

Topic: MCAD

## ASP Low Down

In the November 2000 issue of *iCAD*, we reported on the very low awareness among CAD/CAM users of ASPs (application service providers). While the hype has diminished, an increasing number of services based around the ASP model have become available, especially for the mechanical engineering sector. So how willing are the people responsible for the product design process to consider the various ASP options? To find out, we spoke to managers responsible for CAD/CAM and product development functions at 259 mechanical engineering UK sites.

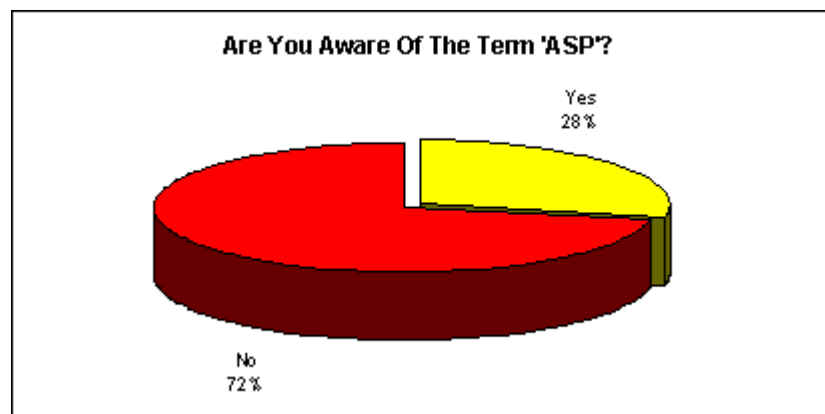
*iCAD* is produced by Business Advantage, a B2B research, business development and marketing consulting practice operating in the global IT, Digital and Telecommunications sectors.

### Awareness of the Term 'ASP'

There is no change from a year ago; there are still **70% of CAD/CAM managers who are not aware of the term 'ASP' or Application Service Provider**. At first sight this can seem hard to believe to anyone who reads the IT press on a regular basis. However the interest in using the Internet in the product development process is progressing slowly in the European mechanical engineering sector - and hard-pushed managers have much better things to do than read the IT press

In November 2000 *iCAD* investigated awareness/usage of ASPs in a cross-section of CAD/CAM using industries, and revealed that:

- Only 3 out of 10 CAD/CAM managers were aware of the term ASP
- 2% of sites were using an ASP to access CAD/CAM software
- 20% of sites said they would consider using an ASP to access CAD/CAM software in future.



Even among the three in ten who are aware of the term ASP, only a third of these can explain the basic concept (representing 8% of the total sample).

## Awareness of the Method

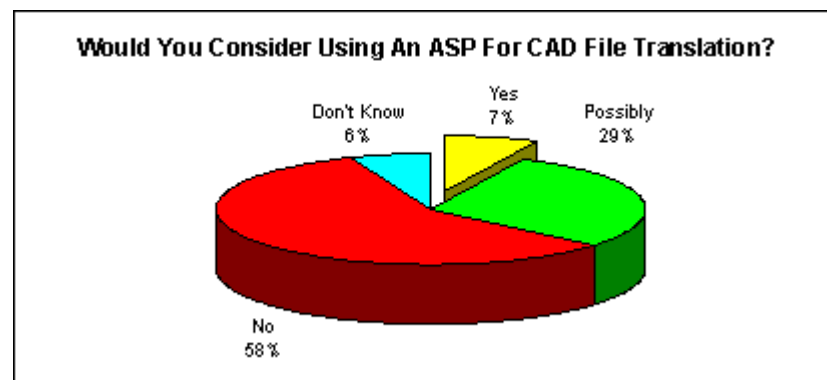
Many of the vendors who have adopted the ASP model have avoided using the term 'ASP' and its 'flash-in-the pan' connotations. So are CAD/CAM managers more aware of the working concept of the ASP model, rather than the term itself? We asked our sample if they are aware that applications are available via the Internet, residing on the server of a host supplier, such as engineering analysis, file conversion and design solutions. This clarification made no difference - **only three out of ten were aware of this method of application delivery**. Very few among this group (8% of the total sample) could attempt to name a vendor or website offering this option.

