

# Change and Complexity Create Opportunity

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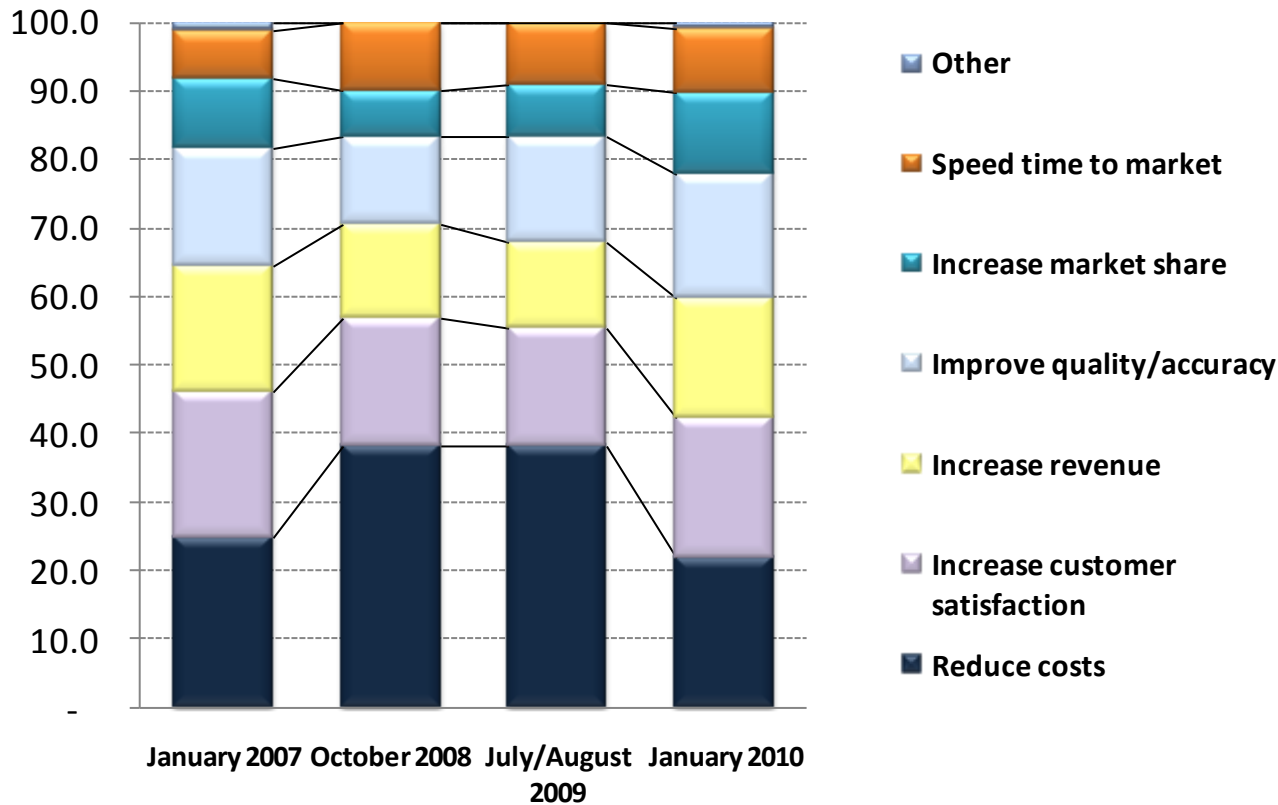
IDC Australia

- Businesses putting renewed focus on growth, innovation and customers
- Complexity and change dominate global markets
- Intelligent interactions change the game
- Integrated service management, automation and integrated lifecycles required
- Essential guidance for exploiting change and emerging opportunities

# The “New Normal”

## Shifting Business Goals Impact Technology Goals

Q. *Prioritize the following business goals as they relate to your organization by allocating 100 points among them. The more points you allocate, the more important the business goal.*



**Business priorities are quickly returning to pre-recession status**

**Refocus on “doing the right thing”, not the least expensive**

- For customers
- For shareholders
- For competitive advantage

**Efficiency still matters, but not if it impacts business performance**

- Availability
- Flexibility

Source: IDC Server Virtualization MCS 2007, 2008, 2009;  
IDC Datacenter and Cloud Survey 2010

# The Leading Business Themes *Asia/Pacific*

LoB Q. Please select the most important initiative to your organization, in terms of helping IT achieve its organizational goals in 2010?

