

MySpace Joins the Crowded Social Platform Arena

Ray Valdes

The MySpace Developer Platform attempts to play "catch up" in a crowded, rapidly evolving space. As a follower, MySpace will be able to avoid competitors' mistakes, but must develop compelling points of differentiation.

NEWS ANALYSIS

Event

On 5 February 2008, MySpace announced the MySpace Developer Platform (MDP) and application programming interface (API) that builds on and extends the Google-driven OpenSocial specification.

Analysis

This announcement is MySpace's long-awaited response to the platform initiative launched by Facebook nine months ago.

MySpace is the top social networking site, according to metrics such as registered users (more than 200 million accounts) and monthly unique visitors. But in the broader industry shift currently under way — in which social sites mature into social platforms — MySpace has lagged behind even second-tier sites. MySpace and these second-tier sites belong to the Google-led OpenSocial consortium, which seeks to establish an alternative standard to the dominant Facebook F8 social platform API. Developers have criticized OpenSocial as more a theoretical specification than a real, production-ready platform. MySpace has been challenged to balance its need to support the OpenSocial value proposition (through compatibility with its cross-vendor standard) with a conflicting need for competitive differentiation with other OpenSocial platforms that have a head start, as well as with Facebook.

Facebook Platform has been key to Facebook's positioning, having attracted 300,000 developers who have built close to 10,000 applications, which have accumulated more than 400 million installs across 60 million active users. Some developers are seeking out the less-crowded playing field at OpenSocial, since only a small percentage of Facebook's large number of applications are in the top 100. This "push" away from Facebook toward newer market territories is balanced by the "pull" of the highly engaged Facebook user population (for example, about half of Facebook users visit every day, and the average number of page views per visit is 50). In addition, Facebook has a first-class developer relations program. MySpace's track record in this area is not compelling, and it has moved more slowly than Bebo, Orkut, Hi5 and LinkedIn, which have all recently deployed developer "sandbox" environments.

MySpace has strengths in its large user base, global reach, industry partnerships and dominant presence in the "long tail" of the music industry. These aspects ensure that MySpace will have impact through any initiative it chooses to pursue. But the company must accelerate its rate of innovation to compete effectively with sites that have crossed the platform milestone earlier.

RECOMMENDATIONS

- **Developers of social applications:** Add layers of abstraction that allow for spanning both Facebook and OpenSocial APIs, including the MySpace variant.
- **Enterprises:** Don't expect applications that are relevant to business concerns to appear on MySpace until developers have fully explored opportunities on other social platforms.
- **MySpace users:** Expect an influx of derivative applications that follow the now well-established pattern of maximizing viral growth at the expense of lasting utility.

RECOMMENDED READING

- "Facebook and the Emerging Social Platform Wars" — While Facebook has taken the lead in the early stages of the contest, Microsoft and Google are playing the role of "fast followers" and potential business partners. **By Ray Valdes**
- "Google Takes the First Step in Face Off with Facebook" — The limited-scope specifications offered by the Google-led OpenSocial initiative are just an early step in what will be a prolonged battle in the social-platform market. **By Ray Valdes**

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