



Standardised Marketplace Computing

Business Commentary

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Abstract

Businesses are starting to standardise and optimise their operations at the marketplace level and this will see the development of marketplace computing. A common operating system and set of killer applications shall exist for use within and between markets, together with customised application specific to individual markets. Marketplace computing will exist alongside existing desktop computing but in addition, it will be accessed from multiple devices. The shift to marketplace computing provides many new business opportunities and the opportunity for operating system and application standardisation at the marketplace level.

1 Introduction

The adoption of the Internet into business is providing many opportunities and challenges to business. The need for business efficiency and effectiveness will see a standardisation across markets and the development of marketplace computing. Marketplace computing is best viewed as a series of killer applications within and between markets that all businesses will use, as well as market specific applications customised for specific requirements. Marketplace computing will not see the end of desktop computing but access to the application and data/information will be from any device and not just the desktop.

2 Wealth through paradigm shifts

Throughout history, periods of major wealth creation have been associated with paradigm shifts. Examples include the introduction of the railway, the steam engine, the automobile and more. Examples of paradigm shifts would be the replacement of the telegraph by the telephone or the horse and cart by the motor vehicle.

Every time there is a paradigm shift, the following occurs:

- Every one goes back to the starting line and the race to create, adopt and optimise is on;
- Existing operations continue for a while but the need to change is present;
- Once the paradigm shift is implemented, there is no going back;
- An initial occurrence of new companies, followed by a consolidation of these companies;
- Some of the new companies may boom initially but will go subsequently go bankrupt, whilst others become the market leaders in the implementation of the new paradigm;
- Adoption of the new paradigm by established businesses to optimise their operations.

This series of events has already been seen with the Internet, particularly the Dot Coms, and the adoption of the Internet by established businesses is now ongoing. Within a major paradigm shift, a series of smaller ones may occur.

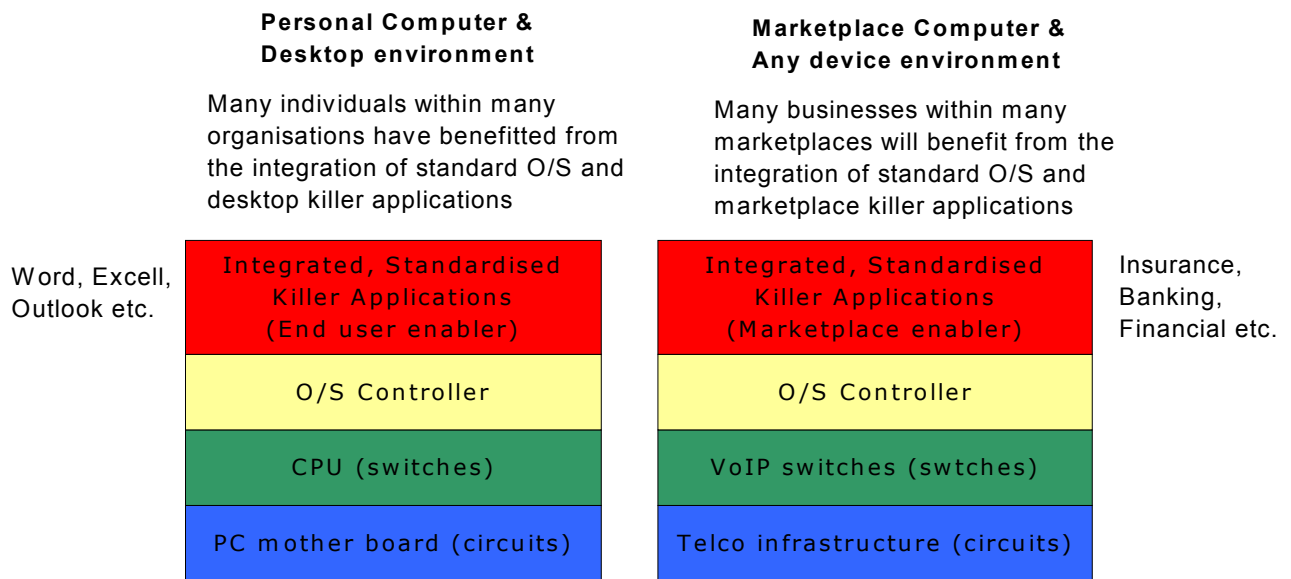
3 Desktop to marketplace

Business has already seen the adoption of desktop computing into business and a shift from mainframe based computing to the Personal Computer. Adoption of the Internet has not yet changed the computing base within organisations; rather it has created a new business channel and an



additional way of conducting business. Just as e-mail complimented the facsimile, the facsimile complimented the telephone and the telephone complimented the letter. The change to marketplace computer will not see the removal of desktop computing, rather the two will operate together to deliver the business outcomes required.

Marketplace computing is where whole industry sectors, e.g. banking, insurance, minerals extraction or agriculture, are collaborating together using common data and software applications. Just as the need for effective and efficient communication within an organisation forces the standardisation of applications, procedures, work-flow and information, the need to communicate between businesses will see standardisation across the market. Those businesses that are not participating in the markets and realising the benefits of standardisation, will loose their competitive advantage.



The Internet is already driving the need for marketplace standardisation. For marketplaces to succeed, they will need to share systems like billing, debtors, inventories, ordering, supply chain management, tracking and more. These are the killer applications of marketplace computing. A core set of common applications shall exist between and within marketplaces, just as word processors and spreadsheeting are seen at the desktop, with customised applications specific to each market.

