



Pay-as-you go IT services help ease cash flow challenges as meltdown continues to bite

Software as a Service demand up 30% in the Middle East, expected to grow by 40% this year

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Dubai May 18, 2009: As regional companies look for ways to manage cash flow, the IT solutions sector has reported a 30 per cent growth in Software as a Service (SaaS), according to Altaf Alimohamed, Managing Director, Media Solutions.

He said that SaaS is increasingly seen as a commercially viable option by organisations as the service requires minimal upfront investment.

"We use a monthly billing model based on the actual consumption. It can be assembled swiftly and eliminates the need of upfront investment in IT infrastructure," said Alimohamed.

He explained that SaaS-based solutions can be deployed rapidly and eliminate the need to invest in IT infrastructure and be burdened with ongoing software maintenance costs that traditional applications require.

"Applications, once deployed, are continually maintained by us, including upgrades and enhancements. We do not pass the cost of application sustenance to the customer, who, in turn, gets to leverage the 'current' version of the applications on a perennial basis. It is a winner," he stated.

Meanwhile, Karl Roe, a SaaS expert at Microsoft Middle East, agreed that SaaS is rapidly gaining popularity in the region.

"Aside from the fact that the management of these solutions is left in the hands of a professional, SaaS is able to help solve the tight cash flow scenario presently faced by many organisations. Our prediction for this year is for a 40 percent growth in SaaS in the UAE," Roe added.

He said that there is a huge savings advantage for organisations that adopt the SaaS approach.

"SaaS-based solutions are actually a no-brainer, however we need to raise awareness on these products and the potential advantages at corporate and the end-user level."

Roe elaborated on the difference in Middle Eastern and global market: "The region is slightly different due to a couple of reasons, the desire to own and not 'rent' is prevalent.

"However, the local market, especially the SME sector is now ready for change, and is open to outsource IT solutions."

Alimohamed noted that there is a need to develop the community of IT solutions service providers who are equipped to deliver these services from within the region. "Currently, many SaaS-type services are being delivered to the region from outside of the region, but we are now seeing a demand for on-the-ground contact and this too is helping to drive growth in this sector."

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Editor's Notes

About Media Solutions:

Media Solutions is a privately-held company based in Dubai Media City, United Arab Emirates. The company provides varying aspects of Media, Television and Information Technology services and products to businesses throughout the United Arab Emirates.

Media Solutions IT Division: Media Solutions is a service-focused company that believes IT should be a highly-valued asset for businesses, and that businesses should be able to rely on IT in order to achieve additional success. We supply the best of breed technology solutions for our customers and our aim is to work with our clients to:

- Establish the solutions suitable for their particular needs,
- Provide value for money, and
- Maximise their business potential to the fullest.

Software as a Service (SaaS): SaaS is a delivery mechanism for hosted applications architected in a single instance, multi-tenanted environment. SaaS-based solutions can be deployed rapidly and eliminate the need to invest in infrastructure and ongoing software maintenance costs that traditional

applications require. Applications, once deployed, are continually maintained by the service provider including upgrades and enhancements. The cost of application sustenance is not passed on to the customers, which get to leverage the 'current' version of the applications on a perennial basis.