

CLOUD COMPUTING

SEGMENT FOCUS: COMPUTE AS A SERVICE

Report IX, August 2010

451 MARKET MONITOR

Market Sizing and Forecasts

ABOUT THIS REPORT

Compute as a service (CaaS) is the provisioning of computing resources (access to raw compute or server capacity) on demand. This cloud computing layer involves the delivery of virtual or physical resources as a service, priced via a consumption-based model. CaaS was the original cloud offering, emerging in 2006 via the launch of Amazon's EC2. While EC2 continues to enjoy a significant market-share lead, more than 50 vendors have entered the space to challenge the leader for a piece of the pie. With commoditization taking hold, the sector faces unique challenges but remains a core part of the broader cloud universe. This report examines the revenue being generated by CaaS providers, predicts the growth trends for the space, and highlights the opportunities and threats facing vendors.

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ABOUT THE 451 GROUP

The 451 Group is a technology analyst company. We publish market analysis focused on innovation in enterprise IT, and support our clients through a range of syndicated research and advisory services. Clients of the company — at vendor, investor, service-provider and end-user organizations — rely on 451 insights to do business better.

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Tier1 Research covers consumer, enterprise and carrier IT services, particularly hosting, colocation, content delivery, Internet services, software-as-a-service and enterprise services. Tier1's focus is on the movement of services to the Internet — what they are, how they are delivered and where they are going.

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ABOUT MARKET MONITOR

The **Market Monitor** product line is a market-sizing research service from The 451 Group and Tier1 Research, offering five-year, bottom-up market size, share and growth forecasts for key segments of the enterprise technology marketplace.

Current Offerings Include:

MARKET MONITOR: VIRTUALIZATION SOFTWARE

100+ vendors in 14 market segments

MARKET MONITOR: CLOUD COMPUTING

200+ vendors in 17 market segments

ABOUT MARKET MONITOR: CLOUD COMPUTING

Market Monitor: Cloud Computing is a quantitative research service from The 451 Group and Tier1 Research that provides a five-year forecast of the size, growth and market share for the rapidly evolving cloud computing marketplace. The Monitor uses a bottom-up approach to track and project revenues for more than 200 vendors operating in 17 segments of the marketplace.

Core Components of the Service:

Market Overview Reports – *Twice-yearly* long-form reports showing overall market size and growth for the 17 segments covered in the service.

Segment Focus Snapshots – Focused monthly insight reports providing more granular detail and market-share data for one or more of the market segments.

Forecasts – Five-year market-size and growth projections for all market segments and companies.

Access to Data – Excel spreadsheets providing data contained within reports.

‘Spot’ Access to Analysts – Unlimited quick inquiry by email or phone to Market Monitor analysts.

In-Depth Access to Analysts – Structured consultation with Market Monitor analysts.

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