



Microsoft Surface: The tablet that's a tonic for the software giant

The software giant's recent launches have tried and failed to match Apple's iPod and iPhone. But it looks to have hit the target with its Surface, the rival to the iPad, which is part laptop and part tablet

Stephen Foley

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Microsoft's first goal was simply not to be laughed at. Such is the software giant's recent history, littered as it is with disastrous attempts to match Apple in cool hardware, that the launch of the Microsoft Surface tablet in front of an eager crowd of tech journalists and analysts can be judged a success on that first measure.

"Exciting and different," says IDC. "Awesome," says CNet. "Game changer," says Silicon Alley Insider. No one laughed.

When Apple transformed the digital music player market with its sleek iPod, Microsoft countered with its chunky, clunky Zune, which inexplicably came in brown and made nary a dent in Apple's market share. As the iPhone became the de facto standard for the new class of smartphones, Microsoft launched the Kin "social phone" only to pull it from the market after just 48 days, due to imperceptible sales.

And now that Apple has transformed consumer electronics again with its iPad tablet computer, which accounts for more than three quarters of all tablet sales, enter the Microsoft Surface, a tablet device with a couple of things the iPad lacks, including a rubber cover that doubles as a keyboard.

Already the iPad has seen off several tablet rivals; unsold BlackBerry PlayBooks are piling up in warehouses, Hewlett-Packard exited the tablets market, and even Amazon's Kindle Fire has fallen back to a market share in the low single figures after a strong launch last year. The Surface was pitched by Microsoft chief executive Steve Ballmer as an entertainment device in the mould of the iPad, but it is unashamedly aimed at people who also don't want to give up the full-service capabilities of their PCs, such as word-processing and business tools like Microsoft Office.

The Surface marks a major strategic shift for the company that Bill Gates founded 37 years ago. Notwithstanding the examples above and the Xbox games console that is Microsoft's biggest hardware hit, this is the first time that the company has manufactured a device akin to a traditional personal computer.

Until now, it has let partners like Dell or Hewlett-Packard produce desktop and laptop computers, content just to sell them Windows software, its operating system.

That had been what analysts were expecting this time round, too, as Microsoft readies Windows 8, the latest iteration of its operating system and the first to be tailored specifically for tablet devices.

But Microsoft needed to develop the Surface itself, Mr Ballmer said, to push its partners "in ways even that the makers of the hardware had yet to envision". The device will go on sale online and in Microsoft's chain of two dozen stores at a date still under wraps and at a price yet to be revealed.

With Windows 8, Microsoft is making its operating system more Apple-like. Its start screen throws up software apps in the same way that an iPad might; it can be operated as easily with touchscreen as with the mouse; it integrates closely with social media and with a Windows store offering games, music and videos for download.

And there lies the main frustration of analysts after Monday night's ritzy launch in Los Angeles.

The Surface, they say, looks sleek and sexy, but Microsoft hasn't yet done a good job explaining what the consumer experience will be like. In short, why choose the Surface over the iPad?

Persuading consumers entails showing how the device and the new Windows 8 operating system work together to make a magical experience, says Francisco Jeronimo, mobile devices research manager at IDC, the market research firm. "The main focus has been on the hardware and specs only. I was expecting to hear from Microsoft about how the Surface delivers an integrated experience with the PC, what additional services or features are available and how the Microsoft ecosystem is growing to be a real alternative to the iPad and Android tablets."

Forrester Research analyst Sarah Rotman Epps echoed the criticism: "I am excited about this product, but it felt like Microsoft was pulling punches with this announcement," she said. "Hardware is only part of the dynamic. They need to explain how Microsoft manufacturing this device will change people's experience with a tablet."

Apple preaches to the faithful: Ballmer finds it all a hoot

It has been a topsy-turvy couple of weeks in tech.

Apple, whose product launches are normally shrouded in secrecy, unveiled a new version of its iPad operating system (iOS).

It had a set of features – a replacement for Google Maps; Facebook integration – that had been well leaked.

Microsoft, meanwhile, managed to get the whole blogosphere speculating about what might be in a promised "major announcement" that "you will not want to miss".

It even kept the venue in Los Angeles a closely guarded secret until the last minute.

The mystery and the razzmatazz were straight out of the Steve Jobs book of marketing, though Steve Ballmer, Microsoft's chief executive, can't quite bring himself to claim he is changing the world in the way that the boys at Apple do with each launch.

At least Mr Ballmer didn't barrel onstage sweating and yelling as he is wont to do.

When Tim Cook appeared at Apple's Worldwide Developer Conference last week to preview the new iOS, he was speaking to the faithful, the folk who develop apps for his devices. They cheered each new statistic – 30 billion app downloads; \$5bn paid to developers – whereas Mr Ballmer managed only a few hoots from his audience when the Surface's snap-on keyboard was unveiled.

But that's what you get when you invite a sceptical press instead of just fanboys.

Best of both worlds: On the Surface

Is it a tablet? Is it a laptop? Yes.

The Microsoft Surface captured the tech industry's imagination because it is not simply a me-too version of a product Apple invented, but rather something subtly different.

Because it has a USB port and because the snap-on cover doubles as a keyboard, it can appeal to those frustrated by the iPad's lack of connectivity and RSI-inducing touchscreen typing. Because it has the look and feel – and weight – of a tablet, it could lure those who might otherwise buy an ultra-slim laptop such as the MacBook Air or similar PCs on the market.

The size is similar to the latest iPad, which is 9.4 millimetres thick and weighs 1.3 pounds. The basic version of the Surface is 9.3 millimetres thick and it weighs under 1.5 pounds. A

0.7-millimetre thick kickstand pops out from the back to hold it upright. The Surface screen measures 10.6 inches diagonally, compared with 9.7 inches for the iPad, but it comes in the 16:9 aspect ratio, which is suited to watching video in the widescreen format. The iPad's screen size ratio is 4:3.

A date has not yet been set for the first sales of the Surface, though the basic version is likely to be available in the autumn. This first version will be priced "competitively" to the iPad, which sells for \$499 to \$829 in the US, and will use the same ARM Holdings chips found in mobile devices.

A more powerful Surface, using the Windows 8 Pro operating system and an Intel microchip, will go on sale about three months later, priced to compete with ultra-thin laptops. That version will be slightly thicker and comes with a stylus that allows users to make handwritten notes on documents.

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