

# Future of Organization:

## Cloud Adoption Speeds up DX Wave in Qatar

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**IDC InfoBrief**  
**NOVEMBER 2020**

**In this InfoBrief** - This InfoBrief includes key factors driving the ICT investments in Qatar based on the changing priorities of businesses. Subsequently, the InfoBrief explains the role played by cloud services in organizational DX initiatives and their approach to cloud in the next one year. However, the cloud adoption necessitates the organization to overcome challenges with the existing ICT infrastructure, invest in application modernization and security, which are also covered in the later part of the InfoBrief.



# DX Will Drive Qatari Economy Well Beyond 2022

Accelerated DX investments to create economic momentum

The organizations worldwide are bracing to the digital transformation investments to significantly grow their business value proposition, competitive advantage, and be resilient to the rapidly changing market conditions. Digital transformation (DX) investments in Qatar are particularly driven by strategies emerging from the National Vision 2030 and the goals outlined in TASMU smart Qatar initiatives. The DX initiatives are also being driven due to the multiplier effect on the economy caused by multi-billion-dollar infrastructure projects taking place in view of the ongoing FIFA World Cup 2022 and mega projects.



## National Plans & Strategies Driving DX in Qatar



The aim of Qatar National Vision 2030 is to transform the country into an advanced, environmental-friendly, and sustainable economy with the use of technology. Additionally, to stimulate business climate by attracting world class technology and investments.



Qatar is currently developing multi billion infrastructure projects, in preparation for FIFA World Cup 2022. The investments are also expected to involve setting up the supporting ICT infrastructure and services.



MoTC has launched the TASMU Smart Qatar initiative to deliver the goals outlined in Qatar's National Vision 2030. At the outset, it has identified transportation, logistics, healthcare, environment, and sports as the focus sectors.



Qatar is currently developing multi billion mega projects. These projects are expected to contribute to the development of ICT infrastructure, which in turn will speed up digital transformation initiatives in the country.





## Changing Business Priorities and Digital Invests Plans of Organizations in Qatar

Organizations are aiming to achieve customer centricity, business growth, reducing costs, and increasing process efficiencies, and workforce empowerment via DX investments. While the digital initiatives vary from sector to sector and organization to organization depending upon their technology maturity, a higher number of banking and financial services (BFSI) and wholesale and retail sectors will focus on customer experience and engagement management. Government sector, on the other hand, will favor sustainable and smart digital infrastructure, data driven asset management, and IT rationalization in the next one year.





## Digital Investment Plans



Source: IDC Digital Transformation Assessment in Qatar (within Government, BFSI, Wholesale and Retail sectors), N=30. Q: In which of the following digital initiatives are you investing or planning to invest in the next 12 months? In which of the following digital initiatives are you investing or planning to invest in the next 12 months? (BFSI = 10; Government = 10; Retail & Wholesale = 10) [Multiple Responses are Possible for These Questions]