CIO

Cost savings

Business process optimization and automation

Attract new customers

Better response to a new market landscape

Better response to a new market landscape

Attract new & maintain talent

Gain competitive share of wallet

Attract new & maintain talent

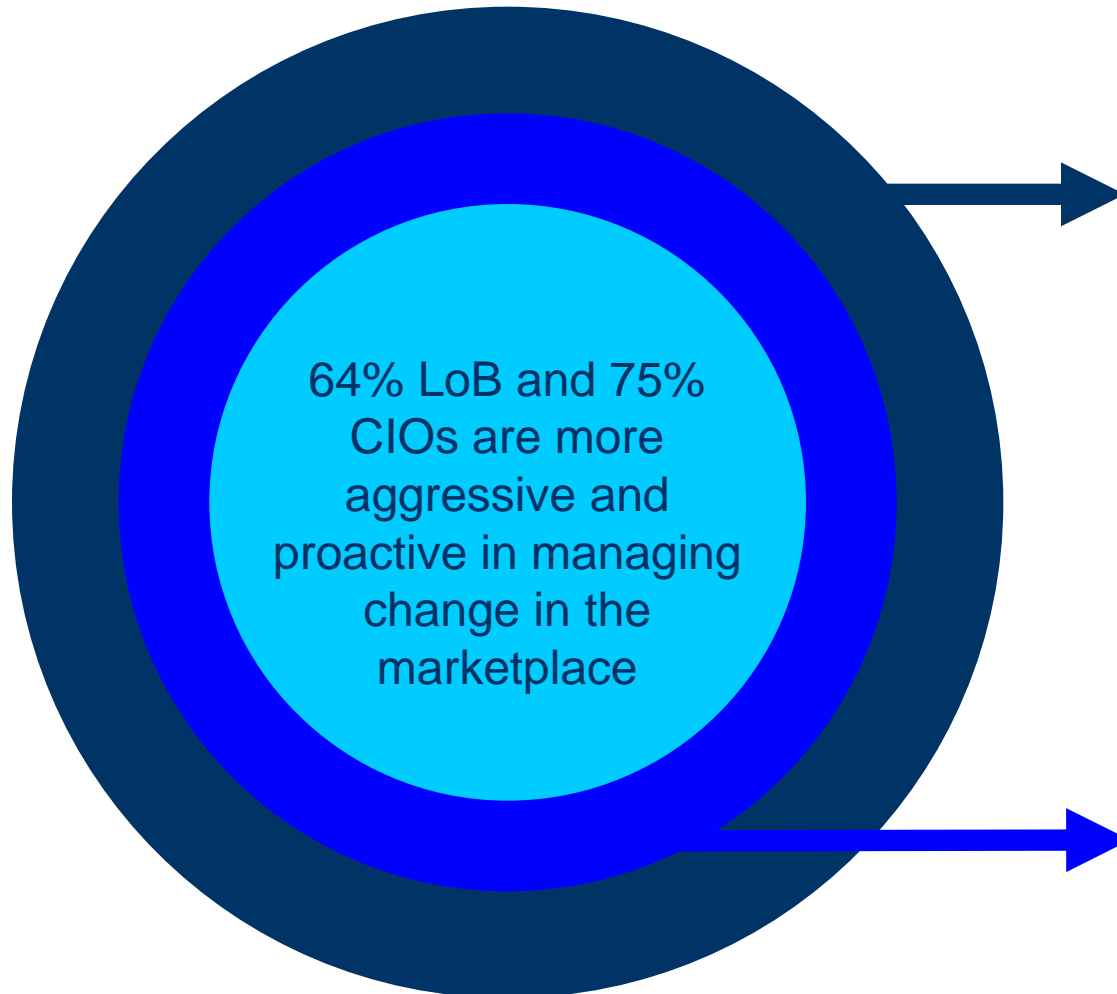
Attract new customers

Expand footprint

Keep your customers & increase loyalty

Partner effectively

# Managing Change in Asia/Pacific *Beyond this Fiscal Year*



39% of CIOs create a contingency plan to allow their organizations to scale up quickly in a recovery without the need for major CAPEX investments; Having a flexible arrangement is a critical part of this ops management initiative

>63% are planning for the longer term (the next 3-5 years)

