Article

Everything as a Service (XaaS) – The Next Software Wave

Everything as a Service (XaaS) is a cloud computing term that delivers a variety of services and applications to users via the Internet. Also known as Anything as a service, XaaS refers to the increasing number of services delivered through cloud over the Internet rather than providing locally or on-premises.

XaaS offers a wide variety of services and applications to users on demand. It enables businesses to reduce cost by purchasing services from cloud providers on a subscription basis. Its pay-per-use model shifts the cost from capital expenditure to operational spending. Enterprises are increasingly accepting XaaS with the rapid evolution and adoption of cloud computing.

The most common service types of XaaS are software-as-a-service (SaaS), infrastructure-as-a-service (IaaS), and platform-as-a-service (PaaS). Other examples of XaaS include Unified communications as a service (UCaaS), Storage-as-a-service (StaaS),Metal as a service (MaaS), Network as a service (NaaS), Disaster recovery as a service (DRaaS), Security as a service (SECaaS), Backend as a Service (BaaS), even nascent operations like marketing-as-a-service and healthcare-as-a-service.

The key vendors in this technology landscape include Microsoft, Amazon AWS, Google, IBM among others. GAVS Technology is positioned as a Tier1 - Direct Cloud Solution provider as part of Microsoft's CSP program, wherein we help businesses shift their focus from maintenance and operations to innovation, help enhance business agility and sustain a competitive edge.

GAVS' expertise in multi-tenant cloud environment allows enterprises to leverage diverse options available in the cloud, drive enterprise transformation by leveraging cloud as an enabler of customer experience, business agility, cost optimization, and service resilience.

GAVS' also integrates the cloud cyber-security services offerings in vulnerable areas of your businesses, provide security vulnerability assessment & management, managed security services, and compliance.

Everything as a service portfolio

Everything-as-a-service facilities the flexibility for users and companies to customize their computing environments to design the experiences they desire, all on demand.

XaaS is dependent on a strong cloud services platform and reliable Internet connectivity to successfully gain traction and acceptance among both individuals and enterprises.

Enterprises need to provide connectivity to their customers quickly through Wi-Fi, fast installation and management services expertise. To remain successful in the connected world, operators and enterprises need to react quickly to changes in network conditions. Providing 'as a service' business models brings flexibility which helps operators deal with the complexities of the ultra-connected world.

Everything-as-a-service (XaaS) is a strategic and operational design that will overhaul the existing business and operational models, and redefine the fundamental goals of core modernization.

Current business capabilities, products, and processes operate individually in silos as discreet vertical offerings but XaaS relates them as a collection of horizontal services that can be accessed and leveraged across organizational boundaries.

For example, the customer service module in your ERP system that is used exclusively to support external customers can now be leveraged by other departments as well: by IT for help-desk queries, by HR for internal customers, and by logistics for vendor support.

What's driving XaaS?

XaaS promotes initiatives undertaken by companies with specific needs and well-defined, long-term business and IT strategies. The process of transitioning to an XaaS model will begin around the organizational edges and progress incrementally over the coming years for many companies. In this cautious approach, layering application programming interfaces (APIs) on top of complex legacy systems makes it possible for companies to reuse, share, and monetize core assets and data as they explore XaaS opportunities.

Deploying APIs in this strategic way can help extend the range of existing services and, potentially, enable new revenue streams. Such opportunities are currently driving API use.

This effort also enables building a catalog of assets that embody existing IP and establishing platforms for ecosystem investments that can, in turn, lead to new products or even business models.

Business Benefits of XaaS

Where it was once a costly and time-consuming proposition for SMBs to customize their IT infrastructure; the movement of IT services to the cloud has changed that. In XaaS, SMBs and enterprises can tailor their computing environments to rapidly accommodate changing employee and customer requirements.

Today, a host of software and computing infrastructure now is available on demand through subscription-based public and private cloud services. On-demand services enable small businesses to focus on the business and not on underlying infrastructure and systems, which makes them able to respond to new business opportunities more quickly.

Other advantages include

- Lower TCO than traditional models with pay as you grow option.
- Flexibility. This also includes easier scalability.
- Maintenance is done by the provider. This frees up the customer's resources and allows them to focus on what they do best.
- Easy access to new technologies which are being developed rapidly.
- Expertise instantly available across technologies.
- New business services are deployed quickly within weeks instead of months.
- Allows for quick responses to market developments and ensure better profit figures due to constant availability to resources, data and other services through XaaS.

XaaS also offers the advantage of shifting costs from capital to operational expenses thereby freeing up cash, which small businesses can use for other projects that drive revenue and growth.

