



BUSINESS PARTNERS SPEAK OUT

cc:Mail to Domino Migration: the NetWare challenge

By [Ron Herardian](#)

We might as well get it over with. Eventually, you're going to have to meet contributing editor Ron Herardian and it might as well be in the Premier Issue. Ron's a brilliant Lotus Business Partner and former Lotus employee. He'll be regularly writing important technical articles for DominoPower. But Ron's also got a unique perspective as a "real world" Lotus Business Partner. Most issues, we'll run the Business Partners Speak Out guest editorial so you can get the word directly from those who are dealing with Notes and Domino every day. Since these guys are in the trenches, their opinions are often unvarnished and direct. That certainly describes Ron's perspective. Never let it be said that we always suck up to Lotus.

Lotus has discontinued support of Domino on the Novell NetWare platform. Dropping support of the NetWare Loadable Module (NLM) platform further alienates unsatisfied cc:Mail customers, many of whom are already migrating away from the effectively discontinued cc:Mail product line. Lotus' latest move could make GroupWise a more attractive alternative compared to Domino, but a boost for GroupWise could negatively impact sales of Microsoft Exchange more than those Domino.

According to customer interviews I've conducted, approximately 90% of cc:Mail customers host their cc:Mail databases on NetWare file servers. Lotus claims that only 60% of cc:Mail customers run on NetWare but the Lotus number does not distinguish between where cc:Mail Router and gateway software runs and where cc:Mail databases are stored.

Exchange winning over Domino

Based on client discussions, of cc:Mail customers that are migrating away from cc:Mail the majority are migrating to Exchange. The US Army, US Navy, GE, and Lockheed Martin are examples. Most are migrating to Exchange as their primary messaging platform. Lotus officials have pointed out, however, that pockets of advanced groupware technology remain in many customer organizations.

Free clients weigh in the mix

Microsoft's Outlook and Netscape's Navigator clients are free. Outlook is also a part of Office, Microsoft's second monopoly, and Outlook has saturated the channel. The only way Lotus can compete with a flood of free competing products is to make their own client free or nearly free for cc:Mail customers. Lotus cannot compete with Microsoft for cc:Mail migration business while charging for the Notes client.

Lotus has to make Notes and Domino the most compelling choice for cc:Mail customers. In my opinion, what Lotus hasn't realized yet is that they are fighting the path of least resistance. Even where price is equal and Lotus offers superior groupware capabilities, Exchange can win cc:Mail migration business because migration to exchange is technically easier for customers who understand messaging much better than groupware. Lotus has resisted competing mainly on price in the past because the Domino messaging and groupware platform offers other advantages over competing products.

Lotus gambles late

Lotus aggressively pushed the cc:Mail to Domino migration message beginning in January of 1998 but Steve

Layne, who was behind the strategy, left Lotus in July. From what I can tell, Lotus' aggressive strategy significantly accelerated the rate at which cc:Mail customers left Lotus as a messaging vendor. In 1997, I wrote an article predicting that it was already too late for Lotus to aggressively push cc:Mail to Domino migration. I believe Lotus should have discontinued cc:Mail in 1996 before its competition tooled up and clearly identified the opportunity of preying upon the cc:Mail installed base. Currently, Microsoft, Novell, and Netscape are aggressively targeting cc:Mail customers.

Infrastructure is key

The key issue in cc:Mail to Domino migration is network and server infrastructure. In the larger enterprises, business applications drive hardware and infrastructure requirements. In recent years, however, customers with established hardware infrastructures have looked for ways to leverage their investments. Server products have tended to run on more hardware and OS platforms.

Choice of server platform is good for customers because it enables them to consolidate services not only on a single hardware and OS platform but also reuse existing technical expertise. Domino support of the NLM platform is good for cc:Mail customers because it enables them to provide multiple services through a common Novell infrastructure and through a more closely integrated administrative framework.

Customer size critical

Large enterprise customers are willing to run server platforms that meet the requirements of their business applications. Enterprise messaging customers also have the IT organizations in place to support server platforms such as NT and UNIX. For these customers there is a limited benefit in running Domino on NetWare especially because large systems tend to require infrastructure upgrades to deploy any new messaging system.

In stark contrast, small and medium sized business can benefit significantly from running Domino on the NLM platform. Small and medium sized messaging customers might now find GroupWise and Netscape SuiteSpot on the NLM platform more attractive.

Is Lotus forgetting small customers?

Lotus' latest move is not so much an abandonment of NetWare or of cc:Mail but perhaps a misunderstanding of the needs of small and medium-sized messaging customers. My impression is that Lotus' stated market focus is almost exclusively on large enterprise customers. This comes as no surprise over two years after the acquisition of Lotus by IBM. But the change in focus contradicts Lotus' strategy for its Business Partners which have been systematically targeted towards small and medium-sized companies since 1997.

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