

TECH CHOICES

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Digital Fuel Technologies Offers Service-Level Management At Its Finest For BSM

The Forrester Wave™ Vendor Summary, Q1 2007

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EXECUTIVE SUMMARY

Digital Fuel Technologies provides service-level agreement (SLA) and contractual obligation management solutions, designed to help service providers and shared services organizations manage regulatory compliance, financial and performance levels of IT, and business services. The ServiceFlow solution uses a visual modeling approach to model the contractual agreements of service-level agreements between customers and vendors. This approach is very attractive to service providers, as it automates the otherwise difficult process of managing SLAs and provides common, transparent, and verifiable accounting of SLA performance and compliance.

TARGET AUDIENCE

IT infrastructure and operations professional

DIGITAL FUEL TECHNOLOGIES IS BEST SUITED FOR ESTABLISHING A SERVICE CATALOG

Since its founding, Digital Fuel Technologies has focused on making multisourced service delivery models successful. This is possible only if the enterprise and its service provider have a formal contractual agreement around service delivery and the proactive measurement of service delivery performance. Digital Fuel's solution collects application use information across the IT environment and then translates that data into detailed reports on SLA compliance and performance across geographies, service lines, customers, organizational units, and vendors. ServiceFlow also provides critical billing data, such as actual expenditure against budgets, credits, and earnbacks.

Forrester evaluated Digital Fuel Technologies' current offering and strategy for business service management (BSM) against 26 criteria (see Figure 1). Digital Fuel approaches BSM in a unique way, providing insight into service levels, contracts, and costs associated with these service levels and managing the services provided by the outsourcer or service provider to the satisfaction of both parties. As a result, Digital Fuel addresses the growing need within the outsourcing market for service management solutions. This means that the product is an especially good fit for buyers who are:

- **Service providers or clients in a multisourcing environment.** Digital Fuel has a very strong solution for managing the service levels established between the enterprise and the service provider. Its DigitalFlow product can manage the entire life cycle of an SLA. This technology provides a



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common, transparent, and verifiable process for SLA performance and compliance for both the service provider and service consumer.

- **Interested in service cost management.** The ServiceFlow solution has a service catalog feature that allows for the detailed definition of service offerings from the service provider — either internal or external — to the enterprise. This is the foundation for managing costs, billing, and usage-based cost management.

To see how Digital Fuel stacks up against 10 other competitors, see the Forrester Wave™ evaluation of the BSM market.¹

Figure 1 Digital Fuel Technologies’ BSM Solution Evaluation Overview


CURRENT OFFERING	
Architecture	The solution is made up of four components, which all receive their data from existing infrastructure and monitoring tools via predefined native interfaces. This provides the base for the service management, service catalog, service cost, and billing components. The service data is stored in a service CMDB. The managed services can be viewed via a dashboard.
Data collection	Digital Fuel collates information from the infrastructure environment to reflect the performance, financials, and regulatory aspects of the service relationship.
Service catalog management	ServiceFlow provides service catalog functionality built in. SLAs, OLAs, and pricing and cost formulas are an integral part of a service definition within the service catalog. Metrics describing offered services may be interconnected to metrics of received services and higher-level executive business metrics (for example, teaming, profitability, and customer satisfaction).
IT infrastructure mapping	ServiceFlow relies on third-party software to autodiscover network and IT infrastructure configuration items and dependencies.
Business service mapping	ServiceFlow provides a visual modeling environment for mapping business services to service elements and infrastructure components. Business metrics are built in a visual way, leveraging Digital Fuel’s data stream technology and set of visually defined data transformation operators. Maintenance of business metrics is simplified through ServiceFlow’s visual modeling environment, version control, reuse, and export and import of XML files between different ServiceFlow implementations.
Dynamic linking of service to infrastructure	ServiceFlow has a mapping layer called Resource Manager that maps CIs to services and organizational units. Resource Manager is dynamically updated with CMDB changes and it keeps a history of changes.
End-to-end monitoring	Digital Fuel takes data feeds from monitoring and help desk systems. This allows for indirect end-to-end monitoring.
CMDB	ServiceFlow Services CMDB key features are: sophisticated service mode; mapping services to resources from an operational level CMDB; historical resource mapping; tight integration with SLA and a service catalog; visualization of service relationships; service analytics; integration with autodiscovery tools; flexible resource structure.
Standards & interoperability	ServiceFlow supports J2EE, XML, and ODBC, but does not currently support SOAP or WfMC.

