Gartner | Press Release

Gartner Says Windows 8 Is a Big Gamble Microsoft Must Make to Stay Relevant in World Where Mobile Devices with New Experiences Are Becoming the Norm

Analysts to Debate the Future for Windows 8 at Gartner Symposium/ITxpo 2012, 5-8 November in Barcelona, Spain

STAMFORD, Conn., September 24, 2012 — Microsoft is taking a big gamble over the next few months with Windows and Office, the two products responsible for most of its revenue and profit, according to Gartner, Inc. It is a risk that Microsoft must take to stay relevant in a world where mobile devices with new modern experiences are becoming the norm.

"When the PC dominated personal computing by providing a single device for messaging, internet access, gaming and productivity, Windows was a powerhouse for Microsoft," said Michael Silver, vice president and distinguished analyst at Gartner. "However, smartphones and tablets, led by the iPhone and iPad, have changed the way people work, making the PC just one of several devices people use. The PC is increasingly simply a peer with other devices."

With Windows 8, Microsoft is trying to address the excitement of the tablet market by adding tablet interface to Windows.

"Microsoft's approach is very different from Apple's and Google's, where phones and tablets have much more commonality than PCs and tablets," Mr Silver said. "This plays to Microsoft's strength in PCs, leveraging it not only to enter the tablet market, but also to improve its share of the smartphone market."

"Windows 8 is not your normal low or even high impact major release of the operating system (OS)," said Steve Kleynhans, research vice president at Gartner. "It's the start of a new era for Microsoft — the RT era — which follows the NT era, which began in 1993 and is just now starting to fade out. Microsoft eras seem to run about 20 years, so the technology underlying Windows 8 will last a long, long time."

Making radical changes to Windows poses a risk for Microsoft as organizations like to reduce technology risk by deploying mature, stable, well-supported products. Windows Vista, for example, never gained significant success in corporate environments, and its lack of success — Gartner estimates that just 8 per cent of PCs run by Gartner clients ran Vista at its peak — has reduced its useful life as third parties have already started cutting support for it. The bottom line is that IT leaders are questioning whether Windows 8 will suffer a similar fate.

In addition, the new "Metro-style" user interface (UI) — which includes large buttons for touch and eliminates the ability to boot to the familiar Windows Desktop and have a traditional Windows start menu — is probably the most controversial decision Microsoft has made in Windows 8. The result is an OS that looks appropriate on new form factors of PC hardware including tablets, hybrids and convertibles, but has

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people questioning its appropriateness for traditional desktop and notebook machines, which comprise the majority of the existing PC market.

Gartner said that if Windows 8 on tablets is successful, it will have many impacts on organisations. There will be many new device form factors to choose from and users may have very different needs and likes from one another. Some will still want to use an iPad and a traditional notebook and others may want different, new devices. As users gain more power, due to consumerisation, IT is less able to mandate that certain products be used or not used in their environment. This makes it harder for IT to buy and support PCs the way they have for the past 20 years and may lead to more bring your own device (BYOD) programmes. Organisations also need to decide whether they want to create applications expressly for Windows 8 and Metro, write iOS applications, or something more neutral.

Microsoft licensing is also an important topic in many organisations because it can represent a significant percentage of the annual IT budget. Organisations need to decide if they require Software Assurance (SA) on Windows or an Enterprise Agreement as well as re-evaluating their decisions based on changes Microsoft is making to the Windows 8 SKU line-up and SA benefits.

"Windows 8 has been released to manufacturing and will be formally launched in October, but the reality is that most organisations are still working on eliminating Windows XP and deploying Windows 7," said Mr Silver. "Organisations will need to decide whether they continue with Windows 7 and or consider Windows 8."

Additional information is available in the Gartner Special Report, "Is Windows 8 in Your Future?" The Special Report highlights our latest research on Windows 8, its tablet-like interface, and this new era for Microsoft's flagship OS. The Special Report is available at http://www.gartner.com/technology/research/microsoft/windows-8.jsp

Mr Silver and Mr Kleynhans will examine the outlook for Windows at Gartner Symposium/ITxpo 2012 in Barcelona, 5-8 November.

About Gartner Symposium/ITxpo
Gartner Symposium/ITxpo is the world's most important gathering of CIOs and senior IT executives. This event delivers independent and objective content with the authority and weight of the world's leading IT research and advisory organization, and provides access to the latest solutions from key technology providers. Gartner's annual Symposium/ITxpo events are key components of attendees' annual planning efforts. IT executives rely on Gartner Symposium/ITxpo to gain insight into how their organizations can use IT to address business challenges and improve operational efficiency.

Additional information for Gartner Symposium/ITxpo in Orlando 2012, 5-8 November, is available at www.gartner.com/eu/symposium. Members of the media can register for the event by contacting Laurence Goasduff at laurence.goasduff@gartner.com.

Additional information from the event will be shared on Twitter at http://twitter.com/Gartner_inc and using #GartnerSym.

Upcoming dates and locations for Gartner Symposium/ITxpo include:
28-30 August, Cape Town, South Africa: www.gartner.co.za
3-5 October, Tokyo, Japan: www.gartner.com/jp/symposium
10-12 October, Goa, India: www.gartner.com/in/symposium
21-25 October, Orlando, Florida: www.gartner.com/us/symposium
29-31 October, Sao Paulo, Brazil: www.gartner.com/br/symposium

5-8 November, Barcelona, Spain: www.gartner.com/eu/symposium
12-15 November, Gold Coast, Australia: www.gartner.com/au/symposium
5-7 March, 2013, Dubai, UAE: www.gartner.com/technology/symposium/dubai/

Gartner will host a complimentary webinar on 27 September 27 at 2:30pm UK time titled, "The Evolution of the Powerful New Nexus: Gartner Symposium/ITxpo 2012 Preview." Peter Sondergaard, senior vice president and global head of research at Gartner, will discuss why the Nexus of Forces is such a crucial concept for all CIOs and IT leaders and how it has evolved. He will also explain why this year's theme "Focus, Connect, Lead" is so central to Gartner Symposium/ITxpo 2012. To register for this free webinar, please visit http://my.gartner.com/webinardetail/resId=2142416.

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