

MICROSOFT AIMS TO GROW MARKET SHARE IN RECESSION

This month, David Hurley, managing director of Anglia Business Solutions, outlines recent developments to come out of the Microsoft Worldwide Partner Conference held in New Orleans

THIS YEAR'S Microsoft Worldwide Partner Conference was held in a hot and sticky New Orleans.

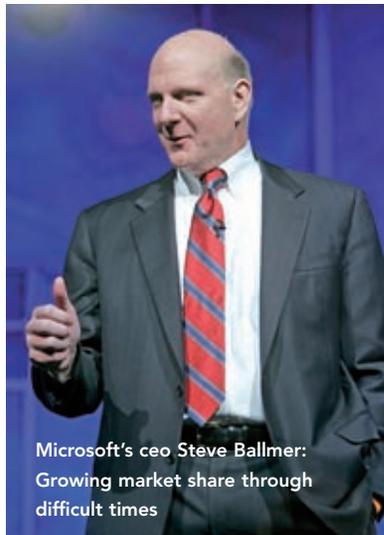
Temperatures of 95°F and high humidity did little to suppress the excitement of the software giant as it launched another wave of new products. The challenge at the conference was where to look to try to take it all in. With major keynote speeches from people like Microsoft chief executive officer Steve Ballmer and chief operating officer Kevin Turner, plus a plethora of interesting side shows, the conference was certainly not short of content. The challenge was to select the most appropriate workshops to attend.

However, the launches of Windows 7 and Office 2010 were high on the agenda. At the last conference in 2008, delegates were encouraged to increase the take-up of Vista. At this one, they acknowledged that there were issues with the product that hindered its more widespread adoption. It would appear that Windows 7 puts all of these issues to bed – and then some. The product includes improved performance, security and reliability. It was evident from the comments from the stage that Microsoft was stung by the criticism of Vista. They have made a massive investment to get it right with this impressive product. Windows 7 gets released to the market in October and is definitely worth considering.

Microsoft keeps moving the goalposts on its flagship Office suite and the audience does not always follow. The biggest competitor to Office 2010 is all of the previous versions of the product. However, Office 2010 contains a plethora of new features designed to keep the product well ahead of the competition.

The new Office suite contains some nice touches that are worth a look. OneNote 2010 looks like the ultimate digital notebook for tracking and sharing text, photos, videos and audio files. Nevertheless, it is not a compelling reason to upgrade.

Excel 2010, however, is definitely worth considering. It contains a new feature called Sparklines, which delivers visual representations of your data. It could certainly prove useful as a business intelligence tool when linked to an enterprise



Microsoft's ceo Steve Ballmer:
Growing market share through
difficult times

resource planning (ERP) system.

Server virtualisation was also high on the agenda and was hailed as a way of reducing the cost of IT infrastructure. This technology is included in the new Windows Server 2008 R2 product suite, which also includes a new version of Hyper V. The virtualisation process works by using software to emulate a physical computer. This creates a separate operating system that is logically isolated from the host server. By providing multiple virtual machines at once, it allows several operating systems to run simultaneously on a single physical machine. The payback is that server virtualisation allows workloads to be consolidated on to a small number of more fully used machines. Managing fewer servers also reduces the cost of ownership.

There was so much talk about “the cloud” that it would be easy to think that one was at a weather forecasters’ convention (apart from the absence of sports coats). All the excitement centred on the Microsoft Azure platform. This is designed to run critical business applications in “the cloud” – i.e., over the internet. The idea is to use Microsoft’s massive hosting centres to run your business applications. Instead of investing in your own infrastructure, applications such as Office, Exchange and CRM can be purchased on a pay-as-you-go basis.

What Microsoft has done with Azure is to make it very attractive for Independent Software Vendors (ISVs) to develop and run their software as a service. This enables them to reach a wider audience for

their solutions. Customers are attracted by being able to use the applications without the need for capital expenditure. This is still an embryonic but fast-growing aspect of the IT market. It is evident that Microsoft is making significant investments to capitalise on this trend.

At first look, the Azure platform is a very attractive way for ISVs to capitalise on the significant sums invested by Microsoft in this technology. However, there was general consensus that the vast majority of ERP systems would continue to be implemented on premise for the foreseeable future.

From an overall global IT market perspective, the picture painted was far from encouraging. The view expressed was that asset values had become wildly overinflated. The global economy is going through a reset where values are being adjusted to reflect reality. In such a scenario, the IT market faces a period of static or minimal increases in revenues over the next three years. This situation is likely to accelerate the current wave of consolidation in the sector.

The response of the major players in this situation is to take aggressive measures to grow their market share. As part of their future plan, Microsoft is committed to continuing its R&D expenditure at current levels. This means that it will continue to commit \$2.5 billion (£1.51bn) annually in the development of its Dynamics ERP product range.

There were many other mini launches and relaunches of products, such as Bing and Silverlight, throughout the conference. Others are too numerous to mention. However, the strongly re-enforced message from the conference was that Microsoft planned to grow its market share throughout this difficult economic period.

As part of this strategy, it intends to back Microsoft partners with proven specialist applications that offer the customers compelling business propositions. These were described as solutions that added customer value by enabling them to reduce costs, while improving customer service. How this will be implemented will be revealed in the autumn. ○

SOCIABLE TIME FOR ASDA

ASDA HAS launched a social networking site, according to IT Pro.

Your Asda features multimedia such as videos and photos, blogs and customer feedback forums, along with Asda’s live Twitter feed.

There is also a section for employees to share news between stores and make their views heard to managers.

A spokesperson for the company told IT PRO: “We used to have a corporate site which was a platform for shareholders, the media, MPs, etc, to find out what we were doing, but it was quite dry.

“Asda wanted to move with the times and show people what we were doing, with more user-friendly content.” ○

BUSINESSLINK ON THE ROAD

BUSINESSLINK.GOV.UK HAS introduced a dedicated area for those with road transport and logistics operations, in association with the department for transport and its executive agencies VOSA, DVLA, VCA and DSA, as part of its range of business advice and support.

Focusing initially on businesses with HGV operations, passenger vehicles and MOT testing stations, these businesses will be able to keep up to date with regulations, as well as apply for licences, taxes and permits. In addition, they will be able to access a wide range of official business advice, such as taking on new employees, health and safety and how to fill out tax returns.

Ray Lambe from Businesslink.gov.uk said: “This new area of the website will enable businesses within the transport sector and those operating logistical operations as part of their business to access a wide range of business advice and support in one place, saving them a great deal of time and money. We have listened to businesses in the sector and have developed this area to meet their needs.”

Vivien Bodnar of the department of transport supports the new area. She said: “We want to make it straightforward for companies to find out about legislation and regulations that apply to them and their business and we are confident that the Transport and Logistics area on Businesslink.gov.uk will make it easier for those in the industry to access the information they need.” ○