

IDC MarketScape

IDC MarketScape: Worldwide SaaS Facility Management Application 2021 Vendor Assessment

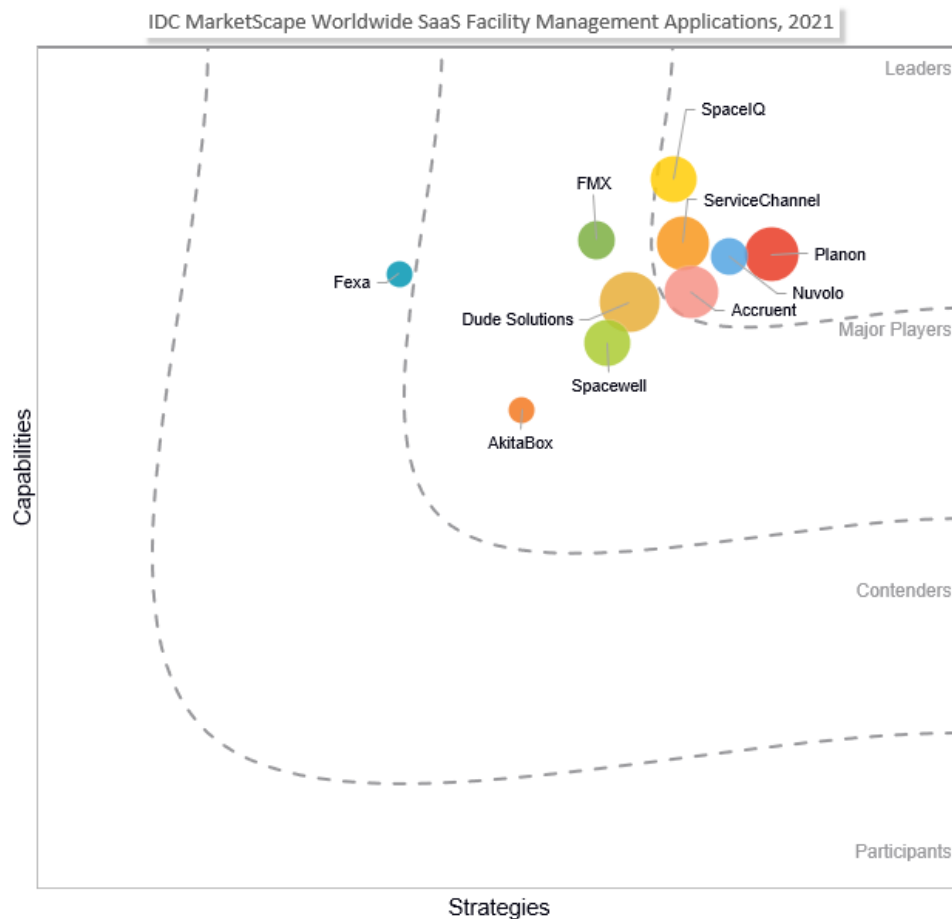
Juliana Beauvais

THIS IDC MARKETSCAPE EXCERPT FETAURES NUVOLO

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide SaaS Facility Management Application Vendor Assessment



Source: IDC, 2021

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 SaaS Facility Management Application 2021 Vendor Assessment (Doc # US47987021). 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

Facility management applications are designed to automate, improve, and, in an ideal world, anticipate facility maintenance, operational, and service needs. This IDC MarketScape helps organizations evaluate the facility management application market landscape. It is a busy market, and buyers have a wide selection of vendors to choose from.

Facility management software vendors are already adjusting their capabilities and strategies as all industry verticals explore hybrid work models and ways to enhance facilities with digital tools. In addition to reactive and preventative maintenance, vendors deliver a range of spare part inventory, vendor management, work scheduling, sanitization, health, safety, inspection, and reporting features. While computerized maintenance management systems (CMMS) cater mainly to the technicians and managers responsible for executing asset and equipment upkeep, facility management applications must also serve the people in the space. Depending upon how you will use the system, IDC suggests looking at additional workplace management functionality, such as space management, service delivery, event management, visitor management, lease administration, capital planning, and energy and sustainability.

