

Application Performance Issues Cause Organizations to Lose Millions, According to New Aberdeen Group Study

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Report Shows That Best-in-Class Companies Use a Lifecycle Approach to Application Performance Management, Resulting in 5x Improvements in the Quality of End User Experiences

July 8, 2008 — Application performance issues are impacting overall corporate revenues by up to 9 percent, according to a new benchmark report by Aberdeen Group, a Harte-Hanks company sponsored in part by Gomez, a leading provider of web application experience management services.

Entitled “The Lifecycle Approach Brings IT and Business Together,” the report surveyed 206 organizations between May and June 2008 and found that 58 percent of the organizations surveyed are unsatisfied with the performance of applications that they currently use. Their top challenge is the inability to identify issues before end users are impacted.

“Being proactive about managing application performance is no longer optional,” said Bojan Simic, research analyst, Aberdeen. “What can no longer be ignored is the impact that application performance is having on some of the key metrics such as revenue growth, customer satisfaction, employee productivity, and profitability.”

Using key performance criteria to distinguish Best-in-Class companies from Industry Average companies and Laggards, the report found that Best-in-Class companies were five times more likely to report improvements in quality of end user experience. It found that 65 percent of Best-in-Class companies have the ability to measure the quality of end user experience, with 81 percent reporting improved customer satisfaction.

Additionally, what allowed Best-in-Class organizations to outperform the overwhelming majority of their peers was a full lifecycle approach to application performance management including the deployment of capabilities for predicting, monitoring, analyzing, and optimizing application performance. For example, 63 percent of Best-in-Class companies use tools for monitoring web application performance and 48 percent use tools to load test their web applications.

The report also found that Best-in-Class organizations experienced:

- 85 percent improved success rates in preventing issues with application performance before end users are impacted, as opposed to Laggards who reported zero percent improvement; and
- 106 percent average improvement in application availability, compared to Laggards who reported two percent improvement.

“Aberdeen’s findings empirically underscore the correlation between quality web experiences and business success,” said Matt Poepfel, Gomez VP of performance strategies. “For too many businesses, the end user’s experience remains clouded in obscure information – or no information at all –

putting business, brand and profits at risk. The Gomez® ExperienceFirstSM platform of services helps businesses ensure quality end user experiences by testing their web applications in development and measuring them after deployment, mirroring the proactive, lifecycle approach to managing and improving application performance prescribed by Aberdeen in this report.”

To obtain a complimentary copy of the report, visit:

<http://www.aberdeen.com/link/sponsor.asp?spid=30411266&cid=4906>

About Aberdeen Group, a Harte-Hanks Company

Aberdeen is a leading provider of fact-based research and market intelligence that delivers demonstrable results. Having benchmarked more than 30,000 companies in the past two years, Aberdeen is uniquely positioned to educate users to action: driving market awareness, creating demand, enabling sales, and delivering meaningful return-on-investment analysis. As the trusted advisor to the global technology markets, corporations turn to Aberdeen™ for insights that drive decisions.

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About Gomez

Gomez, Inc. is a leading provider of web application experience management services, which businesses use to test their web applications while in development and to monitor their web applications after deployment. More than 2,000 customers use Gomez’s on-demand services to improve the quality of the web experience in order to increase their revenue from web applications, reduce their operating costs, and extend their brand reputations. For more information, please visit www.gomez.com.

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