

# SWOT Assessment: SnapLogic Elastic Integration Platform

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Analyzing the strengths, weaknesses, opportunities, and threats

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## Summary

### Catalyst

SnapLogic Elastic Integration Platform is built on a lightweight representational state transfer (REST)-based, elastic architecture that caters for the requirements of application, data, and API-led integrations. The integration PaaS (iPaaS) solution has evolved rapidly over the last couple of years, with new capabilities added in several areas, including low-latency processing, big data integration, integration flow monitoring, and data security.

### Key messages

- SnapLogic iPaaS offers more than 300 “Snaps”, which are modular sets of integration components purpose-built to ease integration with specific applications and data sources, including key software-as-a-service (SaaS) applications.
- The subscription for SnapLogic Elastic Integration Enterprise edition starts at \$10,000 per month.
- A key differentiating feature of the platform is Snaplex, an elastic execution kernel, which when running in the cloud can scale up/down according to the latency and data processing requirements of specific integration flows.
- It supports a range of data types, including relational, semi-structured, and unstructured data, and enables integration between different data sources in both batch and streaming modes.
- It provides enterprise-grade data security and governance capabilities.

### Ovum view

SnapLogic has developed momentum by achieving rapid growth in terms of its revenue and customer base. Its iPaaS solution aligns well with the requirements of organizations that need a flexible yet scalable approach to cloud service integration.

SnapLogic has demonstrated product innovation, both in terms of core architectural attributes and integration capabilities, and continues to execute a rather aggressive product strategy. Despite not having an early-mover advantage, it has emerged as a key competitor to major iPaaS vendors, including IBM, Dell Boomi, and MuleSoft.

## Recommendations for enterprises

### Why consider SnapLogic Elastic Integration Platform?

SnapLogic iPaaS should be on the radar of midsize to large enterprises because it is one of the few cloud-based integration platforms that can effectively meet both application and data integration needs. It offers a hypertext markup language (HTML) 5-based user interface with a “drag, drop, and configure” approach, an example of how a good user experience (UX) enables less-technical users to easily develop integration flows connecting disparate applications/data sources. Its REST-based modular architecture provides support for the scalability required to meet complex integration

requirements. Other key features include support for low-latency processing, big data integration capabilities, and integration flow monitoring and management via the SnapLogic mobile app.

## SWOT analysis

### Strengths

#### **Scalability and comprehensive integration capabilities**

The core platform architecture is a key differentiator for SnapLogic iPaaS. The elasticity of Snapplex provides the scalability/infrastructure resources required for supporting low-latency and data-intensive integrations. Only a few other vendors can support these integration requirements with a unified platform. In addition, SnapLogic iPaaS supports different styles (batch and streaming modes) and types of integration (application, data, and API-led integration).

#### **Big data integration capabilities**

SnapLogic is the one of the few vendors that provides support for various big data integration use cases via the same platform used for cloud application and data integration. This is a key differentiator for SnapLogic iPaaS.

#### **Solid average subscription size**

Most of the subscriptions secured by SnapLogic are over the \$12,000 per month (\$144,000 per year) mark, which is impressive because it was not an early entrant into the iPaaS vendor landscape and has limited direct sales operations. This also indicates SnapLogic's ability to secure deeper customer engagements extending well beyond basic cloud service integration.

### Weaknesses

#### **Limited API management capabilities**

SnapLogic iPaaS offers limited API management capabilities in comparison to some of its competitors, including IBM Cast Iron Cloud Integration, Dell Boomi AtomSphere, and MuleSoft CloudHub. Its product roadmap includes expansion of API management capabilities over the next 12 to 18 months, which would strengthen SnapLogic's competitive position among the leading iPaaS vendors. This is important, because mobile application integration and support for enterprise API initiatives (via API management on top of iPaaS) are emerging iPaaS use cases.

### Opportunities

#### **iPaaS adoption for a mix of application and data integration scenarios**

While SaaS application integration remains the predominant use case, iPaaS is increasingly being used for data integration. Given the core integration capabilities of SnapLogic iPaaS, it is a good fit for a mix of cloud application and data integration scenarios.

#### **Coexistence with traditional on-premise middleware platforms**

Large enterprises have shown an inclination to use iPaaS in combination with existing on-premise middleware (for example, an "ESB plus iPaaS" combination) to meet pressing hybrid integration needs. This represents a significant market opportunity for SnapLogic. However, to exploit this

opportunity, SnapLogic needs to improve market messaging and demonstrate that its iPaaS solution can effectively support federation with traditional on-premise middleware platforms.

## Threats

### Stiffer competition driven by the resurgence of major integration vendors

The competition for cloud integration market opportunity has increased significantly over the last 12 to 18 months, with several major integration vendors, including Software AG, Oracle, and Red Hat introducing/announcing their iPaaS solutions. In addition, IBM has revealed plans to drive adoption of its iPaaS solution in the midsize-to-large enterprise segment. Specialized iPaaS vendors (including SnapLogic) will now face greater competition from major integration vendors, and more so because these vendors have extensive customer bases using their on-premise middleware platforms.

### Weaker positioning outside Americas

SnapLogic has limited presence and reach in European and Asia-Pacific markets, and customers based outside of the Americas account for a very small share of its revenues. With some of its key competitors expanding their reach to new markets, it is important for SnapLogic to focus on strengthening its market positioning outside Americas, even if only via a partner network.

## Data sheet

### Key facts about the solution

**Table 1: Data sheet: SnapLogic**

<b>Product name</b>	SnapLogic Elastic Integration Platform	<b>Product classification</b>	Integration platform
<b>Version number</b>	Winter 2015 release	<b>Release date</b>	December 2014
<b>Industries covered</b>	All vertical industries	<b>Geographies covered</b>	Americas, Europe, Asia-Pacific
<b>Relevant company sizes</b>	Large enterprises and small and midsize enterprises	<b>Platforms supported</b>	Windows, Linux, Apple OS X
<b>Languages supported</b>	All	<b>Licensing options</b>	Subscription
<b>Deployment options</b>	cloud	<b>Routes to market</b>	Direct sales, with partners
<b>URL</b>	<a href="http://www.snaplogic.com/ipaaS-integration-platform-as-a-service">http://www.snaplogic.com/ipaaS-integration-platform-as-a-service</a>	<b>Company headquarters</b>	San Mateo, CA, US

Source: Ovum

## Appendix

### Methodology

Ovum SWOT Assessments are independent reviews carried out using Ovum's evaluation model for the relevant technology area, supported by conversations with vendors, users, and service providers of the solution concerned, and in-depth secondary research.

## Further reading

*2015 Trends to Watch: Integration and Middleware*, IT0022-000217 (November 2014)

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## Ovum Consulting

We hope that this analysis will help you make informed and imaginative business decisions. If you have further requirements, Ovum's consulting team may be able to help you. For more information about Ovum's consulting capabilities, please contact us directly at [consulting@ovum.com](mailto:consulting@ovum.com).

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