Whilst the number of applications involved in desktop computing may not change with standardisation, the number of suppliers and variety of applications is destined to decrease. Those businesses that standardise marketplace computing first will gain the competitive advantage and the suppliers of the marketplace applications will also gain market dominance. Care is needed so as not to prevent total marketplace monopolies from occurring.

4 Mobile computing

Traditional computing involves access to applications and information from the desktop using either a laptop or a PC. Within business, the computer is usually attached directly to the corporate network or through dial-up access and information is accessed accordingly. The current computing practices do not focus upon the consolidated storage of data/information nor is there much in the way of synchronisation between different computers.

The use of the desktop computer has already started to change with the use of laptop computers and docking stations. The extended capabilities of mobile phones and other hand held devices is resulting

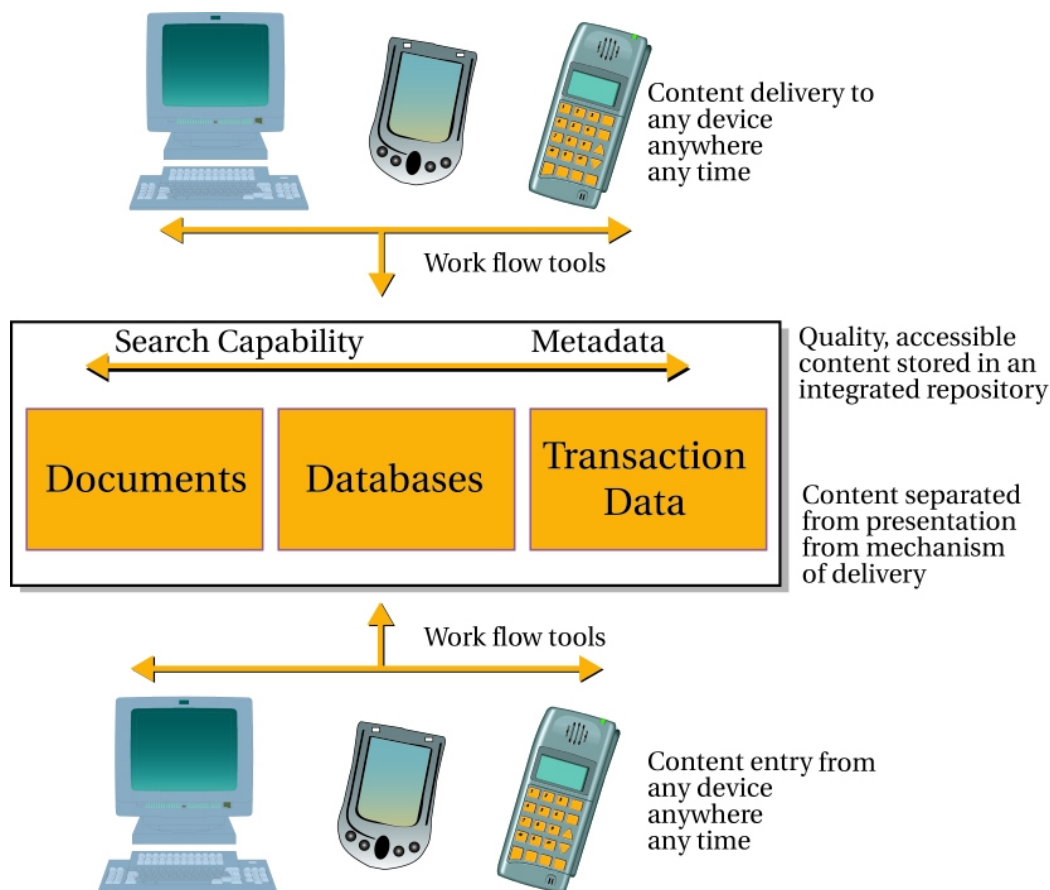


in an increasing amount of corporate knowledge accessed from and stored upon these devices. This trend to mobile computing (hand held devices) will not only increase the need for consolidated data storage and synchronisation between systems but will see marketplace computing accessed from any device and not just from the desktop.

This accessing of marketplace computing from any device will increase the use of the ASP (hosting) model with access to software and data as required. The need to support multiple devices, with multiple operating systems will be a requirement of future software developments.

5 Access to marketplace computing

Whilst marketplace computing will be a major change in its own right, as is its access from any device, one of the related changes will be the use of the ASP (application hosting) model. This is the model used for phone calls or within the electricity industry. With the ASP model, software and will be made available, as required, to the user. Billing may occur on either an individual transaction (a data download or a software version) basis or through subscription services.



Whilst software may still be installed locally, it will probably be sourced from consolidated repositories and full software installations may no longer occur. Only the features required will be downloaded as needed. This concept will extend to the storage and accessing of information.

By its very nature, marketplace computing involves the sharing of information across many businesses and indeed marketplace. Localised storage of information on hard drives where people can not access it or do not know that it exists is unsustainable. Information/data will be stored in consolidated repositories and accessed accordingly.



The success of marketplace computing will ultimately depend upon the business integration and acceptance by the business and bandwidth.

6 Conclusion

The shift from desktop computing to marketplace computing will provide business with many opportunities, benefits and challenges. Marketplace computing will come from the need to standardise at the marketplace level and will see the development of standardised and tightly integrated operating systems and killer applications for the marketplace. Marketplace computing applications will exist alongside those currently existing on the desktop but it will be accessed from multiple devices and not just the desktop.

Like desktop computing, marketplace computing will go through a development and consolidation phase, with the standardisation of tightly integrated applications. Those businesses that standardise within the marketplace will gain significant advantages. Care is needed in standardising the marketplace applications and operating system so as to prevent total business monopolies.

