IDC MarketScape

IDC MarketScape: Worldwide Observability Platforms 2025 Vendor Assessment

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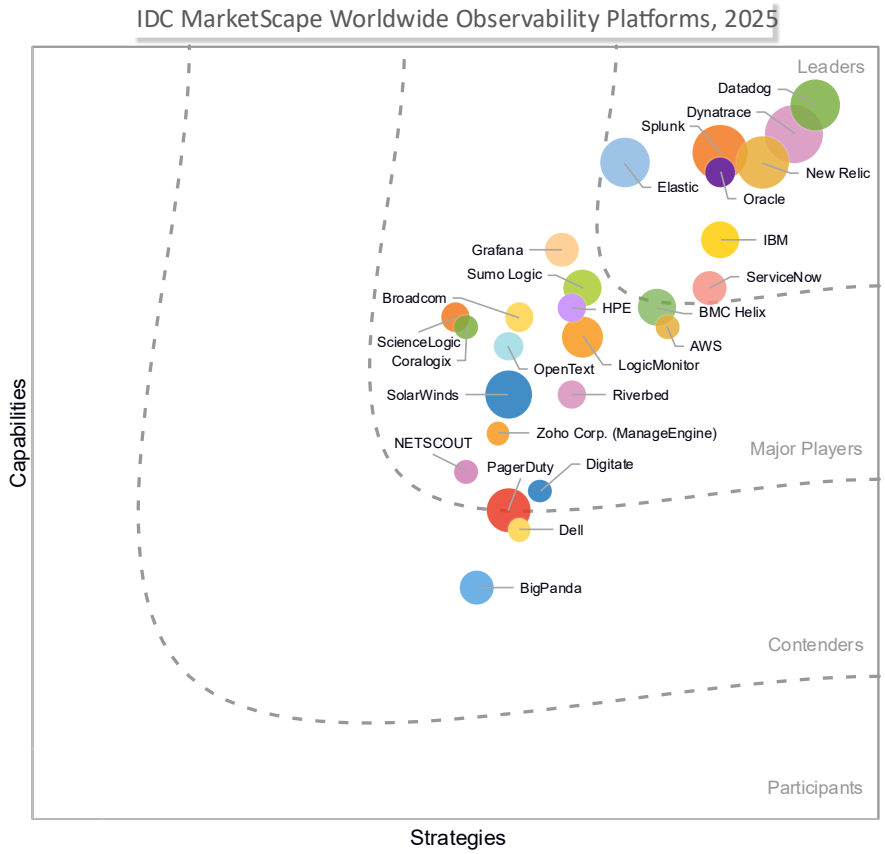
THIS EXCERPT FEATURES IBM AS A LEADER

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Observability Platforms Vendor Assessment



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See the Appendix for detailed methodology, market definition, and scoring criteria.

ABOUT THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Observability Platforms 2025 Vendor Assessment (Doc # US53004325).

IDC OPINION

IDC's *AIOps and Observability Survey, 4Q24* (IDC #US53121425, January 2025) found that:

- 100% of organizations share their "observability" data across teams.
- 43% of organizations indicate that poor collaboration with other teams prevents them from identifying performance problems.
- 37% of organizations struggle with scaling, and 33% struggle with integration in their current observability tools.

These findings are consistent with similar IDC studies; in general, observability tools are seen as necessary tools for collaboration within organizations, but something seems to be missing.

What's the Problem?

Simply put, observability tools allow individuals and teams to perceive the digital estate, thereby creating a context for individual decisions, from which we approve actions to proceed. This passive framing of the traditional OODA (observe, orient, decide, act) leaves the industry with some serious gaps:

- To perceive is not to observe; observation implies actively gathering information from many sources.
- To contextualize is not to orient; orientation implies both a personal and a shared understanding of what the observations imply and the limits (ethical, moral, technical, practical, cultural, personal, etc.) one operates under.
- To approve is not to decide; decision implies a vector, direction, and speed toward some desired outcome.
- To proceed is not to act; action requires intention, focus, and the use of means to create ends.

So, how did we get here?

