Global Market Trends

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Satyam Computer Services
Macro Trends Shaping Our Business Landscape

- *Declining dominance of West as economic power*
- *Growth beyond BRIIC—emerging Asia, LATAM, NEW Africa*
- *Security and terrorism*
- *Visa regimes*
- *Protection barriers*
- *R&D virtualization*
- *Industry consortiums*
- *SMB opportunities*
- *Fusion of services & software products*
- *Software appliances*
- *Machine to Machine communication*
- *User sophistication & ease of use of tech.*
- *Social networking*
- *Virtual reality*
- *Online games*
- *Organizational metamorphosis thro’ M&A*
- *Acquire comp. Assets*
- *Penetrate Markets*
- *Services virtualization*
- *Congruence of Business & Technology*
Visible Trends Shaping Industry

**Markets**
- Industry direction, challenges, initiatives
- Globalization imperatives, APAC, ME becoming growth opportunities to our customers
- Customer pref for Vendor consolidation
- ADMS vs Non-ADMS growth

**Competition**
- Customer preference for setting up captives
- Niche players and industry players emerging as new competition
- Large SIs increasing strategic presence and Acquisitions in India

**Geography**
- Country specific aspirations to emulate India growth story
- Language skills becoming important to service global clientele
- Domestic Market in India Opening up

**Investors**
- Higher growth options in other sectors
- Rupee appreciation, stagnant margins
- M&A activity in India
- Private Equity investor Activity

**Technology**
- Agile development, co-housed development
- Global delivery in context of Business transformation, declining in p for SDLC models
- SAAS, SOA, Mobile Computing, Web 2.0, AJAX
EXPANDING MARKETS

Today’s Market
- IT services
- BPO services
- ES services

$1.75 trillion

Services added US$28 trillion to global value in FY 2006

Of this, US$7 trillion can be delivered “globally”

Tomorrow’s Market

EXPANDING MARKETS

Market expanding to include processes that
- cut across businesses, sectors and industries.
- are industry-specific including what was hitherto considered core.

- Global outsourcing of the above is ~ US$ 400 billion
- India Inc served about US$45 billion
Individual Markets

- MS will offer as big an opportunity to India as ADMS did in the late nineties
- BPO will likely become a larger play than IT in the next five years
- Indian companies are expected to serve 20% of the market by 2010

Sources: IBM, HP, DC, NASSCOM, McKinsey study, Satyam Research
Integrated View of Systems: Today’s Demand

One Business Process

One Portal

Business Processes

- Idea to Market
- Make & Move
- Product to Demand
- Order to Cash

Management Processes

- Procure to Pay
- Financial: Record to Report financial accounting creation, consolidation & reporting

People

Individual and Team Productivity
learn, collaborate, find relevant info, self services
Business Processes & Collaboration Oriented IT

Composite Applications Enable Rapid Reaction to Environment: Business Processes & Collaboration Oriented IT

**BEFORE**
Typical Order Entry: 50 Screens / 5 Apps

- Multiple Screens & logins
- Different look and feel
- Lack of end to end visibility
- No business process approach

**AFTER**
One Business Process

- Single Branding
- Consistent look and feel
- Customizable and configurable
- One unified and seamless experience
Characteristics of Future Systems

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Range of Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size</td>
<td>10 – 100 MLOC</td>
</tr>
<tr>
<td>Number of External Interfaces</td>
<td>30 – 300</td>
</tr>
<tr>
<td>Number of Component Suppliers</td>
<td>20 - 200</td>
</tr>
<tr>
<td>Number of Coordination Groups</td>
<td>20 - 200</td>
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</tbody>
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Current Systems

<table>
<thead>
<tr>
<th>Current Systems</th>
<th>Future Systems</th>
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</thead>
<tbody>
<tr>
<td>Moderate connectivity</td>
<td>Every System is Connected</td>
</tr>
<tr>
<td>Relatively Stable requirements</td>
<td>Highly Volatile Requirements</td>
</tr>
<tr>
<td>Custom built solutions to match</td>
<td>Services and components</td>
</tr>
<tr>
<td>Reasonable time to stabilize</td>
<td>Rapidly decreasing cycle times</td>
</tr>
<tr>
<td>Not all failures are critical</td>
<td>Failures are globally critical</td>
</tr>
<tr>
<td>Complete System definitions</td>
<td>Complex, Agile and Adaptive</td>
</tr>
<tr>
<td>Repeatable Processes</td>
<td>Adaptive Processes</td>
</tr>
</tbody>
</table>


Dr. Richard Turner, Towards Agile System Engineering Processes, CrossTalk, April 2007
APPROACH

- Innovation and Leadership
- Agility and Responsiveness
- Global Strategy and Local Implementation
- Brand Enhancement
- Collaborative Ecosystems
• Enables Distributed Leadership
• Built for scale
• Responsive to market demand
• Promotes innovation
Integrated Business Solutions
Thank you