Growth in instrumented, interconnected, and flexible smart facilities will impact the applications organizations need to manage these intelligent physical spaces. Vendors are making progress in their ability to ingest real-time facility performance data, interpret information, anticipate issues, and make recommendations, with some more advanced than others. From thorough briefings, demos, and customer reference interviews for each vendor in this study, IDC sees certain facility management application providers moving boldly toward the future digital enterprise. These vendors are going beyond ticketing systems and workflow automation to bring in more of the data about facility operations, occupant behavior, and equipment performance. To identify vendors with well-formed strategies, look for clear product road maps, partnerships, or acquisitions intended to deliver more connected, IoT-driven, and intelligent innovations to facility management functions.

The demands of future smart facilities will drive facility management applications to expand building systems integration, digital models, predictive analytics, and ultimately autonomous building functionality. Organizations must think about key areas that distinguish SaaS facility management application vendors both today and tomorrow, which are customer relationships, configurability, mobility, location intelligence, IoT, and vision.

Customer Relationships

SaaS turns a facility management software deployment into a multiyear relationship. Purchase decision makers should look for a vendor that feels as much a cultural fit for their organization as a technical fit. Many customer references talk about whether they trust the vendor to deliver on their promises and provide the best experiences. Some end users expressed delight with the little things that their customer success manager does for them or when a random feature that they requested shows up on the product road map. Often, it comes down to the commitment and expertise of the vendors' staff, how they guide customers during and after implementation to avoid common pitfalls, and the way they treat customers when it's time for renegotiating contracts.

Configurability

Applications should readily conform to an organization's workflows, nomenclature, and roles. Organizations should have the ability to quickly modify existing fields, add new fields, and rearrange fields on different views, as well as report on custom data points. Further, a modern facility management application provides mechanisms for altering out-of-the-box workflows, such as defining approval processes, generating email alerts, and sending invoices to a financial application. Purchase decision makers should evaluate how much can be configured via the user interface or low-code tools without writing custom code. When a system is truly configurable, all customers can be on the same code base but still have the product work the way they want. Otherwise, organizations end up adjusting procedures to fit a rigid application or paying ongoing professional services fees to customize and maintain workarounds.

Mobility

In facility management, mobility is increasingly important for occupants, ranging from employees, students, visitors, patients, and customers, as well as technicians responsible for maintenance. The COVID-19 pandemic imposed physical restrictions that quickly drove organizations to more remote operations. With a desire for contactless workflows, organizations are turning to the personal devices in an individual's hand. At least in the short term, facility teams are moving away from shared objects, such as touchscreens, and human interaction, like a staffed reception desk. In the long term, hybrid work models will mean more people are on the go and will need mobile access to generate work orders, plan their facility in advance, and coordinate enterprise services. Greater investment in mobile experiences will be a strategic imperative for vendors in this area as more and more activities go remote.

Location Intelligence

One emerging frontier is the integration between facility management systems, geospatial data sets, and location intelligence analytics. Knowing and using the location of people, equipment, and work orders adds rich context to the occupant experience and upkeep of physical workplaces. Already many vendors enable reporting issues, making space reservations, or requesting services directly from a map, storing the location coordinates with the record. Potential digital transformation use cases include wayfinding to a destination, tracking the location where a moveable asset is deployed, and overlaying 2D or 3D models with real-time location information. For example, an employee can use indoor mapping to navigate to the room or desk they booked or facilities teams can use location analytics to plan for and respond to natural disasters. There are exciting possibilities but also challenges with privacy and cultural acceptance. Organizations will want to harness the promise of location intelligence while not letting the potential get ahead of the practical.

IoT

Facilities can generate a lot of data about their performance, consumption, compliance, asset movements, occupant behavior, and so on. Organizations are retrofitting existing facilities with new sensors, meters, video systems, and other edge devices. New campuses are designed and constructed with the latest intelligent assets, building automation systems, and IoT solutions. Software companies are creating entire new businesses just from connecting, unifying, and analyzing all the disparate data and systems. Each facility management application provider is already or planning to integrate, partner, build, or purchase capabilities related to IoT. Many are seeking to leverage real time and historic IoT data to improve occupant experiences, such as indicating which conference rooms are currently unoccupied. Some are focusing more on predictive maintenance and autonomous buildings, such as notifying technicians to potential problems or adjusting temperatures based on actual usage. Others are taking building information modeling (BIM), often generated during design and construction, and using to generate updated representations of a physical facility, essentially a building digital twin.

