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# **Requirements for Cloud Services**

**A Service Providers Perspective**



## Cloud Computing – What is it?

"Cloud computing is a model for enabling convenient, on-demand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction."

*National Institute of Standards and Technology*  
(non-regulatory agency of the United States Department of Commerce)

At the industry level it has, to all intents and purposes, become a catch all phrase for the provision of hosted and outsourced IT and telecommunications services on a commercial basis.



## CIO Technology Investment For 2010

CIO technologies	Ranking of technologies CIOs selected as one of their top 5 priorities in 2010				
Ranking	2010		2009	2008	2007
Virtualization	1	↑	3	3	5
Cloud computing	2	↑	16	*	*
Web 2.0	3	↑	15	15	*
Networking, voice and data communications	4	↑	6	7	4
Business intelligence (BI)	5	↓	1	1	1
Mobile technologies	6	↑	12	12	11
Data/document management and storage	7	↑	10	9	9
Service-oriented applications and architecture	8	↑	9	10	7
Security technologies	9	↓	8	5	6
IT management	10		*	*	*
Enterprise applications	11	↓	2	2	2

\* New question for that year

Cloud computing, virtualization and Web 2.0 are lighter-weight technologies because they entail reduced upfront costs, increased capacity and variable cost structures. Relatively small investments generate significant business benefits at speed.

**Note: The 2010 Gartner CIO Survey results are based on the responses of approximately 1,600 CIOs, representing more than \$120 billion in IT spend.**



## Cloud Computing Myths



**Myth: Only megaproviders will win.**

**Fact:** There are diminishing returns to economies of scale, there are many fragmented markets that have good enough scale for smaller providers, and innovation makes provider agility a critical offset to size.



**Myth: There will be a "big switch."**

**Fact:** There will be a slow migration (including development of private cloud services), the migration will take decades, and even then quite a bit of IT will stay in-house; in fact, most of the interesting stuff will be hybrid models.



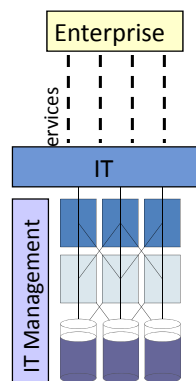
**Myth: Cloud computing is IT commoditization.**

**Fact:** While services offered in the cloud may be commoditizing, the *usage* of those services may not — new, innovative businesses, proprietary analysis of data in the cloud, etc. — *new applications matter.*



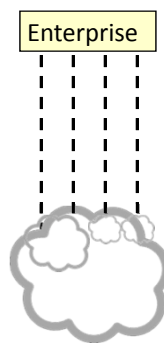
## The Hype and Reality of Cloud Computing

**Today**



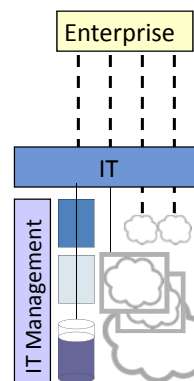
- Manage horizontal and vertical services