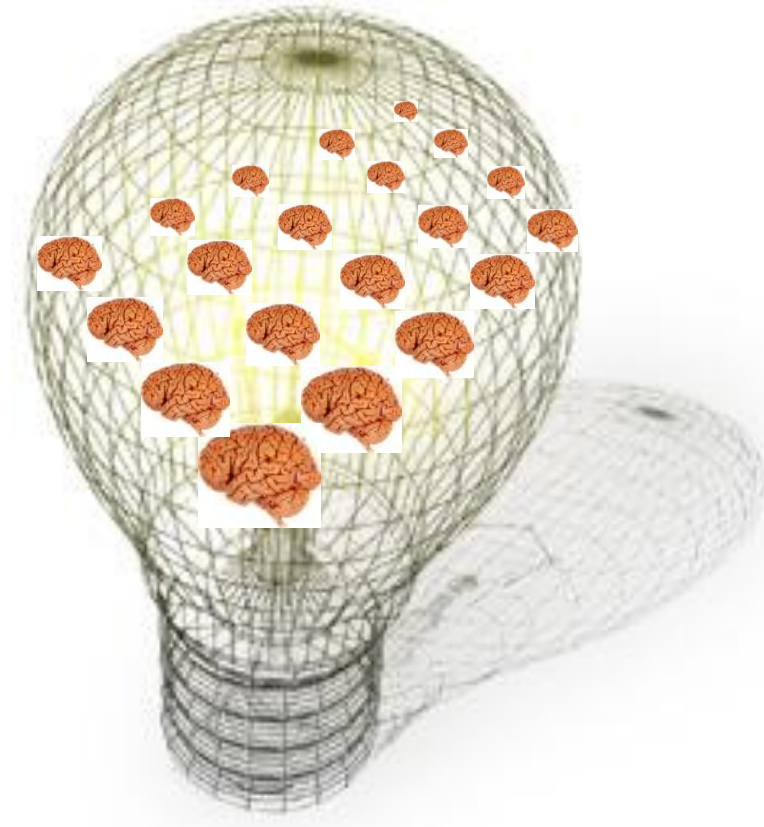
## Key Market Transformations

- Telecom – fiber, 3G/4G wireless, converged IP delivery, new distribution models
- IT – market expansion through disruptive Cloud model, driving re-architecture of vendor models, offerings, identities
- Ascendance of mobile devices – and apps – challenging primacy of the PC
- Shift of customer “design point” toward SMB/consumer, emerging markets



# “Socialytic” Apps Emerge

- Fundamental transformation in business applications
- Fusing social/collaboration software and analytics to business logic/workflow and data
  - Marketing/merchandising, Reputation monitoring, Fraud detection, People-centric search, and BI
- Threat to traditional apps – transforms development and operations lifecycles



