

Cloudburst for SMEs

M SARASWATHY

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Cloud computing has captured the attention of organisations across the globe, as a technology that allows lower operational expenses and on-demand scalability.

In India it has been the small and medium enterprises (SMEs) that have seen an increased adoption of cloud computing; and the reasons are obvious.

Take the case of Zenga Media, a company in the mobile television services space. The company has not only been able to manage cost better on hardware but has also been able to manage its human resources better.

"We moved to cloud almost three years back. We initially started with 10 per cent cloud and 90 per cent data centre usage. Today, there is less than two per cent activity on ground. Due to adoption of cloud infrastructure, the team managing information technology infrastructure has come down from 35 people to only four. The additional staff is now used for more productive purposes," said Shabir Momin, CEO, Zenga Media.

He also elaborates that during the IPL telecast, the company would have required a lot of upfront money to buy additional servers. But, due to the cloud infrastructure, they were able to do it in a cost-effective manner. Momin, who is using cloud services from Amazon Web Services, is also of the view that the customer service quality has improved. "Due to cloud, our customer viewing has moved from less than 50,000 users to seven million users now. We have 55-60 million video views a month," he said.

Momin is not the only one to shift to cloud. His company and a host of SMEs in India have switched to the cloud platform to cut costs and increase the speed of their services. IT firms including IBM, Amazon, HP, Tata Consultancy Services (TCS) and others, including Amazon, have been at the forefront of providing this technology to the SMBs.

According to a recent study by Symantec, natural disasters and severe downtime during business hour is making small and medium enterprises (SMEs) look at cloud seriously. The Symantec 2011 SMB Disaster Preparedness Survey revealed that 68 per cent of the respondents did not have a plan in place. Almost 50 per cent said that it never occurred to them to put together a plan and 17 per cent stated that disaster preparedness is not a priority for them.

It was the inability to keep on upgrading its technology landscape that made Chennai-based Super Sea Food opt for Tata Consultancy Services cloud offering iON. The company had lost important data due to a virus attack on its systems, as they had not updated the system's security patches on time. "Though we are using cloud infrastructure, the application is customised according to our requirements. This has not only made the process simpler but also helps us in keeping a track of every product that we have," said J Sai Prakash, CEO, Super Sea Food.

EmployWise, that provides HR services software, has been using the IBM Cloud for the past one year. For Sumeet Kapur, CEO of EmployWise opting for cloud computing was driven by the need to boost capacity. "Earlier, we

used to take around three weeks to upgrade our hardware. Now, we take only around half an hour for this. Now the hardware is scalable on demand due to the use of cloud. Moreover, we never used to make aggressive bids with big-ticket clients due to the capex on servers that was required. This has been solved now."

Dharanibalan Gurunathan, VP, Offerings Management & Development, Global Technology Services, IBM, India/South Asia, believes that with increasing usage of IT in business among the SMEs there will further be a strong adoption. "In the tier II and III cities, where power availability continues to be a significant problem, smaller businesses are embracing cloud in a big way. Customers like Nawanagar Co-Operative Bank decided to run their core banking systems on IBM cloud," he said.

Take Oxford Bookstore for example. The bookstore was looking for a simple, cost-effective and scalable system that could integrate the offline and online stores and help in driving the business. That is when they started using TCS cloud. Oxford Bookstore's online channel was built as an extension of its physical stores with a conscious strategy to provide its online customers the same flavor of collection. Subhasish Saha, Chief Technical Officer of Apeejay Group that owns the Oxford Bookstores explained that the cloud platform is more convenient because it was feature scalable. Moreover, there was no additional capital expenditure." Saha reiterated that TCS was chosen, as their SMB division ensured that open source software was used by them.