

451

Research

ANALYZING THE BUSINESS
OF ENTERPRISE IT INNOVATION

Infrastructure Software Team Overview

(With cloud use & management bonus!)

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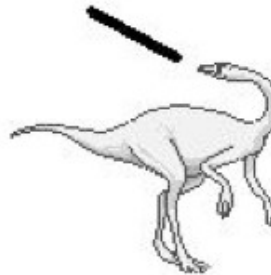
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“What’s next” over “what’s now”

“Well, there'll be 4 wheels. Seats for people to sit in. A trunk for luggage. And an engine in front.”



“OK. But, where's the part we hook the horses up to?”



Developers



IT Admins



From the hyper-visor to the application...

Trends & Things We Care About

- IT - SaaS = ? Movement to public and private cloud
- DevOps – gearing up for frequent functionality
- Cloud platform and tools evolution
- Developers driving technology adoption
- Shadow IT

Broad Areas We Study

- Application development
- Systems Management – ITSM, APM,
- Cloud platforms and management software
- Virtual desktops and other miscellaneous infrastructure

Audience/Victims

- Buyers/Enterprise – IT admins, developers, architects, CIOs
- Sellers/Vendors
- Finance – VCs, M&A, investment bankers, financial analysts
- Service Providers



Infrastructure Software Team



[Dennis Callaghan](#)

Focus: ITSM, APM & performance, log management, and more



[Jay Lyman](#)

Focus: DevOps, release management, automation, open source



[Michael Coté](#)

Focus: cloud software, application development, DevOps, VDI

(With plenty of cameos from other 451 analysts)

Who we write about, 2010 to 2013

accelops actifio activestatesoftware adobe advancedmicrodevices akorrinetworks alfredo amazon amazonwebservices amberpoint ansibleworks apachesoftwarefoundation apigee
appcelerator appdynamics appfog appistry appsense apptio appzero atlantiscomputing automic avicode bdna bezsystems bitrock blackberry
blackduck blueboxgroup bluestacks bluestripe bmc boomi boundaryinc calistatechnologies canonical castiron catechnologies
centrixsoftware cfengine cirba cisco citrix cloudbees cloudkick cloudlinux cloudshare cloudsmith clouddvd cloupia codesion collabnet com
compuware confio convirture copperegg correlsense costnomics coxcommunications cyberlinkasp daptiv datadog datafoundations dell deskstream desktone
devicevm digitalfueltechnologies dincloud dizzion dotcloud dtosolutions dynamicops ebay eginnovations elasticbox elastra electriccloud embotics emc engineyard
ensim ericomsoftware eucalyptus exoprisesystems flexerasoftware fluidoperations framehawk fusesource fusion gazzang getapp greenbytes greenhat groundwork
hatsize heroku hotlink hp hyper hytrust ibm inetco integrien intel internet ixcus joyent kaltura karmasphere keynotesystems landesk linuxfoundation
liquidwarelabs log-normal logicmonitor makara manageiq metastorm microsoft mirantis mirror mokafive moogsoft mulesoft nasa
nasteltechnologies ncomputing netuitive newrelic nexawebtechnologies nimbula nimsoft nolio novell openlogic openspan openstack
oprcode opsview oracle oversightsystems panologic parallelsinc parasoft pistoncloudcomputing precise prelert progresssoftware
protecode puppetlabs questsoftware racemi rackspace redbend redhat reflexsystems ressoftware rhomobile rpath
saucelabs sciencelogic serenasoftware servicemesh servicenow skytap soasta software sonatype splunkinc standingcloud sumologic
suselinux tera teradadicorporation thinprintgmbh tintri tucloud typesafe unidesk uptimesoftware vdiworks veeam viewfinity virtualbridges virtualcomputer
virtustream vkernel vm vmturbo vmware wanova wso xebialabs xtuple zarafa zendtechnologies zenoss zyion

Notes: top 200 company mentions from reports written between 1/5/2010 and 10/22/2013 by Dennis Callaghan, Coté, Rachel Chalmers, Karin Kelley , and Jay Lyman.
Generated with TagCrowd.com

