

ITAnalysis - One bad Apple or the whole barrel?

By Rob Bamforth, Principal Analyst, Quocirca Ltd

Why do companies and individuals spend money on mobile IT hardware – is it the love of gadgets and innovation? Sometimes. Is it peer pressure? Occasionally. Is it because someone told them to? Rarely. The main reason (outside of those in the IT and communications industries and any associated geeks) is to “do something”, i.e. run applications for personal or organisational benefit.

Mobile access to IT while working has grown as it has been proven not only to bring improved productivity and responsiveness to organisations, but also some flexibility and control to employees. These workers or their employers can now choose from a growing band of mobile handheld smart phone-based platforms – BlackBerry, Windows Mobile, Symbian, iPhone and others. But whichever they pick not only has to work adequately as a mobile communicator, but now increasingly as an applications platform, and for a growing set of applications.

So the critical factor, especially during a recession, is which applications will benefit both organisation and individual the most, as different people and companies have different needs. The mix and variety are fundamental, and that makes it important to have the right mobile platform, but perhaps more importantly, the right ecosystem supporting it.

PDA companies like Psion and Palm recognised the importance of 3rd party applications on small devices, just as did Sun in the larger platform world with its workstation battles with Apollo, HP, DEC and IBM, and Microsoft as it exploited the PC desktop. No matter the size of the hardware, there is always a need to support the ecosystem, win over the developers, create the application portfolio, grow the market. Sun salespeople at one time called it ‘thud factor’, based on the weight of the, then printed, 3rd party applications catalogue, these days a heavyweight online application e-shop will be more appropriate.

The mobile phone has become a key 21st century developer’s target for applications as it has evolved from just a voice and text communicator into a mobile data platform, and exploited as a platform for 3rd party applications in particular by Apple, with the iPhone. Despite proprietary control, concerns about limited operator options and revenue share percentages, in December 2008 the milestones of 10,000+ applications in Apple’s App Store and more than 300 million application instances downloaded were reached.

However, this has exposed some challenges, in particular concerning the prices that applications can be sold for, and this has an impact for corporate use. More so than those that appeared in the Psion and Palm mobile ecosystems, most iPhone applications are consumer oriented, with the majority offered around very low price points – free or less than a couple of dollars. This almost looks like ‘ringtones 2.0’ rather than a platform for serious applications, and yet there has been strong interest in the iPhone as a business platform – and even comments from analyst companies reversing their previously negative opinions on the matter!

Business use, in particular by the knowledge workers (the ‘white collar’ wave of mobile professionals), requires a rich variety of useful and robust applications. For some this will mean some bespoke software has to be created, but for the majority a collection of off-the-shelf applications will be more than sufficient to make them productive while mobile.

Everyone has their own favourite portfolio of applications that suit them best, so they have to be able to find the right collection for their needs. While there are several key applications common to all – email, for example – and some common to many, like contact management, customer relationship management (CRM) and time management, there will be others that are more specialised, or are only needed occasionally. These will still most likely be off-

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the-shelf products, but fitting niche markets or niche groups of workers with specific needs in healthcare, law, accountancy, planning and so on.

This means a broad set of software companies need to be won over. It is not sufficient, as Palm discovered, and as perhaps Apple will too, just to have large numbers. That might satisfy consumers, at least for a time, but not the needs of business users. They have to identify and include sufficient numbers of applications to provide some choice, but also 'coverage' in the application types that are important for a range of mobile professionals – white collar wish lists.

For the right applications this will not only allow software developers to generate revenues from mobile application sales, but also cement the position, scale and longevity of the providers of the mobile operating platforms the developers choose to write for. It is no longer about finding the 'killer application', but creating the 'killer portfolio' of applications.

Through 2009, Quocirca will be looking more closely at how the various mobile ecosystems are working to target, recruit and support the ecosystems they will need to survive and thrive.

About Quocirca

Quocirca is a primary research and analysis company specialising in the business impact of information technology and communications (ITC). With world-wide, native language reach, Quocirca provides in-depth insights into the views of buyers and influencers in large, mid-sized and small organisations. Its analyst team is made up of real-world practitioners with first hand experience of ITC delivery who continuously research and track the industry and its real usage in the markets.

Through researching perceptions, Quocirca uncovers the real hurdles to technology adoption – the personal and political aspects of an organisation's environment and the pressures of the need for demonstrable business value in any implementation. This capability to uncover and report back on the end-user perceptions in the market enables Quocirca to advise on the realities of technology adoption, not the promises.

Quocirca research is always pragmatic, business orientated and conducted in the context of the bigger picture. ITC has the ability to transform businesses and the processes that drive them, but often fails to do so. Quocirca's mission is to help organisations improve their success rate in process enablement through better levels of understanding and the adoption of the correct technologies at the correct time.

Quocirca has a pro-active primary research programme, regularly surveying users, purchasers and resellers of ITC products and services on emerging, evolving and maturing technologies. Over time, Quocirca has built a picture of long term investment trends, providing invaluable information for the whole of the ITC community.

Quocirca works with global and local providers of ITC products and services to help them deliver on the promise that ITC holds for business. Quocirca's clients include Oracle, Microsoft, IBM, O2, T-Mobile, HP, Xerox, EMC, Symantec and Cisco, along with other large and medium sized vendors, service providers and more specialist firms.

Details of Quocirca's work and the services it offers can be found at
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