PSR Reviews

Contents

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Browser War Casualty - Netscape Is On Its Way Down

Explorer – Not A Great Product - Is Now Used For Over 53% of All Internet Visits

Since Bill Gates defined Microsoft's primary battlefield as the Internet, there has been a struggle to get control of the browsers used by surfers. Microsoft's initial entry into the market was late. In addition, the first versions of Explorer were not very good products. To counter this, Microsoft has invested well over $300,000,000 to enhance its offering. They have also made Explorer the foundation for the desktop of their new operating system – Windows 98.

With all of that momentum and the ability to give away its product to users, Microsoft is acquiring market share at an ever-increasing rate. Based on a study that is ongoing, we have learned that over 53% of all web sessions on the Internet use the IE Browser.

**Do you believe someone who would say?
"There won't be anything we won't say to people to try and convince them that our way is the way to go."**

What Microsoft hopes to gain is dominance in the browser market, like it has in the PC-based operating system market. One only has to look at this study and at what Gates did to Apple to see what is going to happen.

Microsoft's Explorer, a.k.a. IE 4, is not a great product. It does have some nice features and functions, but it is a true resource hog. It takes over your desktop plus any and all CPU cycles that you have.

On two test computers, both running Windows NT 4.0 with 128MB of RAM and no program running except for IE 4, frequently a message appeared stating that the system is out of memory resources. Then the system tells the user to close all applications. By the way, one

Standard Benchmarks For IT Budgets Set In Study

Best Practices for IT Expenses and Staffing Are Critical Metrics

Santa Monica – PSR has just completed an analysis of IT staffing and expenditures for large and medium-sized organizations in the United States and Canada. The study was completed in conjunction with PSR's 15th annual IT compensation study.

The most often asked question by most Chief Executive Officers is "How much is the right amount to spend for IT?" The answer is always, "That depends". One of the most sought after depends is what competitors are spending for IT.

To get the answer we have conducted a survey of many different organizations over a period of time. What we have created is a set of benchmarks that we use in helping to answer that question and at the same time to provide us with some insight as to how an organization is investing in its IT infrastructure.

One of the most interesting analysis showed the percentage of costs allocated to the Information

Mainframe and Desktop Data Integration A Reality

New Product Links Important Desktop Data To Corporate Data Bases

Santa Monica – Over the last 35 years businesses have been entering data into large storage containers called databases. In the last several years the amount of data has been increased by the myriad of desktop and network based systems. Today, virtually all businesses, small, medium and large store this intellectual property in databases, however; until now there were no simple tools

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of these configurations is a dual 180Mhz processor and the other is a single 200Mhz. Both of these are top end configurations.

Pointcast and others. If you want to see the current status of the browser market share you can look at PSR's web site, (http:www.psrinc.com)

On the bright side for Netscape, many users who have tried IE 4 have been less than pleased, and have "tried" to move back to their earlier versions. This is the twist; Microsoft has not complied with its own rules for installing and un-installing software. Once you install IE 4, your system will never be the same again, even Microsoft can not help you get back to exactly where you were. I guess Gates will need to take his logo off of his own boxes since his product does not comply.
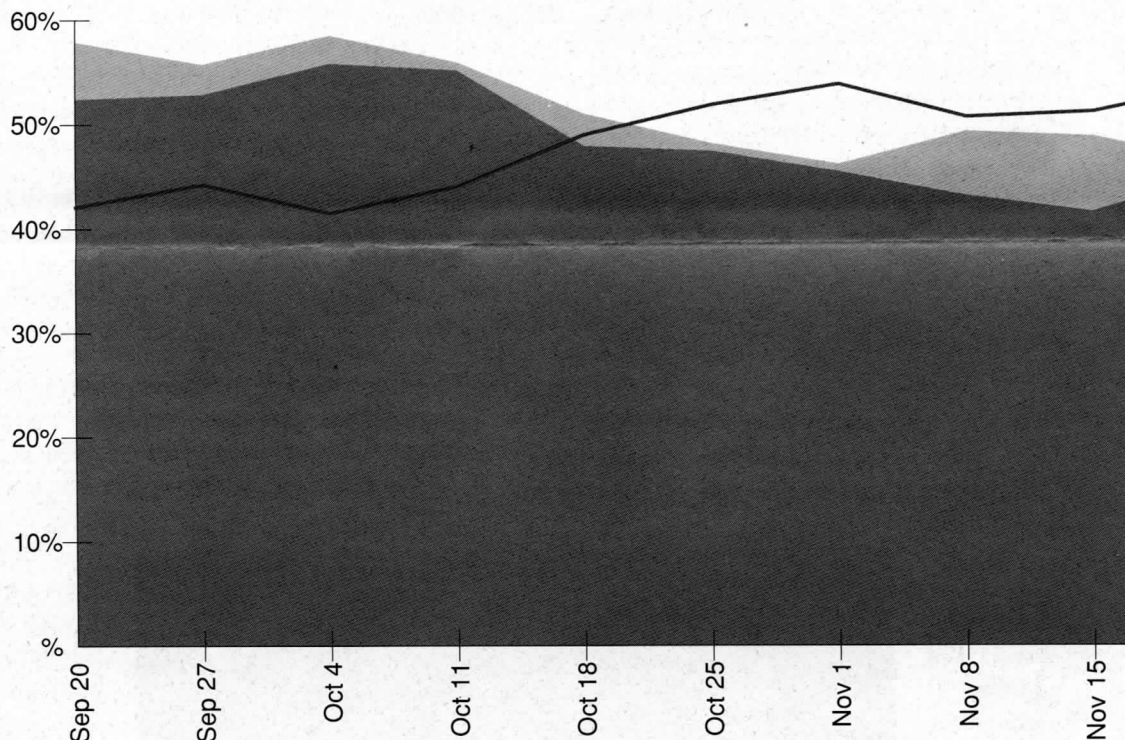
No matter how strong the alliances Netscape makes, no one can compete with the Jouggernaut of Microsoft. We should remember that the the first Jouggernaut was a god who moved so rapidly and carelessly that he killed his own followers by rolling over them.

