Who’s in charge here?
In the world of digital convergence, it’s the end user

For decades, the consumer has been the beneficiary of many technologies originally vetted in the enterprise marketplace. But the tide has turned. In today’s emerging world of digital convergence, the consumer marketplace often serves as the proving ground for innovations that eventually end up in the workplace. We believe that it is now individuals – not businesses – that ultimately determine which innovations succeed.

Since the advent of information technology, the typical flow of innovation has been from the enterprise to the consumer. Corporate mainframes, databases and word processing applications paved the way for PCs and personal productivity software. Routers and hubs that were used to connect office workers eventually emerged in home networks, providing wireless connectivity throughout the house and down the street. Computer security and backup solutions pioneered in business settings are now available to consumers as well.

But as digital content and Internet protocol (IP) networks have become more accessible and affordable to the public, technology-inspired innovation has now started flowing in the opposite direction, proving its worth with consumers first (see Figure 1). Enthusiasm in the consumer space regularly carries over into enterprise buying decisions.

Instant messaging (IM) is a prime example. Just a few years ago, IM was an entertaining teenage pastime; but now, it’s a critical business communication tool with usage that often rivals e-mail and phones. Here at IBM, for example, employees send approximately 4 million instant messages a day.

The stories evolving around social networking and wikis are even more spectacular. Thirty percent of the entire South Korean population uses at least one personal home page service, and during May 2006, nearly 30 percent of all Internet users in the United States accessed a MySpace page.¹

People are obviously eager to collaborate and create on a massive, worldwide scale. And progressive businesses are riding that wave of enthusiasm. They are adopting similar tools to tackle one of their thorniest challenges: knowledge management. How do you get employees to contribute insights? How do you maintain and disseminate that knowledge so that people trust and use it? Businesses are finding that, when equipped with familiar tools, employees naturally group themselves into strong communities of interest, where they are intrinsically motivated to collaborate and create. The resulting content is often far superior to what is collected through traditional, centralized knowledge management efforts.

Figure 1. Innovation is now flowing in a different direction – from the consumer to the enterprise market.

Source: IBM Institute for Business Value analysis.
Examples like these signal a change in direction – one we should not underestimate. Just as the PC put computing power in the hands of the consumer, today’s pervasive digital infrastructure is enabling people to collaborate and create as never before. As we move into the era of digital convergence, we believe it is now individuals – not businesses – that dictate the fate of new products, services and markets.

But simply acknowledging this trend will not be enough. Solution providers must act on this insight. It will affect not only the types of solutions offered, but also their fundamental design.

**A benchmark for end-user experience**

So if individuals are the ultimate arbiters, what do they expect from digital convergence solutions?

It’s a defining question – one which will likely determine the success, or failure, of many digital convergence products and services, and the return, or not, on those investments. Our analysis suggests that several different dimensions conspire to create an engaging digital convergence experience. Individually, each is important. But the real step-change in user experiences emerges when all seven are combined (see Figure 2).

**Acknowledging the individual in charge**

The pervasiveness of digital content and IP networks have created a worldwide digital fabric that is uniting businesses and individuals alike. Given this unifying force, it’s not surprising that decades-old delineations between industries are disappearing. These points of digital convergence create tremendous potential for new products and services and entirely new markets.

The pursuit of these opportunities will likely require strategic change – different business designs for individual firms and new kinds of value nets. Simply put, digital convergence is a strategic business issue, not just a technical design one.

After years of being the passive recipient of corporate-driven innovation, individuals are now in control. Today’s digital fabric has made it possible – if not inevitable – for end users to influence not only which innovations succeed in the consumer market, but also in the enterprise space. By addressing the key dimensions of the end-user experience, solution providers are acknowledging who is really in charge, and positioning their companies to capture the tremendous growth opportunity presented by digital convergence.

---

**Figure 2. The seven dimensions of user experience, all built on open standards.**

- **Realtime**
- **Natural human interfaces**
- **Interactivity**
- **Content-driven services**
- **Content protection**
- **Standards**
- **Interoperability**
- **Dynamically created content**

**Source:** IBM Institute for Business Value analysis.

---

© Copyright IBM Corporation 2006

IBM Global Services
Route 100
Somers, NY 10589
U.S.A.

Produced in the United States of America
10-06
All Rights Reserved

IBM and the IBM logo are trademarks or registered trademarks of International Business Machines Corporation in the United States, other countries, or both.

Other company, products and service names may be trademarks or service marks of others.

References in this publication to IBM products and services do not imply that IBM intends to make them available in all countries in which IBM operates.

To request a full version of this paper, e-mail us at iibv@us.ibm.com

---

**About the author**

Dr. Hagen Wenzek, IBM Corporate Strategy

**References**