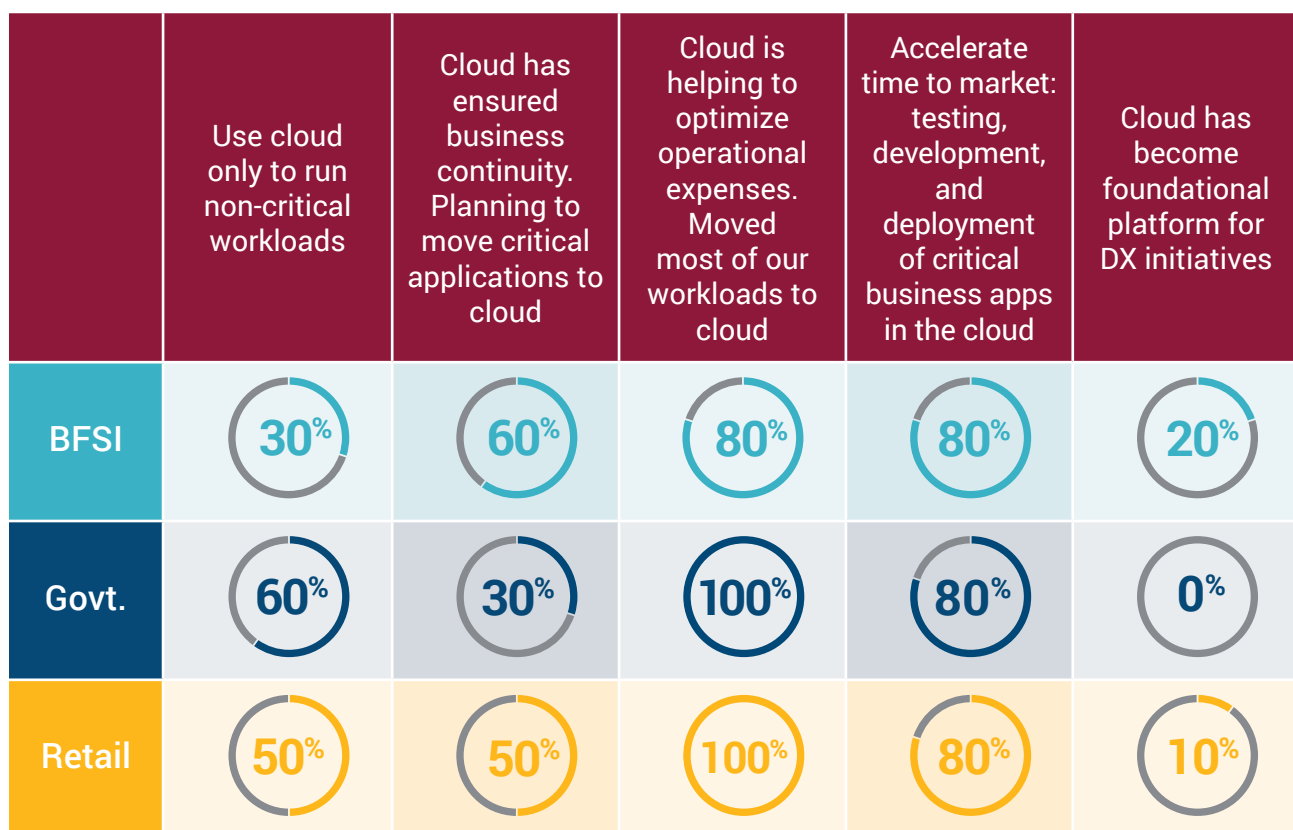


# Role of Cloud in Organizational DX

Cloud is key to optimize operational expenses and accelerate time to test, develop, and deploy critical business apps

The new digital paradigm stretches IT across — and outside — agencies and requires an agile, scalable, and modern IT backbone. Cloud is emerging as the fastest approach and natural choice to establish the digital foundation and hybrid cloud deployments, mores specifically, will provide the best of both public and private cloud environments. Most of the government and wholesale and retail organizations have acknowledged that cloud has helped them in optimizing operational expenses.

## The Role Played by Cloud in Organizational DX Initiatives



Source: IDC Digital Transformation Assessment in Qatar in Government (N=10), BFSI (N=10), Wholesale and Retail sectors (N=10).  
Q. What role does cloud play in your DX initiatives? [Multiple Responses are Possible for This Question]



# Organizations' Approach to Cloud in the Next One Year

Propensity to use balanced hybrid cloud and public cloud is higher among government organizations over BFSI, wholesale and retail organizations due to perceived benefits such as scalability, cost efficiency, flexibility, and ability to use the existing IT investments.

	BFSI	Govt.	Retail
Mostly Public	10%	30%	10%
Balanced Hybrid	20%	30%	20%
Mostly Private	20%	40%	60%
Private	50%	0%	10%
Benefits of Hybrid Cloud			
Scalability	90%	100%	80%
Cost efficiency	50%	50%	60%
Flexibility	40%	50%	60%
Ability to use the Existing IT	20%	30%	40%
Security	20%	0%	20%

Source: IDC Digital Transformation Assessment in Qatar in Government (N=10), BFSI (N=10), Wholesale and Retail sectors (N=10). Q. What is your overall approach to public cloud for the next 12 months? Q. What advantages or benefits of hybrid cloud do you value the most? [Multiple Responses are Possible for This Question]