Road ahead for XaaS market

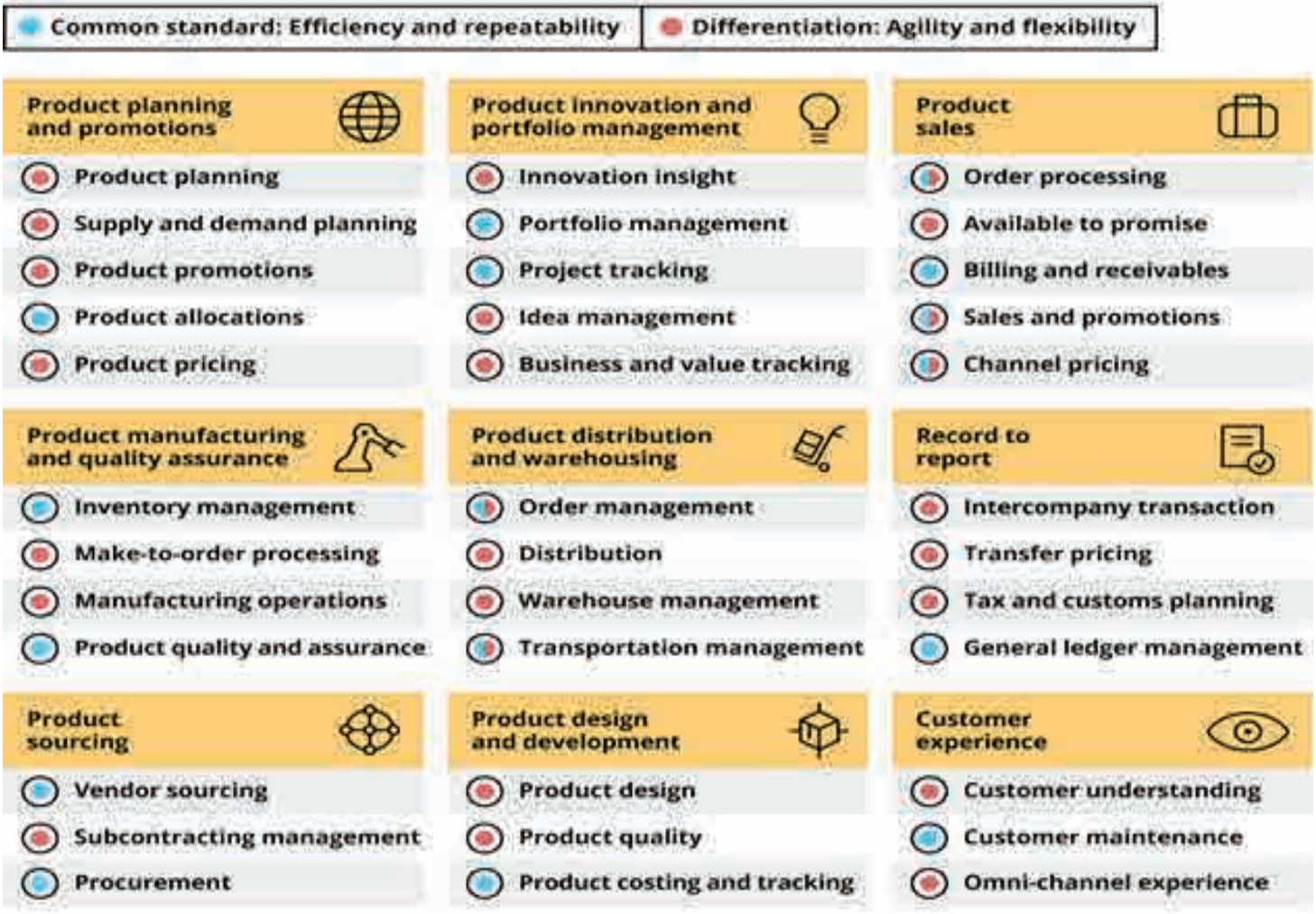
Global anything-as-a-service (XaaS) market is projected to grow at a high CAGR of more than 40% by 2020. One of the primary drivers for this market is the shift towards the operational expenditure (OPEX) model to manage IT infrastructure at reduced costs. This shift has boosted the adoption of XaaS solutions among enterprises as these cloud solutions facilitate pay-per-use pricing model, where the clients pay only for what they use.

XaaS model shifts the risk and resource requirements associated with the operation, backups, updates, and infrastructure maintenance from the internal IT department to vendors or service providers. The rising need to carry out a wide array of IT operations at affordable costs is propelling organizations to shift to a cloud-based infrastructure, which will boost this market's growth during the forecast period.

It is estimated that storage-as-a-service (StaaS) will be the fastest-growing service segment in the XaaS market, and is expected to grow at a high CAGR of more than 40% by 2020. STaaS enables companies to store data in the cloud and in an archived format. It is a highly cost-effective solution where the enterprises only pay for the utilized storage capacity. The growing demand for better storage solutions among enterprises to manage their massive data volumes will propel the growth of this segment in the coming years.

Figure 1. Redesigning business processes as services

In the high-value opportunities listed below, services defined as "common standard" represent compartmentalized, commodity business functions where repeatability and efficiency matter most. By treating these as services, organizations can expand sourcing options to include out-of-the-box ERP, legacy systems, BPO, or cloud offerings. Services defined as "differentiated" represent opportunities to drive competitive advantage by improving agility and operational flexibility.



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