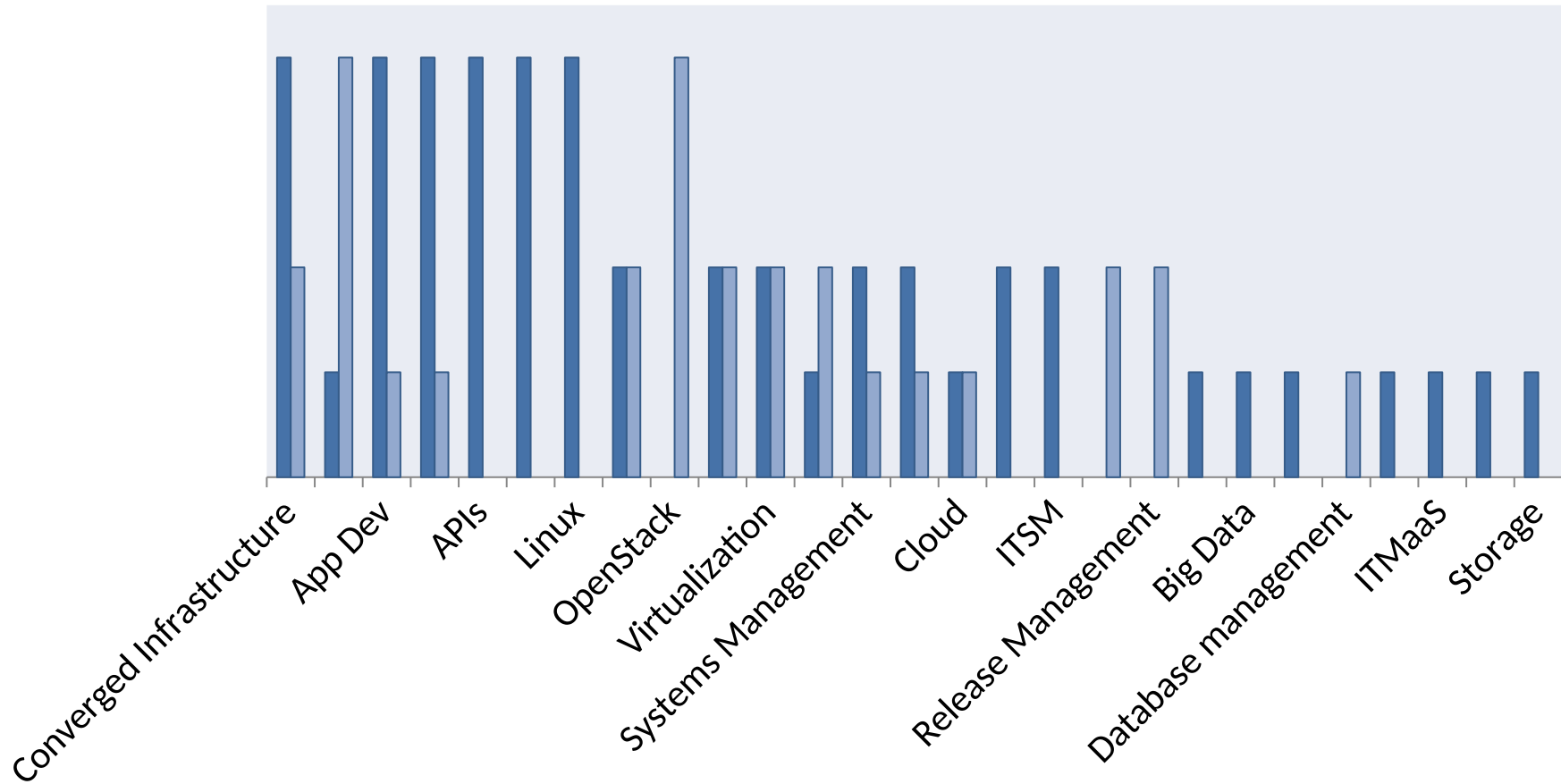
Inquires are a steady focus on management, development, and emerging trends thereof

ICE Inquiries & Projects Topics

(Total=76, Very "Back of the Envelope")

■ 2012 ■ 2013 YTD

of inquiries & projects



Recent & Planned Reports (7/19/2013 to 10/23/2013)

