

## INSIGHT

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### **Adobe Continues Drive to Remake Complex Business Processes with Release of LiveCycle Enterprise Suite 2**

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#### **IDC OPINION**

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On November 3, 2009, Adobe Systems Inc. announced the release of Adobe LiveCycle Enterprise Suite 2 (ES2). Adobe stated that the new offering, described as a major software release, demonstrates its commitment to helping enterprises deliver robust solutions to complex business processes by providing the tools and infrastructure to deploy applications that are user centric, wrapped within rich Internet application (RIA) frameworks, and integrated with robust back-end data and document services. Based upon the press release and information garnered from Adobe's July 21 analyst conference, IDC believes that Adobe continues to lead the market in proposing new ways for enterprises to improve internal complex business processes. Our assessment is based upon the following:

- ☒ Adobe has developed and continues to enhance a robust architecture for creating and deploying solutions that redefine business processes while helping enterprises run more efficiently and effectively.
- ☒ The Adobe Partner Program, including both solution and reseller partners, is yielding both sales and market expansion. A key support program called Solutions Accelerators provides partners with packaged starter kits made up of documentation, reusable code, best practices, and planning tools to help partners and customers decrease development and deployment times.
- ☒ Aside from technology, Adobe is making significant strides in enhancing the business users' experience by leveraging user-centric design processes and applications coupled with the rich user interface artifacts of social networking. By doing so, Adobe is changing the serial transactional interfaces found in current IT applications into relevant, engaging, and multidimensional collaborative applications that comprehend complex business processes.
- ☒ Adobe continues to make positive market progress using both direct and expanded partner relations with companies such as Accenture and Deloitte. These initiatives are helping to create awareness of Adobe's strategic direction for rich Internet applications.

## IN THIS INSIGHT

This IDC Insight reviews the November 3, 2009, announcement of the release of LiveCycle Enterprise Suite 2 and provides insights gained from the Adobe analyst conference held on July 21.

## SITUATION OVERVIEW

Adobe Systems announced the worldwide availability of Adobe LiveCycle Enterprise Suite 2 on November 3, 2009. This major software release reflects significant enhancements that the company believes will continue its success in deploying impactful solutions to highly complicated business processes. Key to the entire portfolio is the focus on a rich Internet application framework that brings process and interface functionality similar to "social" computing environments to the business arena. Leveraging team design concepts that include perspectives from IT and line-of-business managers, design professionals, application developers, and knowledge workers, the cumulative outcome is a collaborative business process application that is significantly beyond the traditional "serial" process IT applications.

Key enhancements to the LiveCycle Enterprise Suite 2 include the following:

- ☒ **Enhanced support for mobile workers who utilize smartphones such as iPhone, BlackBerry, and Microsoft Windows mobile devices to interact with remote business processes.** Using Adobe LiveCycle ES2 Mobile, mobile workers can evaluate and respond to specific tasks assigned to them from business processes. Approvals and other process responses can be easily acted upon.
- ☒ **Extended integration to PC desktops using Adobe LiveCycle Launchpad ES2 implemented using Adobe's AIR runtime environment.** The Launchpad application enables desktop workers with easy access to LiveCycle ES services such as document management, PDF assembly, encryption, and document rights services.
- ☒ **Aggregation of multiple Adobe Flex applications and processing functions into single personalized applications using Adobe LiveCycle Mosaic ES2.** Application functionality is deployed by encapsulating functionality into what Adobe calls "tiles." These tiles can then be aggregated together to form unique combinations of business logic and interfaces to create a multifunctional contextual application for knowledge workers. The tiles are not only individually functional but are also "aware" of other tiles they are combined with. This intertile communication service helps ensure that data that is shared between tiles is consistent.
- ☒ **Increased use of "social" computing functionality such as live chat, Webcam, and whiteboard services into collaborative applications using Adobe LiveCycle Collaboration Service (formerly Adobe Flash Collaboration Service).** Leveraging both a complete SDK and a free Adobe Flash Player runtime, organizations can rapidly deploy collaboration tools on a multitude of flash-enabled devices to assist teams in sharing information.

- ☒ **A second wave of Adobe LiveCycle ES2 Solution Accelerators that offer semideveloped solution prototypes and in-depth documentation to help organization kick-start LiveCycle applications.** New additions to the existing portfolio include eSubmissions, correspondence management, human capital management, and new enrollment services.
- ☒ **Improved document assembly and deployment services using Adobe LiveCycle common services.** Integrating business forms endowed with logic, documenting security functions via rights management, and enhancing the automatic creation of PDF documents containing Flash content provide developers and end users with a rich set of document communication capabilities.
- ☒ **Improved development of collaborative business processes using Adobe LiveCycle Process Management ES2.** This is a "model driven" application that helps business analyst design, in collaboration with end users, business process applications identifying people, systems, content, and business rules associated with complex processes. In addition, the application can capture data from the complete process, enabling visibility into overall business efficiencies.

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## **Insight and Analysis**

As might be expected, there is a significant amount of strategy and development that goes behind such a major software release. Adobe is no exception to this and provided insights into its strategies and directions at its annual analyst conference held this past summer. During the conference, analysts from several firms were provided insights into both perceived industry trends and responses that Adobe is using to rationalize its LiveCycle portfolio. The sections that follow discuss key messages that Adobe shared with the analyst community along with IDC's insight and analysis.

