

Don't talk about services...create it!

Services are like a bundle of delight; everyone likes that extra cherry on the cake. The IT industry is moving from products to solutions to services and with the widespread knowledge base consumers have, service providers race in this game to deliver something more than just solutions- a platter of services to create that added emphasis to stay afresh in the customer mind as well as position themselves as an innovative market player.

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As the famous saying goes- if you can't beat them, join them. This holds true when it comes to the cumulative and competitive market of services. Vendors, system integrators and distributors chalk out ways and means to not just provide solutions but understand the pinch points of the enterprises to give them an added deal and cater to the dynamic needs of the customers. Gone are the days when the role of the vendors and system integrators was defined, the channel has been revived and services has not become another portfolio of functions but aligned with the entire process of pre-sales, sales and post- sales.

NO LOOKING BACK FOR 'SERVICES' IN GCC

Large organizations can provide multiple services to their clients and may cater to the end-to-end needs of the customers by offering various services on one platform and eradicating the time invested by the enterprises to hire multiple organizations for different tasks. When it comes to small and mid-sized vendors who provide specific services they normally operate as niche players or partner with local service providers to address the needs of the clients. IDC sees the big data technology and services market growing at a compound annual growth rate of 23.1% over the

2014-2019 forecast period with annual spending reaching \$48.6 billion in 2019.

The outcome economy has room for every IT function as a service and hence the new wave of XaaS has been keeping the service providers on their toes. The Middle East region particularly shows a robust growth when it comes to the service industry with a recent adoption of outsourcing activities as well. The key reason for this is the government's forward looking approach in various arenas of services, especially MPS and automation. The government has also been encouraging enterprises to take the digital stride and contribute to the smart city initiatives, services play a very vital role in contributing to the multiple spheres of smart city plans.

Sachin Bhardwaj, Director, Marketing & Business Development, eHostingDataFort sees a surge in the adoption of IT across transportation, telecom, hospitality, healthcare, education, finance and banking, etc. in the MEA region, he says, "The overall IT trends in the Middle East have been showing large uptake of technology. This is spurred by governments in the region laying heavy emphasis on improving citizen and resident services to building Smart Cities."

According to Sunil Paul, Co-founder and COO of Finesse, the highest demand for Managed services is from KSA, UAE and Qatar, he also explains that organizations in the Middle





ANOOP SHARDA
CHIEF TECHNOLOGY OFFICER,
BUSINESSWARE

“SaaS will see an upward growth in the region more for non-mission critical business softwares.”

East have started adopting hybrid cloud IT services approach and part of the IT infrastructure need to run on applications will no longer be hosted in the organizations' data centers.

As the term 'services' has finally been accepted and made use of there is a growth of SaaS, PaaS,



SACHIN BHARDWAJ
DIRECTOR, MARKETING & BUSINESS
DEVELOPMENT, EHOSTINGDATAFORT

“The arrival of cloud based solutions, is making CIOs relook and revisit the approach to Business Continuity”

DRaaS as well as IaaS, however with every new trait of development in IT comes the skepticism of analysts. What are the future services one can expect to see in the limelight? How has the MEA service market evolved in comparison to the global market?

3.8%

The worldwide IT services market will reach \$929 billion in 2016, growing 3.8% in constant currency in 2016. With outsourcing contributing 60% of market growth in constant currency, the market will reach \$1.1 trillion in 2020.

-Gartner

BLURRING LINES BETWEEN PRODUCTS AND SERVICES

Managing services is a key component of the service portfolio. Cloud managed services are witnessing a rising demand across the globe due to the growing need of businesses to curb down operational and infrastructural costs involved in business processes. The expanding Big Data space has facilitated a greater demand for managed analytical services and cloud storage services according to a report on Cloud Managed Services published by IDC, the report also notified that the cloud managed services market size is estimated to grow from USD 35.54 Billion in 2016 to USD 76.73 Billion by 2021, at expected CAGR of 16.6% from 2016 to 2021.

Saeed Khan, Head of Sales – Managed Ser-





SAEED KHAN

HEAD OF SALES - MANAGED SERVICES - EMITAC ENTERPRISE SOLUTIONS

"Companies are beginning to look for softwares that answers their needs more specifically rather than utilizing any enterprise level SaaS that offers a more 'platform' approach."



SUNIL PAUL

CO-FOUNDER AND COO, FINESSE

"Finesse is warming up to becoming full-fledged IT services provider, cloud provider and managed services provider in addition to the integration expertise we offer to the market."

MIDDLE EAST CLOUD INFRASTRUCTURE SERVICES MARKET, BY SERVICE TYPE, (USD BILLION)



Source: markets and markets

vices- Emitac Enterprise Solutions says, "We have done our own survey with some of the leading organizations in the UAE and we see a lot of the enterprise and SMB customers moving towards Managed and Cloud Services on an OPEX model which can provide high quality of services while keeping operational costs under control."

Financial institutions and government still remains a little hesitant when it comes to giving

complete access to the service providers or letting them manage IT functions since the question of security always plays on the minds, however increased investment is seen over the years in IT services especially for data centres, enterprise applications, disaster recovery and infrastructure consolidation. Outsourcing is another facet of IT services which provides a sigh of relief to enterprises. Sachin from eHosting DataFort says,

SERVICE SHOWCASE

BUZINESSWARE

Businessware provides Infrastructure as a Service which allows companies to outsource most of their online infrastructure needs to a reliable UAE based service provider. The web services division offers domains, hosting, emails & other related web services at an affordable value where people can make informed decisions, transparently buy online & get 24*7 UAE based support.

eHostingDataFort

eHDF offers Cloud Infrastructure, Managed Hosting and Data Centre services, all of which can be outsourced by businesses across all verticals. eHDF partnered with Netcare, its sister entity, to provide a comprehensive suite of advanced Managed Security Services which includes DDoS, Security Log Collection and Management, Real Time Security Monitoring, End Point Security Management, etc.

FINESSE

Finesse is a full-fledged IT services provider, cloud provider and managed services provider in addition to system integrator. Finesse puts a greater emphasis on end to end business processes. It caters to the use of cloud, mobility, social and virtualization.

EMITAC ENTERPRISE SOLUTIONS

Emitac Enterprise Solution offers end to end services which include consulting services, professional services, IT infrastructure and application management services under a hybrid delivery model. It also provides project based outsourcing services and out-tasking of resources based on specific requirements of our customers.

"With an increase in cyber-attacks many services are becoming imperative for businesses to outsource from a Managed Services Provider due to the expertise they bring to the table."

FINALLY...

The system integrators and service providers will have to tighten their services and adapt to the ever increasing demands for services. Project based services will continue dominating the macro market of services. The three main dimensions of the IT service industry will thrive on technical expertise, innovation and marketing. The idea of B4B will be the new conceived idea rather than B2B which will broadly apply to the enterprises.