Sad to say, but maybe it is time for someone to step in

Market Share - Browsers Use
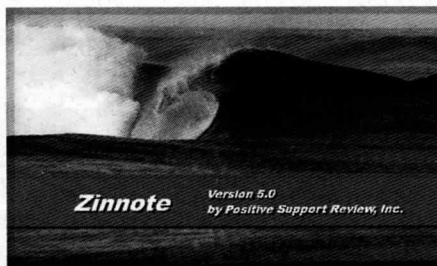
Netscape   Other   / Explorer

Even with a poor product like IE 4.0, the power of Microsoft's market dominance is growing. In an ongoing survey PSR is conducting, the firm has seen a steady increase in the penetration of all IE products. In the charts on this page you can see the trend in usage of IE versus Netscape. Microsoft now has more of the browser market than Netscape and all of the other browers combined. IE 4.0 is rapidly becoming the browser of choice for all "business" and professional users of the Internet.

Most surveys look at product purchases, this study, on the other hand, looks at actual usage. (Note – these charts were generated out of the data integration product ZINNOTE and exported directly to HTML pages from that product – see www.zinnote.com)

The reason we feel this is important is that the revenue that will be generated will not be from sales of browsers, but from "advertising alliances" between the browser manufacturers and content providers like

and make the giant a little smaller so that the industry can grow. If that does not happen soon, Microsoft will do to the PC industry what IBM did to the mainframe business. Monopolies work for a while, but then they inhibit progress. The watchwords are that "Size pollutes and total market dominance disproofs".

Mainframe and Desktop Data Integration A Reality

Standard Benchmarks For IT Budgets Set In Study

t could display this data in an readable fashion. Typically, financial analysts, marketers, and many other professionals that rely on this data have had to manually copy data from a source to some spreadsheet application in order to view the data in a meaningful manner.

Thanks to ZINNOTE, users no longer have to manually copy this data over and over to spreadsheet programs. With this product you connect to a data source, graph the data, and create reports that display the information in a sensible manner. ZINNOTE also enables you to update your data as it changes. After you've created your reports, you can export them to Microsoft Word or even HTML, for easy placement into a document or on the corporate Intranet.

A new product that gives users an opportunity to quickly and easily generate graphical reports from multiple data sources on a single page, ZINNOTE has gone through more than a name change as it has been upgraded to Version 5. It has been completely re-written as a 32 bit application, Windows NT and 95 compliant. Industry analysts that have reviewed the product say:

- ➡ "Zinnote makes good use of the Windows infrastructure. It is one of the first products that I have reviewed that makes it easy to work with databases of all types. Like magic, even novices can quickly become productive."

- ➡ "This product is more than an executive information wrapper. Zinnote gives the user the power to map information from multiple data sources on the same page."

- ➡ "Zinnote takes desktop data seriously. Now all of the work done on laptops and networks can easily be integrated with the corporate database."