- (Planned) VMware aims its multi-cloud management portfolio squarely at the IT department
- (Planned) Gazzang wants to keep your data safe, no matter where it's stored
- (Planned) Automation Spectrum LFR
- (Planned) APM with an eye towards cloud LFR
- OpenStack-related business revenue to exceed \$1bn by 2015 as commercial models evolve
- Mirantis enters the OpenStack distro fray, transforms further into a product company
- VMware buys into desktops as a service with Desktone acquisition
- StrongLoop lassos enterprise market going mobile with Node.js
- Red Hat unveils its long-term xPaaS cloud strategy
- Datical emerges from stealth with a database change management tool
- SolarWinds expands to the database level with Confio buy
- OutSystems 'cloudifies' app development, looks to stand out through devops automation
- Why software development is different now
- SUSE sets sights on OpenStack growth, Hyper-V support with SUSE Cloud 2.0
- CFEngine revs business fueled by enterprise adoption of automation, devops
- ElasticBox grows enterprise customers and prospects by managing IT diversity
- Loggly raises \$10.5m series B round, looks to the enterprise
- Puppet Labs expands role of Puppet automation with VMware and beyond
- Canonical's Ubuntu unit expects 100% growth from its OpenStack distribution
- Splunk makes first deal, buys BugSense for mobile data analytics
- Opscode aims Chef at the enterprise, extends with Microsoft and other partners
- INETCO targets cloud environments, embraces IBM and HP
- Sauce Labs serves increasing desire for automated Web and mobile application tests
- Financial institution evaluates Moogsoft's service-assurance software during trial
- dotCloud serves polyglot demand with more extensible PaaS, Docker tool
- eG Innovations targets Microsoft, mixed environments in latest release
- Rogue Wave buys longtime open source support shop OpenLogic
- Thoma Bravo closes Keynote deal, hires new CEO
- CloudBees expands PaaS hive with key partners, technologies
- Parasoft moves into growth mode as service virtualization drives business
- ServiceNow looks to fill more gaps through acquisition
- API management player Apigee raises \$35m in new funding
- CloudBees buys FoxWeave, pollinates Java PaaS with data integration
- Canonical launches crowdsourcing campaign for smartphone, targets the enterprise
- Engine Yard lays PaaS tracks to new technologies, Microsoft's Azure

Common Question: Cloud Use and Management



Who uses cloud and for what? Three primary buckets



Developers

Storage

HPC/
Grid

Public Cloud Use Key Insights:

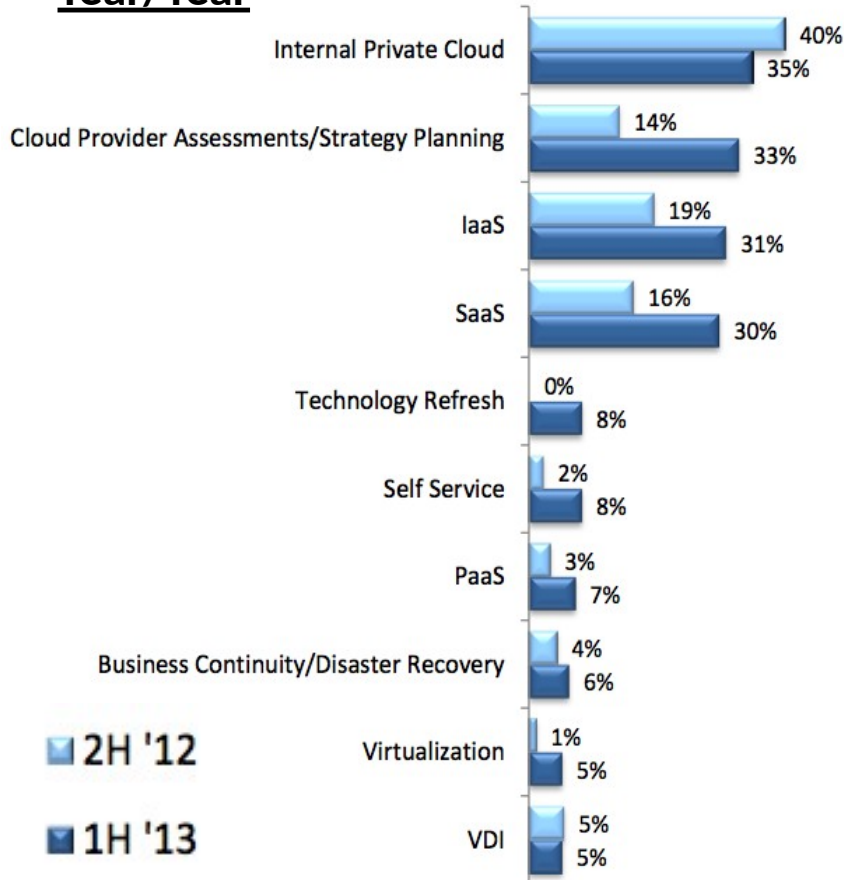
- Custom written applications (“developers”) drive cloud use
- Developers drive AWS use because it’s quick and easy
- After \$20-50k/month, in-housing is often considered
- Many IT departments are getting ahead of shadow IT by building private clouds
- Maybe VDI/DaaS will take off...this time

