



*asia's leading communications company*

**2010 Asia Pacific Frost & Sullivan ICT Award  
For Managed Service Provider of the Year**



*Best Practices in the Asia Pacific ICT Industry*

*"We accelerate growth"*

## Overview of Managed Services Market in Asia Pacific region

With the rapid growth of businesses in Asia Pacific and influx of foreign multinational companies (MNCs) into the region, there is an inevitable increase in the overall IT infrastructure spending. Many of these companies have been struggling to manage the infrastructure in-house due to the inherent complexity in managing a heterogeneous environment and lack of qualified labour. The need to focus on “Core competency” had become more pronounced amidst the deteriorating business climate in 2009. Most customers shunned huge capital expenditure (CAPEX) investments instead preferring a predictable yearly operational expenditure (OPEX).

Managed Services continued to witness steady adoption mainly in the areas of Managed hosting, Enterprise telephony and conferencing with migration toward IP communications being a critical influencer.

The IP migration has also opened the possibility of integrating additional communications applications on top of the current IP platforms, such as collaboration, presence, unified messaging, and mobility. Security outsourcing is still not widespread and is in the early growth phase due to trust and privacy issues. The increasing sophistication of threats targeting both critical infrastructure and information in corporate networks has made many enterprises to view security outsourcing as a viable model to counter these threats and stay ahead of them. Regulatory Compliance is rapidly emerging as an important driver in the adoption of managed security services. Hosted applications (Software as a Service) and secure application delivery (Secure Business Acceleration) are fast emerging as key growth areas due to growth in business applications and infrastructure issues in ensuring a secure and smooth delivery.

There is growing awareness among consumers and enterprises to access more and more of their applications through the Internet, a development broadly called “Cloud Computing. As the margins are decreasing in the core voice and data businesses for telcos, there is a strong imperative to move up the value chain by providing integrated ICT services. The cloud is rapidly emerging as a viable platform to deliver these ICT services due to several strategic advantages that it possesses.

### AWARD DESCRIPTION

The Asia Pacific Frost & Sullivan ICT Awards are an acknowledgement of companies that excel in their business segments, and are noted for their efforts to improve the industry as a whole.

The 2010 Frost & Sullivan Asia Pacific ICT Award for Managed Service Provider of the Year recognize the exemplary growth, performance and achievement by an operator in Asia Pacific’s telecommunications market.

The contenders of this Award were evaluated on the following key criteria:

- Revenue and Revenue Growth
- Service Portfolio/Diversity
- Regional Coverage
- Keys Innovations/Achievements

## **METHODOLOGY**

### **Creating a shortlist of nominees**

The companies short listed for each of the Frost & Sullivan Asia Pacific ICT Awards were selected by our analysts, based on their expert knowledge and analysis of the market.

The companies were typically studied on their revenues, market share, capabilities, and overall contribution to the industry. The short listed companies were interviewed, and the analysts compared the data collected with proprietary Frost & Sullivan resources, as well as secondary research available from public sources.

### **Selecting the award recipient**

The companies' profiles were presented to an independent panel of judges to determine the most deserving recipient for each Frost & Sullivan Asia Pacific ICT Award.

For this Award, the judges were:

- Beni Sia - Country Manger for Singapore, Juniper Networks
- Brian Hammond - Asia Pacific Regional Chief Technology Officer, Comverse
- Bruce Hope - Chief Technology Officer, Asia Pacific Marketing, Huawei Technologies
- Martin Bäckström - Vice President of Networks, South East Asia, Ericsson
- Raghu Prasad - Senior Director, Business Transformation, Oracle
- Sharat Sinha - Managing Director, Service Provider Business, Cisco Systems
- Stan Fiala - Head of Sales, Services, APAC, Nokia Siemens Networks
- Tony Kalcina - Chief Strategy Officer, Clarity
- Wayne Moulton - Managing Director, Solutions APAC, Alcatel-Lucent



The 2010 Asia Pacific Frost & Sullivan ICT Award for Managed Service Provider of the Year is presented to SingTel for its remarkable business growth and key customers wins for the calendar year 2009. Despite the difficult economic climate, SingTel achieved significant business growth in 2009 and made bold investments in Green Datacenters and Cloud computing. Its emergence as a strong regional managed service provider received a big boost with the A\$ 500 Million dollar Network and IT services contract that it won from the ANZ Bank.

SingTel was chosen as the Managed Service Provider of the Year in the Asia Pacific region due to several factors. Firstly, SingTel's strong revenue performance in the managed services segment and remarkable year-on-year growth in 2009. Secondly, its widespread network coverage in Asia Pacific region that allows it to offer a strong overlay of IT services. Thirdly, its bold investments in areas of cloud computing and emulating industry best practices in IT service management.

### **Robust Revenue Performance and Growth**

Despite the economic meltdown and challenging business climate in 2009, SingTel was able to achieve robust business growth in the managed services segment. It outgrew most of its competitors with a growth rate that far exceeded the industry rate in 2009.

### **Extensive Footprint and Coverage**

SingTel currently has 118 PoPs across 74 cities and continues to invest strategically in 3 groups of cable systems, including Asia-India-Europe cable system, Australia/SEA/North Asia cable system and cable system that links Asia to US. It solidified its leading position with investments in the SJC cable (connecting Singapore, Hong Kong and Japan) and Unity cable (Connecting Japan to West coast of US). The wide network coverage gives SingTel an unparalleled ability to bundle managed services to a wide set of customers.

### **Comprehensive Service Portfolio**

SingTel offers a strong overlay of managed services on top of its well-built network infrastructure, that includes Managed hosting, unified communications, security, network infrastructure, WAN acceleration and Cloud computing.

### **Data Center Footprint and Strength**

SingTel, operating five data centers in Singapore, is the largest data center service provider in terms of footprint in Singapore. Besides the extensive footprint, all SingTel data center facilities are built with robust industrial standards. The latest data center, which is designed with Tier IV specifications for reliability and complies with environment friendly and energy efficient criteria, is the first of its kind in Singapore.

## **Cloud Initiatives**

In 2009, SingTel launched the Singapore Innovation Exchange (SiX) - a partner program for third-party developers, which brings together a team of solution developers, leading technology providers, and ecosystem of partners to deliver ICT solutions and applications in the cloud.

SingTel, with its stated objectives of attaining 50 percent of revenues from ICT services by 2012, is definitely moving in the right direction by being one of the early entrants in the cloud space. Amidst the current economic climate, where many customers are reducing their CAPEX and looking for flexible OPEX terms, the demand for cloud-based services is likely to accelerate due to the huge cost savings and flexible payment terms offered by service providers (pay-as-you-use and monthly usage-based billing). SingTel's value proposition of a strong content localization and best of breed partnerships are commendable and offer it a powerful differentiation against stronger global competitors.

## **Conclusion**

Frost & Sullivan believes that the above factors have significantly contributed to the success of SingTel in Asia Pacific Managed services market. In particular, its broad service portfolio and impressive customer wins in 2009 position SingTel as a strong market participant which could benefit from the future growth in this region. Frost & Sullivan is pleased to recognize SingTel as the 2010 Asia Pacific Managed Services Provider of the Year.

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**About Best Practices**

Frost & Sullivan Best Practices Awards recognize companies in a variety of regional and global markets for demonstrating outstanding achievement and superior performance in areas such as leadership, technological innovation, customer service, and strategic product development. Industry analysts compare market participants and measure performance through in-depth interviews, analysis, and extensive secondary research in order to identify best practices in the industry. [awards.frost.com](http://awards.frost.com)

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