The Rising Signal Tide

Observability platforms today came into being as the exponential complexity IT pundits love to predict finally exceeded our human capacity to understand. The engineers working on them focused, rightly, on signal processing (sifting through the exponentially increasing telemetry data for useful signal) across the exponentially complexifying digital estate. In time, this evolved into a kind of signal intelligence, linking the processed signal together into an understandable context. In systems circa 2025, this goes as far as suggesting "root causes," most often the proximate technical cause of a given anomaly from "known good" behavior.

This focus on signal processing has left real-world users in a bind. As they try to lead their teams through the next big transformation, they find themselves struggling with key concepts like "collaboration," "innovation," "ecosystem," and "partnership." This is caused by many things outside of the vendor's control. Some of it, however, comes back to the lack of orientation — the tendency of observability vendors to present the "root cause" and "correlations" while assuming that human teams working within the presented context have a shared mental model, a set of cognitive tools that help them to work together and create solutions.

Without that shared mental model (orientation rather than contextualization), the teams are forced to proceed, restoring toward a hoped for known good state, rather than innovating and directing the estate toward a desired outcome.

Amidst a Tsunami of Change

As the complexity of the technical and social environment increases, vendors have responded by increasing their pace of release. New features compile upon new challenges and new data sources in an ever upward spiral. Multiple interviews with executives brought up concerns related to this problem — an inability to focus on meaningful transformation, outdated documentation, and even occasional professional service engagements that failed due to not knowing how the latest features interacted with current environments.

This pace of change is endemic to the IT industry as a whole and greatly exacerbated by the technology (AI) intended to tame it. It remains to be seen whether the observability platform vendors will come up with a way to address the problem within their own, constrained, space.

What's Next?

There is an open question whether observability platform vendors are required to address the problem of digital decisions or the tsunami of change at all. It may well be enough to own signal processing and context, leaving orientation and decision-taking,

action, and impact assessment to another vendor. It may well be "good enough" to create and share a context, letting teams and leaders, managers, and executives focus on developing shared objectives, orientation, and decision-making.

However, during IDC's research to create this IDC MarketScape, interviewed executives indicated that the most important aspect of these platforms was not the tool or technology but the partnership they had with the vendor. This partnership must extend beyond the traditional nostrums. Executives repeatedly expressed an interest in co-development, in partners working together with other partners, and with a shared sense of purpose and a clear destination for the work.

In other words, executives look for observability platform vendors to play a key role in helping them create the orientation framework for their teams. Even more importantly, they are intentionally bringing vendors close into the leadership process, asking for and receiving help inculcating the orientation framework and practice for their individual enterprise directly into the tools used to manage the digital estate.

A vendor may choose not to take advantage of this opportunity, but they should also not be surprised if the vendors that do outperform and outlast them.

Moving Toward an Observability Practice

This narrative of partners and partnerships suggests that there is a leadership gap in the industry. In specific, the toil of the years has made the formalization of practice, the guiding framework that shapes decision-making, planning, and execution in IT, something of a hobgoblin. The concept has become associated either with incompletely implemented external frameworks (Agile, DevOps, ITSM, etc.) or with tedious paper-pushing exercises that create infinitely process documents and little in the way of useful outcomes.

In practice, this has led to either defaulting to whatever practice is incorporated into the vendor's tools or fragmented/informal cognitive models with a handful of "heroic" actors who bring all the pieces together into a coherent solution. In turn, this creates a great deal of organizational tension and decision challenges, especially when teams are moving at speed and under high cognitive load. This "informal practice" is highly prevalent, often embedded, and difficult to articulate beyond a handful of amorphous principles.

Leadership will need to prioritize the "soft" skills required to create and maintain an informal, de facto practice that can rapidly adapt to changing circumstances. This requirement sits at the heart of IDC's findings about the importance of social, political, and creative skills in the "skills shortage" related to the rise of AI-fueled IT business and IT operations in particular.

What About AIOps?

The promise of AIOps was to reshape the way that IT operated using signal processing and triggered automations. Although not fundamentally wrong, the idea essentially ignored that IT operations (regardless of methodology) have always been automated. We no longer balance the electrical resistance of Ethernets by turning screws; we don't write machine code. Continuous automation was always the name of the game.

AIOps, then, has to be something more than signal processing and automated signal response. That's just table stakes in the operations game. Instead, it needs to be a fundamental reimagining of what it means to run a digital enterprise in a digital estate, one where the complexity is tamed for human use and directed toward human ends.

