-based analytics across a range of environments. This solution has evolved through both internal development and acquisition. With its relatively new status as a privately held company, Dynatrace has demonstrated that they are both nimble and responsive to a rapidly evolving market, adding new features that provide better insight into today’s digital consumers.