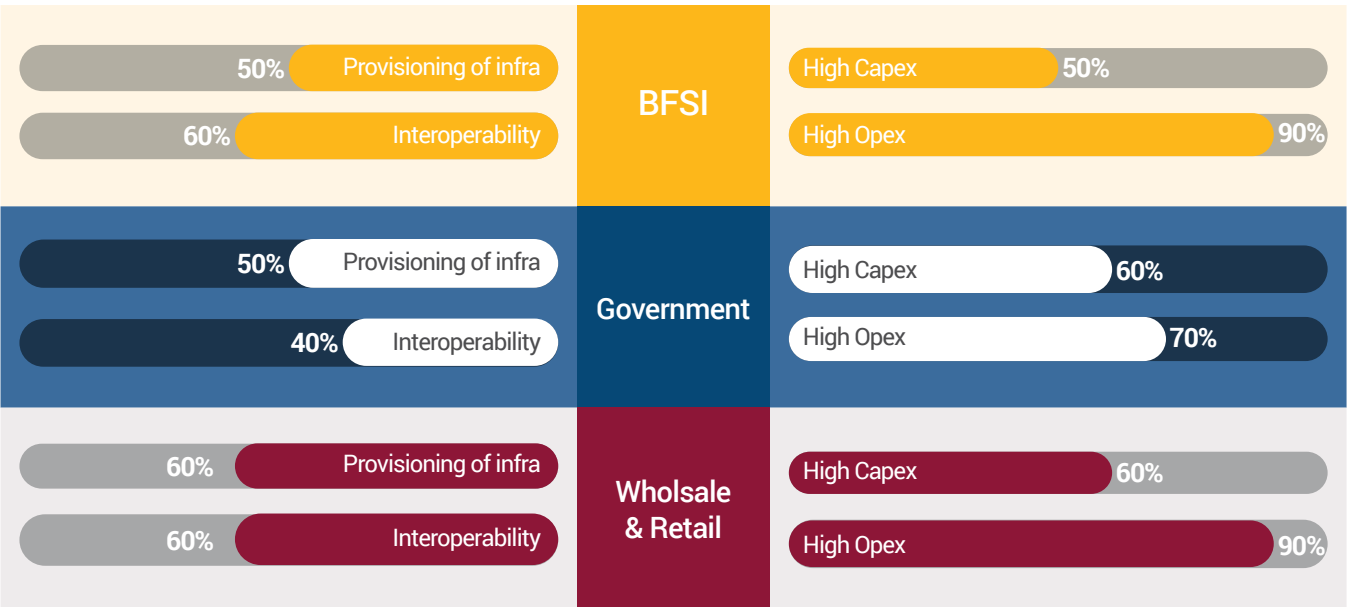


# Organizational Infrastructure Modernization

## Changing Business Priorities and Digital Invests Plans of Organizations s in Qatar

Organizations with a clearly defined strategic digital transformation roadmap often find legacy organization IT infrastructure as a stumbling block to their technology migration journey. It makes it almost impossible for natively developed applications and services to be deployed and consumed across the organization using multiple interfaces such as web and mobile. While inflexibility of the legacy IT infrastructure naturally restricts organizations from adopting and migrating to Hybrid Cloud services, high cost certainly makes it infeasible to use it in the long-run. Additionally, a higher percentage of Government organizations, are also faced with the challenge of limited infrastructure mobility across multiple hybrid clouds and non-cloud environments compared to BFSI, wholesale and retail organizations.

## Top Challenges with Organizational IT Infrastructure



Source: IDC Digital Transformation Assessment in Qatar (within Government, BFSI, Wholesale and Retail sectors), N=30. Q. What are the key challenges you face with your current enterprise IT infrastructure (datacenter, compute, storage, and networking)? [Multiple Responses are Possible for This Question]

# Top Infrastructure Investment Plans in 12 Months

Majority of the organizations in Qatar are expected to modernize their IT infrastructure elements with software-defined infrastructure design and networks, scaling compute infrastructure, hyper converged infrastructure, and containers that are fundamental to the hybrid cloud adoption. The adoption of these infrastructure elements is uniformly high among all three responding sectors: BFSI, Government, and Wholesale & Retail.

