



Good Technology Device Activations Report

Q4 2010

2010 – The Year the Game Changed in Mobile Enterprise



Executive Summary

In Good Technology's Q4 2010 metrics report, we take a look back at the 2010 calendar year. In December of 2009, Good launched Good for Enterprise (GFE) for both Android and iOS. With Q4 2010 closing, this marks the first full year of support for these platforms among Good clients. In just one year, Good has seen more than 2,000 enterprises deploy GFE on either iPhone, iPad, or Android devices. The iPad was introduced in April 2010, and had an instant impact on enterprise mobility, growing to more than 20 percent of all iOS device activations in the enterprise in just eight months. Companies in the Financial Services and Healthcare sectors embraced the iPad most rapidly, while Government, High Tech, Legal, Entertainment and other sectors fought it out for third place.

Bolstered by the iPad, iOS remained the most-activated platform by Good's customers in Q4 2010, and had roughly twice the activations of Android for the full year. However, iOS and Android had remarkably parallel growth trajectories from October through December of 2010; in the smartphone category, Android devices represented 42 percent of all smartphones activated, while various iPhone models represented 58 percent.

In the final quarter of 2010, we saw the continued decline of the Windows Mobile platform. However, we do not expect the platform to disappear anytime soon, as many organizations in the Government/Public Sector remain heavy users of Windows Mobile. Symbian continues to be the platform with the least activations, but this is partially influenced by Good's customer base, which is more concentrated in North America than in Europe and other geographies where Symbian still has significant market share.

The Motorola Droid X and the Droid 2 were the most popular Android devices activated in the last quarter of 2010, while the iPhone 4 was the leading device overall.

Key Data Points:

- iOS devices represented more than 65 percent of net new activations from October 1st through December 31st, 2010
- iPad's share of overall net activations grew from 14 percent to 22 percent over the quarter, and from 0 percent to 22 percent for all of 2010



- Android devices stayed steady at around 30 percent of all net new activations over that period, but represented over 40 percent of all smartphone (non tablet) activations
- Windows Mobile devices dropped out of the “Top 10” activated devices in Q4 2010
- Symbian devices also dropped out of the “Top 10” activated devices

Devices based on the Apple iOS platform continue to dominate net new activations in Good’s enterprise accounts, fueled by steadily rising iPad activations as well as continuing iPhone 4 activations. Android, available on a wide variety of handsets and on all major carriers, held strong and represents about a third of net new activations, which is the same as Q3 2010. These two operating systems have come to dominate the enterprise space and are particularly concentrated in the Financial Services and Healthcare industries. As Verizon adds the iPhone 4 to its portfolio in 2011, we anticipate even broader adoption of iOS devices. And with a multitude of new Android tablets and smartphones coming to market in 2011, we expect to see continuing growth in overall Android activations. In all, we believe 2011 will be “the year of the tablet” with the iPad continuing its rapid growth and new Android tablet form factors also taking a larger piece of this growing pie.



Introduction

Innovative mobile devices continue to enter the market and offer many new opportunities for enterprise use. From client-facing workers to C-level executives, smartphones and now tablets are increasingly critical productivity tools for a mobile workforce. Employees want device choices. Companies, within the bounds of their security policies and compliance requirements, want to support whatever device makes their workers most productive, all the while maintaining cost controls. Good Technology is on the frontline of mobile enterprise growth. As the leader in multiplatform enterprise mobility, security, and management, Good has a clear view into enterprise adoption and support of mobile devices. Thousands of customers across every major industry and more than 40 of the Fortune 100 use Good Technology for enterprise mobility.

Our latest quarterly metrics report examines the most popular device models and OS platforms that our end users activated during calendar Q4, 2010. Because our customers represent a wide range of industries—including Financial Services, Healthcare, Legal/Professional Services, Government, and High Tech—and all major geographies, our data reflect the overall enterprise mobility landscape.

Methodology

We analyzed activations by month across our thousands of corporate and government customers to determine the “Top 10” most frequently activated devices and the overall trend for net new activations across all of the mobile OS platforms we support. Analyzing both the “Top 10” devices and the long-tail of net new device activations by platform gives us unique insight into not only the individual devices and form factors that are most popular with end users, but also the platforms that enterprises approve and enable for access to business data and applications.

The period covered in this report is the entirety of Q4 (October 1st through December 31st, 2010). In some cases, we’ve provided numbers from months prior to October, 2010 for context.

