

IDC MarketScape: Worldwide Desktop as a Service 2022-2023 Vendor Assessment

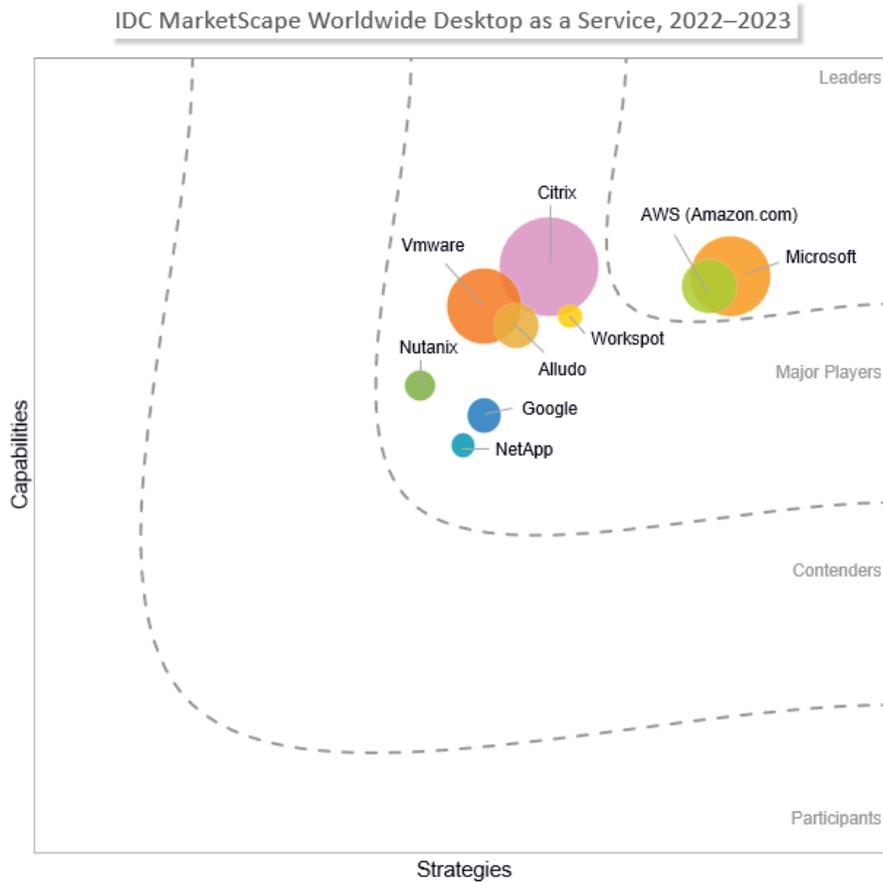
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THIS IDC MARKETSCAPE EXCERPT FEATURES MICROSOFT

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Desktop as a Service Vendor Assessment



Source: IDC, 2022

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Desktop as a Service 2022-2023 Vendor Assessment (Doc # US49857622). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

It is cliché at this point to say that the COVID-19 pandemic radically changed the way that we work. From location to time, from blurring the boundaries between work and life to profound restructuring of the labor market, the past two years ushered in changes many thought were decades away. This, in turn, forced a change to all software markets supporting remote work, asynchronous work, and workforce automation. To meet this challenge, organizations purchased a wide variety of solutions including virtual client computing (VCC).

Desktop as a service (DaaS) is one modality of the virtual client computing market and is encompassed in the larger VCC IDC MarketScape (see *IDC MarketScape: Worldwide Virtual Client Computing 2022-2023 Vendor Assessment*, IDC #US49857422, November 2022) published contemporaneously with this one. It is also, however, a unique approach to application and desktop virtualization, combining software, prescriptive infrastructure as a service (IaaS), and some degree of professional services, many of which are automated or included within the design.

