

A Look at Alternatives to Microsoft

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Many governments and enterprises worldwide are trying to insulate themselves from Microsoft's growing influence on the IT industry. Linux and open-source software are increasingly interesting alternatives.

ANALYSIS

In late 2002, a small group of Gartner analysts discussed the growing discontent that some end users and vendors were experiencing with Microsoft, especially in the Asia/Pacific region. As this discussion broadened within Gartner worldwide, we became aware of significant anti-Microsoft sentiment elsewhere as well.

Attitudes toward Microsoft seem to vary widely based on geographic location. Governments in Asia/Pacific (including China, Japan, Singapore, Malaysia and Australia) and several in Europe and South America are encouraging government departments and enterprises to consider alternatives to Microsoft and to other foreign vendors (see "Open-Source Software Running for Public Office"). By supporting a combination of Linux, open source and local vendors, these countries believe they can spark their local IT industries and avoid exporting increasing amounts of their gross domestic product to U.S.-based companies, and there is no U.S.-based software company more profitable than the Redmond, Washington, U.S.-based Microsoft. Recent global events are not likely to reduce this trend.

In North America, there seems to be less concern about Microsoft's dominance, particularly among private enterprises where Microsoft software has become the standard. Even in this region, however, Microsoft and its success have met with backlash, as Microsoft's U.S.-based rivals and partners continue to struggle in their efforts to thrive in the ecosystem dominated by the software giant. Hardware vendors have to pay operating system license fees to Microsoft for every unit they ship and are looking for ways to reduce their bills of materials. Eliminating such fees from their cost of manufacturing would enable them to build products less expensively and maximize profits, but at the risk of possible increases in overall costs that enterprises must incur for integration and total cost of ownership.

In addition to its growing dominance, seemingly unfettered by recent U.S. legal decisions, Microsoft upset many customers with its introduction of Licensing 6.0 in mid-2002. Many governments are unhappy with its aggressive strategies (which have garnered significant antitrust investigations and actions) and a less-than-perfect record in software quality, security and privacy. The Microsoft juggernaut has, at times at least until recently, seemed oblivious to the growing antipathy shown by some of its previously loyal customers — especially in countries outside North America. This apparent antipathy is one of the factors driving customers to consider alternatives that may not be perfect, but "at least they're not Microsoft." Although there have certainly been pockets of anti-Microsoft people within enterprises before, the Licensing 6.0 situation and apparent antipathy has served to intensify the feelings within these factions as well as beyond.

In response to this outcry, Gartner has developed a new research agenda with the goal of delivering unbiased advice around alternatives to Microsoft. This agenda will focus on delivering advice on how to get the most value for their money when making IT purchase decisions. Because Microsoft is so strong in certain sectors (and is a factor in most others), it is rare that these types of decisions will not involve highly charged issues involving the company. This agenda will focus on many areas, including desktop and server operating systems, alternative office productivity applications, and the IT and business impact of moving away from a Microsoft environment (see "Linux and Licensing 6.0 Fuel Anti-Microsoft Movement"). A lot of our clients are seriously looking for advice regarding the applicability and viability of alternative strategies, so the time is right for some unbiased advice from Gartner.

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