



**CA APM Value Matrix™**

Step 1: Who are the Decision Makers (Roles)?

Decision Makers/Approvers

CIO	LOB Managers
VP IT	App Dev Managers
VP Applications	App Owners

Step 2: What is their main business objectives?

Improve Customer Experience

Increasing Customer Satisfaction and Brand Loyalty through better Applications performance and experience

Increasing market share and competitive advantage by differentiated your company through better applications

Reduce Application Incident Occurrences

Too much time and effort to investigate production application issues

High service desk costs from application incidents

High service desk costs from application incidents

Improve Business Outcomes

Financial impact of downtime/outages

Trouble meeting SLA / OLAs and penalties associated with out of compliance

Total cost of APM solutions are high

High TCO of APM

Total cost of APM solutions are high

## Increasing Customer Satisfaction and Brand Loyalty through better Application performance and experience

### Challenge

Did you know...?

- 6 Seconds is the time a consumer will abandon an application and/or brand if it doesn't load. More than half demand a load time of less than three seconds.
- 68% of customers will leave an app because of poor performance.
- 1 in 4 of all opportunities are lost to the competition according to IDC. 47% have dumped a brand's application for another brand due to a better feature or service.

### Loss

Poor application performance and user experience can lead to loss of revenue and loss of brand equity. The goal is to optimize applications and ensure the best mobile experience. More companies are competing for the same business. The ability to optimize and differentiate you applications from your competitors is critical.

### How the Solutions Address the Challenge

Today, the point of value will be largely defined by the end-user experience. And that shift will create APM trends around lowered TCO, simplicity, ease-of-use, mobile APM, and advanced analytics. Those are the capabilities that will stimulate user loyalty and differentiate your business in the App Economy.

### Tangible Benefits

- Make every user interaction a loyalty building experience
- With the APM 9.7 release, CA introduces its E.P.I.C. APM strategy, a solution that creates a competitive advantage in the App Economy by proactively managing the user experience. CA APM 9.7 is the first proof point in our E.P.I.C. APM Strategy, starting an E.P.I.C. trend that will build with each new release.
- CA is uniquely positioned as the only APM vendor focused on mobile-to-mainframe insight for in-depth root-cause diagnostics, embedded multi-variant analytics and enterprise-scale metric analysis for the most demanding apps, so that every user transaction becomes a loyalty-building interaction. Global brands trust their reputation with CA APM

### Evidence

- 66% of customers saw improved end user experience <http://www.techvalidate.com/product-research/ca-application-performance-management/facts/037-6BB-B51>

Improve Customer Experience

Reduce Application Incident Occurrences

Improve Business Outcomes

High TCO of APM

Increase Customer Experience and Brand Loyalty through better Application Performance

	Current	Savings	Proposed
Number of customers using applications to drive revenue	100,000		100,000
Annual percent of new customers	10.0%	10%	11.0%
Annual percent of customer churn	5.0%	10%	4.5%
Net increase in customer base	5.0%		6.5%
Total customers end of year 1	105,000		106,500
Average annual spend per customer	\$500	10%	\$550
Total sales	\$52,500,000	\$6,075,000	\$58,575,000
Net incremental margin	20%		20%
TOTAL NET MARGIN	\$10,500,000	\$1,215,000	\$11,715,000



