

Vendor Profile

Nexthink: Placing Digital Employee Experience First

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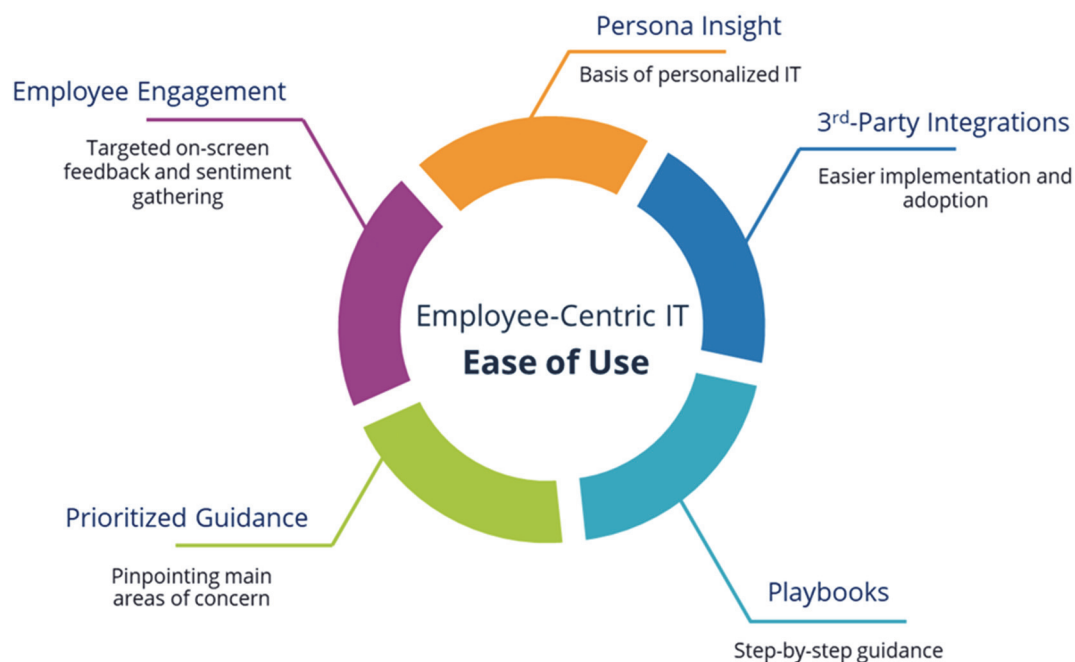
IDC OPINION

Nexthink is a prominent digital employee experience (DEX) management vendor serving over 1,000 customers worldwide and more than 11 million endpoints. It has a long-standing vision of employee-centric IT and consistently adheres to this principle in product development and external communication.

Figure 1 summarizes the main strengths of Nexthink's capabilities, as seen by IDC.

FIGURE 1

Main Strengths of Nexthink's Employee Experience Management Solution



Source: IDC, 2021

Two of Nexthink's strong capabilities – employee engagement and personalization – are centered around its employee-centric IT vision. The other is built on Nexthink's value proposition of support for IT professionals and includes prioritized and step-by-step guidance and 3rd party integrations.

IN THIS VENDOR PROFILE

This IDC Vendor Profile document provides an overview of Nexthink's digital employee experience management solution. It explains the main benefits of the solution from both a corporate and an IT professional perspective. This study also identifies the main strengths of the Nexthink solution's capabilities.

SITUATION OVERVIEW

As the overall impact of IT continues to increase and IT governance becomes an integral part of companywide business strategies, managerial practice is shifting away from setting stringent IT-metrics to focusing on actual business outcomes of implemented solutions. This essentially leads to an employee-centric approach in IT management and operations. Although employee experience (EX) measurement and management may, to many IT decision makers, evoke the notion of a luxury that pays excessive attention to the requirements of individual employees, DEX management is in fact an efficient data-driven way of managing scarce resources, such as the workforce and all the components of an IT ecosystem (hardware, software, and IT services). Further, actively engaging employees during digital transformation initiatives reduces project risk and leads to better outcomes for IT.

Consequently, DEX monitoring and tracking the performance of individual IT components have become integral parts of modern **risk management in IT transformation projects**, as well as providing a solid base for **IT service benchmarking** and **cost reduction**. Whether for cloud migration, virtualization, Windows 10 migration, document management system (DMS) deployment, or network conversion, tracking business performance and end-user experience prior to a change, during deployment, and after it provides valuable data to assist in managing transformation.

Measured data can also create a good information base for IT cost justification, such as whether a device requires an upgrade, whether and how widely a specific application is being used, and what the actual availability is of software-as-a-service (SaaS) applications.

Undoubtedly, DEX monitoring is valuable for the enablement of the phenomenon of 2020 – **remote working**. The shift to, in many cases, technologically underserved home environments has inevitably led to an upsurge in IT helpdesk tickets. Device and application performance monitoring and DEX measurement provide a good information base to IT helpdesk staff, enabling them to address – and even to prevent – the various IT issues encountered by remote workers.