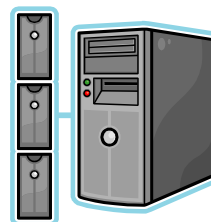
# 2010: Intelligent Economy Emerging



1 billion mobile Internet users;  
500,000 mobile phone apps



Public cloud spending \$23 B



50 million servers,  
half virtual



20 million smart meters in US



7 billion communicating devices in place – 5 billion of these are NOT computers



700 million social networkers



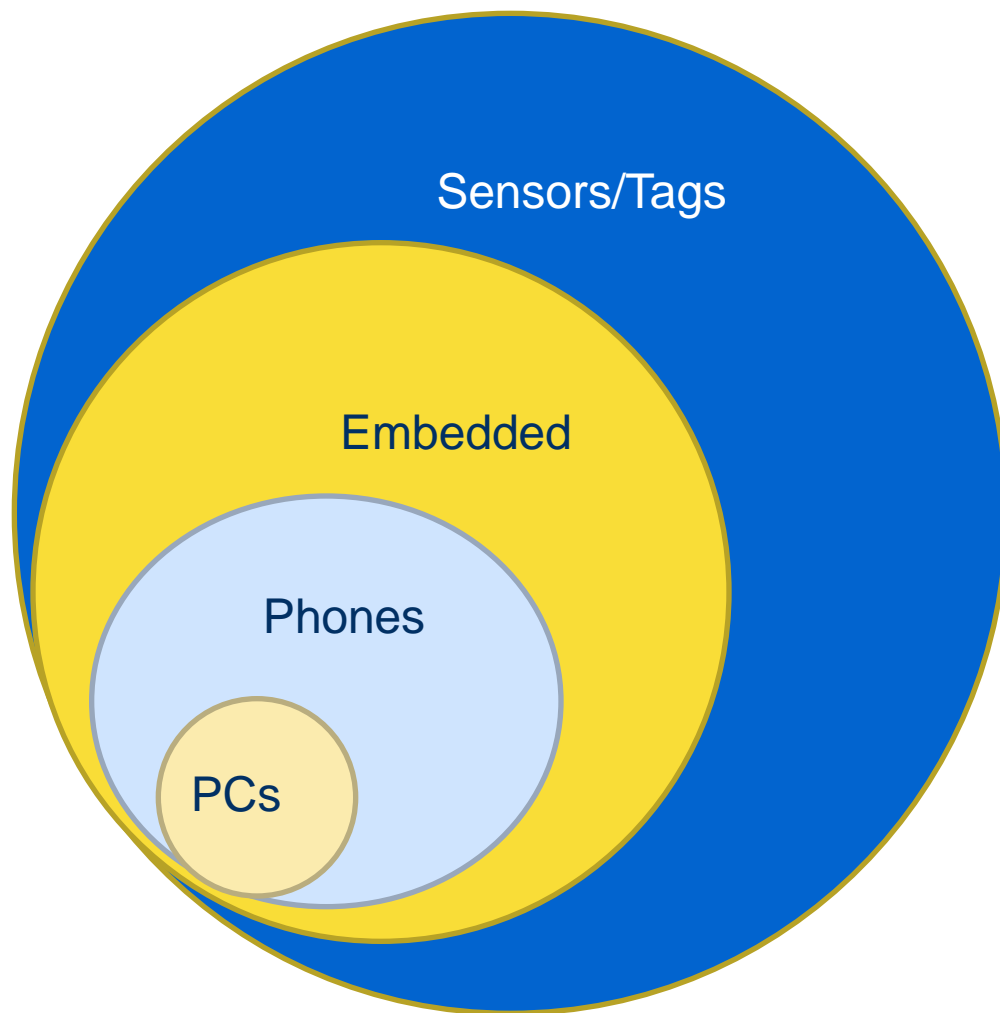
630 million laptops;  
80 million netbooks