This specific IDC MarketScape addresses the observability side of "observability and AIOps," as the capabilities and strategies needed to move toward an **AI**-fueled **Op**eration**s (AIOps)** future is somewhat different than what is needed to excel at observability. This research will be codified through an *IDC TechBrief: AIOps* (forthcoming) and the following *IDC MarketScape: Worldwide AIOps 2026 Vendor Assessment* (forthcoming).

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

Vendors were selected for this IDC MarketScape based on the following criteria:

- Operate and have clients in more than one geographic market (Americas, EMEA, Asia/Pacific, etc.)
- Provide the ability to manage metrics, logs, traces, and events from objects in the digital estate to one degree or another
- Apply machine learning and other techniques to intelligently sort signal from the exponentially increasing telemetry available in digital estates
- Have developed an ecosystem of partnerships enhancing operational functionality
- Have an extended market presence sufficient to indicate they can sustain a mission-critical technology system for at least five years
- Have at least $100 million in revenue

ADVICE FOR TECHNOLOGY BUYERS

Observability vendors, for better or for worse, are key players in the enterprises' digital estate. They gather the signal from multiple sources, sort it for relevance, and integrate it into a somewhat shared context from which staff make decisions in near-real time.

An executive faced with making decisions about their observability posture should consider the following:

- The executive should appoint two champions. Select one person who is good at bridging gaps between teams and another with a strong generalized technical background. This duo should be responsible for the decision-driven and technically driven aspects of observability, respectively.
- Tools consolidation is the evergreen program; constantly in motion, never done. Instead of tools consolidation, ask each team to determine what they need to collaborate with the teams they work with. Allow teams to work together, with guidance, to determine if their current tooling actually meets their collaboration needs.
- Orientation is a cognitive process — it requires people to talk, think, and work together toward a common goal with a nurtured understanding of what is acceptable. AI and "AIOps" are participants in this process — thus the constant focus on trust and explainability — but only one of many possible participants.
- One of the most important participants in the orientation process is the observability platform vendors. Their assumptions, beliefs, decision-making approaches, and parameters are built into the fabric of their platforms. This makes them a key strategic partner for you, one that should be willing to engage in co-development and work with you and your teams.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

IBM

IBM is positioned in the Leaders category in this 2025 IDC MarketScape for worldwide observability platforms.

IBM provides observability through IBM Instana Observability, delivering unified visibility across metrics, logs, traces, and digital experience via real user monitoring, with automatic discovery, one-second granularity, and standards-aligned interoperability for hybrid and Kubernetes estates; commercial operations and support span North America, South America, EMEA, and Asia/Pacific through a broad in-country presence and partner network.

Strengths

IBM's observability posture emphasizes automated discovery, standards-based interoperability, and business transaction context that compresses signal to decision time while minimizing tooling white space in heterogeneous estates. The platform's combination of zero-code tracing, Dynamic Graph dependency modeling, and W3C/OTel propagation helps teams maintain shared context as services scale, while IBM's programmatic ecosystem extends delivery consistency across global regions.

A core capability is frictionless coverage of distributed systems: Instana auto discovers services and dependencies, attaches lightweight sensors, and captures one-second telemetry without code changes, then assembles a Dynamic Graph that correlates metrics, traces, and logs with time-synchronized precision for rapid troubleshooting across microservices and infrastructure. OpenTelemetry ingestion and W3C Trace Context propagation preserve cross-vendor continuity, enabling teams to adopt or coexist with existing collectors while maintaining end-to-end tracing and consistent analytics across hybrid environments.

Business alignment is built into application and journey vistas: Instana maps trace performance to business transactions and combines this with real user monitoring to surface degradation in revenue-generating flows, giving operators and product owners a direct line of sight from service latency to customer impact and prioritization decisions. By unifying MELT signals under a consistent service and transaction model, the platform supports faster handoffs between SRE, application teams, and product stakeholders during incident investigation and post-incident reviews.