Source: Forrester Research, Inc.

Figure 1 Digital Fuel Technologies’ BSM Solution Evaluation Overview (Cont.)


STRATEGY	
Product vision	Digital Fuel Technologies aims to: enhance service cost and billing management; enhance service catalog functionality; provide more automation in CMDB integration; provide new functionality into existing service management processes (SLA and service cost management); optimize the multitenant environment; and provide more built-in service-line-specific content (for F&A, HR, networks, and IT).
Sales and implementation strategy	Digital Fuel Technologies sells to and through service providers such as Capgemini, CSC, SBS, Atos Origin, IBM GS, BT Services, and others. It has direct sales to telecom and enterprises (O2, Telefónica, P&G, Cummins, and others). It partners with hardware and NW vendors and operators such as Nokia, Ericsson, Cisco Systems, and Sun Microsystems. It also partners with software vendors such as SAP, Genesys, and others.
Geographic presence	Digital Fuel has sales and a direct presence in EMEA and North America, and an indirect presence through partners in Asia Pacific and Latin America.
Cost	The product is attractively priced but often involves extra project investments around the implementation.
MARKET PRESENCE	
Installed base	Customers represent 143 company implementations, driven by the vendor’s service provider sell-through strategy.
Employee base	The company has approximately 100 people in R&D, sales, and support.
Financials	Financials are positive.

Source: Forrester Research, Inc.



The Forrester Wave™
Smart data for smart decisions

Go online to download additional in-depth data and scores for this vendor and other vendors included in this Forrester Wave evaluation.



SUPPLEMENTAL MATERIAL

Online Resource

The underlying spreadsheet for Figure 1 is available online. The spreadsheet includes more detailed data and scores for this vendor.

This detailed data and scores for this vendor are also available online through an Excel-based vendor comparison tool that provides detailed product evaluations and customizable rankings.

The Forrester Wave Methodology

We conduct primary research to develop a list of vendors that meet our criteria to be evaluated in this market. From that initial pool of vendors, we then narrow our final list. We choose these vendors based on: 1) product fit; 2) customer success; and 3) Forrester client demand. We eliminate vendors that have limited customer references and products that don't fit the scope of our evaluation.

After examining past research, user need assessments, and vendor and expert interviews, we develop the initial evaluation criteria. To evaluate the vendors and their products against our set of criteria, we gather details of product qualifications through a combination of lab evaluations, questionnaires, demos, and/or discussions with client references. We send evaluations to the vendors for their review, and we adjust the evaluations to provide the most accurate view of vendor offerings and strategies.

We set default weightings to reflect our analysis of the needs of large user companies — and/or other scenarios as outlined in the Forrester Wave document — and then score the vendors based on a clearly defined scale. These default weightings are intended only as a starting point, and readers are encouraged to adapt the weightings to fit their individual needs through the Excel-based tool. The final scores generate the graphical depiction of the market based on current offering, strategy, and market presence. Forrester intends to update vendor evaluations regularly as product capabilities and vendor strategies evolve.

ENDNOTES

- ¹ Forrester evaluated leading business service management (BSM) vendors across 26 criteria and found that BMC Software and Managed Objects have established early leadership, thanks to their strong product portfolios. HP, Digital Fuel Technologies, IBM, Oblicore, and Proxima Technology are leaders as well, while OpTier, Indicative Software, CA, and ProactiveNet are strong performers. While all the products performed well in this evaluation, Forrester favored those that truly make the connection between infrastructure and business services and conduct business impact analysis. The current order will almost certainly change considerably over the next 12 to 18 months as new ideas and functionality are added to these and other tools. Forrester will continue to analyze acquisitions and product updates in this dynamic market on an ongoing basis. See the March 28, 2007, Tech Choices "[The Forrester Wave™: Business Service Management, Q1 2007](#)."