ODBC Compliant
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A full version is available for trial by users at the internet site www.zinnote.com. In addition, there is an extensive user discussion forum on the site which provides updates, tips and techniques. The site also has a tutorial that all users can download. The tutorial fully describes the product and provides insight on how to use it. ◄☸►
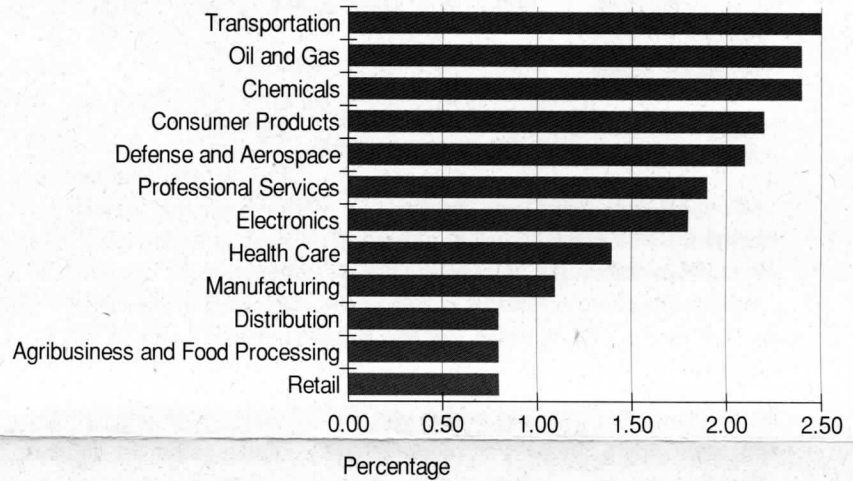
IT Cost as a Percent of Total Costs

Technology function of the enterprises studied. As would be expected, the costs associated with IT in financial services and providers of IT services were high. In some cases, the IT costs were over 10% of total costs. That, in itself, is a very interesting statistic.

In addition, it is not uncommon for different organizations in the same industry to have significantly different rates of expenditure. In general, enterprises that are more successful from a revenue and market penetration point of view tend to spend more for technology, or have a lower cost per dollar of revenue than enterprises who have not invested as highly in their IT infrastructure.

We must consider which costs are really IT costs and which are those associated with the business. In the last few years, the two have become so interrelated that there is no easy way to segregate the costs. The era of re-engineering has almost rendered this distinction obsolete.

What we have noticed is that we are about to see an evolution in many industries that will dramatically change the cost structure. These industries are those associated with energy and consumer products.

As these industries start to consider how business is going to be conducted in the future, there will be a much more rapid deployment of IT and its processes than would normally be anticipated. Distribution channels are going to be altered in such a way that everything will be different.

As that unfolds it will be interesting to see what happens to our dashboad monitoring ratios. In the next few years we will see all industries reach a point at which IT costs represent at least 10% of all costs. ◄☸►

Forecast for the National Information Technology Market

Market for IT professionals softens a little as the new year begins

by M. Victor Janulaitis
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The header provides a very strong statement. The impact is felt as a result of the talent in places like India where the programming is now almost as good as that within the United States, but at a much lower rate.

This last month, one of my clients was approached by a company in India that offered to provide 30 days of free programming services for the "right to bid" on doing it all. This was not for just one or two people, rather, it was for a full project team with a staff of 30 professionals.

At the same time programming contracts are being exported, there is such a high intensity focus on the Year 2000, that major projects are languishing. Managers are not starting anything new, instead, they are focusing all of their energies on getting Year 2000 done. We are starting to see a number of situations where the third and sometimes fourth manager of Year 2000 projects are being displaced. Everyone is very unhappy with the cost and uncertainty associated with these efforts.

It is for these reasons that we feel the market will soften just a touch in the first quarter and then begin a high pressure growth the remainder of the year. That is assuming that the economy continues to grow at the pace it has been for the last few quarters.

The internet continues to explode, but there are signs that management now wants to see results for all of the money that has been spent. Look for the start of a re-thinking of the "whats" and "whys" of Internet focus.

One of the new advances in the market, the palmtop computer will be an interesting challenge for the industry. In years past, senior executives had "small" executive brief cases and middle managers had the "thick ones." I see the palmtop computer recreating that model. Interestingly, one of the prime movers of this revisited phenomenon may be the FAA.

Little known to everyone, the FAA and the airlines are trying to determine how they can limit the number and size of carry-on luggage on domestic flights. Since we are now limited to two bags per person, one would normally be for clothes and the other a brief case and laptop computer.

Well, with the palmtop computer, the traveler will be able to get to the point where he/she does not have to carry around that "complex and costly" laptop computer. Just look at the explosion in the use of Palm Pilots over the last year and you can see that this is the wave of the future.

There are two new models that should be in the marketplace by the time you read this. The manufacturers to watch are HP and Compaq. They will have modems built in, color screens, and a small keyboard. They are currently being sold in the Far East for the equivalent of $600 to $800 each. From what I have seen the Compaq will be a better unit since they know how to get developers to write applications on their versions of these devices.

By the way, I have heard some "bad" things about Windows 98. Maybe this will be an area where Gates and company will stub their toes. It seems that many organizations do not want to upgrade just because it falls within the Microsoft earnings requirement cycle. If the economy does soften or the Justice Department puts on more pressure look for 98 to go the way of OS/2 and Apple Operating Systems.◄▒►

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Location	Prospects Short Term	Prospects Long Term
Northeast	Good	Fair
Mid Atlantic	Good	Excellent
Southeast	Good	Good
South	Excellent	Good
Midwest	Excellent	Good
Southwest	Good	Excellent
West	Excellent	Good
Pacific Northwest	Excellent	Good
Best Location	Midwest to West	Southwest - Mid Atlantic