Vision

This IDC MarketScape evaluates the vendors, not just their products. Facility management vendors differ in their strategies as much as their capabilities (refer back to Figure 1). Some are effectively leveraging partnerships and a broader ecosystem to bring more value to customers, while others are creating new digital visualizations, redesigning for mobile experiences, or updating their cloud architecture and delivery. The road maps and strategies shared with IDC demonstrated a wide range of what vendors believe customers will prioritize in the future. A product road map is a set of commitments to customers and a statement about where the software provider is focusing its energy. While many vendors are hitting on a few key areas, only some are pulling it all together in a comprehensive and compelling vision.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

The vendor inclusion list for this evaluation was selected to accurately depict the vendors that are most representative of any given facility management application on buyer's selection list based on the following:

- The vendor must have a SaaS cloud offering – on premises-only applications are out of scope.
- The facility management application can be purchased separately (not only functionality built into a larger system) and is available off the shelf without required customization.
- The vendor must have a minimum of one facility management application in market for at least three years.
- The vendor had 2020 revenue in at least two geographic regions.
- The vendor had at least \$10 million ARR in facility management software revenue at the end of 2020.
- At least 50% of the vendor's maintenance application revenue comes from commercial office, retail, education, government, or other customers primarily using the software for building and facility management.
- The facility management application has functionality for work order management, reactive maintenance, preventative maintenance, inspections, and vendor management.

ADVICE FOR TECHNOLOGY BUYERS

Facility management applications are evolving rapidly as vendors invest research and development dollars into bolstering, augmenting and, in some cases, redesigning their software. As a result, it is extremely important for end users to understand how vendors and their software are positioned currently as well as how they may be situated in the next three to five years. Organizations typically make a multiyear commitment to their facility management applications because the investment to migrate the data, configure workflows, integrate with adjacent systems, and train a broad user base is high. Thus it is vital to evaluate the software vendor's strategy, road map, and responsiveness to customer feedback in addition to the vendor's present features and functionality.

Innovation is an essential part of the "buy" decision, so a guiding factor in our vendor research was the 3rd Platform and innovation accelerator current capabilities in addition to the strategic direction. Buyers are looking for a technology partner that can rise to the complex, agile, and remote demands of today, as well as take them into the future. When choosing a vendor now, ask how it is planning to support the hybrid workplace, its game plan for integrating with building systems, and what its strategy is for IoT in the facility. Evaluate if and when it will apply true artificial intelligence (AI), machine learning, and predictive capabilities to areas like inventory ordering, work scheduling, vendor performance management, capital planning, and space utilization. You may think your organization is not ready for these innovations now, but given the pace of change today and the time and effort, it will take to deploy a new facility management application and you will be best served selecting a vendor future proofing its products.

Several vendors outlined in this study have focused their facility management on specific education or retail verticals, while others serve organizations across many industries such as commercial office, healthcare, public sector, and property management clients. The vendors vary in terms of size, experience, levels of support, sales model, and focus on the market. Ultimately, it is about choosing a vendor that best suits your needs, delivers on its promises, and is continually innovating.

Following are a few key steps in the journey to select the right fit among the myriad of software vendors:

- **Plan with the end in mind.** Before you choose your facility management vendor and product, you should first take the opportunity to do some self-reflection. Consider the effectiveness of your facility management processes and prioritize features that are mission critical. A few key questions to ask regarding the internal factors involved in choosing software are:
 - What is our strategy for managing and maintaining facilities?
 - Are we looking to better define our processes as we implement new technology?
 - What aspects of facility management do we want to digitally transform first, and what features do we consider essential now?
 - How has the COVID-19 pandemic changed or restructured our business?
 - What industry-specific considerations apply to our software selection?
 - How many and what types of users will interact with the software, including consideration for ways in which third-party contractors will interact with the application?
 - How much are we willing to spend on the software?
 - What are the organization's internal support resources and capabilities?