**Hype**



- Everything to the cloud – a service at a time

**Reality**



- Brokering, private cloud, internal IT

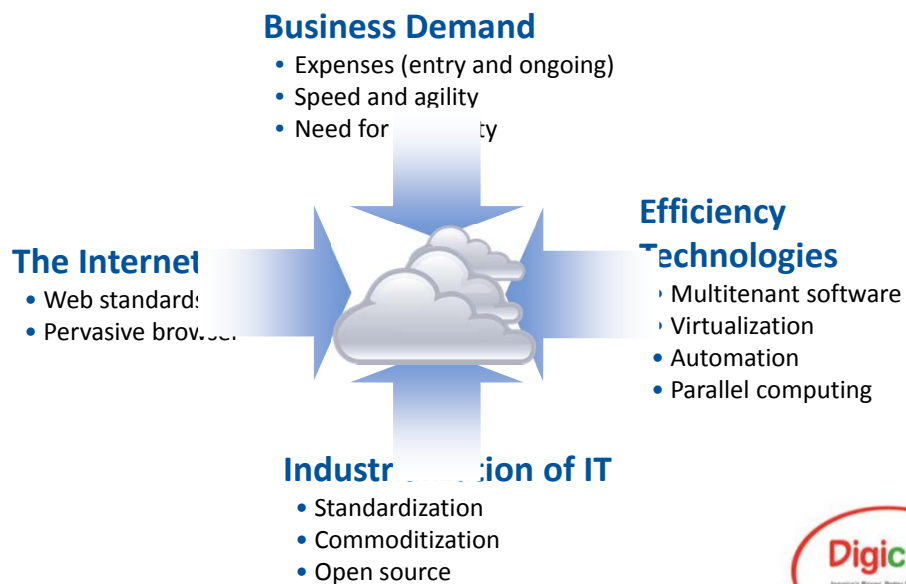


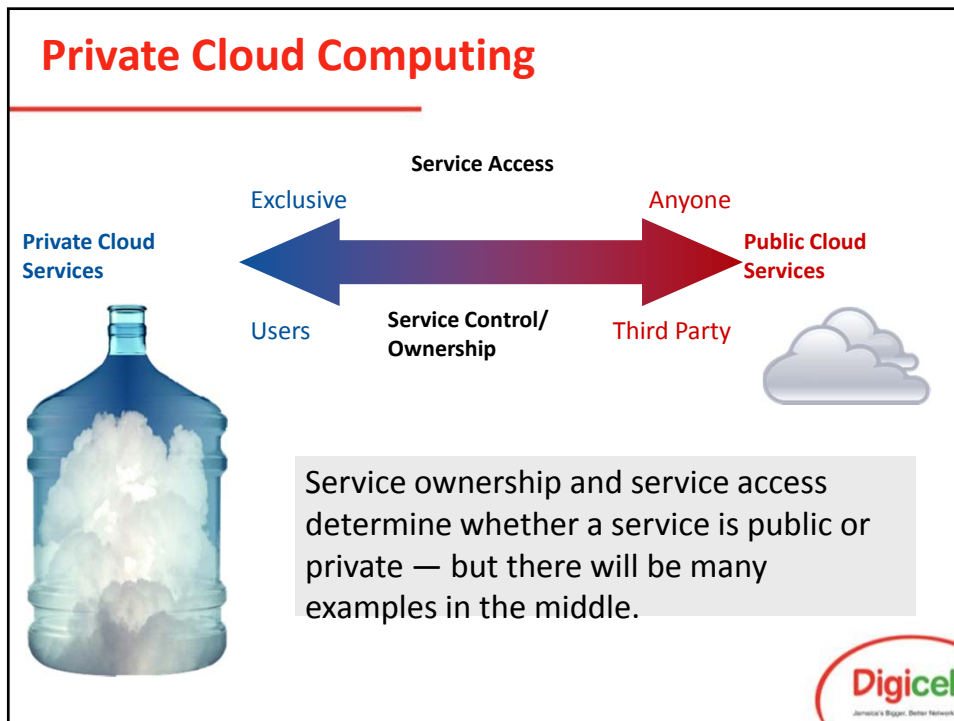
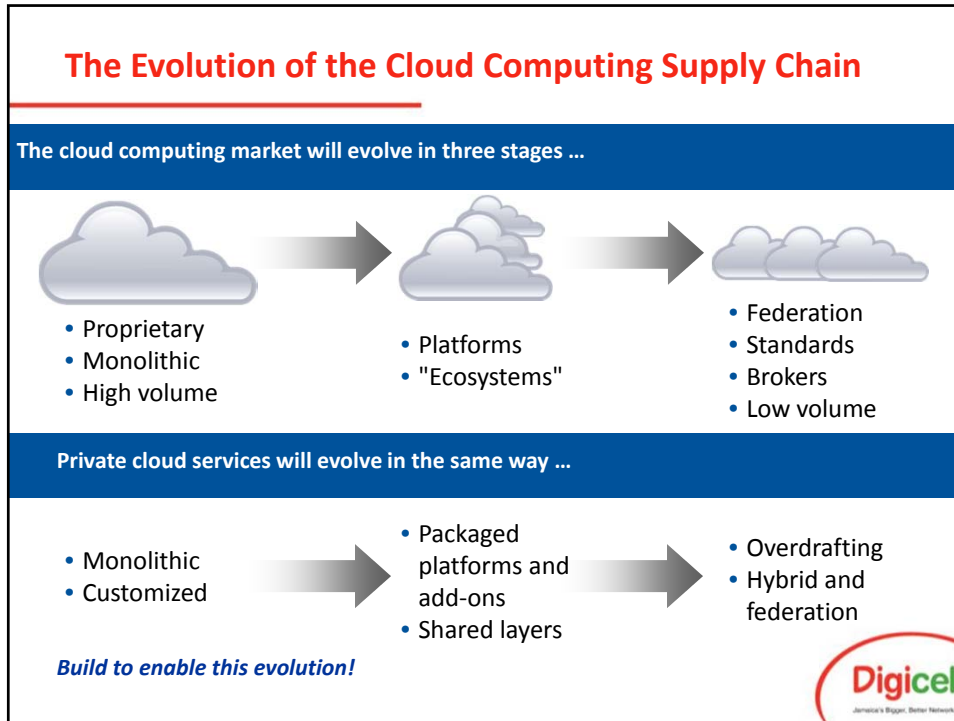
## Key Issues

