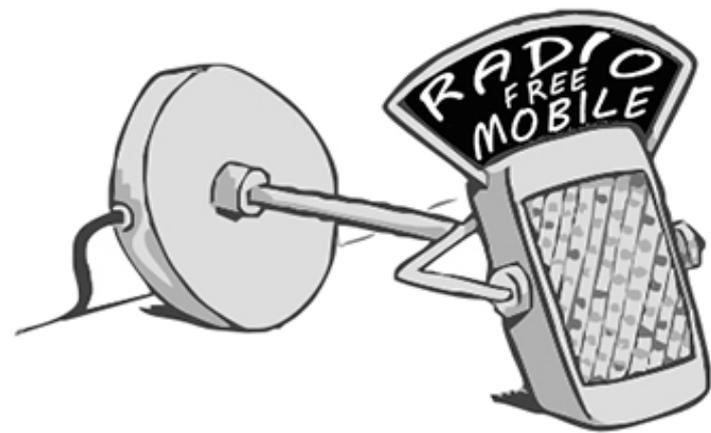


# Mobile Ecosystems

## Devil in the details



- Ecosystems are becoming more sophisticated...
- ...requiring greater detail in analysis.
- RFM introduces 4 new laws that expose the real differences between the players.
- Superb reception of iPhone 6 gives Apple time to address its weaknesses.
- Google UX hobbled by Android...
- ...and so it moves to take complete control.
- Microsoft, Xiaomi and Yahoo! head the growing challenger list

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# Mobile Ecosystems

## Devil in the details

24<sup>th</sup> February 2015

Ecosystems are becoming more sophisticated as users do more and with their devices. Consequently, how one ecosystem differs from another is becoming less obvious. RFM has introduced 4 new Laws of Robotics to better evaluate the different players. iOS continues to gain in strength while Google is still struggling with software problems. The lead challengers are Microsoft, Xiaomi and Yahoo! all of whom have a lot to do.

- **Maturing market.** Users are becoming more sophisticated in terms of what they demand from their Digital Lives. Ecosystem providers are beginning to cotton onto this and differentiation between different players is becoming more difficult.
- **Devil in the details.** To take this increasing sophistication into account, Radio Free Mobile has expanded the criteria by which the quality of an ecosystem is judged from 3 to 7. This is to take into account the increasing sophistication of ecosystems as well as to be able to more accurately reflect their strengths and weaknesses.
- **Four new laws.** **Law 4: App equivalency.** How well the app. store of an ecosystem compares to Apple. **Law 5: Data sharing.** How well the user experience is enriched through apps and services sharing data. **Law 6. User data integration.** How well an ecosystem understands its users. **Law 7. Software consistency.** How consistent is the software used across the devices upon which the ecosystem is present.
- **iOS.** RFM's research indicates that Apple has decided not to compete on Digital Life services but instead to differentiate through exclusive functionality based around HomeKit, HealthKit and Apple Pay. The superb reception of the iPhone 6 has given Apple more time to get this strategy up and running before commoditisation starts to bite.
- **Google** has the largest ecosystem but the user experience remains hobbled. The quality of the user experience and Google's inability to get its software into the market in a timely fashion, continue to be serious hindrances to user loyalty and Google's ability to monetise Android. RFM expects Google to aggressively exert its control over the Android software in the short to medium term.
- **Microsoft** still has a massive hill to climb. Its ecosystem is gradually getting better but it continues hide its light under a bushel. Its marketing remains very weak and users still have no idea why they should consider Microsoft's ecosystem. As a result, Microsoft actually lost market share during 2014A.
- **Others** Xiaomi and Yahoo! head an ever growing list of challengers.

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