Cloud Management:

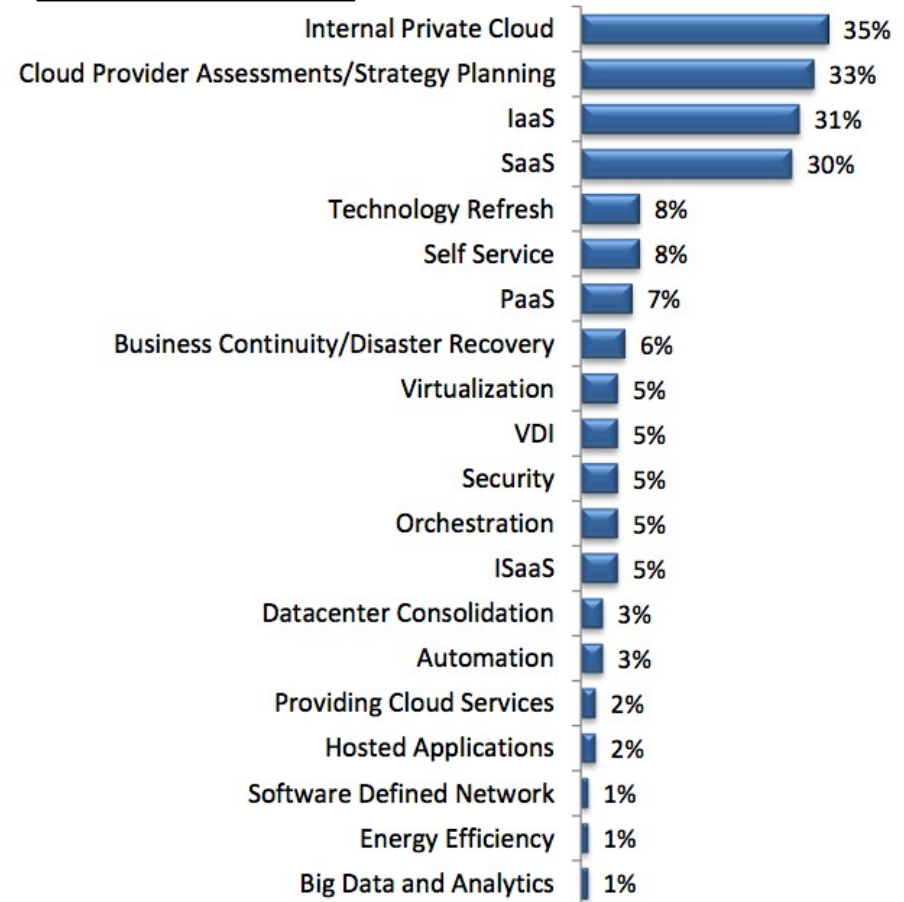
- The Cool Kid Cloud Management Vendors tapped out the early “DevOps” market, desperate for wider market access
- Spending is growing (21% to 30%, ‘13/’14)
- Traditional brands rule surveyed interest
- IT admins prefer on-premises suites

