On the Radar: NetSfere

A mobile-first chat app for the enterprise

Summary

In brief

Communications infrastructure vendor Infinite Convergence Solutions has developed NetSfere, a secure messaging app specifically designed for use on mobile devices, including smartphones and tablets, but which can also be accessed on the desktop or laptop via the Web.

NetSfere aims to address the problem of employees using consumer-oriented messaging apps in the workplace. Consumer-oriented messaging apps are becoming increasingly popular, but typically do not provide the enterprise-level security required by companies to protect confidential business information and customer data.

NetSfere also aims to provide a mobile-first alternative to enterprise instant messaging platforms such as Microsoft Lync, meaning that NetSfere is optimized to provide a better user experience on mobile devices.

Ovum view

- Infinite Convergence Solutions' NetSfere messaging app is aimed at providing an option for enterprises that would like to allow their employees to use chat apps, but that doubt the security capabilities of the consumer-oriented chat apps that staff are using, such as WhatsApp. The use of such apps either occurs without the enterprise's knowledge or is accepted but not sanctioned by the enterprise.

- Infinite aims to address enterprise concerns about chat app security and control by including device-to-device encryption and administration tools in the NetSfere platform. Demonstrating the app's security credentials will be vital to the uptake of NetSfere in the enterprise market.

- In providing a mobile-optimized, cloud-based, secure messaging app, Infinite seeks to enable enterprises to offer their employees a good, secure user experience – by comparison to consumer chat apps or to existing desktop-first enterprise IM apps – with minimal capex, and the ability to quickly scale and customize. The vendor believes that simplicity will be a key differentiator for NetSfere: for the enterprise, that means making it as easy as possible to deploy and operate, and for the user it means providing an intuitive user experience, which is synchronized across multiple devices.

- Initially Infinite will sell NetSfere direct to market (including via the NetSfere website) or through channel partners, including systems integrators and telcos. Both the direct-to-market and the channel partner approaches will challenge Infinite; in the case of the former the vendor will need to ensure it has adequate sales and marketing resources, and in the case of the latter it will be a matter of continued engagement with the existing channel in order to remain top of mind, and in identifying and engaging with new channel partners.

- However, Infinite is already providing messaging connectivity services to the enterprise market, which means there is an opportunity for the cross-sell of NetSfere.

Recommendations

Why put NetSfere on your radar?

Infinite Convergence Solutions' NetSfere platform provides an opportunity for enterprises to better control their employees' use of mobile instant messaging – for those organizations that haven't already deployed an enterprise desktop/mobile IM platform – by offering a secure, multi-device app that is delivered as a cloud-based service, which reduces capex while also allowing enterprises to "try before they buy." The vendor also aims to provide a mobile-first alternative to desktop-first enterprise IM platforms, in order to enable a better user experience on mobile.

Infinite is already pursuing a strategy of going directly to market, and is engaging with existing channel partners and prospective channel partners to quickly build scale globally. However, a service like NetSfere also provides the opportunity for a telco with an enterprise business – or a telco with ambitions of developing an enterprise business – to differentiate its offerings. Again, the cloud-based approach to deployment reduces both the investment required and the risk associated with offering a new service.

Evaluation

Background

Infinite Convergence Solutions is a wholly owned subsidiary of the Bangalore-headquartered company Infinite Computer Solutions, which is listed on the Bombay Stock Exchange and the National Stock Exchange of India.

Infinite Convergence Solutions was formed in 2010, as the result of a strategic alliance between its parent company and Motorola, under which Infinite acquired Motorola's messaging business. At that time, the Motorola messaging business was primarily focused on the US, and offered a limited range of messaging platforms.

Infinite Convergence Solutions has since significantly expanded its geographic coverage, with operations in Germany and Singapore as well as the US and India. The company has also widened its product set, adding RCS, converged messaging, inter-carrier platforms, a public safety MMSC (multimedia messaging service center), and the Enterprise Messaging Service (EMS), in addition to NetSfere. Infinite's platforms process more than 700 billion messages per year, for about 130 million mobile subscribers.

The development of NetSfere is a logical extension for Infinite, as it already positions itself as a provider of messaging services to the enterprise market, as well as to mobile subscribers (via its mobile operator customers). The genesis of NetSfere came from the company's survey of 400 IT decision-makers about their employees' use of BYOD devices and applications. The survey found that there was significant concern among CIOs about the use of consumer-oriented messaging apps, which employees were using because they felt they helped make them more productive, but which companies sought to ban due to security concerns. According to the survey, 59% of respondents felt that such apps were insecure for enterprise communication, and 41% of respondents said that their company had banned such apps. A more recent survey by Infinite, which canvassed employees' use of enterprise communications, found that 53% of respondents worked for companies that did not have an official policy governing mobile phone use in business communications.

Consequently, Infinite identified an opportunity to provide a mobile-friendly chat app that would enable enterprises to offer their employees a more secure alternative to third-party messaging apps, which the enterprise IT department itself is able to control.

Products and services

NetSfere is a cloud-based, secure messaging app for iOS and Android, which is also accessible via any modern desktop or mobile web browser. A Windows Phone version is scheduled to launch mid-2015, and native apps for the desktop are also in development.