	BFSI	Govt.	Retail
<b>Networking</b>	90%	80%	60%
<b>Compute</b>	70%	60%	80%
<b>Migration to software defined infrastructure</b>	40%	50%	60%
<b>Hyberconverged systems</b>	40%	40%	60%
<b>Containers</b>	40%	50%	40%

Source: IDC Digital Transformation Assessment in Qatar (within Government, BFSI, Wholesale and Retail sectors), N=30. Q. In which infrastructure elements do you plan to invest significantly in the next 12 months to transform your enterprise IT infrastructure? [Multiple Responses are Possible for This Question]

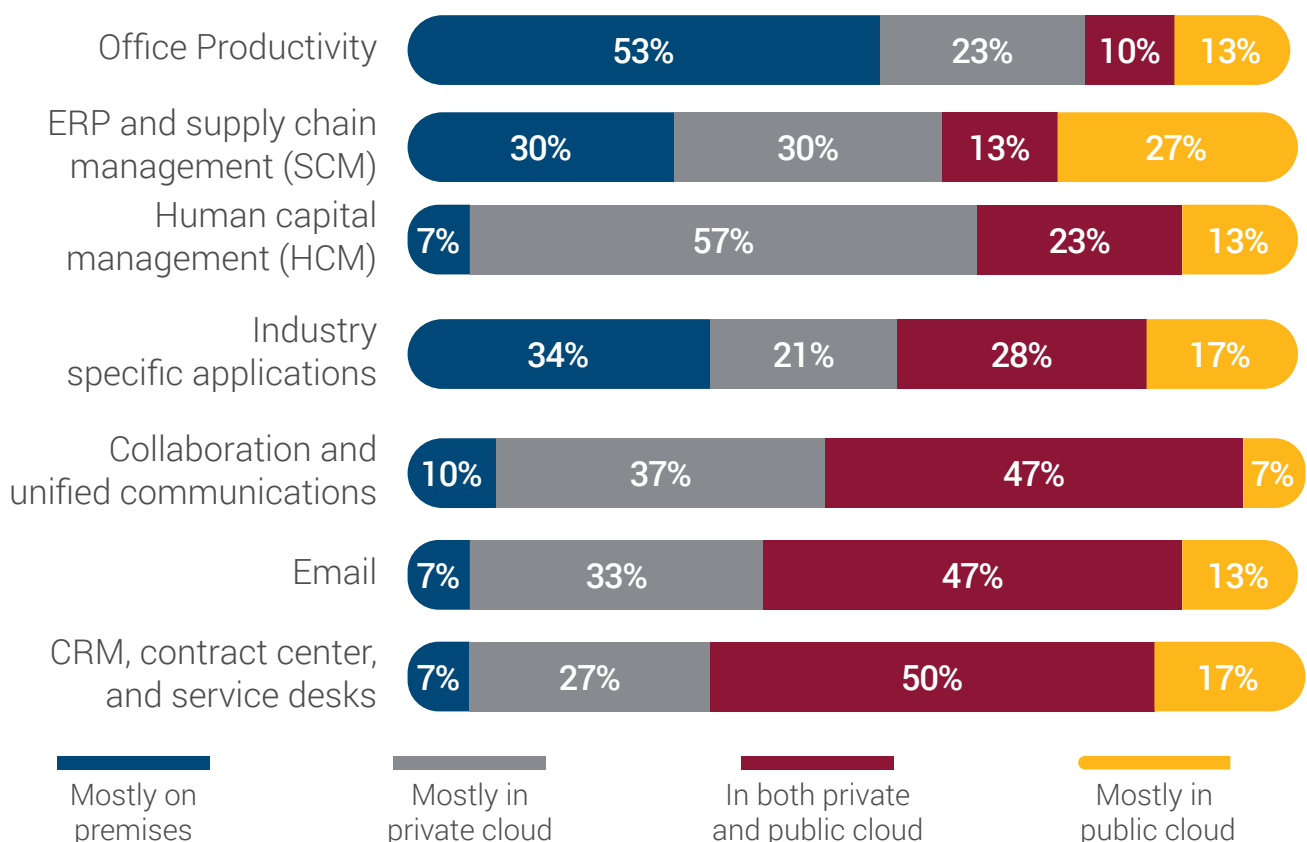


# Application Modernization is the Need of the Hour

## As organizations start transitioning workloads to Hybrid Cloud

The demand for more agile applications that can rapidly provide new customer experiences and support new business use cases are the main drivers for organizations to consider cloud. A significant number of organizations are planning to run unified communications and collaboration, Email, CRM, Contact Center, and service desks on both private and public cloud environments creating a perfect case for hybrid cloud services. Organizations are also planning application modernization initiatives ranging from refactoring of code, to repacking of apps, and to eventually progress to re-platforming.

## Applications to Run in Cloud Environments Over the Next Year



Source: IDC Digital Transformation Assessment in Qatar (within Government, BFSI, Wholesale and Retail sectors), N=30. (For Applications) In which cloud and non-cloud environments do you expect to run each of the following workloads in the next 12 months?