1.2 billion mobile phones;  
220 million smart phones



## Billions of Connected Devices by 2020



1.3 T tags/sensors

25+ billion embedded

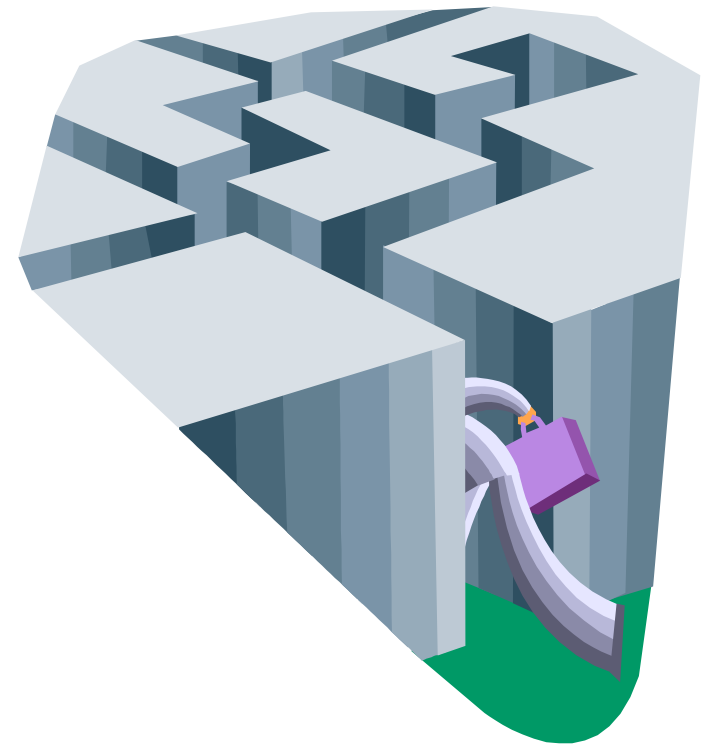
2.6 billion phones

1.9 billion PCs

450 B interactions/day

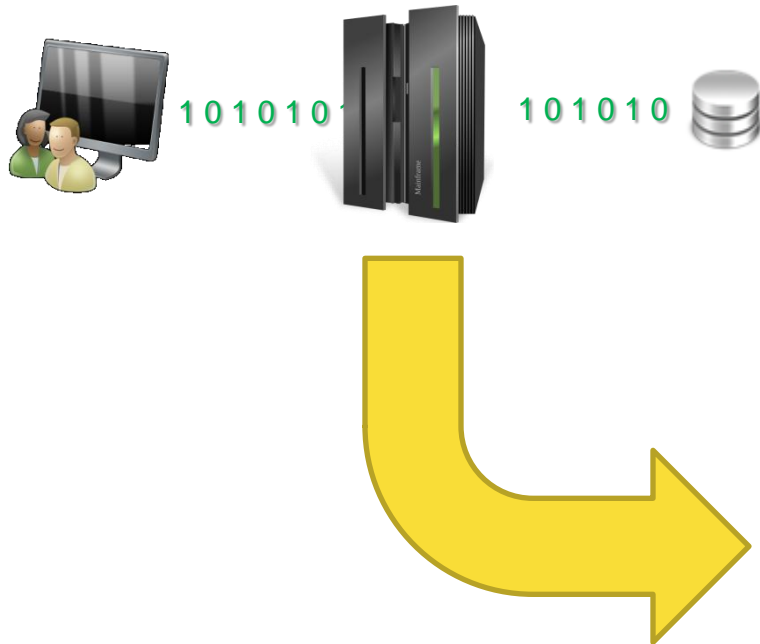
# Strategies for Coping with Complexity and Exploiting Opportunities

- Transform information overload into digital assets
- Integrate business and IT service management
- Optimize resources and performance
- Invest in automation and best practices