### ***Adobe Corporate Strategy and Positioning in the Enterprise***

Historically, Adobe has revolutionized the way documents are created and processed. From its early inception, the company was a leader in publishing, developing the postscript language and working with hardcopy vendors to incorporate its technologies into their printers. Its next major initiative was the development of PDF, providing the technology for developers and end users to share content seamlessly across multiple operating systems and applications through the use of electronic documents. With the advent of the Web, the company extended its document knowledge frameworks to interactive media and Web design. The culmination of all this technology has positioned the company for further growth. Adobe has outlined four key challenges that are driving its current and future strategies:

- ☒ The publishing industry is facing critical issues as traditional print media is being replaced by interactive media. Quoting from Shantanu Narayan, Adobe's president and CEO, "Dollars in traditional publishing are turning to dimes online," and thus are having a significant impact on profitability in the publishing industry. Adobe is working with traditional publishers to help them extend their brands to interactive media and to monetize their content.

- ☒ How people are using software is changing and Adobe wants to be an integral part of moving the industry to leverage its current and emerging software. The impact of social networking software experiences is now spilling over into enterprise applications, and Adobe with its AIR, LiveCycle, and Acrobat products is focused on helping enterprises redesign existing serial processes into efficient interactive processes.
- ☒ How software is developed is also changing. Applications now need to be process focused and move beyond traditional transactional design to collaborative design. Application design for PCs, cell phones, Web browsers, and multiple other user interfaces need a radical shift from traditional IT processes design to collaborative design that leverages IT, business analysts, and end users.
- ☒ Global business opportunities are accelerating, and enterprises need to understand that the need for services will vary depending upon who utilizes the services. Adobe's emerging strategies for cloud-based services are expanding and will be a critical initiative by the company.

These four key trends are moving the company beyond being a technology provider to a relevant source for innovations that enterprises need to be successful. Offerings such as LiveCycle and Acrobat are now coupled with service delivery and process-centric offerings that the company believes will move businesses to leverage the benefits of rich Internet applications in bringing its offers to market.

IDC believes that Adobe has developed and is executing on a compelling strategy that will impact traditional document solutions enabled by hardcopy vendors. It is a strategy that seeks to break the chains of paper-intensive business processes with collaborative electronic processes designed from the start to be highly intuitive and efficient. This abstracted view of how new and emerging electronic document life cycle transcends beyond traditional transactional perspectives needs to be embraced by hardcopy vendors if they wish to remain relevant to their customers in the future.

Adobe states that its current enterprise business is approximately \$1 billion now and that the impact of rich Internet applications will grow exponentially in the future.

### ***Adobe Enterprise Cloud Computing Strategy***

Adobe is betting heavily that cloud computing architectures will have a significant impact on application development and deployment. Its stated strategy is to support a number of instantiations including public, private, and hybrid cloud frameworks. As it moves forward with this strategy, Adobe has begun to provide a number of capabilities to help enterprises get started. These include:

- ☒ **Adobe LiveCycle Collaboration Service.** This is an Adobe hosted service that helps enterprise developers add real-time social computing features to their existing applications. The focus here is to enable developers to extend the user interface experience for end users by incorporating social functionality like chat, online video, and progressive process functionality to traditional business functions. Targeted areas include interactive dashboards for decision support and reporting systems and collaborative workspaces used by teams to work globally.

- ☒ **Adobe Acrobat.com.** This is a publicly available site for knowledge workers to collaborate from within and outside of corporate firewalls. According to the company, this hosted "fee based" service has been getting very good traction with small and medium-sized business as well as globally dispersed teams within large corporations.

IDC believes that this strategy will be attractive to companies wishing to deploy and leverage services in both the public and the private domains. Adobe's advantage here is to provide the building block tools for applications that require front ends to tap into multiple services, whether public, private, or hybrid. Adobe's focus is to make the development of the front end simple for developers and to provide the back-end synchronization of services as either an Adobe hosted service or an enterprise service.

### ***Adobe Go-to-Market Strategies***

As stated previously, Adobe is aggressively working to become not only a technology provider but an integral business process partner for enterprises. To achieve this objective, the company has a well-defined go-to-market strategy that comprises the following channels:

- ☒ **Direct sales force.** Adobe's direct sales force team is focused on leveraging the Adobe brand and evangelizing the Adobe enterprise vision for user-centric business processes. This team is chartered with positioning both vertical and horizontal solutions aimed at improving enterprise business processes and showing how Adobe LiveCycle and additional Adobe portfolios can deliver value.
- ☒ **Partnerships.** The company has engaged a number of leading consulting partners and enterprise application providers to partner with Adobe to develop and deliver rich Internet applications for complex business processes. Partnerships with IBM, SAP, Accenture, Deloitte, Capgemini, and Cognizant have yielded significant traction for the company over the past year.
- ☒ **Adobe Technical Services Organization (TSO).** TSO was established to help enterprise customers transition their IT applications to efficient rich Internet applications.

IDC believes that all of these channels working in tandem will help Adobe maintain momentum as it seeks to evangelize its enterprise vision. The engagement of leading consulting and application providers will help the company gain credibility with C-level management of large enterprises.

## **FUTURE OUTLOOK**

Even with the challenging economy, the messages and capabilities of Adobe's newest LiveCycle release should make companies stand up and take notice. The ease of use exemplified by numerous social computing frameworks and their interface need to become the norm within enterprises. It is unlikely that the new generation of workers who have quickly adopted and utilized the new social computing paradigm will tolerate the status quo of IT applications found in many enterprises today.

IDC believes that in addition to enterprises rethinking their application frameworks and business processes, there will be a greater focus on the use and management of documents. Documents are the *lingua franca* of business. Documents encapsulate corporate knowledge, drive innovation, and facilitate the development and delivery of products and services to market. Several of the industry's hardcopy vendors have embraced this perspective of documents and are working to remake themselves as change agents as the role and context of documents change. Adobe, with its rich heritage and knowledge of documents, would be a valuable partner to hardcopy vendors looking to increase their relevancy to their customers.

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