

IBM Bets on Social Software for Business

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IBM will offer social software that taps into informal interactions and relationships between workers. An early lead into a promising area may give a much-needed boost to IBM's collaboration strategy.

Event

On 22 January 2007, during the annual Lotusphere conference, IBM announced Lotus Connections, an integrated and extensible set of social-software services tailored for business environments. Connections includes five components:

- Profiles: Identifies people based on their roles, responsibilities, interests or experience
- Communities: Groups together people with common interests
- Dogear: Offers social bookmarks and tagging
- Activities: Organizes work and deliverables for individuals or communities
- Blogs: Offers an online journal or discussion forum

Lotus Connections is expected to be available during 1H07. It will be licensed on a per user or CPU basis. Detailed pricing information is not available.

Analysis

With Connections, IBM has entered the battle for the enterprise-ready social-software market. IBM's early entrance into this market puts it in a good position to capitalize on the interest in flexible Web 2.0-oriented community models. Given IBM's vulnerable position in the e-mail and calendaring market, Connections could provide it with an opportunity to shift from traditional, e-mail-centered collaboration and communication to new social-software-based community models, which would enable it to appeal to users outside its traditional installed base.

IBM made the right decision when it decoupled Lotus Connections from other Domino or WebSphere infrastructure (apart from an application server which is required as a runtime container). Connections can interoperate and add value to Domino, WebSphere Portal or Microsoft SharePoint environments without significant infrastructure duplication or integration efforts. Integration efforts should also benefit from the prevalence of lightweight representational state transfer (REST) design.

The inclusion of social bookmarks and tagging in the initial release represents another smart design decision. These social software applications have a high "value-to-effort" ratio, as is evidenced by the popularity (and value) of consumer space equivalents. Through 2008, these capabilities will give IBM a significant competitive edge over mainstream competitors that still lack them.

Although Connections will serve as a strong baseline for social software, IBM faces several challenges, most notably in:

- **Packaging:** Lotus Quickr, an important part of a social-software suite for dealing with content (content sharing, multimedia content and wikis), will be delivered as a separate application. Yet another package, Sametime, offers real-time communication capabilities, which increasingly will become aligned with social software.
- **Marketing:** Younger, Web-savvy end users are already asking for an application like Connections, but some face resistance from senior IT and business managers, who may be hostile to the very idea of social-software deployments. To encourage early access,

improve acceptance and avoid alienating loyal customers, IBM must offer flexible deployment options (and in particular, software as a service) and demonstrate sensitivity to the cultural norms within each organization.

RECOMMENDATIONS

Social software in general — and social bookmarks and tagging in particular — represent the next evolutionary stage for portal, collaboration and content management environments.

- **Mainstream Lotus collaboration customers:** Examine and experiment with Connections as well as Quickr in 2007.
- **Prospects who are early adopters of new technology:** Even if you don't have a significant commitment to IBM e-mail and collaboration, consider Connections to extend collaboration into social software.
- **IBM competitors:** The race for social software is on. To avoid being left at a competitive disadvantage, plan your response now.
- **Smaller, niche social-software vendors:** This announcement legitimizes your efforts. Seek out ways to coexist and add value to products from IBM and other enterprise vendors.

RECOMMENDED READING

- "Enterprise Social Software to Boost Efficacy of Non-Routine Work" — Social software will become crucial in supporting and strengthening collaborative work in businesses. **By Nikos Drakos**
- "Intel-Led Social Software Effort Bids for Enterprise Attention" — Gartner evaluates the announcement of the first social-software bundle aimed at business users. **By Nikos Drakos**

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