Since RIM devices use only the BlackBerry® Enterprise Server for corporate email access, Good does not have insight into BlackBerry handset activation trends and they are not reflected in this report. Windows Phone 7 devices are also not reflected in our activation numbers as we do not yet support Windows Phone 7 due to limitations in its Silverlight API/SDK framework.

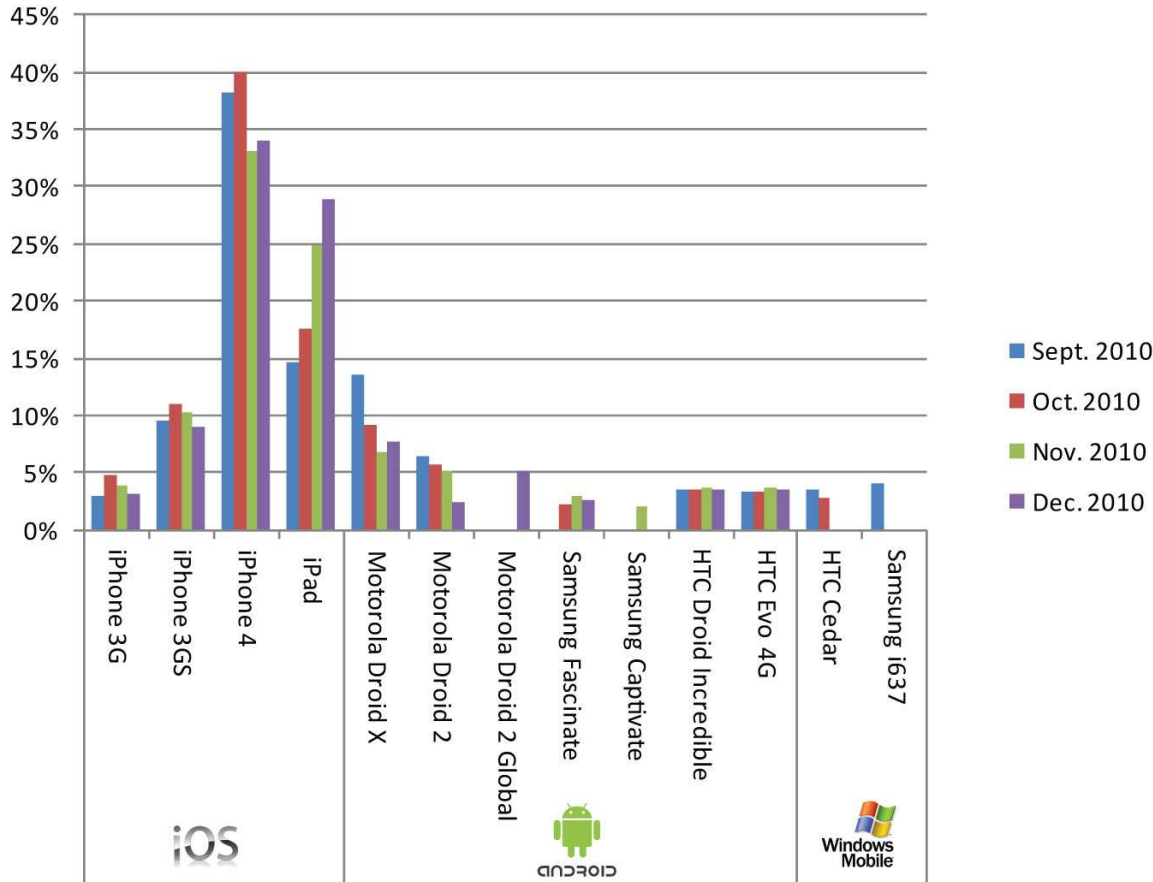


The metrics cited in this report are generated directly from Good's internal data, as aggregated from Good's worldwide customer base. In future reports, we plan to provide more detail regarding geographic trends.

Figure 1



Top 10 new device activations by platform, September through December, 2010





Results – “Top 10” Devices

In Figure 1, we see that devices based on Apple’s iOS platform dominated activations for the period from October 1st through December 31st 2010. The iPhone 4 was the most popular device, and the iPad is quickly—and more importantly steadily—on the rise. The iPhone 4 was activated twice as often as any other device for the month of October and retained top position throughout the quarter. The iPad has shown a very strong rate of adoption and activation growth with Good’s enterprise customers, holding the number two position all quarter and rising at a steady pace.