With many workers' upcoming return to the office, managing DEX for hybrid workforces (some in the office, some at home) will become the next major business imperative.

Company Overview

Founded in 2004 by three IT professionals who were awarded a patent for a new method of detecting and visualizing abnormal behaviors in a computer network, Nexthink has grown over 17 years into a global company with almost 700 employees. The company has 9 offices worldwide, with dual headquarters in Lausanne, Switzerland, and in Boston, Massachusetts, the United States.

In 2020, Nexthink's total revenue exceeded \$100 million.

The vendor serves about 11 million end-users across 1,000 companies and institutions. According to Nexthink's own research, very large enterprises (with over 20,000 employees) across all industries are likely to deliver a poor digital experience to their employees.

Nexthink's client base includes Best Buy, Fidelity International, Swatch, Toyota, and Western Union. In 2020, Nexthink added 180 customers.

Company Strategy

Following its mission, "To delight people at work," Nexthink aims to support employee productivity, happiness, and engagement, with a focus on how IT is experienced by employees – and not only on how it is delivered by the IT department. Good employee experience management mitigates loss of productivity, fast burnout, and consequent frustration, which could potentially lead to a desire for a job change. Effective DEX management also drives critical IT outcomes, such as operational cost reduction, software and hardware cost reduction, improved service desk performance and employee satisfaction with IT, and reduced IT project risk. Businesses gain greater influence over attrition rates and are better able to support costs related to end-user computing (i.e., IT helpdesk/support costs).

Value Proposition

As previously indicated, Nexthink's value proposition is based on the continuous improvement of employees' experience with corporate IT tools, covering day-to-day issues and occasional large-scale technology rollouts. Gathering both telemetry and end-user sentiment is crucial for a complete view of end-user experience. Experience shows employees rarely report chronic issues due to negative past involvement with IT support.

The solution aims to support IT professionals in their work by giving them insight into devices, the network, virtualization, and applications. It can give a global overview, as well operational details and proactive root-cause analysis of identified issues. Its ease of use derives from, among others, its provision of prioritized and detailed guidance to IT professionals and its compatibility with numerous 3rd party software applications.

During the first weeks of the COVID-19 outbreak, Nexthink's solution provided vast support to many of its global customers in hurried remote software rollouts and updates to enable them to set up robust remote work environments for their workforces.

Product

The vendor's DEX management solution, Nexthink Experience, consists of the following three main pillars:

- **Real-Time Analytics:** The solution provides an employee-centric view of devices, applications, virtualization, and networks. It can distinguish between backend, network, and client issues. It is not limited to on-device or on-premises computing but is capable of monitoring the performance of cloud-based applications (most importantly, Office365). With the launch of an additional product in April 2021, the vendor has gained full visibility into the performance, sentiment, and adoption of tracked applications, which previously was partially limited.
- **Employee Feedback and Sentiment Collection:** Nexthink Experience frequently collects employee sentiment with the use of targeted short on-screen messages. The results are compared with technical insights to uncover unreported issues. In addition to its use in troubleshooting, employee sentiment data is leveraged for benchmarking.
- **Automated Remediation:** The solution supports both proactive and reactive remediation, but it understandably attempts to avoid the latter. It consists of prioritized guidance for at-a-glance decisions, artificial intelligence-powered (AI) root-cause analysis, and remediation playbooks.

Strengths

Nexthink has a long-standing vision of employee-centric IT and consistently adheres to it in product development and external communication. IDC has identified several capabilities that make Nexthink's solution particularly competitive, as covered in the following subchapters.

Employee Engagement

Targeted and contextual communication through on-screen messages forms an integral part of the solution. By this means, the vendor has achieved abnormally high **feedback** response rates

(exceeding 70% for the selected customers) from its employees reporting on their IT user experience. The non-intrusiveness of Engage, Nexthink's employee feedback collection module, has even led some clients to use it for other employee feedback gathering, as the response rates are generally far higher than they are for email surveys.

Communication levels between IT support staff and other employees are often low. But a combination of end-user survey results and technical insights, as offered by the Nexthink solution, can help reveal hidden IT issues. Affected end users can be made aware of potential glitches, as well as being offered self-help techniques.

The tool has frequently been used by IT service desks to **inform** affected end users about service stoppages and outages, a feature that has become especially useful for workforces dispersed across home offices with limited means of communication.

Nexthink integrates with **chatbots** to help the IT service desk handle routine and less complex tasks and to create service desk tickets. Nexthink's DEX data can also be integrated into third-party service platforms, such as ServiceNow, shortening service desk call times and thus increasing productive time for both the IT team and employees.

Persona Insight

Nexthink collects over 700 activity metrics from devices, applications, and network resources, including devices and applications used, installations, domains, ports, destinations, user logins, system boots, print jobs, web requests, and device warnings. These can be clustered into persona traits, which characterize each end user's program and application usage type, work habits, interests, job function, resource usage, and other IT-affecting attributes. Example personas include Business Service User, Collaborator, CPU Intensive User, Heavy Print Consumer, Over-Timer, Policy Evader, PowerPoint User, Sales Executive, Knowledge Worker, and Power Worker.