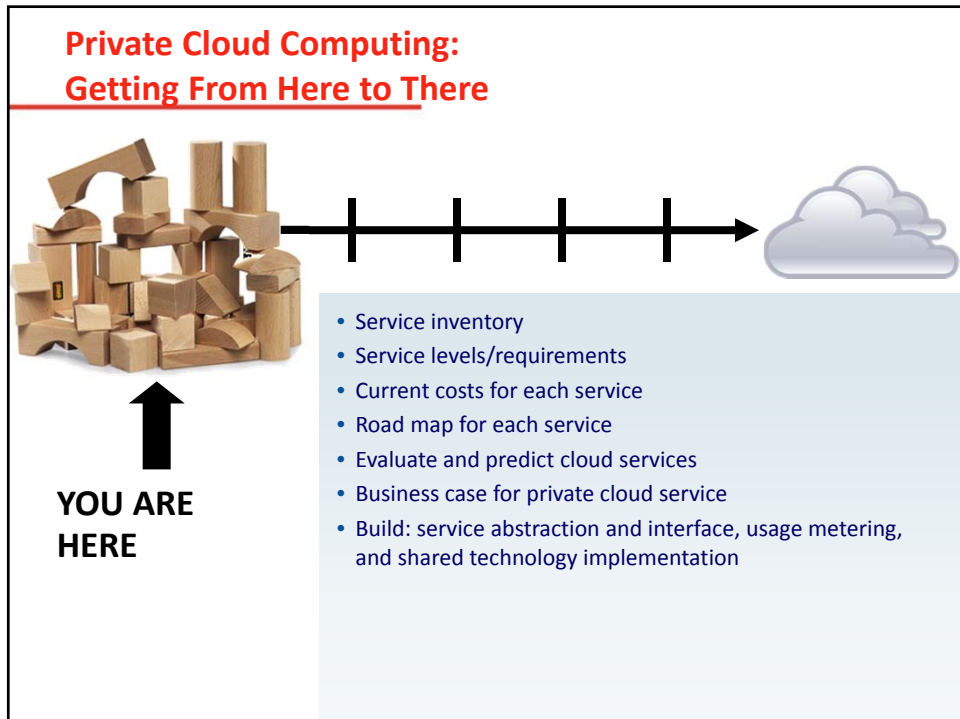
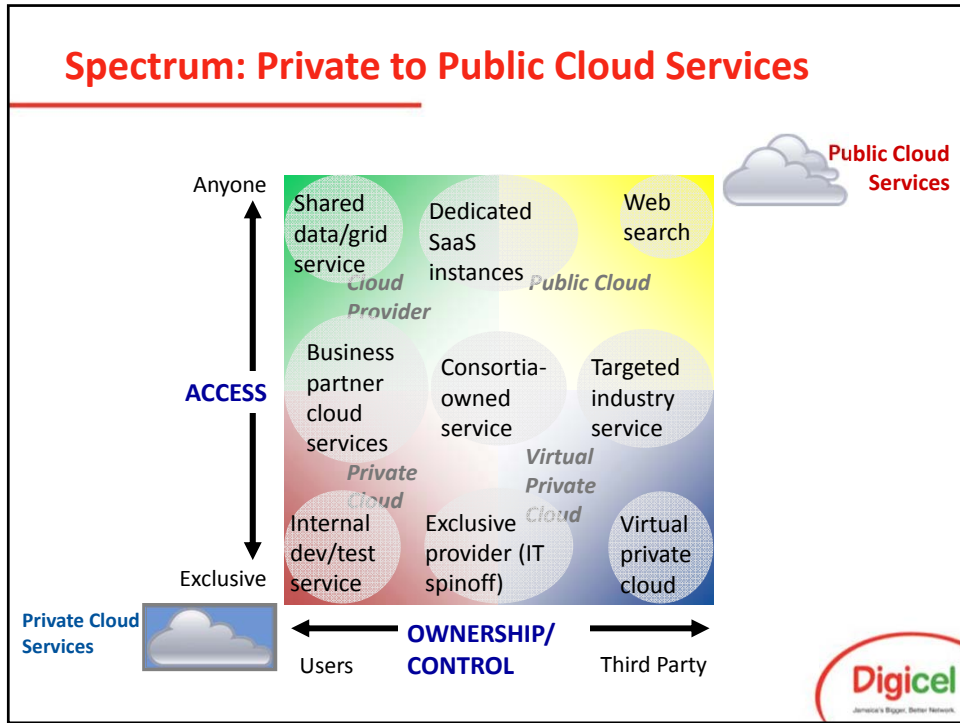
1. What is cloud computing, and how will it evolve?
2. What is private cloud computing and what does it mean to enterprises?
3. How should enterprises build strategies for private cloud computing?



