

Local System Integrators Push SOA Penetration in Major Asian Markets, Springboard Research Finds

China leads the pack with SOA integration dominated by local players

Singapore, March 11, 2008 – Springboard Research, a leading innovator in the IT Market Research industry, today reported that local system integrators and Independent Software Vendors (ISVs) are playing a significant role in SOA vendors' ability to penetrate four major domestic markets in Asia. This is especially evident in the Chinese market that is dominated by local players. These are the findings of Springboard's latest research covering Asia's Service-Oriented Architecture (SOA) market, based on a survey of 354 CIOs and IT managers of large and mid-market enterprises in China, India, Singapore, and Australia.

"Local SIs and ISVs form an important part of the SOA ecosystem by integrating systems well, and by building customized applications on vendor platforms," said **Balaka Baruah Aggarwal, Senior Manager for Emerging Software for Springboard Research**. "While international software vendors also offer integration and consulting services directly, ISV/SI partners are key providers of these services," added Ms. Aggarwal.

The local ISV/SI partner landscape is very unique throughout most of Asia because up until now, many multinational vendors worked in the region with their top tier global integration partners. However, the Indian market is a notable exception where global IT companies such as IBM, HP and Microsoft dominate mindshare as SOA players, despite the presence of home-grown IT giants like TCS, Infosys, Wipro, HCL and Satyam.

"The Indian players are now beginning to expand both in the domestic market and neighbouring markets in the region. The case for Chinese integrators is just the opposite, as they have established their hold on the domestic market and are now on the prowl to expand their regional and global presence," added Ms. Aggarwal.

Springboard has scanned the SOA partner landscape and identified some key vendors who are prominent in Asia. These SOA local leaders include:

- **Kaz Group- Australia**
 - **Kingdee- China**
 - **TongTech- China**
 - **Patni Systems- India**
 - **Satyam Computers- India**
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- **TCS- India**
 - **Wipro- India**
 - **TmaxSoft- Korea**
 - **Samsung SDS- Korea**
 - **NCS- Singapore**

“Integration skills of partners have a critical role in successful SOA projects as SOA involves bringing together disparate IT systems,” Ms Aggarwal explained. “The battle for SOA has extended from simply marketing SOA solutions to seeking out partners who have good integration skills and reach in the local markets. Ultimately it is good partners who will make the difference in vendors’ ability to woo customers,” she added.

The study also found that price is not the number one reason for vendor selection. Important reasons for vendor selection are proven products and solutions, clearly defined roadmaps for deployment and vendor reputation. On the other hand, the perception of SOA being expensive emerged as the top inhibitor for SOA deployment.

“As SOA is a strategic initiative, the process requires investment and a long-term organizational commitment. Further, since business managers typically control the budget in an organization, particularly for extended strategic projects, vendors need to target business managers along with technology managers,” said Ms. Aggarwal.

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About This Study

Service-oriented architecture (SOA) has been one of the IT industry’s hottest buzzwords over the past several years. IT vendors are evangelizing SOA and many organizations are looking at SOA to help them better integrate and leverage their existing and future software applications and infrastructures. SOA’s popularity lies in its promise to help organizations improve operations, cut costs, and boost efficiencies, while IT vendors see the technology as a way to tap into new revenue streams and acquire larger enterprise accounts.

Springboard Research’s SOA Market Canvas is an ongoing research service that provides extensive SOA market coverage for the Asia Pacific region. The SOA Market Canvas examines key trends in the Asia Pacific SOA market and offers an array of SOA market data on an ongoing basis. Springboard’s Market Canvas service delivers a deeper level of research than other reports of its kind and assesses data from a granular level to help IT vendors formulate better SOA go-to-market plans.

About Springboard Research

Springboard Research is a next-generation IT market research and advisory firm. Springboard leverages its pioneering research model to deliver greater agility and flexibility in IT market research and helps its clients lead rather than follow market trends. Springboard works with the leading IT companies in the world in the software, services, telecommunications and hardware sectors. Founded in 2004, Springboard has a worldwide presence with offices in the United States, Australia, Singapore and Japan, as well as global research centers in India, Pakistan, and Morocco. Springboard has been acknowledged as an emerging leader and was recently named 'Rising Star' in the global IT market research industry by Outsell, the leading research and advisory firm for the information industry. For more information, please visit www.springboardresearch.com

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