



SOFTWARE ECOSYSTEMS

Interview with Slinger Jansen
Part IV

Dear listeners, welcome to a new issue of the IT-Radar. Our guest today is Slinger Jansen. He is assistant professor at the Department of Information and Computer Science at the University of Utrecht. Together with Anthony Finkelstein and Sjaak Brinkkemper he published a research agenda for software ecosystems titled: „A Sense of Community“. Today we want to talk with Prof. Jansen about Software ecosystems.

Jan Bosch and others argue that it is sensible to move from an integration-centric approach to a composition approach. They say it is supposed to result in a better integration of small teams, shorter release cycles, and therefore a better position for quick tests of the products in the market. Maybe you can give us a quick overview over both approaches?

What I do find interesting here is the agile approach that comes around the corner. I think my students also are constantly developing apps for mobile phones, and I see a sort of a demo. So it's a bit of a testing playground. I have seen many apps of them maybe of the ten or fifteen apps that I have seen being developed, some were very big failures but some of them were actually relatively successful,

and they weren't so to say the horses that I would have bet on. So in that sense I think it is truly a great way to test out, test the water with an innovation. So in that sense I do agree on taking a small agile approach to this. I think that is a great idea, but I don't specifically see an ecosystem view on this. What I do see is that if you have a successful platform that is doing very well in a market or a successful product and you want to make the move to ecosystems, then I would definitely start off with just small plug-ins or start developing with maybe three or four partners and ask them „Hey, what kind of plug-in would you like to develop and in which domain will you want to be active? And what kind of extension points are you working for in our platform?“ But I cannot really make a statement on whether the integration-centric approach is better than the compositional.

I think composition also assumes that you just have a bunch of artefacts that you can put together fairly easily, and the idea I get in most ecosystems is that there is one big platform; there is already one large entity that people add slowly but surely more functionality and specificity to. I am not sure if I interpreted the question right but I get the feeling that there is not such a strong relationship to the way

in which the ecosystem is run compared to one of these two approaches. I get the feeling they are not even appropriate for ecosystems.

Then as a final question: Regarding the current stage of research and the penetration of enterprises, what do you expect will be said in let us say about ten years about software ecosystems?

A really good question, I hadn't really thought of it because I am so in the „now“ when it comes to ecosystems. But I think there is one credo I got into this area because I have a passion like I said before for software companies—especially independent software vendors, although I do not know why they are called independent because in an ecosystem you are not independent, you are just a software vendor.

I find software vendors really interesting companies, and I think the saying that they used to have which is: “Get big, get niche, or get out” will always hold, and it will be more valuable in the future. If you are smart enough and strong enough to develop your own platform that creates a critical mass in a market and thereby also creates interest from third parties to extend your products, you will be getting big. But if you are very specialised and you are active in a domain like here in the Netherlands we have a company called Stabiplan and they make technical drawings for all kinds of heating systems in a building, then that is a very clear niche.

Stabiplan builds on top of the AutoCAD products so they are part of the Autodesk ecosystem, and I think that is a beautiful way of thinking. This company is very successful, very profitable, and they are a very good niche company. And I don't think there is really a good way of being in between those two. There is no bit of a platform or a bit of a niche product. In the end you will probably develop your own platform again, maybe within a niche that could happen, but then there needs to be enough value in the ecosystem to have third parties con-

necting to you. Well, I think I am straying a little bit, but I expect that increasingly so that companies will slide under the wings of larger organisations and use their platforms as a transport for new innovations.

In that sense I expect the concept of software ecosystems to become stronger and that companies will make their own SECO in the software ecosystem more frequently explicit as it already is by saying something like „Hey we are part of the SAP stack“ or „We operate in the Google ecosystem.“ That is one development I see, and I also see that there are new innovative business models available that are specifically geared towards ecosystems. I think, for instance, of two companies right away, one is appstores.com, and you can all imagine what they do: They basically provide you with a platform that you can employ as an app store. So, let us say I have a software company called „Slinger“ I would call it slinger.appstore.com, and through them I could have partners who sell their stuff through my app store. I find that really interesting.

I also think there is a lot of value now in data. So a company here in the Netherlands that was founded actually here in Utrecht by some students of ours. It is called Distimo, and I think they are doing very well now, I think they are up to the level of making money by now. And what they do is they collect data from the several app stores, and they compare that to the data of other app stores. I think as a customer they have Facebook, and Facebook wants to know how much their application is downloaded at the moment, and how is it doing on each of the platforms. I think another customer of them is Rovio Games, and they want to know how many apps they are selling per day and what would happen if they changed the price of them a little bit, what kind of effect it would have on their supplied demand. I find that these ecosystems geared companies are

very successful, and I am also looking to invest and do research with such companies. So if any of such companies is listening: please, do contact me!

Also, as a second aspect, and I think you already felt it in my previous answers, in the long run I expect companies to become more and more open, so the community around them sustains them more than the company itself. Therefore, I expect more and more organisations like the Apache Foundation, the Eclipse Foundation, more of these organisations to rise and be really successful even though there is no clear ownership or governance, or more precisely, there is a clear governance structure, but no real ownership, it is more of a foundation ownership than private or cooperate ownership.

Another aspect that I do find really interesting is that—as a final note—I wonder whether the term Software ecosystem is really all that relevant. I am actually chopping at my own tree here, because in the long run I think we are seeing software vendors converging increasingly into other domains. One of my favourite examples is Google Bank, I think we are all waiting for the first introduction of the Google Bank to come. In the future I expect that we will be talking a lot more about power distribution in the ecosystem. Previously I talked a little bit

about centralised and decentralised ecosystems, and depending on the specific ecosystem—whether it is the electric vehicle ecosystem or the Software ecosystem or the XBRL ecosystem—I think that we will look at them with certain glasses, depending on our interests at that point.

As a final example I would like to talk about the iPhone OS ecosystem, which is much more than just a phone with a bunch of software on it, because it has ties increasingly in every domain. If you look, for instance, on the banking domain or the automotive domain or the business intelligence domain or even grocery shopping and logistics, I think that the ecosystem is already constantly testing the virtual boundaries that are imposed by the term software in this context. I think slowly but surely even though this term is driving me hopefully very far in research in the end we will have to revert it back into business ecosystems, because at the end of the day that is what those systems are, they are business ecosystems with a strong specific software component.

Das IT-Radar-Interview führte Vincent Wolff-Marting.

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