There has been a steady decline month to month for the iPhone 3G and iPhone 3GS for Q4 2010, with iPhone 3G nearly dropping out of the “Top 5” devices for the first time.

Android device models cracking the “Top 5” were the Droid X and Droid 2 in October and the Droid 2 Global in November. Because there are so many device models that run Android, only the most popular devices show up in the “Top 10,” while the rest make up a very long tail. As of December 2010, Good supports over 40 device models based on the Android platform, and 100+ models based on the Windows Mobile platform.

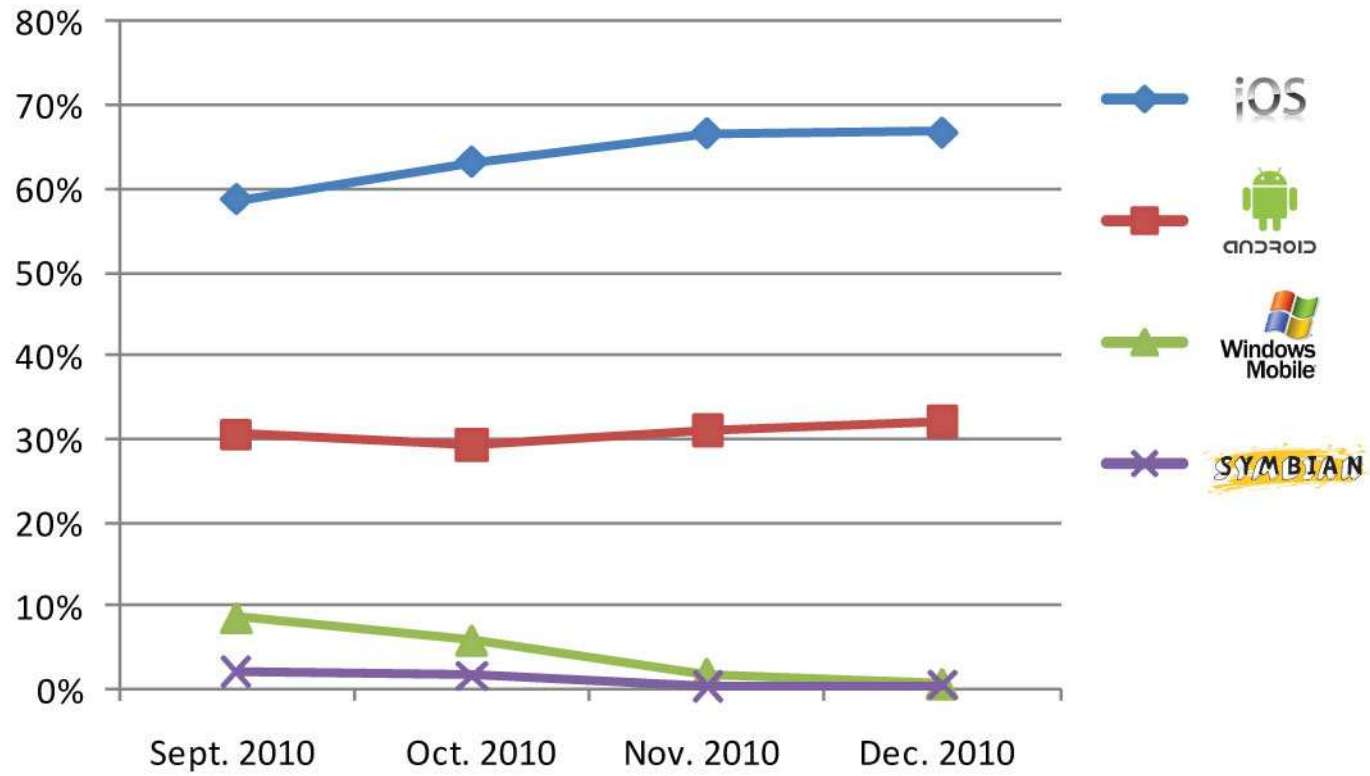
Windows Mobile devices, while previously occupying a place in our monthly “Top 10” numbers, dropped out of the “Top 10” devices by the end of Q4 2010. Symbian devices were also absent from the list of top devices.