Global execution is reinforced by IBM's partner and delivery model: IBM Partner Plus provides a scaled, enablement-rich ecosystem, while company profile indicators show broad regional sales, support, and office coverage that drives dependable activation across North America, South America, EMEA, and Asia/Pacific. Open APIs and prebuilt integrations extend coverage into adjacent stacks and CI/CD–ITSM workflows, reducing integration risk and supporting consistent rollouts in complex, multiregion estates.

Challenges

Buyers should plan for enablement around telemetry pipeline governance, orchestration boundaries, and developer ecosystem depth, as the materials emphasize automated discovery and correlation while providing fewer details on pre-ingest policy controls, native closed-loop remediation, and marketplace. Clear ownership across platform, SRE, and operations teams can mitigate cross-tool ambiguity and preserve business journey context during incidents.

Telemetry control and cost governance may require additional design: Instana supports filtering and enrichment but positions extensive pre-ingest transformation as less

necessary given agent efficiency, which can shift cost and routing policy decisions downstream unless organizations establish standards-aligned filter, sample, and route controls with OpenTelemetry collectors and data life-cycle policies aligned to governance expectations. Establishing policy as code for masking, enrichment, and tiered routing helps avoid over-collection and improves predictability of spend and compliance outcomes.

Two additional areas merit up-front validation: developer ecosystem scope and AI workload visibility. The platform has a strong open APIs and integrations but a more limited marketplace model, along with some indications that AI model observability frequently depends on external tools, so teams with emerging LLM or multiagent applications should confirm integration responsibilities and ensure consistent span and KPI propagation across North America, South America, EMEA, and Asia/Pacific operations.

Consider IBM When

Consider IBM Instana for automated discovery with one-second APM, open standards interop, and transaction-aware visibility across hybrid Kubernetes estates, provided orchestration guardrails and pipeline policies are governed through existing CI/CD and ITSM toolchains in globally distributed environments.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

Given the weighting and scoring methodologies used, readers should pay particular attention to the "center line," where vendors have balanced their tactical capabilities with their strategic vision, and demonstrate the ability to do so consistently over time.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

The observability platforms market is a submarket of the larger IT operations management (ITOM) functional market.

Observability platforms deliver end-to-end visibility by unifying metrics, events, logs, traces, and experience data to accelerate troubleshooting and underpin AI-assisted IT operations across complex, hybrid estates.

These platforms actively observe by collecting multisignal telemetry from heterogeneous sources and environments, creating complete, queryable evidence rather than passive perception alone. They orient stakeholders through shared context — topology, dependencies, and business service mapping — within governance guardrails that make explicit ethical, technical, and organizational limits. They prioritize and orchestrate choices via SLOs, business impact analysis, and decision orchestration rather than simple approvals. Leading offerings execute safeguarded remediation through runbooks, approvals, and AI-guided workflows that are auditable and reversible to minimize risk.

Platforms in this space typically provide data collection, real-time monitoring, root cause analysis, business impact analysis, decision orchestration, and automated remediation evaluated for scale, openness, and developer extensibility to align technical signals with business outcomes.

LEARN MORE

Related Research

- *IDC PlanScape: Mapping the Invisible — The IDC Enterprise Skills Assessment Framework* (IDC #US53431926, September 2025)
- *Preparing Enterprise AI-Ready Infrastructure for Agentic-Driven Disruption: Impacts and Opportunities 2025–2027* (IDC #US53299325, April 2025)
- *IDC PlanScape: An Enterprise Skills Framework for Human-AI Collaboration* (IDC #US52959425, February 2025)

Synopsis

This IDC study for the inaugural 2025 IDC MarketScape for observability platforms examines 26 vendors dedicated to providing enterprises with the ability to observe and orient within their digital estates. It also explores the changing dynamics between enterprises and vendors, along with emerging requirements for signal intelligence and management. This is part one of two; a companion piece on AI-fueled operations (AIOps) is forthcoming.

"Observation and orientation are key elements of the decision-making process," said Shannon Kalvar, research director, Enterprise Systems Management, Enterprise Client Platforms, Observability, and AIOps at IDC. "Observing the digital estate, then, is key to making meaningful decisions about the activities of modern, digital businesses. Observability platforms are, therefore, no longer just esoteric IT tools – they are the foundation of digital decision-making at scale."

ABOUT IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology, IT benchmarking and sourcing, and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly owned subsidiary of International Data Group (IDG, Inc.).

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