

HP's iPAQ hw6500 Targets Two Markets With Widely Varied Needs

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Hewlett-Packard's (HP's) first PDA with integrated Global Positioning System (GPS) capability offers advanced wireless e-mail capabilities. Targeting markets with widely differing needs may have limited its success.

NEWS ANALYSIS

Event

On 23 June 2005, HP introduced the iPAQ hw6500 Mobile Messenger, a 5.8-ounce (165-gram) wireless pocket PC with features including:

- GSM (Global System for Mobile Communications), EDGE (Enhanced Data Rates for GSM Evolution) and GPRS (general packet for radio service) capabilities and Bluetooth wireless technologies
- Outlook 2003 and GoodLink "push" e-mail capabilities

A model is available with a built-in 1.3 megapixel digital camera. HP will likely price the hw6500 in the \$649-\$699 range, with subsidized prices available through wireless carriers.

Analysis

The iPAQ hw6500 — HP's first mobile device with integrated GPS capability — also offers more advanced wireless capabilities than most other PDAs. Its design suggests that HP is trying to appeal, through a single device, to those who prize GPS but also require a full-function PDA with wireless e-mail capability. The hw6500 is not intended to be a replacement for HP's iPAQ hw6300, which offers Wi-Fi rather than GPS. The device is likely to achieve widest acceptance in Europe, where interest in GPS is highest.

Gartner believes that HP's efforts to limit the hw6500's weight and size could reduce its appeal as a GPS device. Excellent GPS functionality requires a large, high-resolution display. Users who rely on GPS functions prefer a device with a few large buttons that they can operate while driving. Crowding GPS functionality into a small device with a full keyboard puts GPS functionality at cross-purposes with wireless e-mail functionality.

Although the GoodLink e-mail technology will likely attract some users, the hw6500's wireless functionality has some limitations:

- The comparatively low-capacity 1,200-milliampere-hour battery and underpowered 312 MHz Intel PXA270 processor may limit the device's use. The hw6500 is combined with Windows Mobile 2003, which requires a power reserve to keep the memory alive.
- The device doesn't support Windows Mobile 5.0, which is required by Microsoft's wireless e-mail offering, Exchange 2003 Service Pack 2. Windows Mobile 5.0 would have reduced the hw6500's power-reserve limitations.

Recommendations: If HP addresses these issues, the hw6500 could be highly successful. Inquire whether Windows Mobile 5.0 upgrades eventually will become available to support a more-robust set of applications. If you are primarily seeking GPS functionality, evaluate lower-cost devices from Garmin, MiTAC and Medion. Consider the hw6500 if you:

- Require a mid-priced device providing mapping and some limited application functionality, particularly for vehicle-mount applications
- Are using a Good Technology wireless e-mail installation that requires a keyboard PDA as part of the device portfolio, and if you require keyboard entry on a small device for vertical applications (for example, when completing forms like order entry or work orders)

Analytical Sources: Ken Dulaney and Todd Kort, Gartner Research

Recommended Reading and Related Research

- "Enhancements Make Microsoft's Mobile E-Mail 'Good Enough'" — Microsoft's Messaging and Security Feature Pack makes its mobile e-mail solution worth considering as an alternative to more-expensive offerings. **By Monica Basso, Nick Jones and Ken Dulaney**
- "Windows 5.0 Presents Challenges and Opportunities for Microsoft" — Microsoft's major upgrade to the Windows mobile environment is targeted at capturing a significant share of the burgeoning smartphone market. **By Ken Dulaney and others**

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