More than 60 percent of Good’s customers who deploy Good For Enterprise support both iOS and Android devices, and 27 percent support devices on three or more mobile platforms, up from 20 percent in our Q3 report. We see the need to support the multiple mobile platforms growing in 2011 with increasing demand for smartphones and the emergence of more tablet devices. 2011 is likely to emerge as “the year of the tablet,” with many people choosing to use both smartphones and tablets to meet different needs.

Figure 2



Platform Trends in Enterprise Activations





Results – Mobile Platforms

Figure 2 shows the percent of net monthly activations for the mobile operating systems Good supports. The iOS platform continues its strong showing, steadily increasing overall and peaking at nearly 70 percent of all activations in December, holding the top operating system slot. iOS devices that were gifted then activated during the holidays may account for the slight rise in December, but we expect a more pronounced spike in charts that include January 2011.

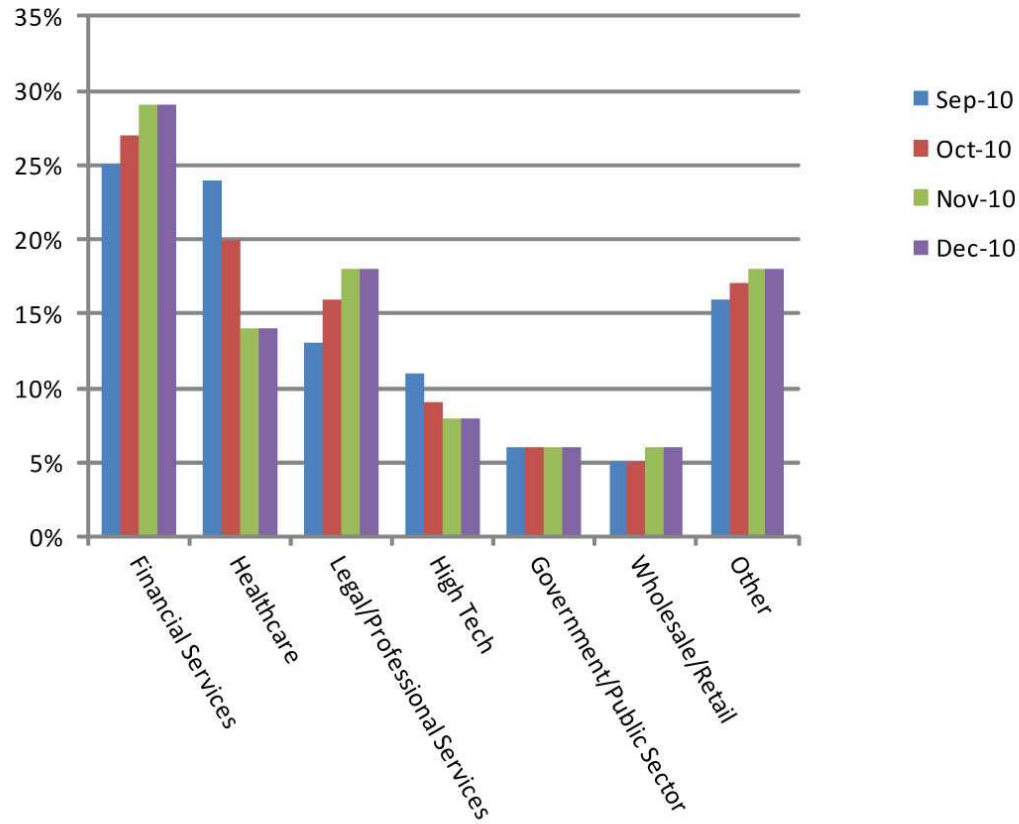
Android consistently took higher percentages of activations each month this quarter, and many new Android devices are coming to market in Q1 2011, so we expect that trend to continue.

Windows Mobile and Symbian bottomed out this quarter with few new activations. The initial release of the Windows Phone 7 with its associated Silverlight platform on October 11, 2010 does not yet have the APIs that Good requires to support it, so Windows Phone 7 is not reflected in our Windows Mobile data. Microsoft is expected to enhance the Silverlight platform in the “Mango” release, which is widely rumored for Fall 2011 release.

