

Sophos refocuses on SMB market with Mobile Control update

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24 Dec, 2013

With the latest version, Sophos is positioning its mobile device management (MDM) offering, Sophos Mobile Control (SMC), for the SMB market. Mobile Control has a simple console for IT, as well as a comprehensive user portal to reduce the impact on the IT helpdesk. Leveraging the company's history, SMC has integrated malware and a secure Web browser. Also SMB friendly, SMC can be deployed as SaaS with user-based licensing to support 'bring your own device' deployments, where users may have more than one device that needs to be managed. To support small IT teams around the world, Sophos offers year-round 24-hour support.

The 451 Take

With a large network of channel partners around the world and a renewed focus on the SMB space, Sophos has an opportunity to leverage its restructuring to grow its market share within MDM and enterprise mobile management (EMM) overall. The goal is to further integrate the company's security offerings into its MDM and mobile application management (MAM) services. This will provide a single console for small IT departments to manage and secure all endpoints across an organization regardless of ownership. Pricing for SMC is user-based, which will resonate well with SMBs that need to keep costs down and have a predictable budget for managing tablets and smartphones. Few MDM vendors are focusing purely on SMBs, and the integration of security tools will provide a strong value proposition for this underserved market.

Context

Historically, Sophos' customer base has largely been SMBs, but recently, the company has restructured itself to focus mainly on companies that have 100-5,000 employees. The idea here is to provide simple security and management tools to these companies because many have only a few IT staff. Sophos is targeting IT departments that don't have specialist teams dedicated to supporting security and, especially, mobility requirements. Part of this reorganization is to move exclusively to a channel model and forgo any direct selling. Sophos currently has more than 12,000 channel partners worldwide, so the company is not starting from scratch. To remain a top choice for channel partners that are often selling competing products, Sophos wants to be the highest-margin partner with the highest customer satisfaction among security vendors.

MDM growth for Sophos

In December 2011, just over 10 months after introducing its MDM offering, Sophos had 150 customers that accounted for 363,000 user licenses sold. Today, Sophos has 7,830 customers and more than 3.75 million users. In 2011, Sophos' average customer had more than 2,400 seats. The average customer now has about 480 users. With this decline in average customer size, it is clear that the growth of Sophos Mobile Control has been driven by the SMB market. Not only is this adoption by SMBs driving growth, it is also driving the focus on simplicity for SMC.

Sophos Mobile Control

Sophos Mobile Control has gone through several updates, and the current version, 3.6, has four key elements: MDM, MAM, email and mobile security. SMC's MDM has a simple console for IT for over-the-air enrollments, detailed reports and alerts, as well as directory and PKI integration. SMC's user portal provides detailed controls for multiple devices so that users are less likely to contact IT for their mobile management needs. SMC's MAM provides an app store for enterprise mobile apps providing a whitelist, as well as mandatory apps for specific user groups. IT can also see the specific applications that are installed by each user. With SMC 3.6, Sophos supports the use of NitroDesk's Touchdown email application for Android. With a focus on SMBs, SMC is able to integrate with other email systems besides Exchange - Lotus Notes, Zimbra, Office 365 and Gmail. Sophos Mobile Security is offered with SMC, which provides a malware and malicious app scanner that can be run on demand by the user or be scheduled to be run by IT. Mobile Security also allows IT to scan for hacked devices and checks for malicious websites using a secure browser.

Competition

We have covered many MDM players in the market, but among those with a focus on SMBs, Sophos' main competitors are AirWatch and MobileIron, which is also a 100% channel player. Dell also targets midsized companies with its newly unified EMM offering. Both Symantec and McAfee provide EMM offerings that are increasingly integrated with their overall security products. Symantec's Endpoint Protection Small Business Edition is a SaaS offering. McAfee Complete Endpoint Protection supports up to 1,000 devices and is offered through channel partners. Kaspersky Lab's Total Security provides SMBs and large enterprises with traditional desktop and mobile management and security.

SWOT Analysis

Strengths

Sophos has a strong existing international channel ecosystem that it can rely on to target SMBs in both developed and emerging markets.

Opportunities

Sophos' user-based pricing will resonate well with SMBs that see device-based pricing for EMM as harder to budget for as users increasingly bring in more than one mobile device to work.

Weaknesses

The company is focusing on the SMB market, which has reduced the average number of users per customer, limiting its ability to expand within its own customer base.

Threats

There are a number of MDM players that are focusing on the SMB space, and mobile will be an increasing focus to maintain margins with the management of all devices.

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