## Evolution of Cloud Computing:



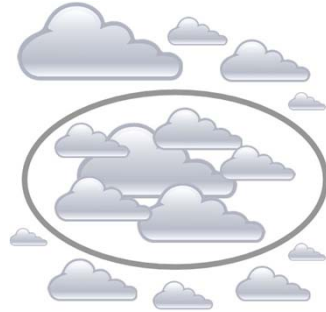




## Future Challenge: Managing Cloud Sourcing

### Client/Server: Customer-driven

- Costs skyrocketed, little integration



### Cloud computing: Going around IT

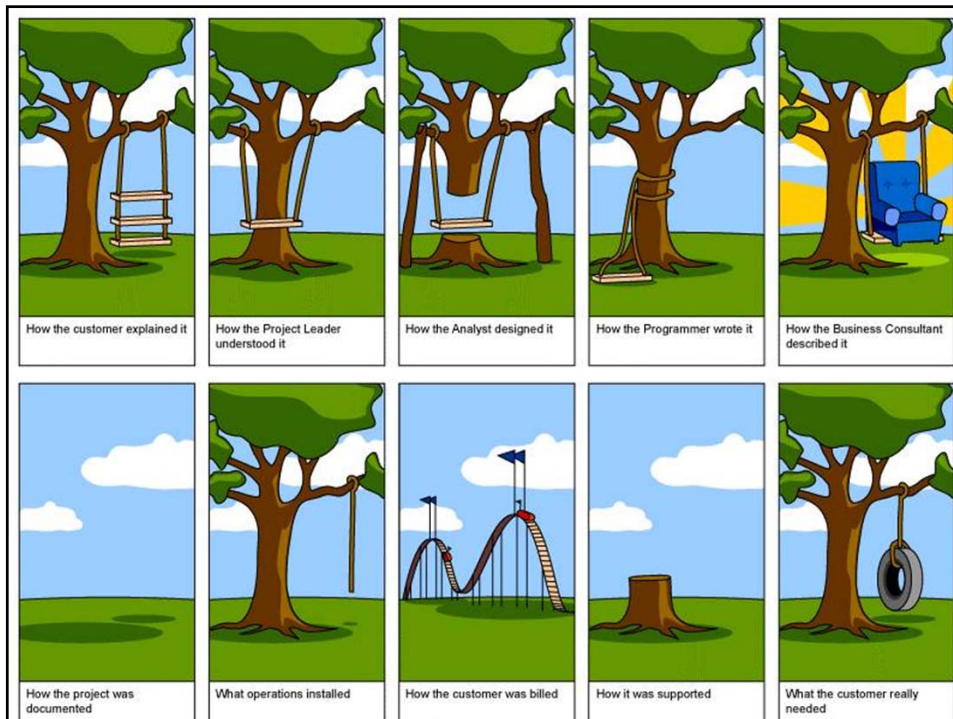
- Lots of choices, little integration, little understanding of real service requirements
- Failures will be rampant, unless IT is involved

### Service Brokers

- *Small enterprises*
- Evolution of today's system integrators, VARs
- Orchestrates cloud providers to meet needs
- Industry-specific, etc.

### Dynamic Sourcing Team

- *Large enterprises*
- New team, new skills (business- and IT-savvy)
- Manages day-to-day sourcing decisions



## What's Driving Customers Towards Cloud Business Solutions?



## Digicel Cloud Services

 <p><b>Cloud Email/ Blackberry</b></p> <p><b>Solutions</b></p> <ul style="list-style-type: none"> <li>• Microsoft Exchange</li> <li>• Mdaemon</li> </ul>	 <p><b>Virtual Server</b></p> <p><b>Solutions</b></p> <ul style="list-style-type: none"> <li>• Virtual Server</li> <li>• Online Back-up</li> </ul>	 <p><b>Cloud Telephony</b></p> <p><b>Solutions</b></p> <ul style="list-style-type: none"> <li>• Broadsoft</li> <li>• Cisco</li> </ul>
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## Cloud Services – Why Digicel for Cloud?

Digicel has the core foundations for Cloud in place NOW

- Local and Pan Caribbean Networks
- Tier III Data Centre in Jamaica
- Digicel/ Netxar and the industry leading technology vendors
- Mutli -Award Winning Customer Service (ITIL)
- Scale
- Track Record in Transformation of the Caribbean Mobile Industry



# Thank You

