



ANALYZING THE BUSINESS  
OF ENTERPRISE IT INNOVATION

# The Cloud^H^H^H^H^HDevOps Milieu circa March 2014 @cote

<http://bit.ly/DevOpsMilieu20140306>

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Responsible for systems management, application development, cloud software, and misc. “infrastructure software” agenda

Worked Dell in corporate strategy & M&A, as an analyst for 6+ years at RedMonk, software developer for 10+ years



# mi·lieu

/mil'yōō,-'yə(r)/ 

*noun*

noun: milieu; plural noun: milieux; plural noun: milieus

1. a person's social environment.

"he grew up in a military milieu"

*synonyms:* environment, sphere, background, backdrop, setting, context, atmosphere; [More](#)

## Origin

FRENCH

mi  
mid

FRENCH

lieu  
place

milieu  
mid 19th cent.

mid 19th cent.: French, from *mi* 'mid' + *lieu* 'place.'

Translate milieu to

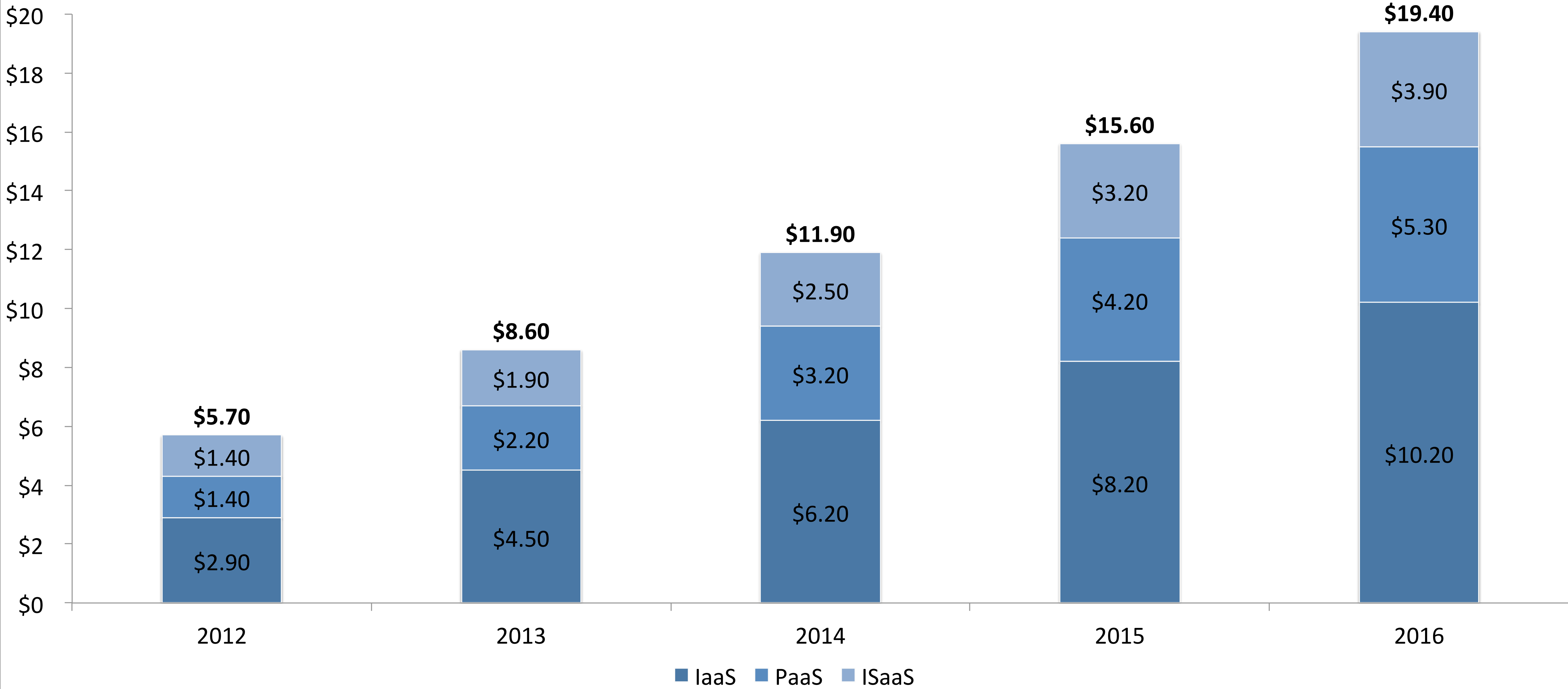
## Use over time for: milieu

Mentions

1800 1850 1900 1950 2010

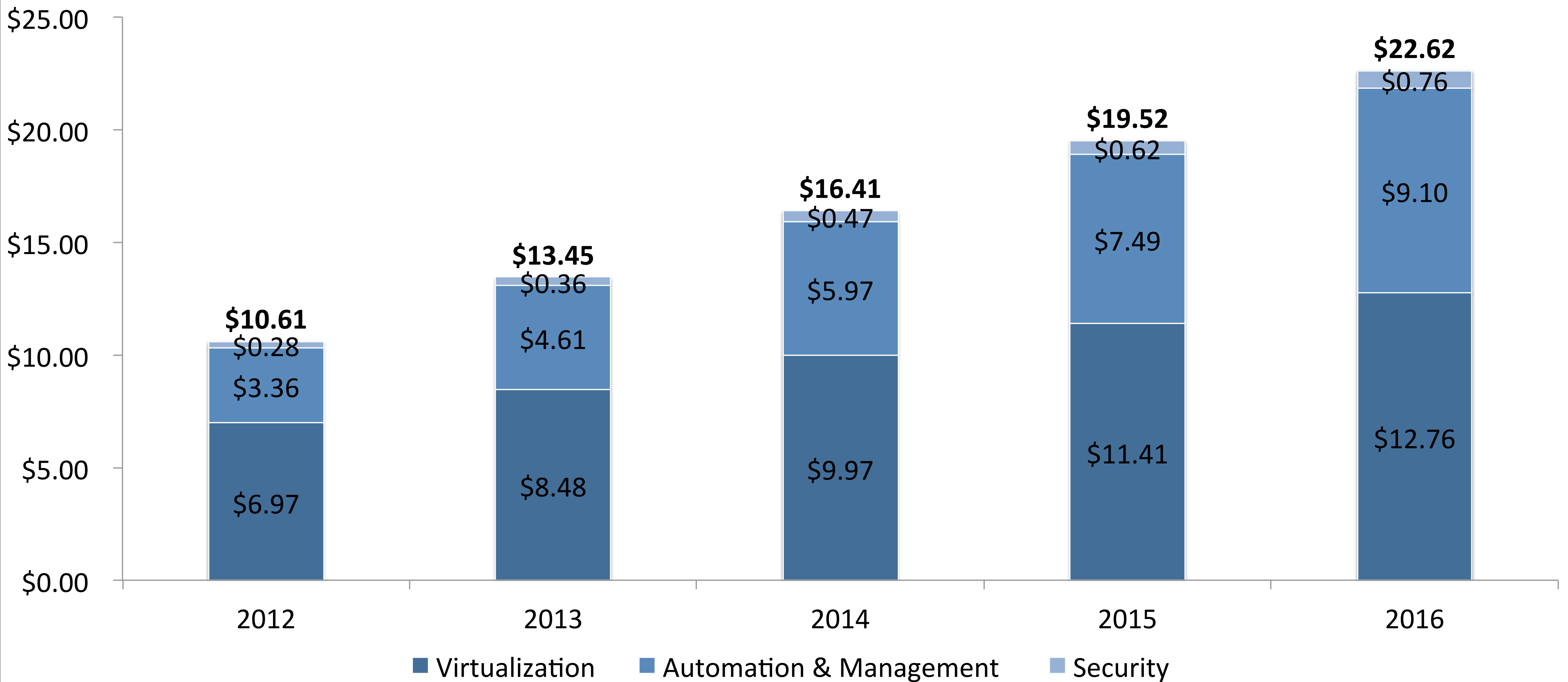


# Infrastructure Public Cloud Forecast (\$bn)

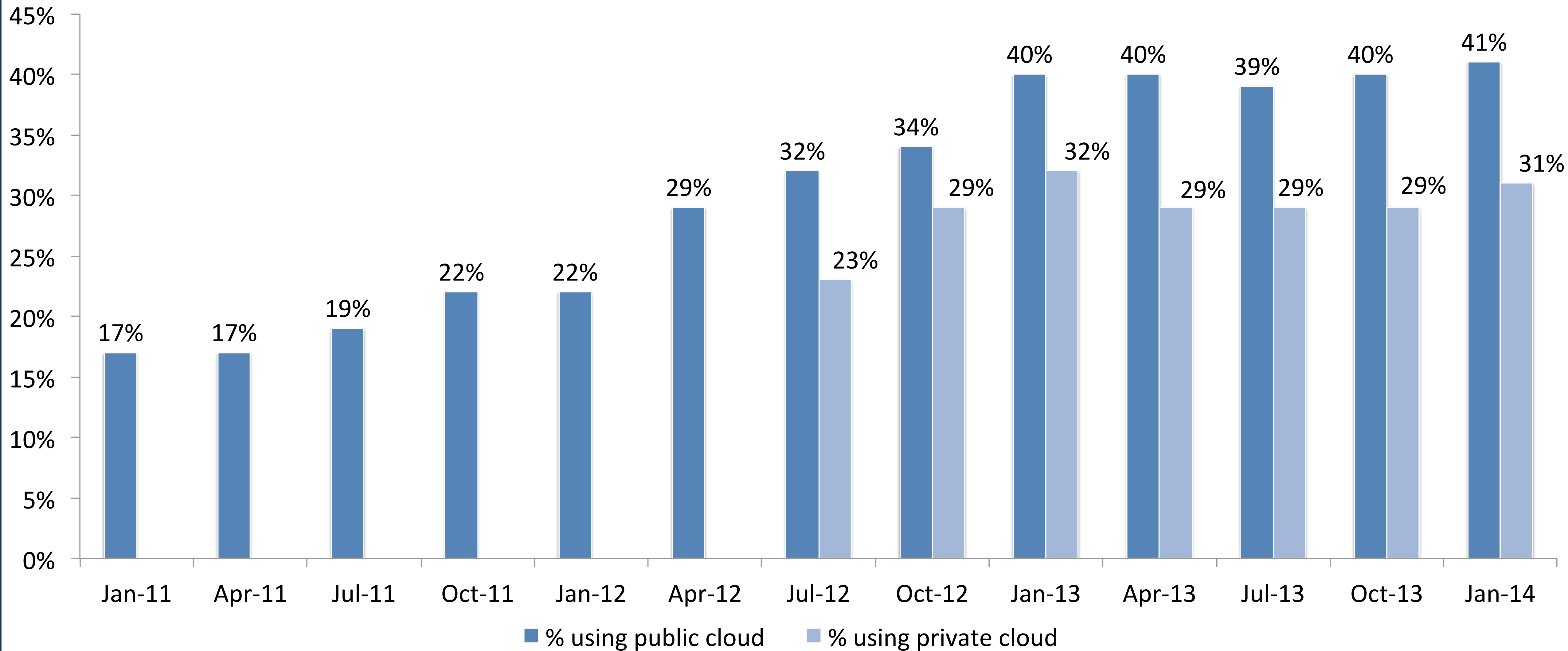


■ IaaS ■ PaaS ■ ISaaS

# Cloud Enabling Technologies (\$bn)



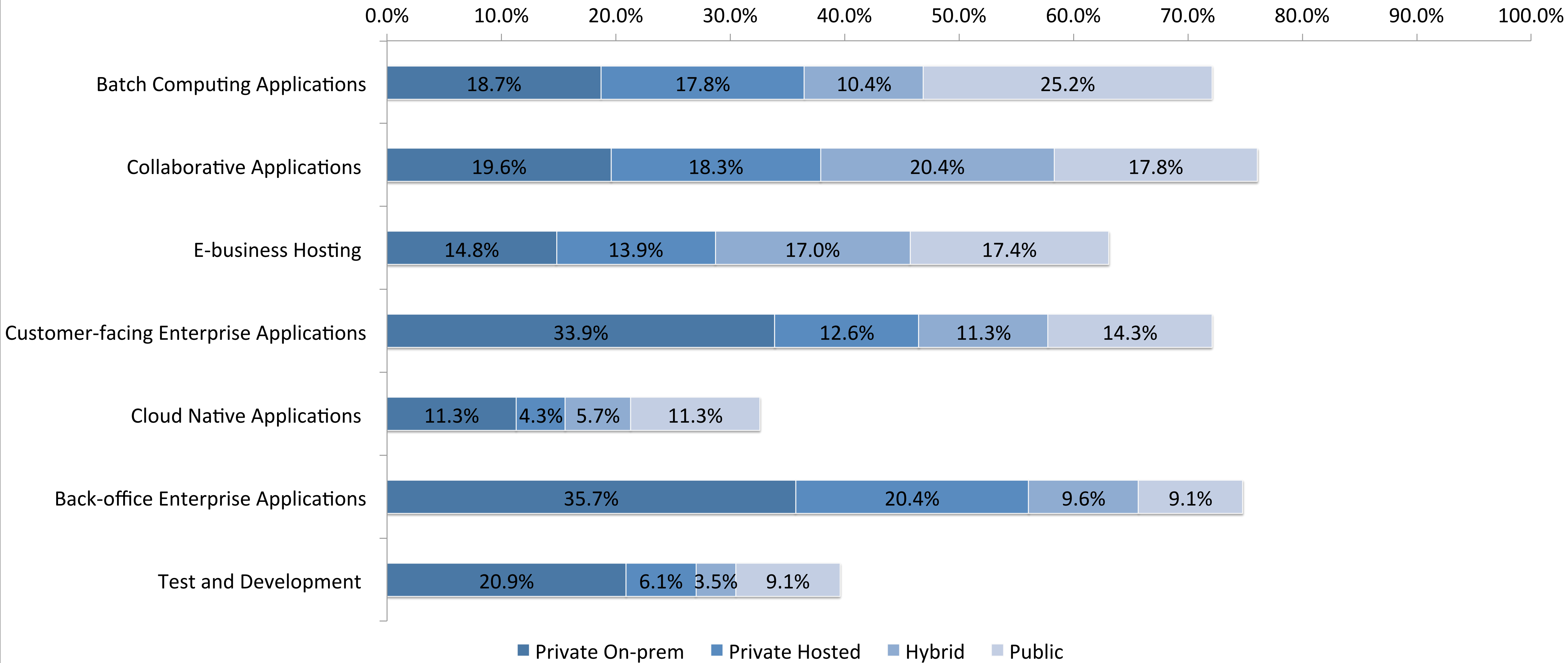
## Corporate Market: Public and Private Cloud Usage (Private not tracked until Jul 2012)