Improve Customer Experience

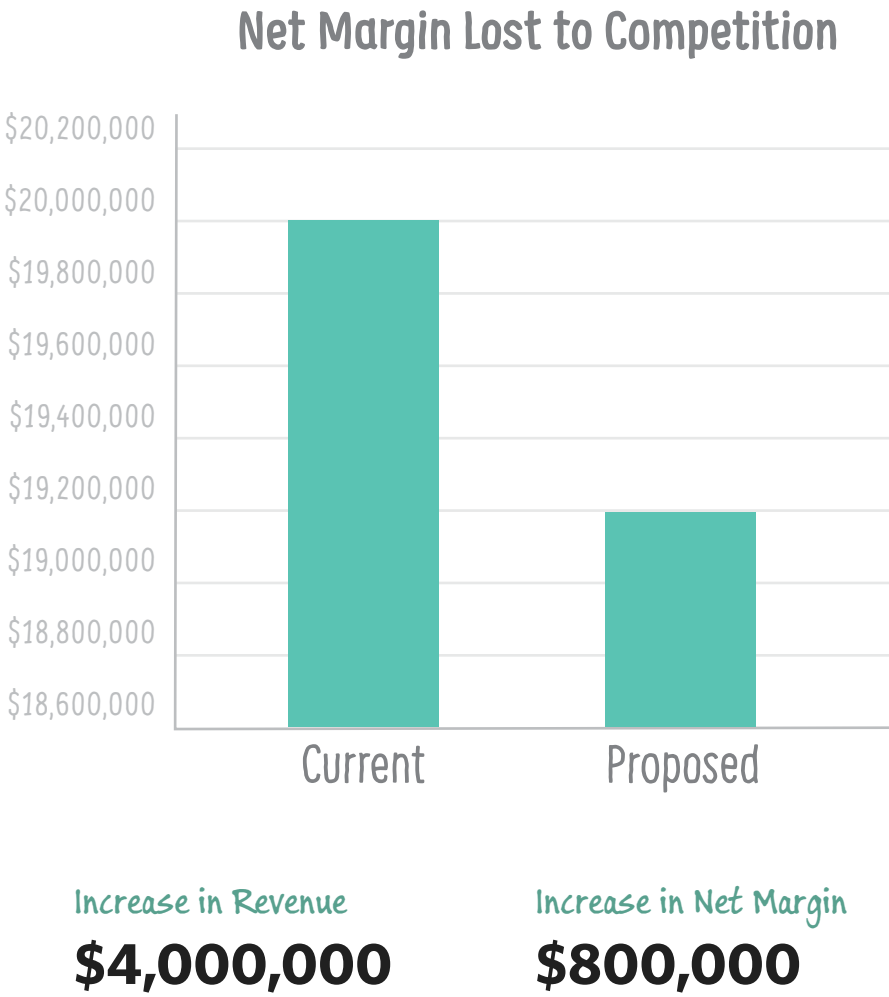
Reduce Application Incident Occurrences

Improve Business Outcomes

High TCO of APM

Differentiate your business from your competitors

	Current	Savings	Proposed
Annual sales revenue driven through applications	\$200,000,000		\$200,000,000.0
Sales Pipeline Multiple	2.0		2.0
Sales pipeline	\$400,000,000		\$400,000,000
% of pipeline lost to competition	25%	5%	24%
Annual revenue lost to competition	\$100,000,000	\$4,000,000	\$96,000,000
Net Margin	20%		20%
NET MARGIN LOST TO COMPETITION	\$20,000,000	\$800,000	\$19,200,000



# Too much time and effort to investigate production application issues

## Business Issues as a Result of the Challenge

Did you know...

- 80% of mean time to resolution is determining what the issue is vs. solving the problem (IDC)
- 8 hours is the average mean time to investigate (MTTI) production issues
- 43% of developers say that troubleshooting consumes over fifty percent of their time

## Loss

Often, support doesn't even know about issues before they occur, waiting for customers to tell them via support calls, or even worse, finding out via social complaints days later.

What is the Cost of Doing Nothing?

- Too much time and effort to solve production application issues which leads to high MTTI and resolution costs.
- An increased frequency of application slowdowns and downtime

## How the Solutions Address the Challenge

What if you could...

