On the Radar: N2N Illuminate simplifies API creation, integration, and management for SMEs

A cloud-based, unified platform for API-led application and data integration
Summary

Catalyst
The convergence of integration PaaS (iPaaS)-style software-as-a-service (SaaS) integration capabilities with API integration and management platforms is driving a major disruption in the global middleware market. Integration is the lifeblood of digital economy and APIs are flexible interfaces to digital business services. N2N has developed its Illuminate platform from the ground up as a cloud-based application and data integration platform offering rapid API creation and API management capabilities.

Key messages
- For SaaS integration and rapid API creation and management, N2N offers an attractive proposition to small- and medium-sized enterprises (SMEs) for a range of use cases.
- Since the general availability of the N2N Illuminate platform in Q4, 2015, N2N has gained significant momentum in the first phase of adoption.
- While N2N has grown its foothold in the higher education vertical, there are many adjacent verticals and applications where it has a good scope to grow.
- N2N’s go-to-market strategy exploiting partnerships with independent software vendors (ISVs) and major application vendors has delivered noteworthy results.

Ovum view
N2N is unique in the sense that it is a “born in the cloud” vendor targeting application and data integration use cases of the higher education vertical, with scope for expansion into other verticals. With the Illuminate platform gradually maturing for enterprise-scale integration initiatives and N2N’s focus on executing a relatively aggressive product roadmap, customers can expect several new features and capabilities to tackle a range of integration issues. The subscription charges for different tiers offered by N2N are very competitive and this is a key differentiator for the N2N Illuminate platform for targeting SMEs. Ovum expects N2N’s partnerships with ISVs and major application vendors to deliver significant revenue growth in the near term. With additional funding and timely execution of its current product roadmap, N2N can evolve into a holistic integration and API platform provider, and not just for the higher education vertical.

Recommendations for enterprises, ISVs, and application vendors

Why put N2N Illuminate on your radar?
Given its partnerships with key ISVs and applications vendors operating in the higher education vertical, N2N is a good option for higher education institutions looking for a cloud-based integration platform for application and data integration, and legacy modernization. In this context, ISVs and application vendors can exploit pre-built APIs and API-led integration offered by the N2N Illuminate
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platform to ease connectivity with their applications/platforms. The price-performance aspect of the platform is a key differentiator for SMEs and higher education institutions, especially for line-of-business (LOB)-led integration initiatives. Considering N2N’s current product roadmap and focus on execution, we expect its competitive positioning in the North American market to strengthen over the next two or three years.

Highlights

Background

N2N in its current form emerged from its origin as a systems integration (SI) and professional services provider for the higher education vertical. In February 2015, N2N Services introduced the N2N Integration Cloud, a iPaaS product aimed at higher education institutions. Later in 2015, the company introduced a repackaged version of the platform branded N2N Illuminate. N2N has about 150 customers using the Illuminate platform. It has established strategic partnerships with key ISV and application vendors targeting the higher-education ecosystem, including Modo Labs, Ellucian, D2L, Barnes & Noble Education, D2L, ClearScholar, Hobsons, and SkyFactor. N2N has received total funding of $2.1m from private, individual investors.

Current position

N2N Illuminate fosters API-led integration by offering more than 120 pre-built APIs that can be used and modified for very specific functions and integration tasks (see Figure 1). It uses several open source technologies, including the community edition of an open source enterprise service bus (ESB) product, which fosters interoperability.

Figure 1: Application and data integration via the N2N Illuminate platform

N2N offers three tiers of subscription for the Illuminate platform, with the base version, Illuminate photon, starting at $625 per month. The Illuminate wave subscription is offered at $2,000 per month
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and it can support up to five consumers and connections, and 1 million API calls per month. Illuminate spectrum, which supports up to 15 consumers and connections, and 10 million API calls per month, is an enterprise subscription with customizable pricing. At the core infrastructure layer, N2N is hosted on Amazon Web Services (AWS) and Oracle infrastructure-as-a-service (IaaS) offerings. Over the next 12 months, N2N plans to expand the features and capabilities of the Illuminate platform in areas including support for electronic data interchange (EDI) messaging, OpenAPI 3.0/Swagger representation, runtime execution of JavaScript for “on the fly” custom translation and data transformation, NoSQL databases, and Hadoop as a data source. N2N is focusing on enhancing the visualization of API analytics, and is planning to support API monetization and introduce a marketplace for transportation, healthcare, and other vertical industry-specific APIs. N2N Illuminate offers a range of features and capabilities for securing data at rest and in motion.

N2N’s marketing and messaging is in its infancy, and this is clearly an area for improvement. Most of N2N’s annual revenue is realized via channel partnerships and OEM relationships, and we expect this to continue. However, N2N would benefit from the development of consultative sales capabilities to achieve a higher average subscription revenue and a increased adoption via strategic partnerships. The extent of N2N’s future growth will be determined by its ability to secure significant external funding and a critical mass of customers in the higher education vertical to fuel development of Illuminate for other verticals, as well as developing “integration hubs” for key business applications and data sources.

Data sheet

Key facts

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<td><strong>Company headquarters</strong></td>
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<td><strong>Number of employees</strong></td>
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Source: Ovum
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Appendix

On the Radar

On the Radar is a series of research notes about vendors bringing innovative ideas, products, or business models to their markets. Although On the Radar vendors may or may not be ready for prime time, they bear watching for their potential impact on markets and could be suitable for certain enterprise and public-sector IT organizations.

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