# Exploit Emerging Digital Assets

## OLD

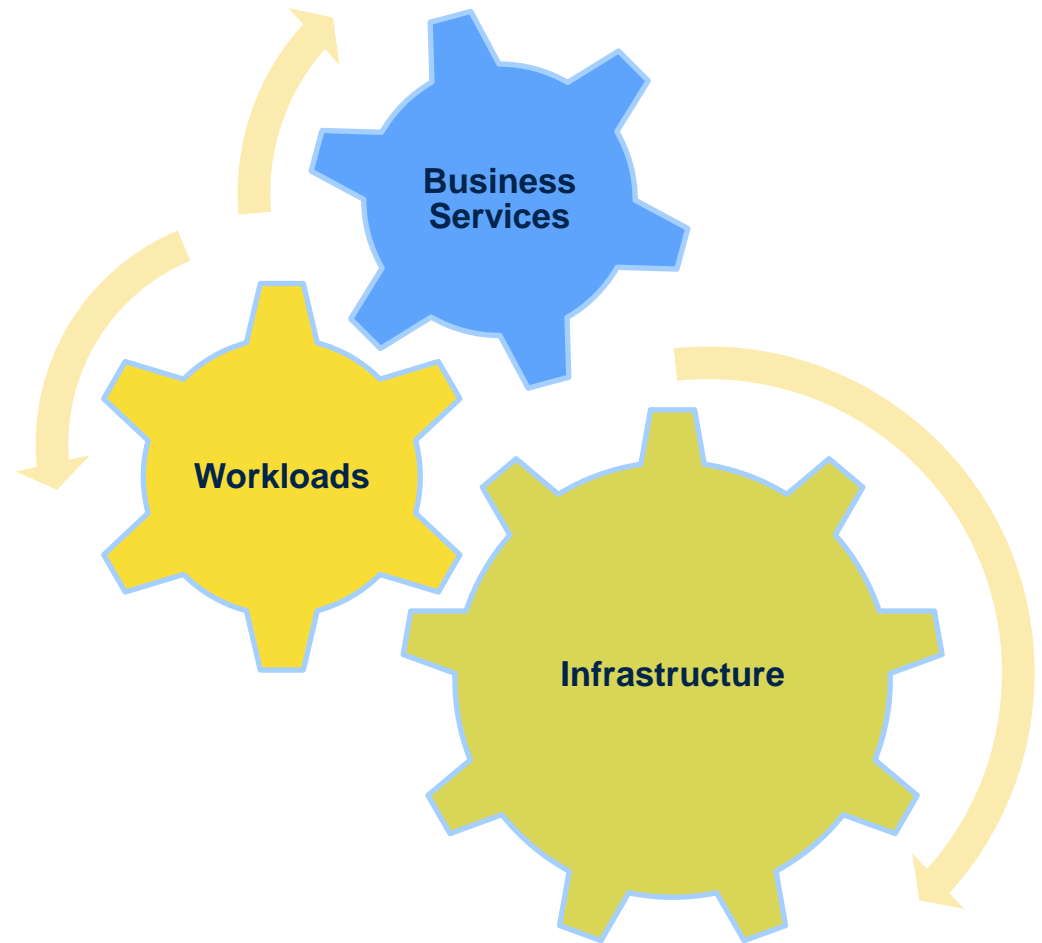


## NEW



- Shift from a linear, data-processing (compute/storage-centric) paradigm to a dynamic information-centric environment that provides competitive advantage via intelligent analytics

- Ability to exploit change and complexity depends on clear goals and business/IT collaboration
- Focus on end-to-end, integrated service management and delivery across business and IT lifecycles



# Integration Across Design and Operations Lifecycles

- Pace and scope of business and IT change requires better lifecycle integration
- Public cloud and SaaS options gain interest but complicate operations
- Time to break down the walls
- Focus on business agility



# Optimize Resources and Performance

Public cloud services  
forecast:  
26% CAGR 2009-2013

Standard  
services

Automation

Self service

Virtualization

Elastic  
scaling

Private cloud architectures  
becoming top  
enterprise priority

# Cloud Deployment Models Emerging

## Public

- Designed for a market, not a single enterprise
- Open to a largely unrestricted universe of potential users

## Hybrid

- Enterprise's cloud services portfolio includes *both* private and public cloud services
- Some specific services are delivered through a *combination* of public and private models (e.g., private cloud "bursting to" a public cloud service)

## Private

- Designed for, and restricted to, a single enterprise (or extended enterprise)
- An internal shared resource, not a commercial offering
- IT Org is the "vendor" of the shared/std service to its users

# Ensure that You Have a Clear 'Cloud Roadmap' in Place



## Storage as a Service

- ✓ Backup/Restore Solutions
- ✓ Information archival
- ✓ Data intensive workloads

## Established packaged offerings

- ✓ e-mail
- ✓ Collaboration

## Batch processing

## Pre-production systems

- ✓ Software development
- ✓ Test

Where to Start?

