

AdvertisingAge®

WHY THE IPHONE WILL FAIL Convergence Devices Have a Frequent History of Failure

By Al Ries

Published: June 18, 2007

In the gold rush of 1849, prospectors checked their finds with Aqua Regia, a mixture of hydrochloric and nitric acids. If a sample passed the acid test, it was the real thing.



The iPhone may be another convergence device destined for failure. | **ALSO:** Comment on this column in the 'Your Opinion' box below.

When Apple introduces its iPhone this month, will it pass the acid test?

In my opinion, no.

Prediction No. 1: The iPhone will be a major disappointment.

The hype has been enormous. Apple says its iPhone is "literally five years ahead of any other mobile phone." A stock-market analyst says, "The iPhone has the potential to be even bigger than the iPod."

I think not. An iPod is a divergence device; an iPhone is a convergence device. There's a big difference between the two.

Opposing View:

Jonah Bloom: Why the iPhone Will be a Big Success

Apple's Marketing Touch Creates Passion Beyond Reason

In the high-tech world, divergence devices have been spectacular successes. But convergence devices, for the most part, have been spectacular failures.

The first MP3 players (the Diamond Rio, for example) were flash-memory units capable of holding only 20 or 30 songs. The first iPod, on the other hand, had a hard drive and could hold thousands of songs. Now there were two types of MP3 players, a classic example of divergence at work.

Every high-tech device has followed a similar pattern. The first computer was a mainframe computer, followed by the minicomputer, the desktop computer, the laptop computer, the handheld computer, the server and other specialty computers. The computer didn't converge with another device. It diverged.

When the cellphone was first introduced, it was called a "car phone" because it was too big and heavy to lug around. You might have thought it would eventually converge with the automobile. It did not. Instead it diverged and today we have many types of cellphones.

Every Best Buy and Circuit City is filled with a host of other divergence devices that have been enormously successful: the digital camera, the plasma TV, the wireless e-mail device, the personal video recorder, the GPS navigation device.

What convergence device has been a big success? Not many, although there have been a lot of convergence failures. The computer/phone. AT&T, Motorola and others introduced combination products. Few were ever purchased. The computer/TV. Apple, Gateway, Toshiba, Philips and others tried to market combination products with little success.

Interactive TV. Microsoft spent \$425 million to buy WebTV and then poured more than half a billion dollars into the venture. That didn't work, so it moved on to Ultimate TV, which didn't work either.

Cellevison. Everybody is talking about the third screen, watching TV on your cellphone, but relatively few people do. (The real action in TV is the booming market for divergence products such as big-screen plasma and LCD sets.)

Media-center PCs. Everybody was going to run everything in their homes from personal computers. It never happened.

Prediction No. 2: The media will blame the execution, not the concept.

Suppose the iPhone is a major disappointment. Will another convergence failure convince the high-tech industry of its folly? Highly unlikely.

Once a concept like convergence grips the imagination, it seldom dies.

A convergence failure is never seen as a "conceptual" failure; it's always seen as an "execution" failure. "The concept was sound; they just didn't do it right."

Hope springs eternal.

~ ~ ~

Al Ries is the author or co-author of 11 books on marketing, including his latest, "The Origin of Brands." He and his daughter Laura run the Atlanta marketing-strategy firm Ries & Ries.

Copyright © 1992-2011 [Crain Communications](#) | [Privacy Statement](#) | [Contact Us](#)