Private cloud leads planned cloud use, but public cloud is a close second – stated uses are highly “generic”

Year/Year



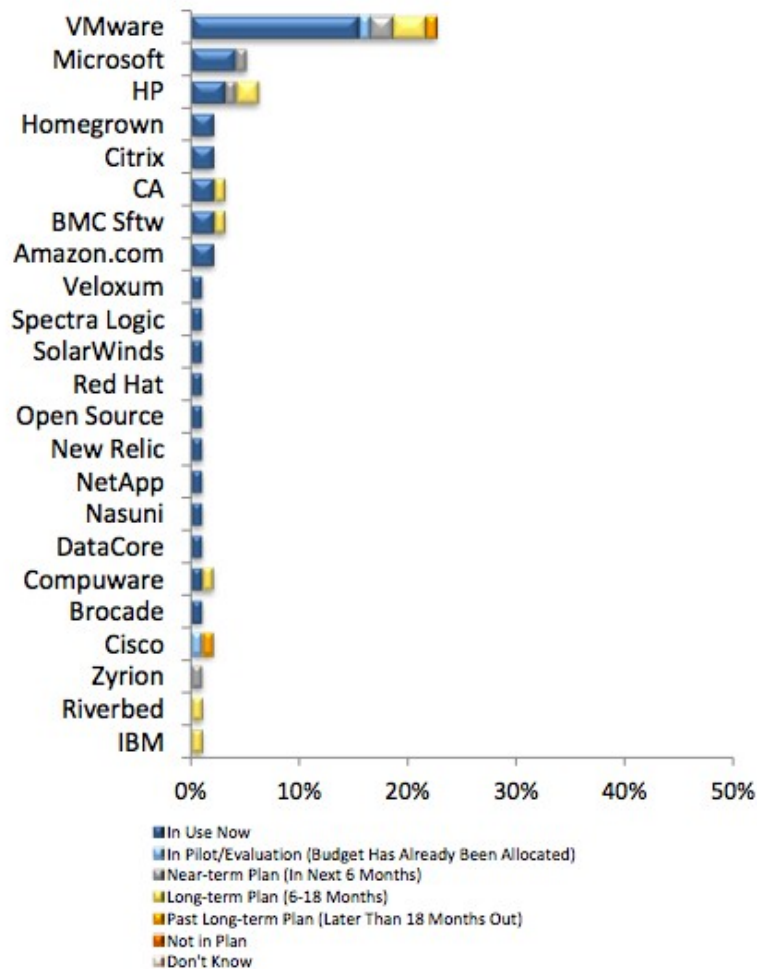
Next 12 Months



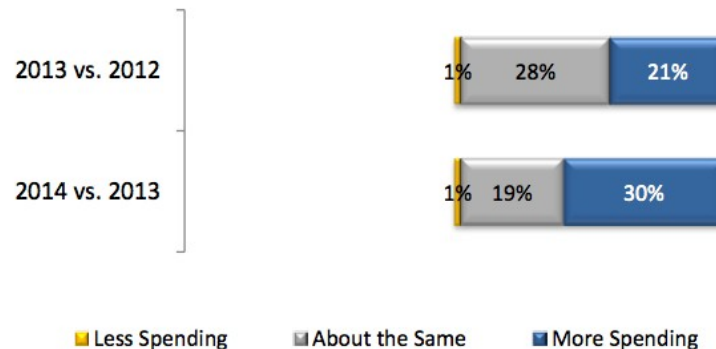
Source: TheInfoPro 2013 “Cloud Computing Outlook.” 2H '12, n=93; 1H '13, n=98. *Note that due to multiple responses per interview, totals may exceed 100%.

Traditional vendors lead current use for managing & monitoring cloud, followed by DIY, but a very long-tail is at the ready

Vendor Implementation



Spending Change**



Vendors in use, anecdotal:

- New Relic
- Right Scale
- Boundary
- Netflix, Etsy, etc. OSS projects
- Loggly
- Nagios, ganglia, etc.
- PagerDuty
- Puppet, Chef, etc.