## Sensitive data

- ✓ Employee Information
- ✓ Medical Records

## 3rd party software which:

Does not have a virtualization or Cloud aware licensing strategy

Storage or backup or utilization not enabled

## Requires Mass Customization

- ✓ High auditability & accountability
- ✓ Subject to Sarbanes-Oxley
  - ✓ IFRS
  - ✓ JSOX





## 2010 will be a big year for "private clouds"....:

Why?

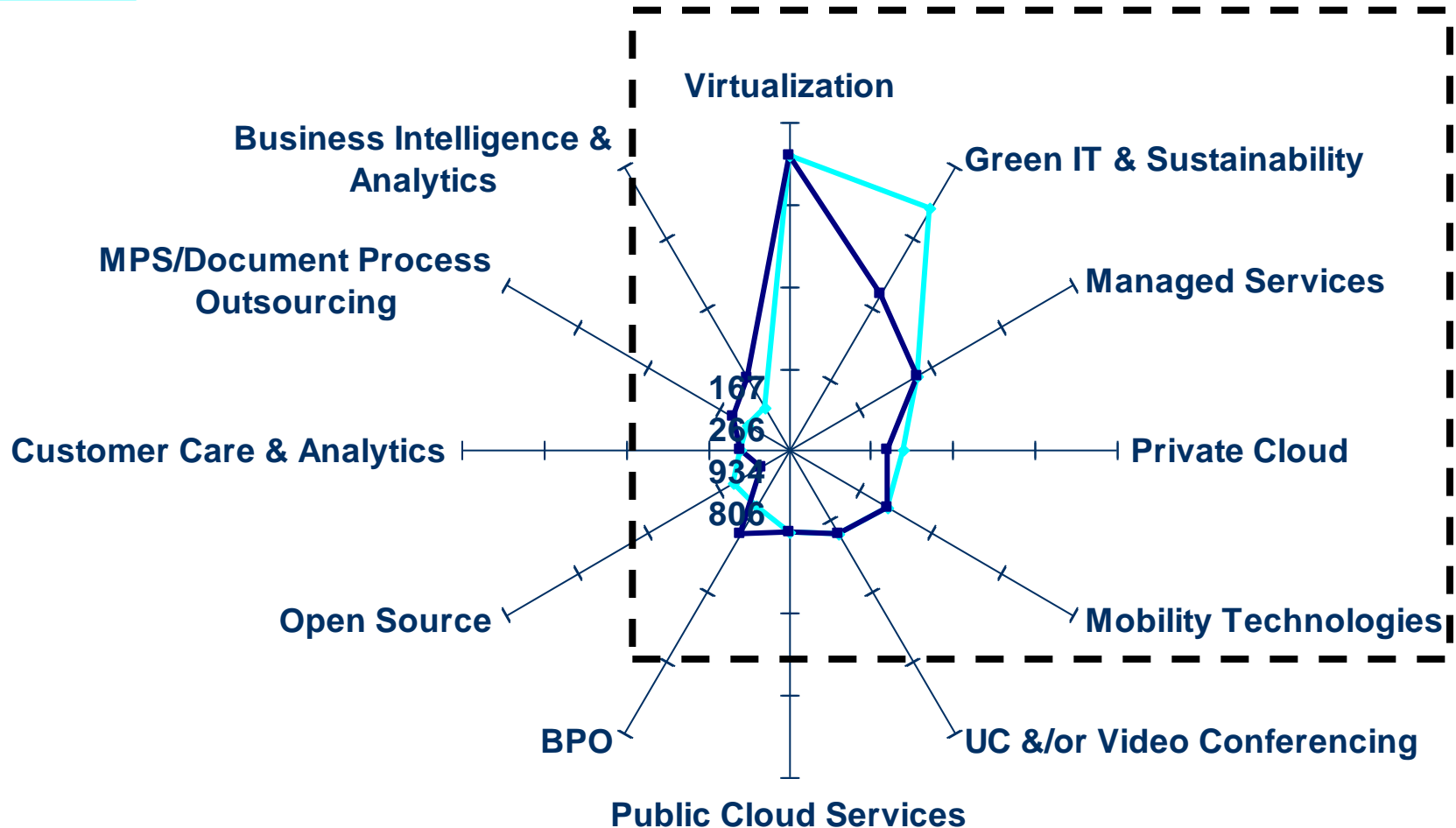
- Continued concerns about public cloud security, availability and performance
- Ongoing drive to maximize return on existing IT assets
- 2010 will be a big year for the announcement of "private cloud" offerings from virtually all major IT suppliers
- Clouds typically package infrastructure, platforms and applications together...
- Private cloud announcements to drive many strategic partnerships, joint ventures and acquisitions/mergers

