

# Software Market Forecasts To 2001

Explosive growth of multiple software market segments is stimulated by price performance improvements in computing hardware.

Network centric computing provides productivity improvements brought by new software applications. Computing interoperability is also responsible for increased use of more software systems. Migration of industrial strength functionality in the context of distributed computing environments is extending the size of software markets. Open systems computing is driving software market growth as well

Software is profitable with margins over 40% in some cases. Large, medium and small companies succeed in the market. Software engineering techniques have reduced new product cycles to a year or less, permitting market entry by product development as well as through acquisition.

Consolidation of market participants is likely. A few companies dominate small segments of the business, but diversity is the rule.

Combined, the top three software companies accounted for 24% of the 1996 software market revenue of \$109 billion. Opportunity exists to participate in multiple sectors by acquisition. as well. Markets are expected to reach \$232 billion by 2001.

Selected software market segments are growing at 85% per year. Others are growing at 45%. Growth of 15% per year is the average.

## THE STUDY ADDRESSES:

- How to participate in high growth software segments
- Strategic positioning of software providers
- Market directions and strategic market alliances
- Risk/reward scenarios -- access to existing customer bases
- Strategies for success

## You NEED This Study

### COMPANIES PROFILED

AUTODESK  
AVANT

BRODERBUND  
COM21

COMPUTER ASSOCIATES  
INTERNATIONAL  
HEWLETT-PACKARD  
IBM  
INFORMIX  
BMC SOFTWARE  
BORLAND INTERNATIONAL  
BRODERBUND  
INSO  
INTEGRATED MEASUREMENT SYSTEMS  
MICROSOFT  
NETSCAPE COMMUNICATIONS

OPEN VISION  
ORACLE CORPORATION  
PARAMETRIC TECHNOLOGY  
PEACHTREE SOFTWARE  
SOFTBANK  
SUN MICROSYSTEMS  
UNIPHASE  
VERITAS  
WIND RIVER SYSTEMS  
3COM

## REPORT OUTLINE

### EXECUTIVE SUMMARY

#### 1. MARKET DEFINITION

Classification  
Impact of Internet  
Operating systems  
Applications  
Middleware  
E-mail  
Databases  
Distributed enterprise solutions  
Interconnects  
Power of information  
Distributed enterprise solutions

#### 2. SOFTWARE MARKET FORECASTS

Summary forecasts  
Operating systems  
Mainframe / Midrange/ PC  
Database systems  
Relational database  
Mainframe database  
Client/server database  
Data warehouses  
Middleware messaging  
Data extraction

Tools  
Software testing  
System management  
Network management

Applications  
PC applications  
Client server office suites  
Workstation  
Healthcare information systems  
Manufacturing

Internet  
Internet/Intranet browsers  
Internet/Intranet server software  
Intranet site building tools  
Firewalls and anti-virus products  
Document automation

Internet service providers

#### Year 2000 conversion

#### 3. PRODUCTS

Operating systems  
Microsoft client operating systems / NT  
Enterprise resource planning software (ERP)

#### Year 2000 conversion

Database products  
Desktop database products  
Midrange database  
Database management systems  
Data warehouses  
Object oriented DBMS

#### Application development and business

intelligence tools  
Business applications / SSA

Groupware  
Lotus Notes / Lotus Domino  
Microsoft Exchange

Software development tools  
Microsoft C++

#### Electronic commerce and Internet software

Desktop applications software  
Office suites / Microsoft Backoffice

Messaging  
Electronic mail  
Messaging middleware

Spreadsheets  
Internet/Intranet products and services

Technology  
Java  
Platforms / Lotus / Microsoft  
Product development cycles  
APIs / Directories  
Universal messaging  
Modular code  
Replication  
Decision-support applications  
Network control and systems management  
Fiber based consumer architectures

Cable TV broadband  
Encryption

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U.S.

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shipments  
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market  
Workstation CAD worldwide shipment dollars  
Multimedia worldwide shipment dollars  
Graphical/engineering design, worldwide  
Workstation CAD, multimedia, graphic design,  
worldwide  
Healthcare information systems, worldwide  
shipments  
Worldwide/US Internet users / data  
Internet browser market shares worldwide  
Internet browser, worldwide shipments  
Internet server applications tools, worldwide  
Intranet server application tools, worldwide  
Intranet/Internet site building tools, worldwide  
Firewalls worldwide  
Selected Internet service providers

**REPORT METHODOLOGY**

This is the nineteenth in a series of market forecasts of Internet data communications, telecommunications, and information services. The project leaders have significant experience preparing industry studies. Forecasts are based on primary research and proprietary data bases. In-depth interviews are conducted with a broad range of key participants in the market.