- **Develop a decision-making framework for success.** With so many options, organizations must take a systematic approach to researching and vetting software packages. Tap into the vast web of software evaluation options including market research firms, online review sites, and industry associations. A few key questions to ask when researching the software are:
 - Does the vendor have experience in successfully implementing a facility management application in our industry and company size?
 - Is the vendor knowledgeable about applicable regulations and guidelines, both locally and globally, as they affect our company?
 - What levels of support are available, and can the vendor or partners support all the geographic regions where we operate?
 - Is the ROI achievable? Does the vendor have a track record of meeting the ROI requirements?
 - Can the vendor integrate with our organization's other IT systems?
 - What mobile capabilities does the vendor offer for the different user groups?
 - What purchasing, pricing, and cloud deployment options does the vendor offer?
 - How long does it take to implement the software? How quickly can we start using the product?
- **Look toward an agile future.** Facility management teams are adopting more innovation for efficiency, autonomy, and competitive advantage. Organizational agility is critical when purchasing software as the applications and vendors must be able to scale up to support your growth or scale back if facility use slows down. A few key questions to ask when considering the growth aspect of choosing a software package are:
 - Is the product updated frequently enough for our needs?
 - When will the vendor apply true artificial intelligence, machine learning, and predictive capabilities to areas like inventory ordering, work scheduling, vendor performance management, capital planning, and space utilization?
 - Does the vendor currently offer or have concrete plans to support building system integration, IoT, BIM, or digital twin?
 - What new innovations is the vendor considering, especially with regard to mobility, location intelligence, and support for a hybrid workplace?
 - In what ways does the vendor engage with, listen to, and communicate with its customers, and where is customer feedback incorporated in the product road map?
 - Will the vendor be a partner, helping our business grow now and in the long term?

This IDC MarketScape vendor assessment assists in answering the aforementioned questions and others. The goal of this document is to provide potential software customers with a list of facility management application vendors that have taken great strides to incorporate the previously listed capabilities. We have profiled and assessed their capabilities and strategies to support the broad needs of facility management.

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.

Nuvolo

After a thorough evaluation of Nuvolo's strategies and capabilities, IDC has positioned the company in the Leaders category in this IDC MarketScape for worldwide SaaS facility management applications.

Nuvolo, founded in 2014, automates work order management, preventative maintenance, spare parts inventory, and inspections. Nuvolo offers configurable service request portals for employees and has a suite of workplace management applications. It includes mobile technician functionality for workload balancing, scheduling, and route optimization. Nuvolo has capabilities to manage vendors, warranties, and regulatory compliance. In addition, Nuvolo has workplace management offerings spanning space management and lease administration. Nuvolo's application is a single system and code base, built from the ground up on ServiceNow's NOW platform. In March 2021, Nuvolo received Series C funding and is investing in product development, expanding its staff and offices globally, and partnerships with Deloitte, Accenture, and Fujitsu.

Quick facts about Nuvolo are as follows:

- **Company location:** Headquartered in Paramus, New Jersey, with 7 offices globally
- **Company size:** 300 employees overall
- **Globalization:** Deployed in over 50 countries and available in 22 languages
- **Facility management partners:** 33 partners globally
- **Facility management SaaS customers:** 160 direct accounts
- **Facility management industry focus:** Healthcare, life sciences, technology, manufacturing, logistics, retail, oil and gas, government, higher education, and service providers
- **Ideal facility management customer size:** Upper midmarket to large enterprises with multiple locations
- **Cloud:** Single-tenant public cloud, where each client has its own instance, hosted by ServiceNow
- **Mobile:** Native mobile apps for Android and iOS at no additional charge, with all online capabilities available offline
- **Pricing model:** Annual SaaS subscription based on consumption-based pricing models: number of users (people performing work in Nuvolo), number of sites, or number of employees

