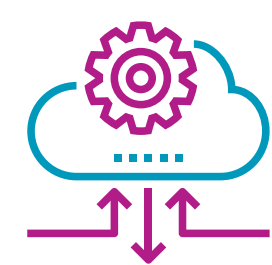# Business Model Transformation

With the number of clients moving from on-premise infrastructure to cloud resources, IT service providers are asking, "How do I keep my business competitive?" Now's the time to look at your current business model and determine where you want to take your company. Here are some great choices:

Cloud Solution Provider (CSP)

IDC forecasts worldwide spending on public cloud services will grow from nearly **$70B in 2015** to more than **$141B in 2019**.[1]

- If you can't beat the cloud, sell it.
- Integrate and expand your clients data centers.
- Offer solutions to seamlessly migrate clients to the cloud.
- Learn more about software-defined networks and storage, containers and microservices to provide the program platform of the future.

Internet of Things (IoT)

Bain & Company predicts annual revenues could exceed **$470B by 2020** for IoT vendors selling hardware, software and comprehensive solutions. General Electric expects investment in the industrial IoT to top $60 trillion during the next 14 years.[2]

- Users look at 5G as the ultimate solution.
- Every user across the entire internet needs to move from IPv4 to IPv6.
- Billions of "things" will require deployment, configuration and maintenance.
- All of these "things" will require monitoring and management.
- Most of these "things" require advanced router protocols.
- Someone needs to interpret the data coming back from the "things."

Cloud software developer

The cloud applications market is expected to grow 10% annually over the next five years and reach **$76B** in cloud subscription revenues by **2020**.[3]
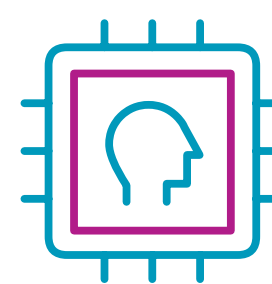
- AWS, Azure®, TopLayer™ and Google see apps driving more cloud consumption and are providing support for developers.
- Move apps to the cloud — Software as a Service (SaaS).
- Migrate applications to mobile platforms.
- Provide managed Desktops as a Service application delivery.

Big data analytics

Revenues from big data and business analytics software worldwide will grow more than 50% in five years, from nearly **$122B in 2015** to more than **$187B in 2019**.[4]

- Data scientists are in high demand and are becoming expensive.
- Many customers lack skills to interpret big data reports and need service providers to do it for them.
- Big data is captured and collected by technologies that require extensive deployment and scale-out knowledge.
- Big data is redefining storage throughput requirements. New software-defined storage clusters may be the only strategy that can scale and perform.

Cognitive, machine learning & Artificial Intelligence (AI)

Widespread adoption of cognitive systems and AI across a broad range of industries will propel worldwide revenues from nearly **$8B in 2016** to more than **$47B in 2020**. The market for cognitive/AI solutions will grow 55.1% during the 2016–2020 forecast period.[5]

- AI enables natural collaborative interactions between computers and people to extend human understanding.
- Machine learning helps users easily build, deploy and share predictive analytics solutions.
- Cognitive applications have the ability to learn and evolve over time.

Sources:
[1] Columbus, L. (2016, March 13). Roundup of Cloud Computing Forecasts and Market Estimates, 2016. Forbes.
[2] Columbus, L. (2016, Nov. 27). Roundup of Internet of Things Forecasts and Market Estimates, 2016. Forbes.
[3] Pang, A. (2016, Aug. 5). Worldwide Cloud Applications Market Forecast 2016-2020, a Minsky Moment Awaits. Apps Run the World.
[4] Columbus, L. (2016, Aug. 20). Roundup of Analytics, Big Data & BI Forecasts and Market Estimates, 2016. Forbes.
[5] IDC. (2016, Oct. 26). Worldwide Cognitive Systems and Artificial Intelligence Revenues Forecast to Surge Past $47 Billion in 2020, According to New IDC Spending Guide.