Infinite has paid particular attention to the security and privacy capabilities of NetSfere; the company provides device-to-device encryption by using a combination of Advanced Encryption Standard (AES) 256-bit encryption (for securing the text and other content that might be contained in the message) and elliptical curve cryptography, which secures the key exchange process that is integral to the encryption and decryption of message content. The enterprises alone have access to the encryption keys, meaning that Infinite cannot be compelled to provide the keys to law enforcement should the need arise.

Further strengthening NetSfere's security proposition, the enterprise IT department can manage the NetSfere platform via an administration portal – the Administrator's Control Panel – setting policies which control user access and the availability of specific features, as well as being able to remotely delete NetSfere-controlled content when an employee leaves the company.

In addition to the ability to share messages, files, photos, and videos, NetSfere also enables SMS fallback when the data channel is not available; again, it is up to the enterprise as to whether it provides this capability to its users. Users are also able to share their location.

Infinite developed the NetSfere platform internally, and has deployed it on Amazon Cloud, though it will be possible for an enterprise to roll out the service on another public cloud, or on its private cloud.

The platform is available in two versions: NetSfere Professional and NetSfere Enterprise. The latter platform includes all of the features of the former, adding some more advanced capabilities (see Table 1).

The key challenge for Infinite, however, is to ensure that NetSfere provides at least as good a messaging experience, and ideally a better messaging experience, than the consumer chat apps, or indeed the enterprise chat apps, that an enterprise's employees may already be using. By not matching the capabilities of existing consumer or enterprise chat apps, NetSfere risks being deployed by an enterprise, only to be ignored by the enterprise's employees.

Table 1: NetSfere Professional and NetSfere Enterprise feature list

	NetSfere Professional	NetSfere Enterprise
Transport encryption	256-bit AES	256-bit AES
	Elliptical curve key exchange	Elliptical curve key exchange
Device-to-device encryption	n/a	256-bit AES
		Elliptical curve key exchange
Platforms	Multi-device enabled	Multi-device enabled
	iOS, Android, and Web	iOS, Android, and Web
Message management	Organizes messages by conversation	Organizes messages by conversation

	Add participants at any time	Add participants at any time
Attachments	Text, documents, photos, and videos of up to 5MB	Text, documents, photos, and videos of up to 30MB
Cloud storage	Up to 90 days	Up to 5 years
Alternative delivery	n/a	Fallback to SMS text messaging
Search	n/a	Global search
Compliance	n/a	HIPAA
Customization	n/a	Contact sales
Support	Reply by email within three business days	Email and phone (24x7)

Source: Infinite Convergence Solutions

Business model and commercial strategy

NetSfere is targeted at the enterprise market, and aims to provide an alternative to the consumer chat apps that a company's employees might seek to use in the workplace and in their personal lives. NetSfere is also being positioned as a mobile-first alternative to existing enterprise instant messaging platforms such as Microsoft Lync (which has a mobile client), meaning that Infinite has optimized the app for use on mobile devices.

Infinite is targeting a number of industry verticals for NetSfere, including healthcare, finance, insurance, and legal; the company's CEO, Anurag Lal, told Ovum that Infinite has already signed deals for NetSfere with companies in the healthcare and financial sectors.

To begin with, Infinite is going direct to market via a self-service portal on the NetSfere website. However, the company is also developing a channel strategy so that it can quickly build global scale for NetSfere; as part of this strategy Infinite is initially targeting its existing channel partners. Both approaches will be resource-intensive, albeit in different ways: direct-to-market will require dedicated sales effort. The vendor will be able to add NetSfere into the mix when engaging with its existing partners; however, Infinite may find that there are gaps for which it will need to identify new channel partners for NetSfere, for example, within an industry vertical or geographic market.

Setup fees will be minimal, according to Lal, and Infinite will then charge a per-user, per-month fee. NetSfere Professional will be free for up to 10 users for one year; once the company exceeds 10 users or one year, per-user per-month charges will apply. NetSfere Enterprise is also available for free trial by contacting the company. The recurring charges have not been listed on the NetSfere website; it is likely that the price will depend on the number of seats and the length of time the enterprise wishes to use the service, and there will also be charges for setup and customization, as required.

While the enterprise messaging app market is still nascent, Infinite does have a number of competitors, namely other vendors and app developers. While Infinite does have the advantage of being a vendor with a customer base that includes mobile operators and enterprises, a complementary portfolio of products, and an established channel to market, this does not automatically confer success. NetSfere is Infinite's first foray into app development, and as such, the vendor faces the challenge of ensuring that NetSfere is at least as good, if not better, than other similar apps. Infinite has to convince enterprises that NetSfere is an essential tool that fills a necessary business requirement, and then it has to ensure that NetSfere delivers on its stated

objective of being a more secure, usable, and reliable option for enterprise chat, especially on mobile devices.

Appendix

On the Radar

Ovum's "On the Radar" series highlights up-and-coming companies bringing potentially disruptive ideas, products, or business models to their markets. "On the Radar" companies bear watching for their potential impact on the market for the current or future services of telcos and their suppliers.

Further reading

On the Radar: Twilio, TE0003-000798 (September 2014)

"Facebook's Messenger Platform takes measured steps towards a richer user experience," TE0003-000848 (March 2015)

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We hope that this analysis will help you make informed and imaginative business decisions. If you have further requirements, Ovum's consulting team may be able to help you. For more information about Ovum's consulting capabilities, please contact us directly at consulting@ovum.com.

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