Figure 3 Industry Trends in Enterprise Activations



Net Activations by Industry, September through December 2010





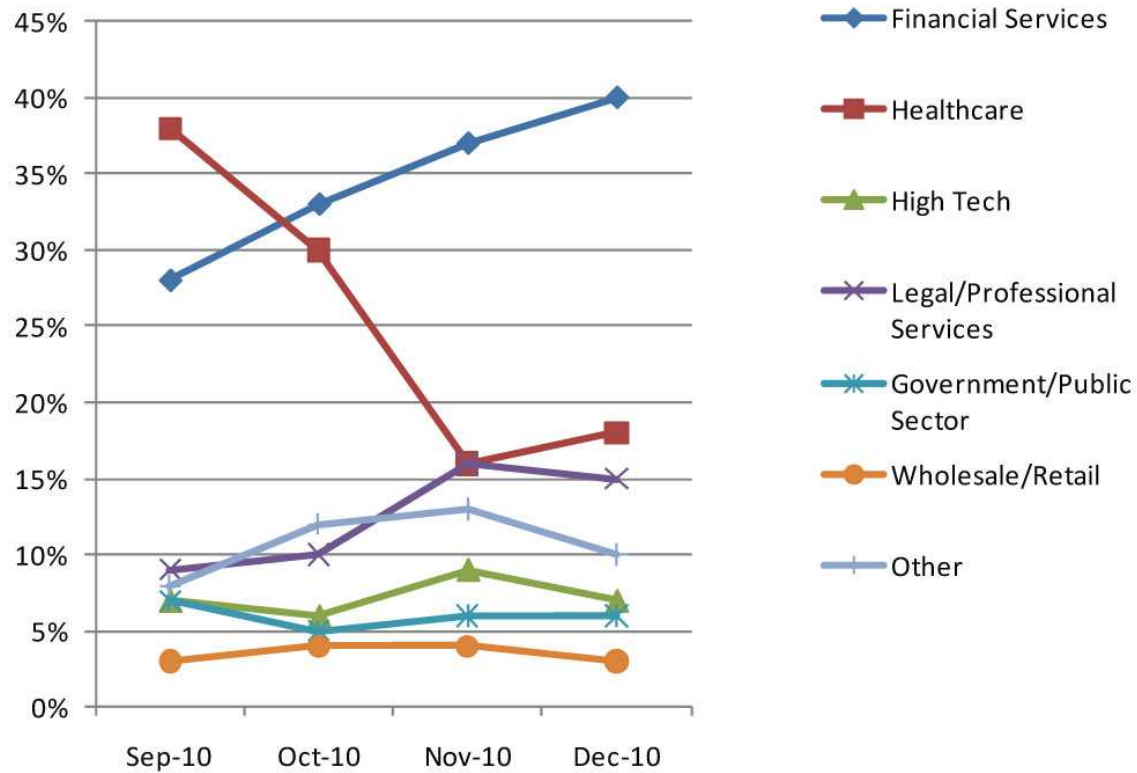
Results – Industries

Figure 3 shows the percentage of net monthly activations for Good’s top industries. Financial Services had the highest rate of adoption all quarter. While Healthcare and Legal/Professional Services came in second (on a cumulative basis). Legal/Professional Services grew steadily in the months of October, November, and December, while the Wholesale/Retail category was trending upward to end the year. Industries included in the “Other” category include Entertainment/Media, Manufacturing, and Transportation/Logistics, all of which found steady rates of adoption throughout Q4. This is indicative of the overall trend we are seeing in enterprise mobility, where more companies are supporting more devices as employees request support on their personal smartphones and companies are looking to keep corporate data secure.

Figure 4 iPad Activation Trends by Industry



iPad Activations by Industry, September through December, 2010





Results – iPad Industry Activations

Zoning in on iPad activations, Figure 4 focuses on net monthly activations by industry for the iPad. This chart reveals that high levels of enterprise mobile device adoption we've seen in Financial Services and Healthcare are being fueled by the proliferation of iPads in these security-minded sectors. Legal/Professional Services comes in third with iPad activations, and all other industries are jockeying for fourth place with High Tech and Government/Public Sector maintaining high numbers.

The trajectory for Financial Services is remarkable, and both Financial Services and Healthcare companies have clearly found in the iPad a tool that meets their needs. We predict that in 2011 the iPad, along with other tablets, will be increasingly purchased and deployed by enterprises to meet specific business needs. This contrasts with smartphones, which we predict will continue to be driven primarily by the “Bring Your Own Device” model and more general productivity benefits.