

STRENGTHENING THE FOUNDATION

MANAGEENGINE'S SRIDHAR IYENGAR AND DU'S FAHAD AL
HASSAWI DELVE INTO THE LATEST DEVELOPMENTS IN
DATA CENTRE MANAGEMENT

BY ALEXANDER SOPHOCLIS PIERI

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According to the latest research produced by Gartner, a global IT research and advisory company, the data centre systems segment, while currently in the midst of modest growth, is experiencing a slow-down within the server market. The company reported that data centre systems growth depreciated by -0.1% in 2016 and that the segment's spend was valued at \$171bn. For the current year, Gartner estimates show a 0.3% growth, holding at roughly \$171bn in spend, while 2018 projections appear more positive with 1.2% growth and spend increasing to \$173bn.

At the time of the announcement of its forecast back in April 2017, John-David Lovelock, research vice president at

Gartner, highlighted a shift in how end-users are purchasing servers.

“Enterprises are moving away from buying servers from the traditional vendors and instead renting server power in the cloud from companies such as Amazon, Google and Microsoft. This has created a reduction in spending on servers which is impacting the overall data centre system segment,” explained Lovelock.

The decline of server market and its impact on the data centre segment was also noted by International Data Corporation (IDC) in its Worldwide Quarterly Server Tracker, which found that the global server market declined by 4.6% year-over-year to \$14.6bn in the fourth quarter of 2016. IDC attributed the recent decline in the server market to a slowdown in hyperscale data centre growth, as well declining sales of high-end servers. The company also noted server shipments decreasing 3.5% to 2.55 million units in 4Q16, when compared to the same period in 2015.

Additional findings showed that compared to 4Q15, both volume and midrange system revenue decreased by 3.3% and 6.1% in the last quarter of 2016, reaching \$11.2bn and \$14bn, respectively.

At the time IDC revealed its findings back in March 2017, Kuba Stolarski, research director, Computing Platforms at IDC, commented: “Some public cloud data centre deployments are being delayed and there are indications that overall levels of deployment and refresh may slow down even through the long term as hyper-scalers continue to evaluate their hardware provisioning criteria.

“On the enterprise side, we are seeing ongoing weakness as





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companies struggle to decide whether to deploy workloads on premises or off, and continue to consolidate existing workloads on fewer servers,” he added.

Breaking down the figures by market, IDC reported that the United States declined 7.6% year-over-year, while Europe, Middle East and Africa (EMEA) declined by 12.9%. IDC also noted the level of decline by sub-region: Central and Eastern Europe (CEE) declined 25.0%, Western Europe declined 11.8%, and Middle East and Africa (MEA) declined 7.5%.

Serving as a long standing and reputed player within the Middle East’s data centre market, ManageEngine focuses on delivering flexible solutions that can be adapted for all types of enterprises, regardless of size or budget.

As the IT management division of the Zoho Corporation, the

company portfolio includes over 90 products that covers everything from network and device management to security and service desk software. To date, the company reportedly delivers its business applications and services to over 25 million users worldwide.

“Right from our first product, which goes back to 2002/2003, we have enterprise IT management products that manage different components of the data centre. This covers the entire data and data centre infrastructure, such as the network, server layer and applications that run on these servers that deliver services to different businesses,” comments Sridhar Iyengar, vice president, ManageEngine.

Delving into how end-user demand in terms of data centre management changed over the last decade, Iyengar explains that it used to be the case that IT personnel, such as data centre operators and

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Fahad Al Hassawi
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engineers would have to manage the various components of a data centre, overseeing the various silos with different tools and teams.

As a result, the interdependencies between the various components, networks, and applications, would often prove problematic whenever a customer reported latency issues or errors with their application. It became challenging to pinpoint exactly where the problem is.

Today the model has shifted due in part to a much more direct correlation between applications and infrastructure that almost demands a unified approach to managing data centres.

"You really need tools that can work together and provide you with this unified view of what is happening, what the problem is, so that you can troubleshoot very quickly. That's a key trend that we are seeing," explains Iyengar.

"Another trend is that the people are moving to both public cloud, such as Amazon and Microsoft Azure, as well as private data centres. They are looking to deploy some applications in the public data centres, which are not sensitive, while they have critical applications in terms of security and data requirement, deployed in their private data centre.

"People are also deploying micro services that can talk across these different private and public Clouds, or private and public data centres. This kind of new architecture is evolving where you have to manage these micro services and ensure that your

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network has no latency. We measure for uptime and we measure them for responsiveness," he added.

Other issue faced by the global data centre segment as seen by ManageEngine include increased demand for 24/7 availability, which came about as a result of the increasing popularity of Cloud applications. The increased number of applications in the data centre also introduces challenges revolving around data, which is not only exponentially growing in size with each year, but also requires analytics to properly process and provide insights for decision makers to use.

"So the amount of data is almost huge so presents itself as a problem when it comes to storing data, archiving data, or even devising insights from that data," comments Iyengar.

"A number of data centre infrastructure and application providers are investing in analytics to make sense of all these data, because that helps them manage their data centres. Or if there security breaches or compliance issues, they can catch them earlier."

As one of two telecom operators active in the UAE, the Emirates Integrated Telecommunications Company, today known as du, is one the fastest growing mobile communications and technology providers in the Middle East, and is also a well-established name within the region's data centre services market.

"Our data centre services infrastructure is strategically located across UAE especially with large capacities in business hubs in Dubai and Abu Dhabi," comments Fahad Al Hassawi, CCO, du.

"Through our alliance with global partners, du offers the familiar customer experience and service level agreements of other



global communication hubs and our data centres are as secure and easy to use as any facility in the world. du also provides direct access to a fast growing ecosystem of carriers, Cloud and content providers, and enterprises co-located in the same facility.”

Incepted back in 2006, du today maintains an extensive client portfolio comprising of 6.5 million mobile customers, 555,000 fixed line subscribers, 180,000 home service subscribers, and over 70,000 businesses actively using its services.

“We now offer services that are on par with other regions or even better. We’re poised to take a leadership position in fully integrated data centre, networking and Cloud applications and services. That’s where I see a tremendous opportunity for data centre operators in the Middle East,” beams Al Hassawi.

Highlighting what he sees as the top trends of the market, the chief commercial officer shares that end-users are typically seeking seamless and easily accessible services — the more simplified the solution, the more ideal. One of the biggest developments in the region in terms of data centres, lies with Datamena’s deployment of an on-demand connectivity platform.

The carrier-neutral transit and content hub recently deployed the Infiny by Epsilon platform, which now offers on-demand

connectivity to global Cloud service providers. These include the likes of AWS, Alibaba Cloud, Microsoft Azure, and Google Cloud Platform. The on-demand connectivity enables partners to directly access the Cloud from a data centre, through a seamless and easy-to-understand process.

In terms of its own development, du’s current business strategy is largely focused on the continued collaboration with Datamena, as well as a heavy focus on the Cloud and enhancement of its infrastructure-as-a-Service capabilities. In the case of the latter, the company aims to improve the flexibility of its IaaS offering, while also presenting a capex-based model for variety of services, in addition to storage and backup.

The chief commercial officer went on to discuss the future of the data centre market and its role in the region’s development.

“I see new hubs emerging that are fully integrated and connected with other hubs. Data and services can be hosted locally while platforms can offer a regional user experience. I see hyper connected data centre hubs offering powerful solutions across the region but with one central platform. That is really exciting and changes the nature of data centres in the Middle East and will accelerate innovation,” he concludes. ■