BoxTone Declares MDM Price War

Summary: BoxTone announced special pricing of 99 cents per device for the mobile device management (MDM) module of its enterprise mobile management suite.

Event: On July 17th BoxTone announced that its mobile device management (MDM) software module is now available as a 99-cent per device monthly subscription.

Analysis: BoxTone has a solid offering in the rapidly emerging enterprise mobile management (EMM) market, but is challenged to get visibility in many enterprise MDM decisions. MDM is commoditizing, with prices declining and lots of competition for deals, so a price war gains attention while minimizing revenue impact.

The price war will help buyers move past their initial hurdle in comparing many products; they can lock in lower prices if they buy before October. It also lets BoxTone upsell buyers into bigger EMM deals that grow from their initial MDM deployments. This will accelerate the movement toward EMM across the market.

Price War Cuts Initial Enterprise Outlay

The explosion of smartphones and tablets, particularly those personally owned as part of BYOD, has forced enterprises to address the security and management issues of mobility. Attention to MDM and mobile application management (MAM) software is great, but the market is crowded, and the procurement cycle remains protracted as buyers consider many alternatives. Slicing the price of its MDM component by 70% promises significant savings for large enterprises with thousands of devices if they act quickly, and it will bring BoxTone added visibility as an EMM provider.

Commoditizing MDM Market

The MDM market is crowded with many vendors, varied approaches, and largely commoditized functions. MDM software prices have declined each year, and providers will continue to focus on additional services and expanded functions as separate revenue streams to grow their businesses. BoxTone is well positioned to expand into EMM, and refocusing buyers from MDM prices to overall mobile management will put them onto more enterprise short lists.

Gaining control of mobile devices is only the beginning of what enterprises need, and MDM is where most need to start. The potential to upsell beyond the initial installation is a larger and more lucrative opportunity for BoxTone, and their recent addition of more automated management and support addresses the increasing support costs of BYOD.

BoxTone’s special MDM price offer is in effect until September 30, 2012. There is a minimum purchase of 1,000 devices with the ability to lock in prices for up to three years. Only BoxTone’s on-premise product is offered at 99 cents a month. Many enterprises have started new mobile management efforts using cloud approaches, with a majority of new installations taking the SaaS approach.

BoxTone includes the on-premise version of its
full MDM software module in the promotion. Included with its core MDM software is:

- Support for multiple devices and apps
- Automated mobility dashboard & reports
- Automated security management
- Automated policy management
- Automated config & change management
- Automated compliance management

BoxTone has additional software modules for mobile application management, mobile support management, and mobile operations management, which are available for $1 to $3 per device per month on subscription.

Aragon expects that BoxTone’s promotion will help it to gain traction in enterprises wrestling with BYOD issues. However, aggressive discounting from the competition should be expected as the price war heats up. On a broader scale, the price war will increase BoxTone’s EMM visibility and position them for consideration as enterprises grow beyond MDM.

**Aragon Advisory:** Enterprises need strong support for enterprise mobile management, with MDM as the starting point.

Enterprises seeking an MDM solution for large numbers of devices now should evaluate BoxTone as a way to significantly cut initial costs.

BoxTone is offering loyalty discounts, so existing customers should contact their BoxTone representatives to cut costs. MDM providers typically discount for larger and more competitive contracts, so negotiate for comparable pricing.

The MDM price war will speed the pace of commoditization, and accelerate the movement toward enterprise mobile management.