Source/Notes: TheInfoPro Cloud Computing – Wave 5. Left Chart, n=97. Right Chart: 2013 vs. 2012, n=94; 2014 vs. 2013, n=94. **Data from respondents not using the technology or that don't know about spending 10 are hidden.

ITMaaS is relatively small: IT admins love keeping management on-premises - \$1.8B ITMaaS vs. \$7.5b trad'l in 2015

FIGURE 5: IT MANAGEMENT AS A SERVICE REVENUE AND GROWTH FORECAST (\$M)

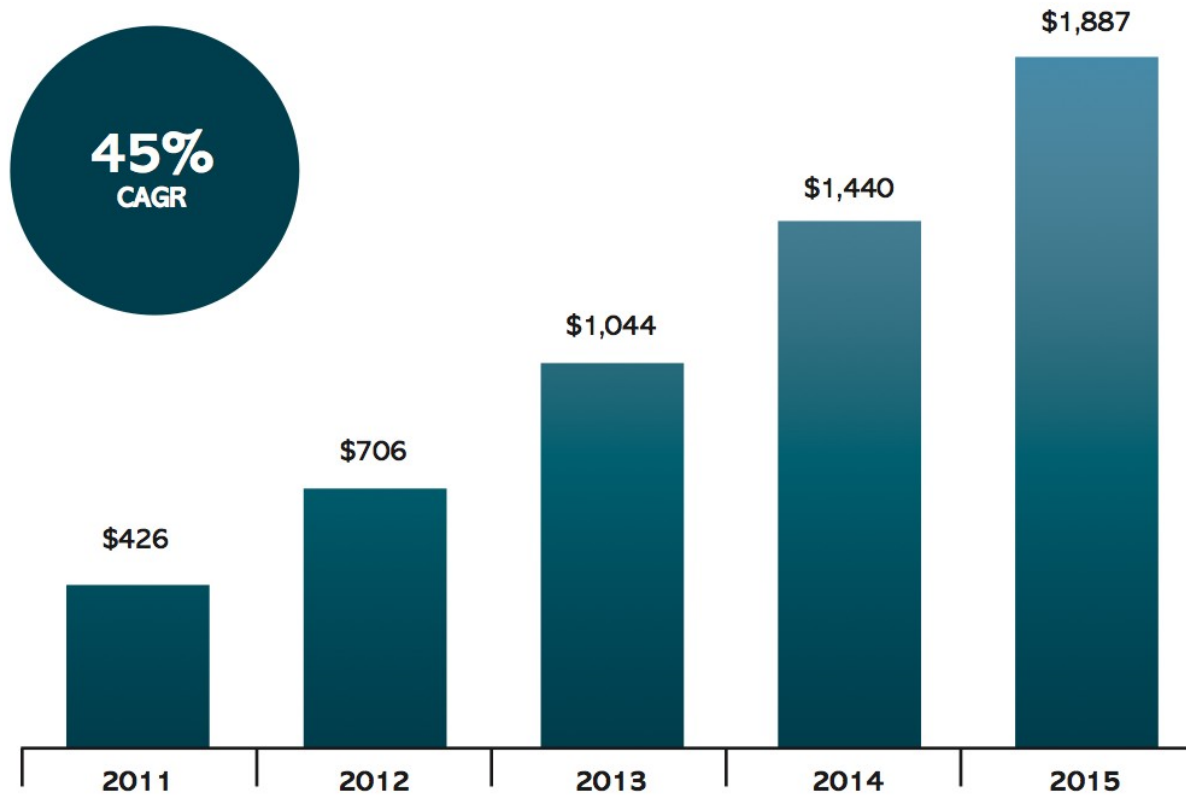
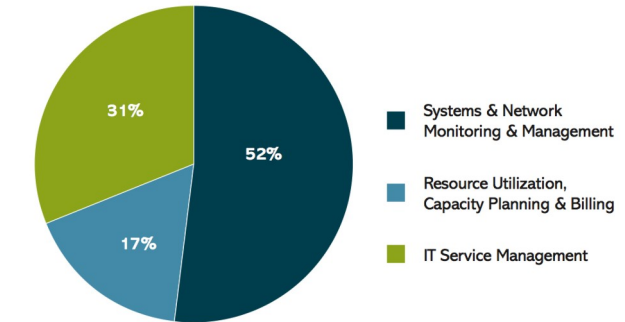
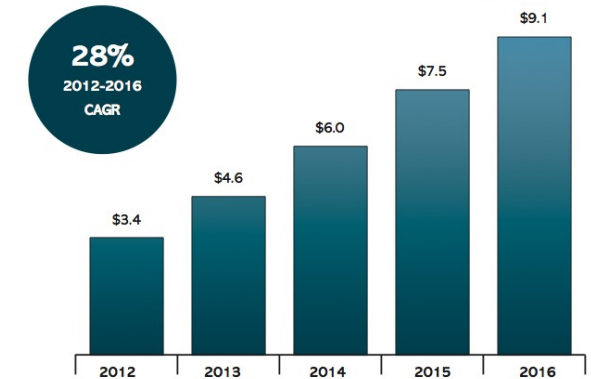


