

Windows Whimpers

It seems like lifetimes ago: In 1995, Microsoft hired rock stars and television actors to shill for its new Windows 95 operating system, and customers came in droves. Around the world, people lined up outside electronics stores to buy the software at midnight; a million copies were sold in four days. Microsoft seemed to be the great engine pushing the computing industry forward.

Now, a dozen years later, Microsoft is releasing a new edition of Windows and a new version of its bestselling suite of “productivity” software—and the reception couldn’t be more different. The latest generation of Windows, dubbed “Vista,” and the new Office 2007 suite are generating little excitement from potential users. Industry observers report that consumers are ignorant about and indifferent to Microsoft’s new releases. No one would expect clamoring crowds *à la* 1995, but the general lack of interest is astonishing: The world’s largest software company has revamped its two flagship products and almost nobody cares.

Microsoft is expected to begin a new marketing campaign in the coming months, but in trying to drum up interest the company will have to overcome its own record. Microsoft’s very success in creating popular software has shrunk the market for its new offerings; many consumers don’t care about the new software precisely because the Microsoft software they have now already meets their needs. And the company’s greatest failing—its products’ notorious security flaws—has surely taught some customers to wait for the inevitable initial glitches to be fixed.

But apathy about Microsoft’s new offerings also betokens something deeper—a major shift in the personal computer world, as users continue to move toward Internet-based applications, entertainment software, and non-desktop computing. Microsoft is well aware of these trends; the company has vastly diversified its product base since the days when its motto was “a computer on every desk and in every home, running Microsoft software.” Nowadays, the company’s rhetoric is about “connected experiences.” But Microsoft lacks the nimbleness of online competitors like Google; its new “Zune” media player has come out fully five years after Apple’s iPod; its video game brand faces stiff competition from Sony and Nintendo; and it isn’t yet a major player at the intersection of television and the Internet. While the company may be a contender in each of these areas, it doesn’t dominate them the way Windows and Office dominate their markets.

Despite the lack of interest in their launch, Microsoft’s new releases won’t flop in the long run; Windows Vista will come routinely installed on new PCs, and consumers will eventually upgrade to Office 2007. The company’s future is not in jeopardy, and we are not on the cusp of a post-Microsoft era. But the days when Microsoft was the indisputable author and arbiter of the computer industry’s future are now, for better or worse, at an end.