Strengths

- **Configurability:** Because it is built on the NOW platform, organizations can configure Nuvolo to handle almost every need with custom fields, forms, and workflows, as well as asset hierarchies and dependencies. The system can be reconfigured in minutes to respond to rapidly changing situations. Built natively on a single platform, Nuvolo avoids the difficulties of integrating acquired products and keeps professional service fees relatively low.
- **Mobility:** Nuvolo has natively built mobile applications, leveraging its ServiceNow platform strategy. It provides a fully functional mobile experience, with 100% of the online capabilities available offline as well. Customers can route work orders to the best-suited technicians, perform mobile asset inspections, scan barcodes to get real-time access to work orders or assets on a map, view maintenance history, or order parts from a mobile device.
- **Customer success:** Nuvolo exceeds customer expectations for several points on the customer journey. Customers comment that the licensing and contract negotiations are straightforward and flexible. Nuvolo helps with migration to its system, with one customer noting that the

vendor carried over 250,000 records from its previous application. Further, all customers receive 24 x 7 support included with the software subscription for the contract duration.

Challenges

- **Application speed:** Customers note that the Nuvolo application occasionally performs slowly, especially when running reports. Because Nuvolo is hosted on ServiceNow cloud infrastructure, there are only so many levers available to impact performance, such as archiving records and optimizing its code. Nuvolo should continue communicating to customers potential advantages of using Nuvolo with ServiceNow for other workflow types.
- **Industry workflows:** Because Nuvolo is designed to be a highly configurable application on a workflow management platform, some customers note that it requires significant time to set it up for their industry and specific organization. Further, it can take more internal resources to maintain and handle product releases. While this gives great control to organizations, some users wish there were more out-of-the-box industry workflows.
- **Competitive market:** Nuvolo is a relatively new entrant in a busy facility management application market. Customers can choose from a selection of integrated workplace management system (IWMS) software vendors and purpose-built cloud facility management applications. Nuvolo will need to keep pace with its rigorous product road map to service a broader and more comprehensive set of facility and building life-cycle needs, especially as location intelligence and IoT grow in importance to end users.

Consider Nuvolo When

Consider Nuvolo if you are large enterprise or midmarket business and are looking for a configurable facility management application. You might also consider Nuvolo if you are already using ServiceNow.

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

Facility management applications support the maintenance and operational profile of commercial buildings, industrial facilities, and related outdoor sites. The software enables day-to-day operations and long-range planning of buildings and workplaces, including maintenance, service delivery, sanitization, and vendor management.

LEARN MORE

Related Research

- *Worldwide Facility Management Applications Forecast, 2021-2025* (IDC #US47986621, July 2021)
- *Worldwide Facility Management Applications Market Shares, 2020: Hybrid Work Energizes Smart Facilities* (IDC #US47986521, July 2021)
- *Why Trust Is an Enterprise Application Differentiator* (IDC #US47126621, April 2021)
- *IDC Market Glance: Facility Management Software, 2Q21* (IDC #US47125421, April 2021)
- *Should You Replace Your Facility and Maintenance Request System with Enterprise Service Management?* (IDC #US47613421, April 2021)
- *Charting New Priorities for Workplace Management Applications* (IDC #US47091120, December 2020)
- *IDC MarketScape: Worldwide Integrated Workplace Management System 2020-2021 Vendor Assessment* (IDC #US46261420, December 2020)
- *IDC MarketScape: Worldwide SaaS and Cloud-Enabled Asset-Intensive EAM Applications 2020-2021 Vendor Assessment* (IDC #US46261320, November 2020)

Synopsis

This IDC study provides an assessment of prominent facility management application vendors and discusses what criteria are most important for companies to consider when selecting a facility management application.

"Facility management software vendors are already adjusting their capabilities and strategies as all industry verticals explore hybrid work models and ways to enhance facilities with digital tools. Growth in instrumented, interconnected, and flexible smart facilities will impact the applications that organizations need to manage these intelligent physical spaces," says Juliana Beauvais, research manager, Enterprise Asset Management and Smart Facilities at IDC. "Organizations must think about key areas that differentiate SaaS facility management application vendors both today and tomorrow, which are customer relationships, configurability, mobility, location intelligence, IoT, and vision."

About IDC

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