FIGURE 6: IT MANAGEMENT AS A SERVICE 2011 REVENUE BREAKDOWN



Source: 451 Research

FIGURE 15: TOTAL AUTOMATION & MANAGEMENT REVENUE (\$B)



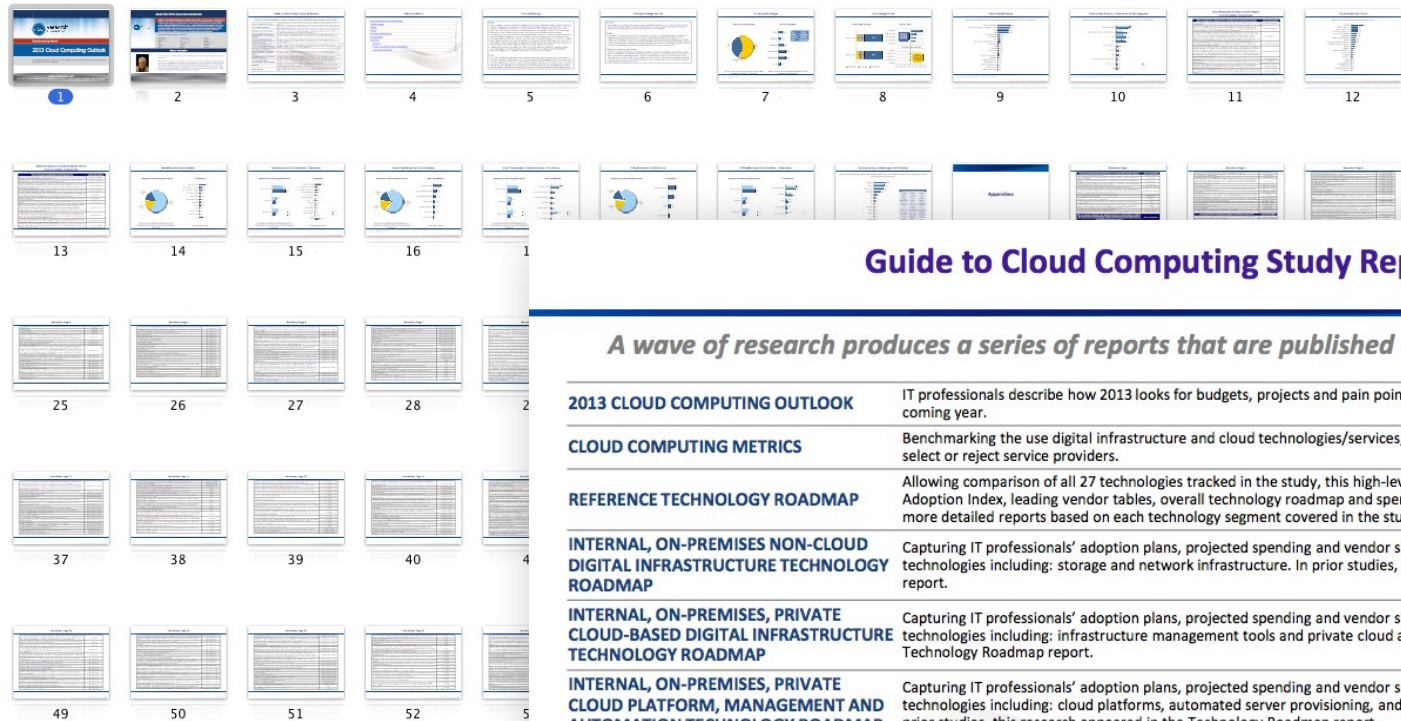
Source: 451 Market Monitor reports: ITMaaS from "Cloud Computing Segment Focus: It Management As A Service," Dec, 2012; Automation & Management revenue from "Cloud-enabling Technologies, Overview Report 2013," August, 2013.

