



Automation Anywhere Launches Industry-First Cloud-Native RPA Platform

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IDC's Quick Take

This IDC Link discusses the market implications of Automation Anywhere's (AA) cloud-native RPA platform, Enterprise A2019. IDC attended AA's EMEA launch on October 18, 2019, where we spoke with co-founder Rushabh Parmani and other executives.

Enterprise A2019 is the first built-for-cloud RPA platform, which is significant because cloud native platforms, wherever they appear, have the potential to open up markets. AA is hoping that Enterprise A2019 will do the same, bringing intelligent automation to a much wider audience, from new enterprises looking to start and scale rapidly, to those already on their journey. Executed well, this platform has the potential to drive a step change in speed of adoption of intelligent automation, scaling its use, while driving down the total cost of ownership (TCO) for adopters. Enterprise A2019 therefore marks a big step forwards for AA in democratizing intelligent automation for the enterprise.

Product Announcement Highlights

On October 4, 2019, [Automation Anywhere announced the launch of Enterprise A2019](#). The platform comes ready with 14 languages, and more than 175 new features across 40 different product capabilities. It's been in research and development over the past two years, and the company says it incorporates feedback from more than 3,000 customers. Key features of the product include:

- **A new web-based design interface**, which AA has created to be more intuitive to use, simplifying bot development.
- **A cloud-native platform** to offer RPA-as-a-service from the cloud, as well as on-premise. AA executives state this is the first truly cloud-native RPA platform as it is entirely browser-based, and the user doesn't have to deal with any updates at all. It runs on all major cloud platforms including Microsoft Azure, Amazon AWS, Google GCP, Oracle Cloud, and more. It can also be provisioned on a customer's private cloud, on premise, or a hybrid of the two, depending on the customer's preference.
- **Enhanced AI features**, notably IQBot, AA's intelligent process and document automation tool, which is in its sixth generation; and AI Sense, which learns through repetition what a user intends to do in their daily work.
- An **attended Automation** upgrade that aims to provide greater bot and human collaboration across teams and workflows. The aim is to break down the boundaries that exist between front and back office automations.

CEO Mihir Shukla explained the driver behind the new product is to remove the various "friction points [for customers] in managing bots." Shukla highlighted that most customers have a few bots here and few there, and if providers can't resolve this issue of limited scale "the promise of RPA will remain

shallow." There are a few key "friction points" that Shukla said AA is attempting to address with Enterprise A2019:

- Relying on IT staff for RPA update requests
- Implementing RPA technology
- Training staff and onboarding them on to the technology
- Educating the rest of the organization
- Changing the culture
- Whether to target the front or back office.

Microsoft Partnership Driving "Contextual Automation"

Another key part of the launch is the announcement of AA bots being fully integrated via the AA Bot Store into Microsoft Office 365. Ed Fandrey, VP for Financial Services at Microsoft, explained that the two companies have worked together for over a year, and now offer a comprehensive service on Azure for RPA-as-a-Service, AI collaboration, Office 365, and MS Dynamics.

AA and Microsoft are working together to offer what they're calling "contextual automation," which Fandrey said is about providing automation in the flow of users' work. With the level of integration here, if a user works in Excel for instance, they can go to the ribbon and Automate tab, without minimizing and maximizing Excel, and create a bot in context — enabling the person to "stay in the flow," and making automation design much quicker and easier.

Shukla explained that this idea of contextual automation is the future of AA's ecosystem model. This inevitably means AA creating very close tie-ups with its software ecosystem partners to embed AA technology within their product. We can therefore expect more such announcements with other high-profile software vendors in the future.

IDC's Point of View

Cloud platforms are one of the fastest growing sectors of the IT market in Europe. IDC's report [European Public Cloud Platform Forecast, 2018-2023](#) shows public cloud computing growing at 27% CAGR between 2019 and 2023, and middleware, integration, AI, and data management all growing at similar rates. Public-cloud-based intelligent automation, which leverages many of these technologies, as well as the super high growth [RPA software market \(62.1% CAGR\)](#), is likely to experience even higher growth over the next few years.

One of the major benefits of moving to the cloud is the potential reduction in capital costs, so that there are no more bot licenses to purchase or infrastructure to maintain. Redesigning the contracting model to support fully consumption-based pricing appears to still be work in progress, which is probably fine for existing customers that will move across more slowly due to existing contracts; however, new customers are likely to demand this from the outset. In our view, a truly cloud-native offering needs to have both an as-a-service commercial offering, as well as being a technology concept for customers to capture the maximum value.

Shefali Shah, a senior client payment specialist from client JP Morgan Chase (JPMC), explained that JPMC will look to move across to the private cloud version "in due course." Shah anticipates a significant reduction in the company's infrastructure costs at that point, because JPMC currently has one server running for every bot, but also a back-up server, due to the complexity of its implementation. If AA's

cloud version can remove that level of complexity and cost for clients, then we can envisage a very bright future for cloud-native RPA.

Enterprise A2019 will really need to deliver on promises of ease of access, deployment, and use, if AA hopes to achieve its ambitions to democratize RPA across the enterprise, and beyond that into the wider population. AA is also doing the right thing by focusing heavily on the user experience, intuitive design and context that become increasingly important in cloud-native applications and services.

It's no surprise that the leading RPA players are now going after the cloud-based automation opportunity. But what's more of a surprise is what's taken them this long to do it. Blue Prism made the first entry into the market via the [acquisition of long-time partner Thoughtonomy](#) in June 2019. Meanwhile, we commented on [UiPath's preparations for its own launch of a cloud-based AI platform](#) before the end of 2019.

The difference between AA's approach and the approaches of Blue Prism and UiPath is that Blue Prism and UiPath are making transitional steps to the cloud, rather than creating completely cloud-native RPA platform versions. Thoughtonomy, for instance, is a cloud player, but uses the core Blue Prism technology that is built for on-premise use. UiPath, meanwhile, already partners with Microsoft Azure and Google Cloud, but the core platform hasn't been re-architected specifically for use solely via a web browser. Even open source giant Red Hat is at least six months away with its own cloud-native process automation platform Kogito.

Automation Anywhere has made a big step forwards in launching Enterprise A2019. It has genuinely been built from the ground up as a cloud-native platform, with an impressive user interface, easy drag and drop bot creation, and smooth automation testing. The UI is also customizable depending on the role of the user.

Enterprise A2019 gives AA a window of opportunity as the first mover into truly cloud-native RPA. We believe that to really capitalize on this, AA now needs to start executing for its customers at speed and scale, and what's more it will need to keep innovating beyond this initial release. There's no doubt its competitors will be fighting to close the gap in the coming weeks and months.

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