# The Advantage Technologies

LoB

CIO

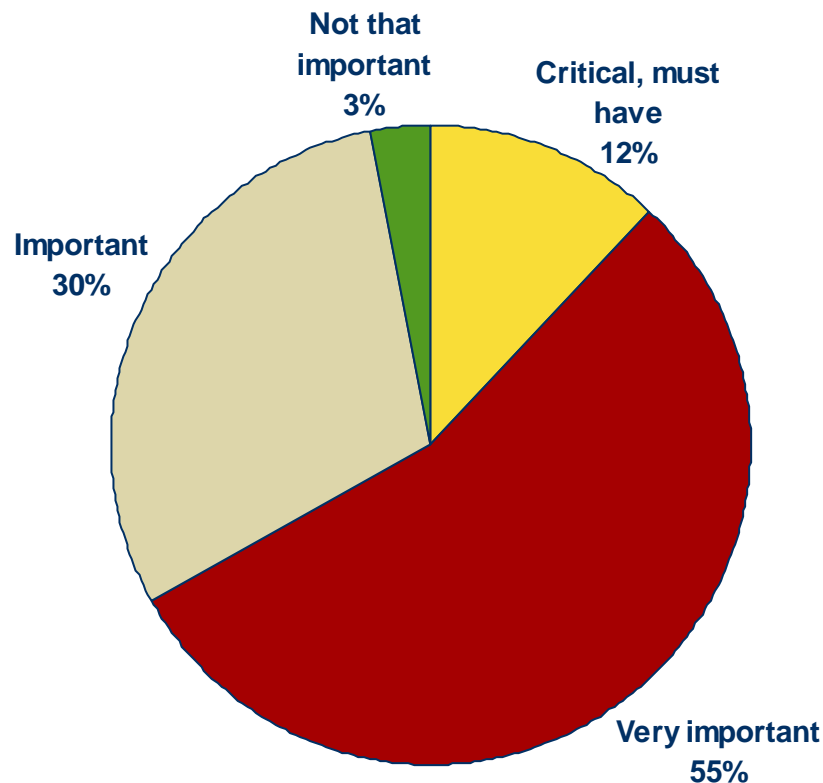
Q. What do you think is the Top technology that would benefit your organization over the next 6 to 12 months?



# Automation & Best Practices Are Critical

## What role do you expect automation to play in your virtualization investment?

- **Speed and volume of change requires automation**
- **Automation reduces errors and increases staff productivity**
- **Workload migration becomes more real time**
- **Operational economics improve**



n=100

Source: IDC's Virtual Infrastructure Management Survey

- Exploit business opportunities in the emerging intelligent connected economy
- Optimize across the lifecycle, not the silos
- Integrate, automate and standardize to the greatest extent possible



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