- Address problems before they impact the end user
- Operations Collaboration - better collaboration with developers in order to improve applications
- Accelerate time to remediation on high priority incidents by reducing time spent on root cause analysis and problem isolation, ultimately reducing IT staff costs associated with high priority outages
- Increase availability of customer-facing applications using tools that allow proactive performance monitoring and management on a single-pane-of-glass

## Tangible Benefits

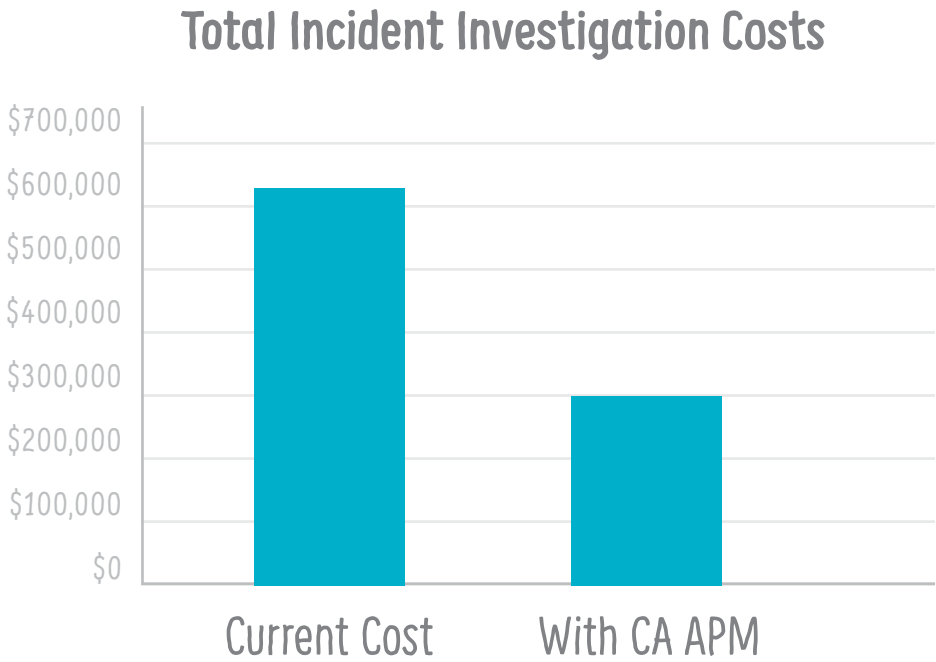
- Assist Developers in Creating Bullet-Proof Apps and identify performance issues before applications go into production
- A Focus on Middleware CA APM monitors middleware components. These middleware stacks are hard for many of our competitors to cover and represent the secret sauce of transaction routing and transformation for many of our enterprise customers.
- Complete 360° view of the entire application lifecycle including CA Cross-Enterprise APM - provide detailed infrastructure and transaction metrics with drill-down capabilities for all mainframe sub-systems

## Evidence

77% of customers reduce mean time to repair (MTTR), with 2/3 seeing over 40% reduction in MTTR

Production Support Savings

	Current Cost	Benefit	With CA APM
Total number of application incidents per year	240	20%	192
Avg # of staff involved in incident investigation	5		5
Avg Mean Time to Investigate (MTTI) hours	8.0	40%	4.8
Total resolution hours per year (incidents * people * MTTI)	9,600	4,992	4,608
Average fully burdened IT salary rate (per hour)	\$65.00		\$65.00
TOTAL INCIDENT INVESTIGATION COSTS	624,000	324,480	299,520



