

Microsoft Advances Its Web Strategy at MIX08

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Microsoft has taken the next step in its bid to appeal to Web developers and challenge Adobe with beta releases of new products. Underneath these announcements lies the company's evolving strategy.

NEWS ANALYSIS

Event

On 5 March 2008, at the MIX08 conference for Web designers and developers, Microsoft showed some continued evolution in its Web strategy and announced beta releases of Internet Explorer 8, Silverlight 2 (and Silverlight for Mobile) and Expression Studio 2 as well as a preview of SQL Server Data Services.

Analysis

Gartner inferred some significant strategic trends from MIX08:

- The advertising theme was consistent with recent investments. A new business model is emerging at Microsoft, enabling an ecosystem around advertising that also leverages its traditional developer strengths.
- The current of openness continued, following the February 2008 interoperability announcement. There was a much deeper meaning in what Microsoft has done with Internet Explorer 8; emphasizing standards over compatibility and functionality is part of this change in attitude. Also, other companies had a presence at the event, including DoubleClick and Nokia, and there was even a quote from Google's Gmail team favorable to IE8.
- The embrace of designers continues. These new products show Microsoft understands the design and Web development community and is prepared to offer some competitive solutions.
- Demonstrations by Microsoft customers such as NBC and Cirque de Soleil were enlightening and wide-ranging, including an engaging business application experience, innovative delivery of sports programming and advertising that is integrated into the development and design process.
- While we heard some talk about the cloud-based future, we saw relatively few actual products or tangible announcements. The preview of SQL Server Data Services, however, showed a glimpse into the future of Microsoft's cloud platform. Also discussed at a high level was a concept called "mesh," a vision for synchronizing information across multiple systems.

Microsoft's main internal challenge with this strategy will be consistency of execution. The Web is driving Microsoft to design and deliver products differently, and its response has thus far been inconsistent. Microsoft does not face any one competitor for all the strategies and announcements; Adobe is Microsoft's primary competitor for Silverlight, Firefox for Internet Explorer, and Google for advertising and cloud computing.

RECOMMENDATIONS

IT organizations should:

- Have an open mind when reviewing Microsoft announcements and offerings. This is a different company from the Microsoft of just three years ago.

- Leverage Microsoft as an asset as it pursues consumer and advertising strategies. Its presence in consumer markets and enterprises means that it can be helpful in your consumerization strategies.
- Focus more on user experience issues.

RECOMMENDED READING

- "Microsoft Declares Interfaces Accessible; Royalties May Apply" — Microsoft's new interoperability principles go much further than before, but questions remain about Microsoft's royalty terms and conditions. **By George Weiss and others**
- "Adobe and Microsoft Face Off Over Rich Media Platforms" — The rivalry between Microsoft and Adobe is becoming more heated and public. **By David Mitchell Smith and Ray Valdes**

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