IBM Lotus Notes/Domino Market Analysis, 2009-2013

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SCOPE

This study examines the market for IBM Lotus Domino Server in both the On-Premises and Hosted Email Market. The study also examines the market for IBM's two email clients: IBM Lotus Notes and IBM Lotus iNotes. For all products, this study provides extensive 2009 data regarding installed base, broken out by business size, region, version, industry, and other variables, along with four year forecasts. The report also examines the features, strategies, strengths and weaknesses of IBM Lotus Domino Server and IBM Lotus Notes.

The revenue projections and market share figures in the following sections do not include revenues from systems integration or professional services.

All market numbers, such as market size, forecasts, installed base, revenue information, and any financial information presented in this study represent *worldwide* figures, unless otherwise indicated. All revenue numbers are expressed in $USD.

METHODOLOGY

The information and analysis in this report is based on primary research conducted by The Radicati Group, Inc. It consists of information collected from vendors and users within global corporations via interviews and surveys.

Secondary research sources have also been used, where appropriate, to cross-check the information collected. These include company annual reports and market size information from various market segments of the computer industry.

EXECUTIVE SUMMARY

- This report examines the penetration of the IBM Lotus Domino messaging server platform and IBM Lotus Notes email client, in both the On-Premises and Hosted Messaging and Collaboration Market.

- IBM Lotus Notes/Domino 8.5 is the latest version of IBM Lotus Domino. With this release IBM has added numerous optimization and performance improvements that increase storage space, reduce I/O hard drive load, and maximize CPU usage. Taken together, all these optimizations prolong the life of the messaging server and significantly help drive down Total Cost of Ownership (TCO).

    - o IBM Lotus Domino 8.x has shown solid uptake thus far and has generated a healthy upgrade path for businesses on earlier versions.

    - o With the release of Lotus Notes/Domino 8.5, IBM has primarily focused on the Lotus Domino messaging server; however IBM also made a very significant announcement with the added support for Apple Mac OS X v10.5 Leopard.

- IBM is also targeting the SMB market with two new offerings announced in January 2009:

    - o LotusLive, a package of hosted Lotus applications, is offered to organizations on a subscription model.

    - o Lotus Foundations Start is a plug-and-play appliance solution targeted at the SMB segment that can scale up to 500 users. The solution can be deployed in under 30 minutes, is easily configurable, and requires little maintenance and IT support.

- In 2009, IBM Lotus Domino will have an installed base of 156 million mailboxes, and is expected to grow to 199 million by 2013. This represents an average annual growth rate of 6%.

- o The on-premises Lotus Domino Mailbox installed base accounts for the vast majority of the Worldwide Lotus Domino Mailboxes. In 2009, on-premises Lotus Domino mailboxes account for 87% of the all Lotus Domino Mailboxes.
- o IBM Lotus Notes/Domino has traditionally found most of its traction amongst Large and Very Large businesses, as larger organizations often require the powerful, advanced collaboration features offered by IBM.

- Figure 1, shows the installed base of on-premises IBM Lotus Notes/Domino, segmented by business size, in 2009 and 2013.
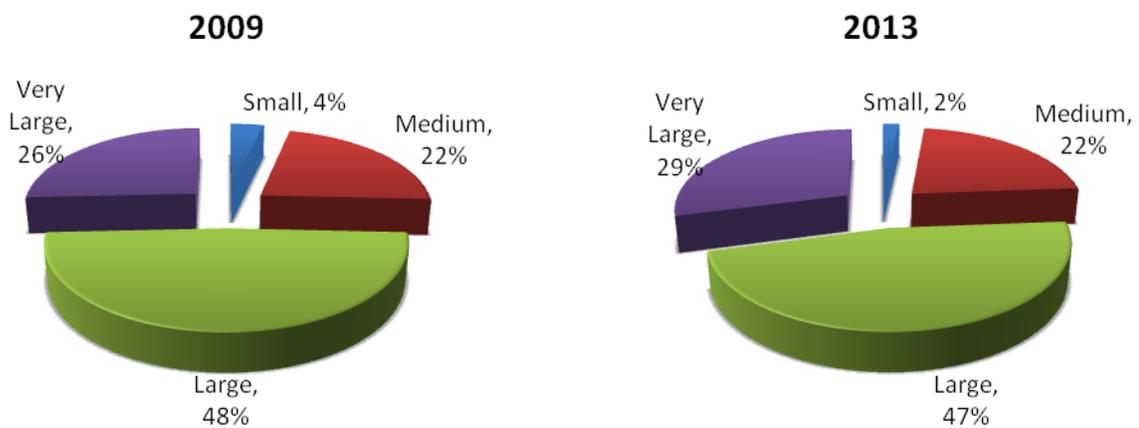

Figure 1: On-premises IBM Lotus Domino Server Installed Base by Business Size, 2009 vs. 2013

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