The Development of an Application Service Provider Model for the Delivery of Government Spatial Information

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ABSTRACT

Application Service Providers (ASP) are agents who assemble functionality that is needed by certain enterprises and package them together with outsourced maintenance and other services (Duralcher, 1999). ASPs can act as hosts for various integrated systems that can be located on an accessible central server, for example a Web based GPS processing engine packaged together with a business application, like networked GPS solutions, accessed by the GPSnet Application Server. The essential difference between an ASP and outsourced services is that an ASP will manage application servers in a central location rather than on a customer's site. Furthermore, ASP business models provide multiple benefits for both users and service providers, where the user has access to the latest GPS software without having to make substantial capital investments or provide technical expertise. Service providers can benefit and improve profitability by maximising the customer base using existing infrastructure. Increases in the use base are obtained due to the very low marginal costs associated with each additional subscriber to the service given that there is little difference in the total costs associated with supporting an application for 1 business customer with 500 users and 10 businesses with 50 users.

In practice, commercial ASP models have not been as popular as predicted for a number of factors, they host complicated labour intensive applications and this combined with poor marketing, lack of user education and providing free services, have made it difficult for ASPs to sustain their viability (Murray, 2001). However as the availability of hosted applications increases costs for potential users are likely to fall. Overtime with reduced costs there is an expectation that more businesses will turn to ASPs.

From a government perspective, increasing the number of services provided over public infrastructure, should increase the utility of that infrastructure, and provide additional long-term economic benefits such as sustaining expensive maintenance requirements. Hosting GPS services under the ASP model has certain advantages for all stakeholders including the simplification of GPS processing procedures and interpretation of network adjustments. Moreover, the user communities benefit from a significant reduction in their software costs while they can enjoy the advantages of the latest technology offerings. Government supported ASP models can also provide the assurance needed to protect system integrators, application developers and customers alike as critical business applications that are run by independent application service providers could be a risky proposition for small businesses.

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