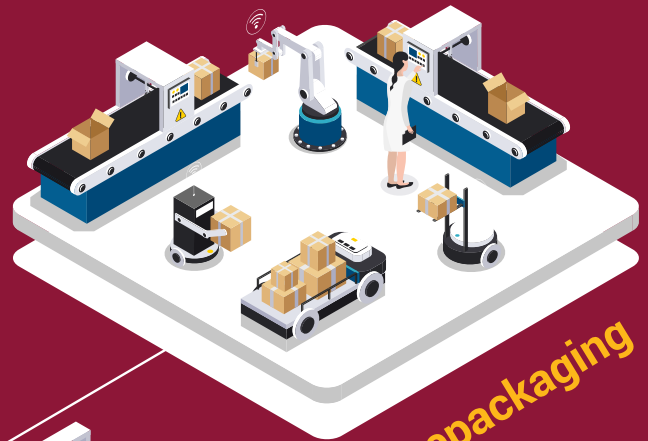
# Application Modernization Initiatives in the Next Year

## Re-platforming



**47%**

Updating the source code so that the apps (or parts thereof) can run natively in the new environment, mostly in the cloud



## Repackaging

**57%**

Of apps using containers to run on a new computing platform, while preserving existing functionality

## Refactoring

**70%**

Restructuring existing code by changing the factoring, but without changing its external behavior

Source: IDC Digital Transformation Assessment in Qatar (within Government, BFSI, Wholesale and Retail sectors), N=30. In which of the following application modernization initiatives do you plan to invest significantly over the next 12 months? [Multiple Responses are Possible for This Question]



# Managing Trust in the Age of Cloud

## Security is essential for creating a business case for Cloud

The ever-growing rate of usage of web resources, connected devices including Internet of Things (IoT), and work from anywhere practices pose growing security threats and raise privacy concerns. Additionally, with Qatar is also increasingly becoming vulnerable to global cyber attacks, there is a need for heightened security investments by organizations to create a strong business case for the cloud adoption, most importantly for Hybrid cloud. Although there is a growing demand for security services including cloud security, the complexity of security management is growing, and security skills are becoming scarce.