Support Savings  
**\$324,480**

Improve Customer Experience

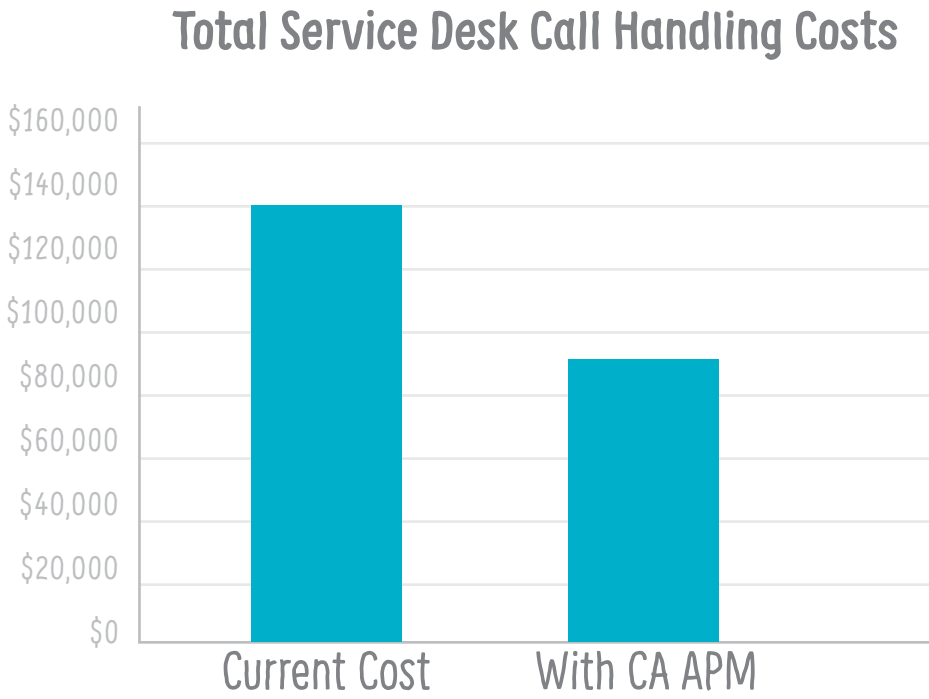
Reduce Application Incident Occurrences

Improve Business Outcomes

High TCO of APM

Reduce Service Desk Call Handling Costs due to Application Incidents

	Current Cost	Benefit	With CA APM
Total # of application incidents per year	240	20%	192
Average # of calls per incident	50	20%	40
Average duration of call (min)	20		20
Total call time (hours)	4,000		2,560
Average fully burdened IT salary rate (per hour)	\$35.00		\$35.00
TOTAL SERVICE DESK CALL HANDLING COSTS	\$140,000	\$50,400	\$89,600



Help Desk Savings  
**\$50,400**



# Improve Business Outcomes

## Business Issues as a Result of the Challenge

Did you know...

- 59% of fortune 500 companies still experience a whopping 1.6 hours of downtime per week Dun & Bradstreet.<http://bit.ly/crHKpu>
- The average cost per downtime hour is \$181,000, this according to Aberdeen research. However, for many firms, the costs can be substantially higher.<http://bit.ly/19wCr8V>
- A Compuware survey of 389 IT decision makers in the UK, Germany, France, the US and China found that on average IT departments fail to meet service level agreements with the business 26% of the time.

## Loss

Downtime can have a costly impact on businesses in terms of lost revenue and reduced productivity.

- An increased frequency of application slowdowns and downtime
- Increased complexity and difficulty diagnosing performance issues
- The application server performance

## How the Solutions Address the Challenge

With the CA APM Solution You Can

- Mobile-to-Mainframe Visibility - CA APM 9.7 brings full integration of CA Mobile App Analytics (CA MAA) into the CA APM AppMap dashboard to provide end-to-end business transaction monitoring from mobile-to-mainframe.
- Smart InstrumentationUnderstanding the path of transactions is critical in today’s application monitoring. When a transaction doesn’t complete, you need to understand where the issue took place. In CA APM 9.6 we delivered deep transaction tracing. CA APM 9.7 builds on the deep transaction tracing available in 9.6 by making it automatic and proactive.
- Deep Mainframe Insight: End-to-End visibility of application by tracking user transactions within the mainframe.

## Tangible Benefits

What if you could...