Thanks!

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TheInfoPro Cloud Wave 5 – Cloud Outlook



Guide to Cloud Computing Study Reports

A wave of research produces a series of reports that are published approximately in this order:

2013 CLOUD COMPUTING OUTLOOK	IT professionals describe how 2013 looks for budgets, projects and pain points with time series charts to give perspective to the coming year.
CLOUD COMPUTING METRICS	Benchmarking the use digital infrastructure and cloud technologies/services, this report captures the criteria IT professionals use to select or reject service providers.
REFERENCE TECHNOLOGY ROADMAP	Allowing comparison of all 27 technologies tracked in the study, this high-level reference contains the Technology Heat Index, the Adoption Index, leading vendor tables, overall technology roadmap and spending charts. It also indicates what is included in the more detailed reports based on each technology segment covered in the study.
INTERNAL, ON-PREMISES NON-CLOUD DIGITAL INFRASTRUCTURE TECHNOLOGY ROADMAP	Capturing IT professionals' adoption plans, projected spending and vendor short-lists, the in-depth roadmap covers four technologies including: storage and network infrastructure. In prior studies, this research appeared in the Technology Roadmap report.
INTERNAL, ON-PREMISES, PRIVATE CLOUD-BASED DIGITAL INFRASTRUCTURE TECHNOLOGY ROADMAP	Capturing IT professionals' adoption plans, projected spending and vendor short-lists, the in-depth roadmap covers five technologies including: infrastructure management tools and private cloud appliances. In prior studies, this research appeared in the Technology Roadmap report.
INTERNAL, ON-PREMISES, PRIVATE CLOUD PLATFORM, MANAGEMENT AND AUTOMATION TECHNOLOGY ROADMAP	Capturing IT professionals' adoption plans, projected spending and vendor short-lists, the in-depth roadmap covers seven technologies including: cloud platforms, automated server provisioning, and metering/billing across internal and external clouds. In prior studies, this research appeared in the Technology Roadmap report.
OFF-PREMISES IT OUTSOURCING, DEDICATED/MANAGED HOSTING/MULTI-TENANT COLOCATION TECHNOLOGY ROADMAP	Capturing IT professionals' adoption plans, projected spending and vendor short-lists, the in-depth roadmap covers four technologies including: managed hosting and colocation. In prior studies, this research appeared in the Technology Roadmap report.
OFF-PREMISES PUBLIC CLOUD SERVICES TECHNOLOGY ROADMAP	Capturing IT professionals' adoption plans, projected spending and vendor short-lists, the in-depth roadmap covers seven technologies including: IaaS, SaaS and PaaS. In prior studies, this research appeared in the Technology Roadmap report.
CLOUD MANAGEMENT AND AUTOMATION TECHNOLOGY ROADMAP	Capturing IT professionals' adoption plans, projected spending and vendor short-lists, the in-depth roadmap covers five technologies including: enterprise application stores and cloud governance. Since questions about these technologies were optional, they are not covered in the Reference Technology Roadmap or the technology indexes.
NARRATIVES	Compiling open-ended commentary from in-depth interviews with IT professionals, you hear the direct 'voice of the customer' discussing technology, their industry and the future of this sector.
MARKET DYNAMICS	Designed for IT professionals, this report captures highlights from the complete study, and provides business intelligence in the form of technological roadmaps, budget trends, voice-of-the-customer narratives and vendor spending plans and performance ratings.

TheInfoPro Cloud Wave 5 details

- Based on in-depth interviews with 100 IT professionals conducted from February 2013 through May 2013.

Demographics