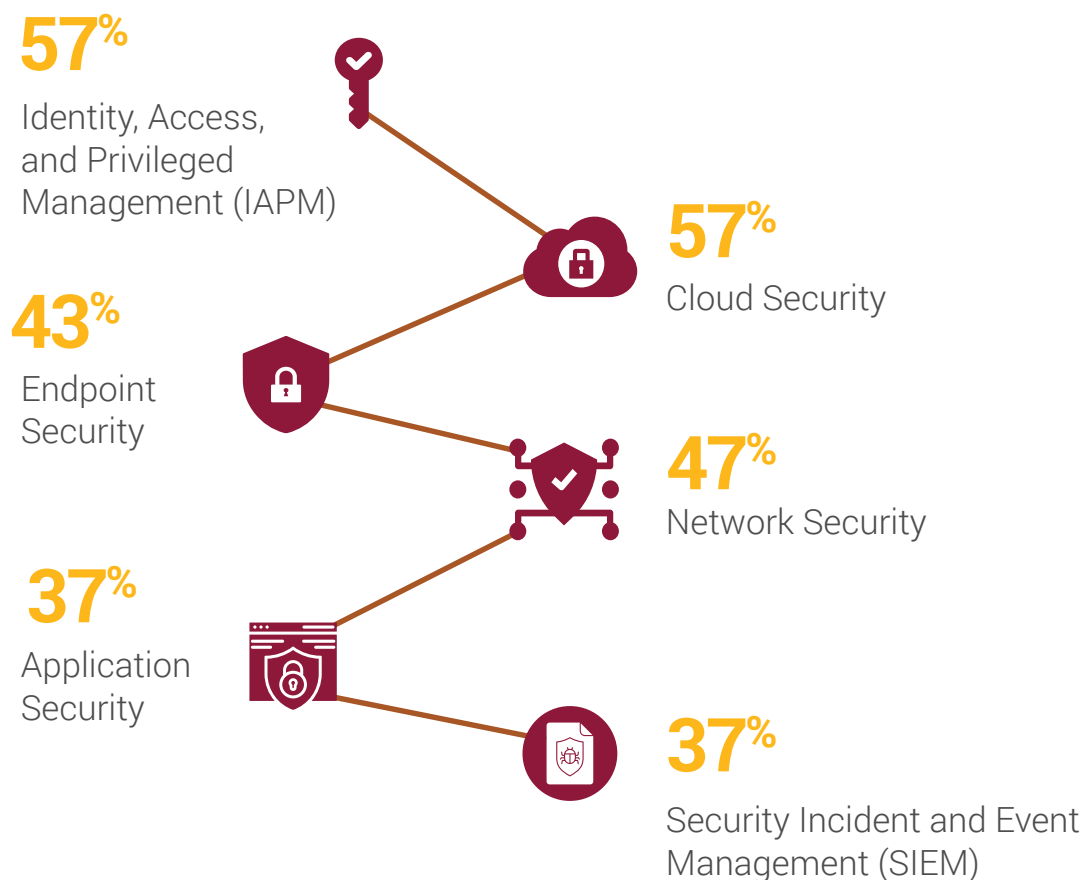
## Key Challenges with Execution of Security Strategy



Source: IDC Digital Transformation Assessment in Qatar (within Government, BFSI, Wholesale and Retail sectors), [Multiple Responses are Possible for This Question]

# Security Technology Investments in the Next One Year

With growing investments in cloud, cloud security emerges as a key security investment area for organizations followed by 'IAPM'. However, a comprehensive hybrid cloud adoption strategy would require updating security technologies across the infrastructure starting with network, endpoint, all the way to the application layer. While the propensity to invest in IAPM is higher among BFSI organizations due to criticality of customers business transactions data, the propensity to use SIEM is higher among wholesale and retail companies.



Source: IDC Digital Transformation Assessment in Qatar (within Government, BFSI, Wholesale and Retail sectors), N=30. Q. In which of the following security technologies do you plan to significantly increase your spending in the next 12 months? [Multiple Responses are Possible for This Question]



# Essential Guidance

## Pave Way to DX Journey with the Scalability, Cost-efficiency and Flexibility Offered by Hybrid Cloud



### Accelerate DX

Instill urgency in your DX plans; develop roadmaps to scale up DX; align C-level execs to achieve buy-in for DX acceleration .



### Embrace Cloud

Take a hybrid-cloud approach taking advantage of the flexibility that public cloud offers and complying to regulations and preserving existing investments through private cloud.



### Agile Infrastructure

Develop an agile, resilient digital infrastructure to enable hybrid cloud environment. Incorporate software-defined design, scalable compute, and hyper converged technologies.



