

Software Vendors Weave Web Services Into Their Strategies

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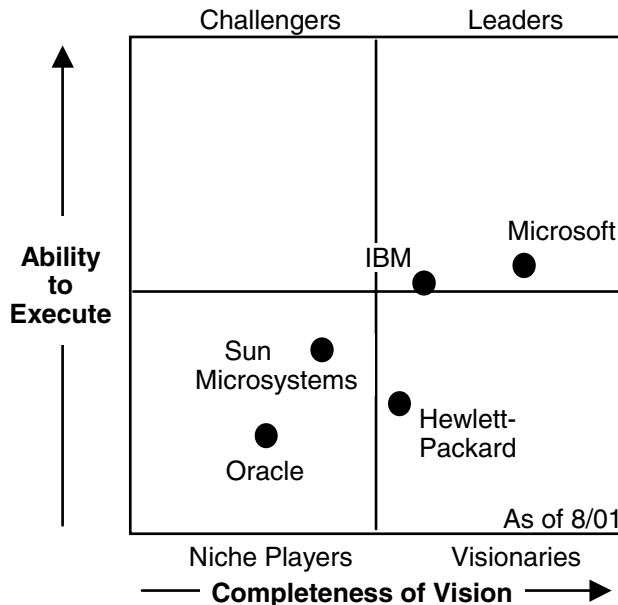
Already, Web services have become part of most software vendors' strategies. This Spotlight examines in depth the strategies of many of the larger vendors.

ANALYSIS

Web services are beginning to become part of most major vendors' software architectures — a check-mark item to include in their technology infrastructure strategies. This "Web services" push has changed the way Gartner evaluates Web services and the software vendors that offer products using them. In previous research, we introduced the concept of Web services pioneer vendors (see "Web Services and Software E-Services: What's in a Name?" COM-12-0101 and "Web Services Pioneers: A Vendor Update," COM-13-6097). As Web services have become part of most vendors' offerings, it makes sense to look at large, influential vendors separately and to more closely examine new markets catalyzed by Web services. This Spotlight offers an in-depth examination of the strategies of vendors positioned in our Web services vendor Magic Quadrant, which we introduced in "Web Services: Evaluating the Major Vendors' Strategies," M-14-5058. Enterprises should:

- Look at the major software vendors and their influence over emerging Web services platform standards, as we do in this Spotlight (see Figure 1)
- Consider the influence of Web services on other IT markets (e.g., application servers)
- Closely analyze new markets being catalyzed by Web services

Figure 1. Magic Quadrant: Major Vendor Web Services Platform Influence



Source: Gartner Research

The Leaders — Microsoft and IBM

Microsoft has provided much of the initial leadership and direction in Web services, and has used its influence to set the emerging standards in Web services. The company has done so as a visionary, but also as a way to protect and ensure that its platform ecosystem franchise moves effectively from the PC to the Internet (see "Microsoft Web Services: A PC-to-Internet Platform Shift," C-14-9007 and "Microsoft's Web Services: A 'Trojan Horse'," SPA-14-5560).

Although not first with a Web services strategy, IBM is still ahead of many companies of its size and scope. It brings with it a great pragmatism (e.g., willingness to work with Microsoft and Sun Microsystems), along with its traditional enterprise strengths and e-business platform successes. Many potential benefits await IBM, because it is well-positioned to deliver on the vision of Web services (see "Pragmatism and Business Focus Are Key to IBM Web Services Value," C-14-7171).

The Visionary — at Least Early Visionary — Hewlett-Packard

An early visionary in Web services, HP faces challenges in revamping its Web services strategy, including significant ones surrounding its merger with Compaq Computer that could potentially distract its attention. Enterprises should evaluate HP's Web services strategy based on the company's recent progress, including its new Web Services Platform, the technology it acquired from Bluestone, and its development of a software division (see "HP Faces Challenges Revamping Its Web Services Strategy," C-14-7160).

The Niche Players — Sun and Oracle

Because Sun has been a leader with Java, and has shown interest in a more comprehensive software strategy, its software puzzle appears to be missing one of its pieces. A plan for achieving leadership and innovation in Web services is under-represented as a top-line issue. Sun has shown recent indications that Web services are increasing in importance, but it still faces issues in catching up (see "Sun Has Java, but Where Are Its Web Services?" COM-12-6841).

Long a visionary in online services and the trend toward application service provider (ASP)-based computing, Oracle had been relatively silent on Web services as Gartner defines the term. This was surprising, given Oracle's long-standing vision of "software as a service" and its proclamations of the death of PCs and traditional software. During the past year, however, Oracle has rationalized its product line, folding Web services infrastructure into its Oracle9i Application Server and beefing up its tools by adding Web services standards support to its Oracle9i JDeveloper development product. With Web services, Oracle has an opportunity to show vision by opening up Oracle Applications to Web services. It must, however, understand the differences between the ASP market (where the company has been a visionary) and Web services (where it has not). (See "Oracle Web Services: An Applications Opportunity," C-14-7175.)

Beyond Web Services' Influence and the Major Vendors

In addition to a continued focus on major vendors and their influence on Web services technology and standards, Gartner research will also evaluate emerging markets catalyzed by Web services. One of the first of those is a market defined by the concept of service-oriented development of applications (SODA) and integrated service environments (ISEs). Web services production platforms — a subsection of the emerging ISE market — and other markets will be explored in depth in future research. Most of the major vendors will ultimately compete in several of these real markets — along with smaller, more-focused companies, such as Bowstreet.

Bowstreet, one of the original Web services pioneer vendors, will likely leverage its technology and its heritage to better its position in markets such as enterprise portals and Web services production platforms. While Bowstreet's early entry in the Web services market is notable, it is the vendor's ability to solve business needs in these more-specific markets that will enable it to differentiate itself from Web services-focused software vendors (see "Bowstreet Refocuses as Web Services Become Mainstream," C-14-7199).

Bottom Line

Web services technologies are becoming an integral requirement in infrastructure and tool markets, and will soon become a crucial tool for business in general. Enterprises should use

Gartner's evaluations of Web services vendors to understand the implications of important and emerging Web services standards, technologies and offerings. By experimenting with Web services early, enterprises will be well-positioned to gain benefits through improved development practices and less-complex integration projects.

Features

"Microsoft Web Services: A PC-to-Internet Platform Shift" (C-14-9007). Understanding Microsoft's motives is key to understanding and evaluating its Web services strategy and products. **By David Smith**

"Pragmatism and Business Focus Are Key to IBM Web Services Value" (C-14-7171). IBM's traditional strengths and its pragmatism make it a Web services leader. **By David Smith and Daryl Plummer**

"HP Faces Challenges Revamping Its Web Services Strategy" (C-14-7160). HP's recent progress in developing Web services offerings is challenged by its recent merger and acquisition activity. **By David Smith and Daryl Plummer**

"Oracle Web Services: An Applications Opportunity" (C-14-7175). Enterprises shouldn't confuse Oracle's strong position in ASP offerings with its Web services strategy, which is still developing. **By David Smith**

"Bowstreet Refocuses as Web Services Become Mainstream" (C-14-7199). This Web services pioneer is broadening its strategy to include enterprise portals and Web services production platforms. **By David Smith**

This research is part of a set of related research pieces. See "Web Services: The Movers, Shakers and Market Catalysts" for an overview.

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