## Actual Users

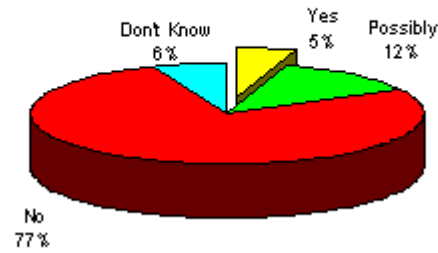
The use of ASP's has not increased in the last year - **there are still only 2% of sites using a service that fits a broad definition of the model**. The majority of this tiny group are using a file conversion ASP.

## Future Considerations

We asked our sample if they would consider using an ASP in future for certain types of application. Clearly the fact that many of the managers were having the concept explained to them for the first time will prevent us from seeing the definitive picture on future intentions; we do however gain an insight into the degree of open-mindedness on this issue. The 'don't know' categories in the charts below consist mainly of people unable/unwilling to answer with the limited information available.



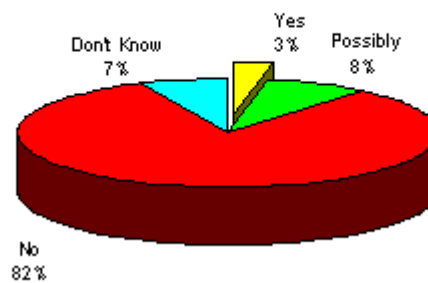
**Would You Consider Using An ASP For Frequent Engineering Analysis?**



**Would You Consider Using An ASP For Occasional Engineering Analysis?**

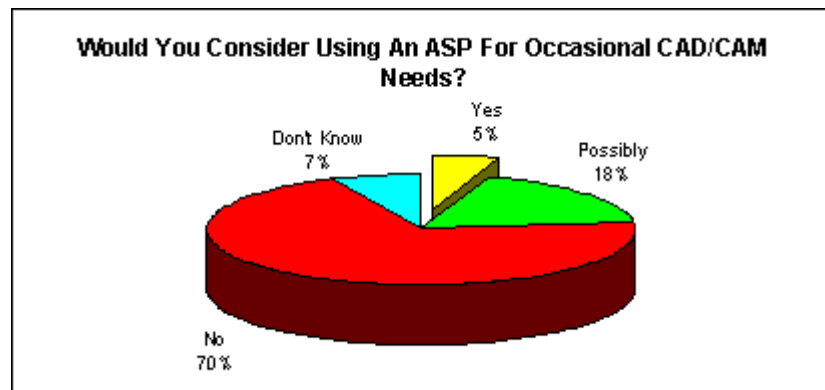


**Would You Consider Using An ASP For Regular CAD/CAM Needs?**





December 2001



Not surprisingly few managers say they will definitely consider the ASP option in future. There are differences according to company size, with the very small sites with less than fifty staff being less open-minded to the idea. For example only 4% of sites with less than fifty staff said they would definitely consider a file conversion ASP, compared to 14% of sites with more than 100 staff.

## Conclusion

So take-up of the ASP delivery model has made no progress among mechanical engineering sites in the last year, and there hasn't even been an increase in the awareness of its existence. The rise and fall of the ASP hype has passed by this section of potential users completely.

There are 70% of managers responsible for design functions who are unaware of the ASP possibilities. The pitifully low take-up is symptomatic of the wider sluggishness to consider the Internet as a vital tool in the product development process, rather than a mistrust of the ASP concept itself. Throw in the confusion/pessimism on the broadband situation in the UK, and you have a recipe for inactivity.

iCAD likes to extract the glimmer of hope from any situation, and this is to be found in the numbers of sites who are not discounting using ASPs out of hand. Although only around 5-6% are definitely going to consider using an ASP in future, if you add this group to those who say its possible that they'll consider it, the proportion swells to up to a third depending on the type of application you ask about. Sure, these are not companies champing at the bit to access ASP delivered services - but at least they seem open to considering the benefits of this option.



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It is significant that there is more interest in the one-off or more irregular activities, rather than, say, using an ASP for accessing core CAD/CAM software. If the ASP model is going to grow, it's likely to be through companies trying it for a discrete task such as CAD file conversion, and then building trust in this way of working. It's not going to happen overnight, and it won't happen without those who are selling this option getting out to raise awareness of the benefits.

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