DaaS emerged as a potential service offering alongside more general cloud computing as was initially focused on including cloud infrastructure resources into existing virtualization solutions. However, it quickly became apparent that more was needed. In particular, customers pushed for defined specialized IaaS configurations, often including graphics acceleration, for specific use cases. They also began to push for opinionated architectures, monitoring solutions, and professional operations and management solutions.

This later need was originally met (and still is in some cases) by professional systems integrators and managed service providers (managed SPs). However, the resource constraints which appear as early as 2017 and became acute in 2020 pushed providers forcefully into offering more and more automation and inbuilt observability, sometimes isolated from the larger cloud environment, sometimes focused on endpoint management, and sometimes integrated into the larger ecosystem.

This larger ecosystem concern again forced divergence on the "DaaS" market, leading to a wide variance between solutions all offered under the same label. Customer interviews and survey results both point toward this being a large area of confusion, one which will be addressed in future research projects.

Finally, DaaS' genesis as a "cloud first" technology means DaaS has been particularly susceptible to the trend revealed in IDC's June 2022 *Future Enterprise Resiliency and Spending Survey, Wave 5*, where enterprises look first to their primary public cloud providers as their primary strategic technology provider, followed by their primary hardware vendors. This has forced the public cloud providers to step up, offering unique DaaS solutions that meet the strategic requirements of their largest customers.

IDC MARKETSCOPE VENDOR INCLUSION CRITERIA

Vendors were selected for this IDC MarketScape based on the following criteria:

- Operates and has clients in more than one geographic market (Americas, EMEA, Asia/Pacific, etc.)
- Provides application and/or desktop virtualization support directly to customers
- Offers the ability to purchase discrete infrastructure-as-a-service options either directly or through an ecosystem offering
- Has developed an ecosystem of partnerships enhancing operational and endpoint functionality
- Has an extended market presence sufficient to indicate they can sustain a mission-critical technology system for at least five years

These last two points are important, particularly for enterprise technology buyers. Virtualization is one part of an ecosystem of technologies used to deliver core business functionality – it must be able to connect the virtualized application/desktop to any peripherals they need and must provide consistent, effective functionality for the duration of the system's deployment. Neither of these is possible with when the providing company is funded by venture capital or otherwise financially unstable.

ADVICE FOR TECHNOLOGY BUYERS

Desktop as a service is one of several components in an end-user computing strategy and an extension of both the enterprises employee engagement/labor and compute management strategies. As such, it needs to be considered in that larger context, especially as companies reconsider their cloud spending.

Before considering DaaS, the IT teams need to think about how they intend to provide reliable, transparent, and operable access to the corporation's:

- **Employees and processes** – the individuals and methods that make up how the corporation gets work done on the customer's behalf
- **Data and resources** – the information and tools the employees use to either assist other employees or deliver on the negotiated processes
- **Partners and suppliers** – the organizations that provide goods and services the enterprise needs to deliver data and resources for the employees to execute on processes on behalf of the customer

With this framework in place, DaaS represents one way to acquire the software needed for employees to work through the processes of organizing data and resources using tools provided by partners and suppliers. In particular:

- DaaS provides a desktop, which uses resources not located on the local device.
- The desktop is managed in whole or in part by a third party, likely using AI/ML methods rather than human beings.
- The desktop draws resources from a public cloud provider that may or may not provide the management services.
- The desktop can be accessed from any device, although the degree of access may depend on the operating system of the device, its associated web browser, and any agents installed on the device. In some cases, this allows for the long-promised "bring your own device" (BYOD)

approach, but some organizations find the need to secure and control the endpoint prohibits using unowned devices in some circumstances.

- Pricing for the compute, software, and management combination may be variable based on utilization and fixed rate and based on credits that can be applied to a wide range of services including DaaS.
- The skills needed to manage DaaS are, generally, much easier to find than those needed to manage and support a full virtual desktop infrastructure (VDI) solution. This comes at a cost in configuration and flexibility – the DaaS provider must make many assumptions about configurations, operations, and security, which might not meet the enterprises specific requirements.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

Microsoft

Microsoft is positioned in the Leaders category in this 2022-2023 IDC MarketScape for worldwide desktop as a service.