Based on persona traits, IT professionals can create workplace personas, which enable them to address various IT problems. This approach stems from the concept of personalized IT and aims to deliver adequate workplace technologies to every employee in a scalable and cost-effective manner. This can cover hardware, applications, bandwidth, and so forth. Personas can also provide quick guidance on whom to prioritize in delivering services.

Prioritized Guidance

Nexthink's solution provides a ranking of the issues that most negatively affect end-user experience so that IT professionals can quickly set priorities to address the main areas of concern. The solution also finds potentially problematic malfunctions and initiates resolutions before those malfunctions start hampering end-user experience.

Playbooks

Step-by-step guidance for remediation can reduce issue resolution time and support less experienced IT administrators. Playbooks build on AI-based root-cause analysis and offer suggestions on how detected problems can be addressed most effectively.

Partnerships

Nexthink integrations include Microsoft, HP Inc., Dell, ServiceNow, Splunk, VMware, Apple, Citrix, Bright Horse, PMCS.helpLine Software Group, and EasyVista. The vendor also recently closed technology partnerships with Crayon and Quintica. These partnerships extend Nexthink's value proposition.

Nexthink also has partnerships with all of the top global managed-services providers (MSPs). The largest of them, Atos, has over 1 million endpoints under license and management. Others include

DXC, Wipro, HCL, Accenture, Computacenter, Tech Mahindra, Unisys, Fujitsu, Tata Consultancy Services, Cognizant, and NTT DATA. Cooperation with service providers enables Nexthink to leverage the technical capabilities of its partners, as well as their client bases.

FUTURE OUTLOOK

The near future will bring numerous factors into play for DEX management vendors, including:

- The rise of employee-centric IT and emphasis on data-based decisions
- The prevalence of hybrid working
- A rise in digital transformation initiatives
- An upsurge in experience level agreements (XLAs) and SaaS application adoption
- An intensified focus on ROI and cost cutting due to economic uncertainty
- The rising threat of security breaches and compliance violations

The future of the DEX-management industry lies in the utilization of collected data. DEX monitoring provides that data; it provides companies that use it with a true knowledge base. Finding ways to leverage the gathered information to solve customers' challenges is the key to success. We encourage vendors to involve their partners and clients in developing such applications.

ESSENTIAL GUIDANCE

Advice for Nexthink

- **Work with your customers to fully leverage data collected via telemetry.** Utilizing telemetry data beyond resolving daily IT issues requires thorough analysis and operational commitment from the customer. Personalizing IT by creating personas, an initiative Nexthink has already undertaken, is a good direction in terms of utilizing enormous amounts of accumulated data. Gathered information can also be used to address client-specific requests.
- **Do not underestimate messaging around personal data protection.** Detailed data collection, including behavioral characteristics, may create the feeling among end users of being watched. It is crucial that employees understand that the purpose of Nexthink tools is to help and that these tools were not designed to observe whether an employee is working or to gain any personal information.
- **Promote the importance of DEX tracking during significant IT upgrades and digital transformation projects.** Expand messaging around the benefits of DEX management beyond remote work and ad-hoc troubleshooting to other crucial areas.

Advice for Buyers

Nexthink is a prominent DEX management vendor serving over 1,000 customers and more than 11 million endpoints. Its solution is especially suitable for large and very large enterprises that want to evolve their IT operations around a unified employee-centric view of devices, networks, and applications.

The solution offers comprehensive IT service desk support, enabling IT professionals to juggle ad-hoc daily tasks alongside a complete overview of IT operations. This includes prioritized guidance, pinpointing areas that need to be addressed urgently, and step-by-step guidance on how to solve existing IT issues with the use of AI-based root-cause analysis. The concept aims to detect and resolve IT problems at an early stage – before they can affect the digital experience and productivity of employees. Existing integrations with products of technology giants – such as Microsoft, HP Inc., Dell, VMware, ServiceNow, and Apple – have broadened Nexthink's application and simplified its adoption.

Employee engagement is a strong Nexthink capability. Using Nexthink's Engage tool to collect relevant data on employee sentiment is easier than doing so by email. Engage can also be used as an alternative channel to connect to employees during service stoppages and outages and when immediate attention is needed. Nexthink integrates with chatbots to help the IT service desk handle routine and less complex tasks and to create service desk tickets.

Nexthink provides customers with enough insight to personalize workplace technologies for each employee. The solution enables the creation of workplace personas, enabling a customized approach to groups of employees with the same or similar needs.

LEARN MORE

Related Research

- *Intelligent Digital Workspaces: Enabling the Future of Work for the Resilient Workplace – Update* (IDC #US47447421, February 2021)
- *Work Transformation in 2020: A Regional Comparison* (IDC #EUR147027420, November 2020)
- *IDC TechScape: Worldwide Intelligent Digital Workspace, 2020* (IDC #US46763120, August 2020)

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