

## Software as a service puts public networks under pressure say analysts

### Suppliers must spend to keep pace with massive data growth

By [Leo King](#) | [Computerworld UK](#) | Published 12:29, 01 October 10

The development of [Cloud](#), software as a service and video streaming is putting public networks under severe pressure, analysts at the NetEvents Summit in Istanbul, have warned.

New networking technology and supporting applications are available and network suppliers should to be bold in innovating to keep pace with data growth, said Jeremiah Caron, VP at Current Analysis.

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“The suppliers of networks are changing things rapidly, with real evolution in areas like LTE [Long Term Evolution, seen as a step towards 4G], FTTx [optical fibre], datacentre and application services for the cloud, and convergence.”

Peter Hall, principle analyst at Ovum, said large incumbent telecoms firms “have a history” of managing networks so are able to offer “real end-to-end software as a service, with a single point of contact”.

But analysts said that in spite of the strength of the large players, smaller suppliers were also providing plenty of innovation seen as crucial by end-user businesses.

“The big network operators have no birthright to success,” said Carey. “They have to earn it against all those good ideas.”

Carey noted that a picture of LTE had been painted with the technology creating “a nightmare of complexity”. It will be “at least 2015 before we see wide scale deployment”, he said.

But the experts agreed that the right research was taking place for the future. Amir Zoufonon, chief executive at supplier Exalt Communications, said: “There are well-known worries about heavy users bringing down whole networks, but the technology is changing to cope with the data.

“The industry is making progress, because it knows the next generation of workers will demand that kind of information access on multiple channels.”

Nevertheless, suppliers needed to take steps to offer businesses improved fully-managed network solutions, according to Hall at Ovum.

“You’re still offered service level agreements with technology parameters, like latency in milliseconds,” he said. “What service providers are moving towards is speaking properly to the business. Chief information officers want to know if the network can support their SAP or Oracle apps. That’s the bottom line.”

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