- Decrease the number of downtime events by 20%
- Shorten the length of downtime events by 20%
- Decrease SLA penalties by 20%

## Evidence

Acxiom Corporation reduced outages by more than 80%

Improve Customer Experience

Reduce Application Incident Occurrences

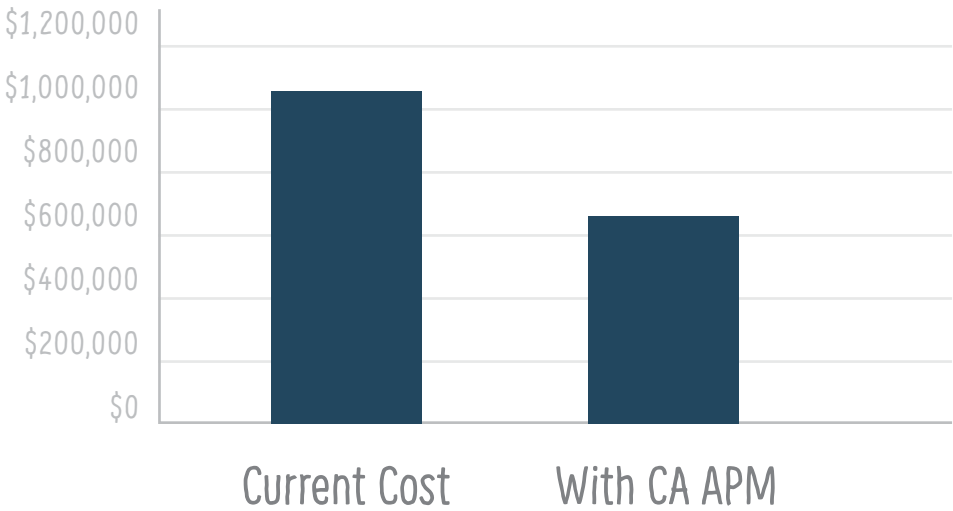
Improve Business Outcomes

High TCO of APM

Decrease Application Downtime

	Current Cost	Benefit	With CA APM
Number of application downtime events per year	20	20%	16
Average hours per downtime event	1.6	20%	1.3
Total annual downtime hours	32		21
Average cost per downtime hour	\$163,000		\$163,000
Total downtime costs per year	\$5,216,000		\$3,423,000
Gross profit margin	20%		20%
TOTAL APP DOWNTIME COSTS PER YEAR	\$1,043,200	\$358,600	\$684,600

Total App Downtime Costs Per Year



Savings  
\$358,600

Improve Customer Experience

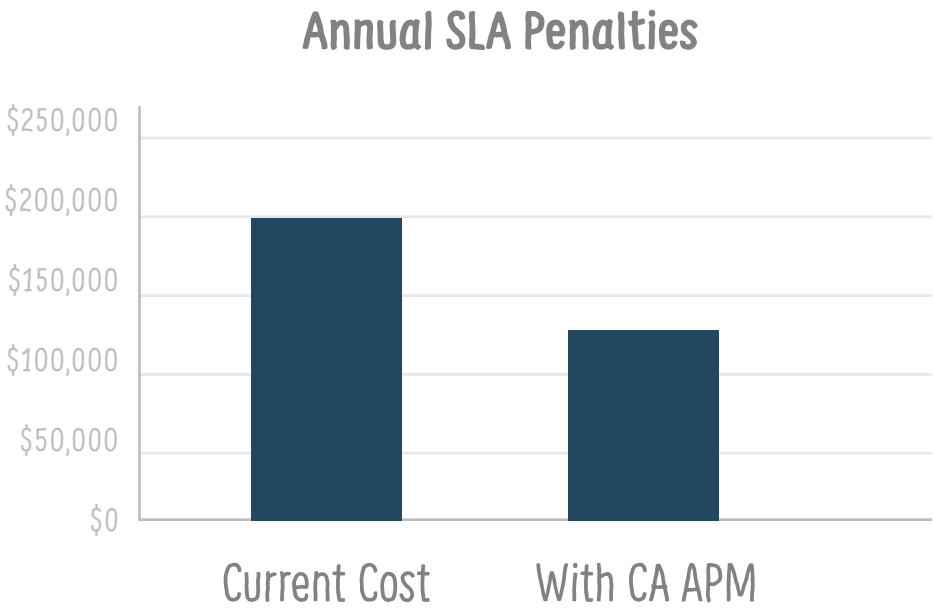
Reduce Application Incident Occurrences

Improve Business Outcomes

High TCO of APM

Prevent SLA / OLA Penalties

	Current Cost	Benefit	With CA APM
Number of SLA / OLA Penalties per Year	4.0	20%	3.2
Average penalty per SLA issue	\$50,000	20%	40000
ANNUAL SLA PENALTIES	\$200,000	\$72,000	\$128,000



Savings  
**\$72,000**

# Hidden Costs of APM Software

## Business Issues as a Result of the Challenge

Multiple monitoring tools are often needed to manage different infrastructure and applications.

