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Gartner Says Worldwide Application Infrastructure and Middleware Market Revenue Grew 10 Per Cent in 2011

Analysts Examine the State of the Industry at Gartner Application Architecture, Development & Integration Summit 2012, 21-22 June in London

Egham, UK, 1 May, 2012 — The worldwide application infrastructure and middleware (AIM) software revenue market* totalled $19.3 billion in 2011, a 9.9 per cent increase from 2010, according to Gartner, Inc. In 2010, worldwide AIM revenue grew 7.3 per cent and reached $17.6 billion.

"Application infrastructure and middleware projects increasingly span on-premises, cloud and external business partners," said Fabrizio Biscotti, research director at Gartner. "The impacts of using multiple delivery models, increased reliance on governance technologies, and convergence of application and data integration requirements are driving organisations to sustain significant investment in AIM technologies and skills."

"Cloud computing is increasingly becoming mainstream and gaining traction in the market. Middleware vendors should leverage their expertise to offer competitive cloud services in addition to on-premises software products," said Mr. Biscotti. "Although the transition from on-premises to cloud computing will take an extended period of time, the demand for hybrid use of platform technologies is present now, and is projected to grow rapidly during the next two to four years. End users can judge the long-term viability of a platform as a service (PaaS) provider in part by its ability to attract independent software vendors (ISVs) and other partners into its ecosystem."

IBM retained its leadership position, as it increased its market share to 32.1 per cent (see Table 1). Despite difficult market conditions, the top five vendors showed solid growth. This growth was driven through acquisitions and organic growth.

Table 1
Worldwide Vendor Revenue Estimates for Total AIM Software, 2011 (Millions of US Dollars)

Vendor	2011 Revenue	2011 Market Share (%)	2010 Revenue	2010 Market Share (%)	2010-2011 Growth (%)
IBM	6,222.8	32.1	5,537.4	31.4	12.4
Oracle	3,250.1	16.8	2,995.7	17.0	8.5
Microsoft	977.5	5.0	875.4	5.0	11.7
Software AG	646.7	3.3	601.0	3.4	7.6
TIBCO	555.0	2.9	500.0	2.8	11.0
Others	7,737.9	39.9	7,136.7	40.4	8.4
Total	**19,389.97**	**100.0**	**17,646.27**	**100.0**	**9.9**

Source: Gartner (April 2012)

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Several segments showed a double-digit growth rate including application servers, where the performance of application PaaS vendors has been strong. Service oriented architecture (SOA) governance technologies, portal products and user interaction tools also performed well.

"Business process management (BPM) suites continued to grow at a sustained pace as some providers are evolving their offerings into next-generation application infrastructure platforms that Gartner defines as iBPMSs. These platforms address the growing need to account for social interactions, mobility and decision management in the process management context," said Mr Biscotti.

"North America and Western Europe are the largest regional markets, followed by mature Asia/Pacific countries. Emerging regions have grown fastest due to solid performance in Latin America and Asia/Pacific," said Asheesh Raina, principal research analyst at Gartner.

As companies in Asia/Pacific continue to embrace IT to improve productivity and drive growth - AIM technologies witnessed high sustainable growth that was complimented by the favourable economic conditions. Almost all AIM segments experienced growth in Asia/Pacific, but "appliances-AIM" grew fastest albeit from a lower revenue base. The primary drivers have been domestic demand, growing maturity of users and incremental enhancements in AIM technology.

"Despite the weak economy, particularly in the world's largest economies, there are no signs that the growth we have seen in the AIM market for several years is faltering," said Mr Raina. "On the contrary, the need for cost containment and increased efficiency are pushing organisations to adopt solutions that can solve specific business problems. This explains the market influx of specialists in areas such as low-latency messaging (LLM), managed file transfer (MFT), complex event processing (CEP) and in-memory data grids."

Note to editors:
*The AIM market includes several segments that comprise general-purpose portal products, business-process-management-enabling technologies, integration and platform middleware, business-to-business/multi-enterprise middleware products, SOA governance technologies, and AIM appliances.

Additional information is available in the Gartner report "Market Share Analysis: Application Infrastructure and Middleware Software, Worldwide, 2011." The report is on Gartner's web site at http://www.gartner.com/resId=1992415.

Gartner analysts will present additional findings on the future of the AIM industry at the Gartner Application Architecture, Development & Integration Summit 2012, 21-22 June at the Park Plaza Westminster Bridge in London, UK. For further information on the Summit, please visit http://www.gartner.com/eu/aadi. Members of the media can register for the Summit at no cost by contacting Rob van der Meulen, Gartner PR on + 44 (0) 1784 267 738 or at rob.vandermeulen@gartner.com.

Additional information from the event will be shared on Twitter at http://twitter.com/Gartner_inc using #GartnerAADI.

About Gartner Application Architecture, Development & Integration Summit 2012
The Gartner Application Architecture, Development & Integration Summit 2012 will focus on rapidly evolving trends that have profound implications for the application development professional. Amongst other trends – cloud computing, the explosion in mobile apps, and service orientated architecture are causing application development leaders to re-examine their strategies. Gartner analysts will explore these trends and provide best practices to identify the opportunities and risks faced by organisations, and offer actionable plans to move forward in the next five years.

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