

SPECIALIST READING

A Find the answers to these questions in the text below.

- 1 How do you pay for the applications provided by an ASP?
 - a no charge
 - b charged according to use
 - c single payment
- 2 What two main services does an ASP provide?
- 3 How does an ASP ensure that they have enough storage space for the changing needs of customers?
- 4 What types of applications are available from ASPs?
- 5 Why is it useful for a small business to be able to rent specialist tools from an ASP?
- 6 What is one of the best established areas of ASP use?

Application Service Providers

If your hard disk is packed to bursting point, the IT department is far too busy to fix your email problems, and your business can't afford to buy the tools that you'd like to develop the company website, then it's time to think about using an application service provider (ASP). Rather than installing software on each machine or server within your organisation, you rent applications from the ASP, which provides remote access to the software and manages the hardware required to run the applications.

There are a lot of advantages to this approach. The havoc caused by viruses makes the idea of outsourcing your email and office suite services an attractive option. It also gives you more flexibility - you pay for applications as and when you need them, rather than investing in a lot of costly software which you're then tied to for years. Not having to worry about upgrading to the latest version of your office suite or about battling with the complexities of managing an email system, leaves businesses with more time. Time to focus on what they do best.

However, there are some potential pitfalls. To use applications remotely requires a lot of bandwidth, which is only really available from a broadband connection or a leased line to the ASP itself. It is also important to ensure that the ASP will be able to provide a secure, reliable service which will be available whenever you need it.

Providing applications and storage space for vast numbers of users requires some powerful technology on the part of the ASP. This includes security controls and data storage as well as providing the physical links to customers. For

the most part, ASPs don't own the data centres that store the information. Instead, they lease space from data storage specialists. In this way, they can be confident of meeting customers' increasing storage requirements by buying more space as it's needed.

There's a wide variety of applications available for use via ASPs. Office suite applications and email services are two of the most generic applications available through ASPs. Large, complex business applications such as enterprise resource planning tools like SAP are another popular candidate for delivery through an ASP. Other business services, such as payroll and accounting systems are also available. This is particularly beneficial to small businesses which are likely to grow quickly and don't want to deal with the problems caused by outgrowing their existing system and having to move to a high-end package. ASPs also offer a means of using specialist tools that would otherwise prove prohibitively expensive. Small businesses have the opportunity to use such tools for short periods of time as and when they need them, rather than having to buy the software as a permanent investment.

One of the major barriers for small businesses which want to make a start in e-commerce is ensuring that they have sufficient resources to cope with sudden large increases in customers. This means not only having adequate storage for all your customers' details, but ensuring that you have the technology in place to handle stock levels, efficient delivery and large volumes of traffic. It's very rare for an e-commerce business to handle all of these elements by itself, making this one of the best-established areas of ASP use. Being able to respond rapidly to changes in the size of your customer base and the type of product that they want to order from your business, demands more flexibility than traditional software can provide.

B Re-read the text to find the answers to these questions.

1 Note the advantages and disadvantages of using an ASP.

2 Match the items in Table A with the statements in Table B.

Table A

- a Website
- b ASP
- c Virus
- d Office suite
- e Bandwidth
- f Broadband
- g Data centre
- h SAP

Table B

- i Set of standard programs used in an office
- ii Facility for storing large amounts of information
- iii Capacity of a network connection
- iv High capacity Internet connection
- v Self-replicating program
- vi Common enterprise resource planning tool
- vii Application service provider
- viii Collection of related webpages

3 Using information from the text, mark the following as True or False:

- a Software from an ASP must be installed locally on a user's computer.
- b You need a high bandwidth connection to use an ASP service.
- c ASPs usually use their own storage space for customers.
- d Using an ASP gives you more flexibility.
- e An e-commerce business usually provides all of the required technology itself.