### Speed up App Modernization

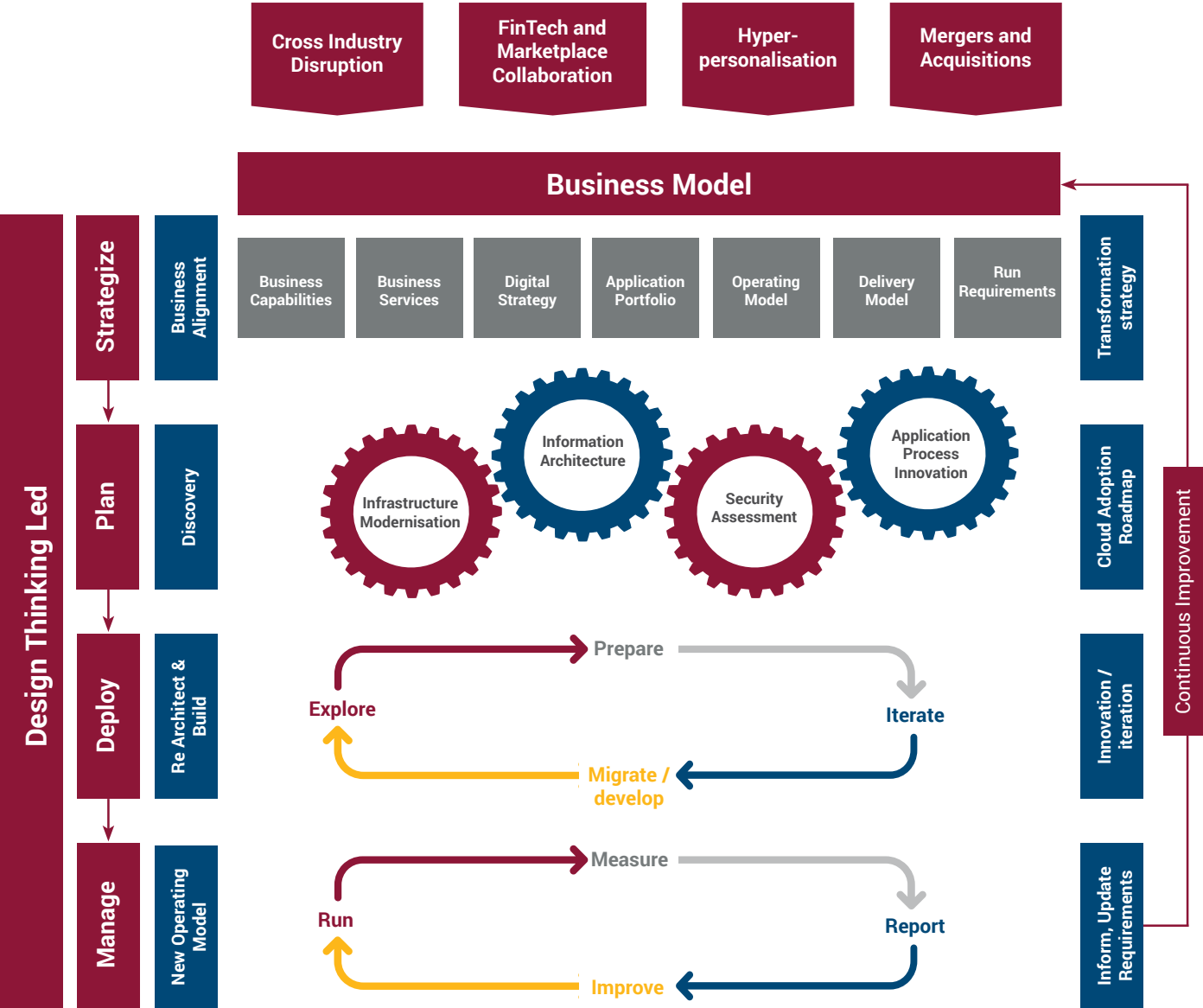
organizations should proactively embrace app modernization to update the source code so that the apps can run natively in the hybrid cloud environment.



### Build Digital Trust

Develop trust in cloud services by securing network, endpoint, all the way to the applications. A higher number of companies are planning to invest in cloud security, IAPM, and network security over the next one year.

# GBM Journey to Cloud Blueprint for Digital Acceleration



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They continue to nurture their partnerships with leading technology innovators and industry solution leaders across the globe to provide world-class digital solutions tailored to their customers' specific, complex and diverse business needs.

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