Did you know...?

For each monitoring system, there is a cost for licensing and an annual maintenance contract cost, as well as hidden infrastructure, administration, management and support labor costs, and the annual labor costs for writing and maintaining tool scripts.

This high total cost of ownership (TCO) for multiple systems can put an unneeded burden on your organization’s IT budget.

## Loss

Equipment cost avoidance. As opposed to addressing performance problems caused by inefficient application code or database calls, IT often adds server capacity to circumvent the problem. The result is additional cost that could be avoided.

## How the Solutions Address the Challenge

- What if you could...
- Consolidate disparate monitoring tools into a single solution for more integrated performance management

## Tangible Benefits

Eliminate redundant commercial tools and avoid paying annual maintenance as well as having to support them internally.

Additionally, you will no longer need all of those homegrown scripts and tools that IT has historically built to fill gaps in existing toolsets.

## Evidence

Customers have seen an average cost avoidance of 30% with CA APM [www.ca.com/~media/Files/whitepapers/CA\\_APM\\_ROI\\_study.pdf](http://www.ca.com/~media/Files/whitepapers/CA_APM_ROI_study.pdf)

Improve Customer Experience

Reduce Application Incident Occurrences

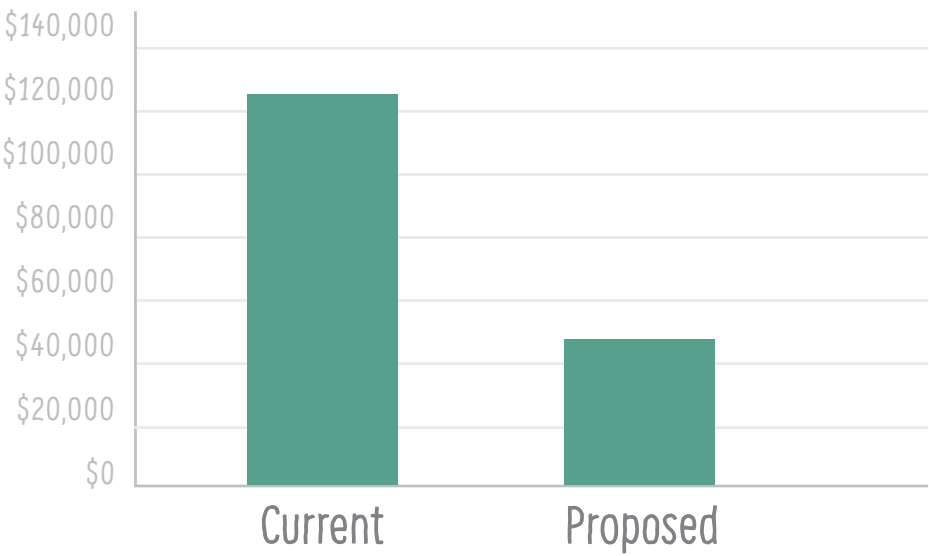
Improve Business Outcomes

High TCO of APM

Tool Consolidation Savings with CA

	Current Cost	Benefit	With CA APM
Total annual commercial license, maintenance and support costs	\$44,500	100%	\$0
Total annual homegrown support and script management costs	\$32,500	100%	\$0
Labor to support current APM software	\$50,000	50%	\$25,000
Other	\$0	100%	\$0
Total annual tool consolidation savings with CA	\$127,000	\$77,000	\$50,000

Total Annual tool consolidation savings



Tool Consolidation

\$77,000.00