

SKY IS THE LIMIT AS REGIONAL SMEs LOOK TO THE CLOUD

► Nearly 44% say cloud computing will be their main priority this year

COMPANIES

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Small and medium-sized enterprises, which account for more than 90 per cent of the companies operating in the UAE, consider cloud computing their main priority in 2018-19 to harness the untapped digital potential.

Nearly 56 per cent of regional SMEs are aware of the benefits of digital transformation, while 35 per cent plan to invest at least 5 per cent of their revenue in digital this year, according to US technology giant Microsoft, which last month reported \$9.6 billion in revenue during its fiscal fourth quarter.

"Cloud computing will play a crucial role in optimising SMEs operations in the Middle East. Nearly half [44 per cent] named cloud computing as their priority," Maureen Khoury, senior product marketing manager at Dynamics 365, Microsoft Middle East and Africa, told *The National*.

"Other major adoption targets were business intelligence [33 per cent] and Internet of Things [29 per cent]."

Microsoft's Azure cloud product has a 16 per cent share of the global cloud infrastructure market, making it the second-biggest provider of cloud services after Amazon Web Services, according to research firm Canalys. It surveyed 1,000 organisations in the UAE and the wider Arabian Gulf region.

Representing more than 60 per cent of the country's GDP and employing 42 per cent of its workforce, SMEs "form the backbone of the UAE's economy", according to the UAE Banks Federation. It said SMEs make up 94 per cent of all companies operating in the Emirates and account for a good share of the customer base of local banks.

Microsoft this month intro-

duced Dynamics 365 Business Central, an all-in-one cloud solution designed to streamline regional SMEs' financials and improve customer interactions.

"SMEs operating in this region often find themselves in a fiercely competitive climate," said Ms Khoury. "Legacy systems for growing businesses often can't keep up with markets that are in continual flux. Upgrades to existing suites can be expensive, so SMEs really need a flexible solution that allows turnkey access to extensions as the business evolves."

Yasser Zeineldin, chief executive of eHosting DataFort, among the pioneers in cloud infrastructure services in the Gulf, said: "Cloud computing has been a buzzword for the past few years and has seen increased adoption by SMEs in the region."

"It has proven to be an essential tool to reduce IT costs and achieve flexible and scalable IT solutions."

Cloud computing is also allowing SMEs to harness untapped digital potential in the region. Research by Digital McKinsey indicates that the Middle East has realised only 8 per cent of its overall digital potential, compared with 15 per cent in western Europe and 18 per cent in the US.

Focus Softnet, an Abu Dhabi business solutions provider with a presence in 17 countries, has launched a solution for regional SMEs, Focus 8. A cloud-ready solution with mobile app, Focus 8, to help SME customers access their data remotely.

"This allows an efficient use of mobile technology and we have observed that a properly configured system would result in 30 per cent increase in efficiency," said Ali Hyder, group chief executive of Focus Softnet.

"This decreases the overhead costs of SMEs by 30 per cent."