Based in Redmond, Washington, Microsoft is a public cloud, operating system, and software provider with a long history of providing virtual application and desktop solutions both natively and in coordination with partners.

Strengths

Microsoft's Windows 365 offering is a fully managed, automated desktop-as-a-service solution embedded in the Azure public cloud. It allows for the rapid provisioning of templated desktop designs with regular, stable, and projectable costs. The resulting "Cloud PC" is managed through Microsoft's existing endpoint management and security solutions or can be incorporated into third-party solutions as necessitated by the enterprise's computing strategy.

Microsoft, both through its position as the developer of Windows and its long history in the market, has a broad and deep ecosystem of both relationships and technology related to virtualization. It works with established players like Citrix and VMware as well as start-ups and stable new providers to ensure the viability of its solutions in a wide range of use cases, including application virtualization.

Challenges

Customers used to more traditional VDI solutions indicated that Windows 365 seems to have a high price point relative to the flexibility and features it provides. This criticism is valid within the VDI context, but arguably Windows 365 is more comparable to a fully functional offering in a "device as a service" context, with the device being fully embedded in a public cloud.

In addition, Windows 365 by itself lacks a dedicated protocol to accelerate graphics and virtualization performance. Microsoft has already addressed this concern through its extensive partner network, first with Citrix and then with recently announced collaboration with VMware. For general or limited use, this is unlikely to impact performance, but for extended remote or mobile use, it will become a factor.

Consider Microsoft When

Microsoft is well positioned to support DaaS for enterprises that already use its endpoint management technologies, that have users who primarily use M365 for productivity, or that access workloads located mostly in the Azure cloud.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

Virtual client computing software enables a client computing model that leverages a range of brokering software and display protocols to enable server-based client computing and improves upon the limitations associated with the traditional distributed desktop environment.

The VCC market includes products that:

- Enable the configuration and management of centralized virtual desktop and virtual user session
- Include other forms of client virtualization such as type 2 hypervisor, containerized, and cloud-based solutions for delivering virtualized desktops and application
- Has management software specifically targeted at the configuration, control, and operations of VCC solutions

Virtual client computing has traditionally been used for specific, tightly managed, and secured use cases and for low-volume remote access (about 10% of the employee population). Recent years have seen a shift in this, with VCC becoming more of a general-use computing/remote access solution.

Desktop as a service is a submarket of the broader VCC market, which includes solutions that bundle:

- Virtual client computing software
- Infrastructure as a service
- Professional services to manage and maintain the VCC and IaaS instances along with some degree of opinionated design for images and other key aspects of the end-user experience

LEARN MORE

Related Research

- *IDC State of Global Skills* (IDC #US49747822, October 2022)
- *IDC FutureScape: Worldwide Future of Work 2023 Predictions* (IDC #US48711022, October 2022)
- *Decision Patterns and Personas in the Intelligent Digital Workspace* (IDC #US49688322, September 2022)
- *Market Analysis Perspective: Worldwide Virtual Client Computing, 2022* (IDC #US49674922, September 2022)

Synopsis

This IDC study presents a vendor assessment of the DaaS market through the IDC MarketScape model. Desktop as a service is a form of virtual client computing incorporating desktop and application virtualization software, infrastructure-as-a-service offerings, and some degree of automated services including image and capacity management, observability, end-user support, and security. Vendors across the ecosystem offer differing interpretations of all four aspects, making it challenging for enterprises to understand and select the best offering for their specific needs.

"Desktop as a service emerged before the pandemic as part of the movement towards the cloud and evolved during the pandemic into a robust set of tools for meeting end-user computing needs," said Shannon Kalvar, research director, IT Service Management and Client Virtualization, IDC.

"Unfortunately, quick growth in this offering led to a great deal of confusion about what, exactly, a specific DaaS service provider offers and how those offerings directly compare with other providers in the same space."

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