

SingTel Bets Big On Cloud

The telco already has thousands of customers in S'pore using its cloud services, writes AMIT ROY CHOUDHURY

THE adoption of cloud computing services in Singapore has increased rapidly in the past 12 months, says Singapore Telecom.



Mr Chang: 'The cloud computing model can allow a business to save as much as 96% on their ICT costs'

SingTel's Bill Chang told BizIT the company is already providing cloud services to thousands of businesses here.

'This includes IaaS (infrastructure as a service) grid computing services such as computing power and data storage through our wholly owned cloud computing business unit, Alatum,' said Mr Chang, who is executive vice-president of SingTel's Business Group.

Last year, when SingTel launched Singapore's first online platform for cloud computing services at mybusiness.singtel.com, he said: 'Through this platform, customers can enjoy secured and reliable software applications such as email and collaboration tools, web hosting and human resources applications on a subscription basis.'

Through cloud services, SingTel enables its customers to enjoy the benefits of info-communication technology (ICT) services on a subscription basis and even with a pay-per-use model, without heavy upfront investment in infrastructure. Mr Chang said: 'Customers also do not need to worry about ongoing manpower costs to manage and maintain complex systems and hardware.'

By using SaaS (software as a service), small and medium-size businesses (SMBs) are reducing the total cost of ownership by up to 96 per cent compared with the traditional model of heavy upfront investment and dealing with complexities that take the focus away from their core business, according to Mr Chang.

SingTel's move into cloud services is timely. A recent report by IT research firm IDC said the pervasive adoption of cloud services will give telcos a 'once-in-a-generation chance to become the pre-eminent re-sellers of IT software and computing resources'.

The research agency calculated that this year about 10 per cent of the total IT market - software, hardware and professional IT services - will go through the telecom carriers. But this will change dramatically over the next decade, and by 2020 close to 45 per cent of the market will be cornered by the telecom players, making them the dominant players in the ICT services market.

Mr Chang said that through its dual offering of SaaS and IaaS, SingTel has established a strong leadership position in the region's cloud services market.

'SingTel also seeks to be a catalyst for the development of innovative cloud services,' he said. 'We aim to groom local players, attract global players, and develop cloud based services and solutions for our customers in Singapore and the region.'

In this context, he noted that last year, with the Infocomm Development Authority of Singapore (IDA) and International Enterprise Singapore, SingTel launched the innovation eXchange (SiX).

'SiX is a comprehensive industry partnership programme that accelerates the full life-cycle development of innovative business and consumer applications,' said Mr Chang.

'Through this programme we aim to attract local and global software developers, as well as commercialise their applications and promote them to more than 293 million mobile customers within SingTel's group of companies and millions of businesses in the Asia region.'

SingTel recently took a number of local developers to Australia to help them explore and access market opportunities there, he said: 'We now have a huge base of software and service providers working with us to develop and commercialise exciting new cloud services for our fixed, mobile and grid computing assets.'

'These developers include both domestic and global leaders. For example, V3 Teletech, a company that specialises in innovative telematics and location-based solutions, signed up with SiX to develop its track and trace logistics solution and market it to the region.'

V3 Teletech's general manager Adrian Long told BizIT: 'Through this alliance, Singapore companies can band together to offer a full suite of complementary products and services and compete on a larger scale in overseas markets.'

'The ability to leverage SingTel's regional assets and insights gives us a tremendous competitive advantage. This partnership with SingTel, through SiX, is an important part of our growth and expansion strategy. It opens the doors to high potential markets, and also allows us to bring our solutions to market in a much shorter time.'

SingTel's Mr Chang said the company has partnered global giants such as Google to offer innovative cloud services like the SingTel OneOffice SaaS.

'This is an all-in-one office solution that businesses need which includes high-speed broadband, email, industry's highest 25 gigabytes of storage, eFax, eSMS, real time collaboration tools to allow businesses to collaborate better with their customers and suppliers,' he said.

With OneOffice, businesses have access to SingTel's one-stop helpline for support with added convenience, and 'all these services at a low cost of \$42.80 a month for five users'.

'For SMBs, this is a powerful proposition for them to adopt and enable them to better compete and scale their business cost effectively without being hampered by the complexities of technologies,' Mr Chang said.

Cloud computing has gained tremendous traction as broadband and smart devices become more pervasive and affordable, and computing and virtualisation technologies mature, he said. 'We expect this market to grow even faster with the launch of the ultra-fast Next Generation Nationwide Broadband Network (NG NBN) by 2012 in Singapore. Customers' digital consumption trends will change dramatically, with new business models emerging over the horizon. The cloud computing model can allow a business to save as much as 96 per cent on their ICT costs.'

SingTel aims to provide customers with a convenient one-stop cost-effective ICT experience to help their businesses succeed in a highly competitive globalised economy, he added.