Source: A total of 1,137 respondents involved in their company's IT buying decisions participated in the January 8-27 survey, including 470 whose company currently use public cloud. ChangeWave Research is a service of 451 Research, from "Corporate Cloud Computing Trends," 451's ChangeWave, Feb 11, 2014.

# Why are people using cloud?

### Q. Where do you currently host or plan to host these workloads?





**Israel Gat**

@agile\_exec

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Colleague and friend @cote came up with the equation {IT-SaaS=what?}. Such a concise way to summarize the grand transformation in #IT!

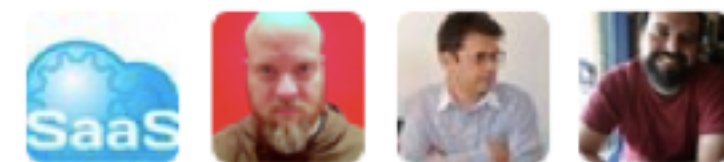
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10:49 AM - 5 Mar 2014

We believe that application development is, indeed, a vital and valuable part of the industry: our theory is that the majority of cloud spending originates with software developers as the prime movers. **Applying the formula 'IT - SaaS = what?' it increasingly seems the case that the 'what?' is custom-written software for ISVs, SaaS and increasingly companies like Nike and Starbucks** that are relying on in-house software development for new products such as the Fuelband and mobile payments. Starbucks, for example, is estimated to have pulled in \$1bn in sales from its mobile app.

While developers are notoriously parsimonious when it comes to paying for tools and middleware, Atlassian's \$149m in revenue is testament that companies will pay for developer tools straight out. We also note the bets the venture community is placing on developer-oriented companies like those coming from the post-seed round, pre-A round firm Heavybit.

- Me! “Atlassian bundles ALM components around the popular git version control system,” 451 Research, March 4th, 2014

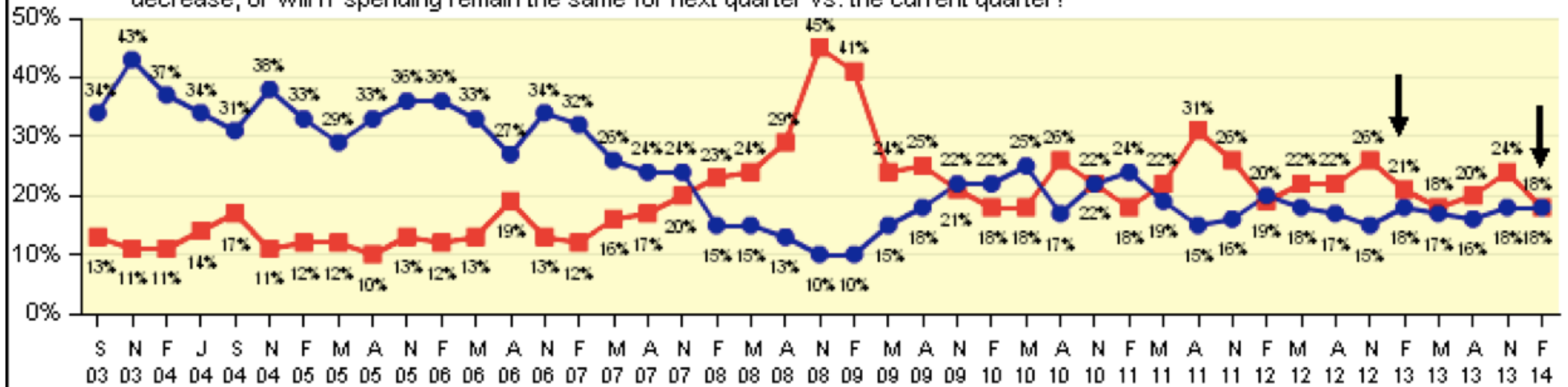
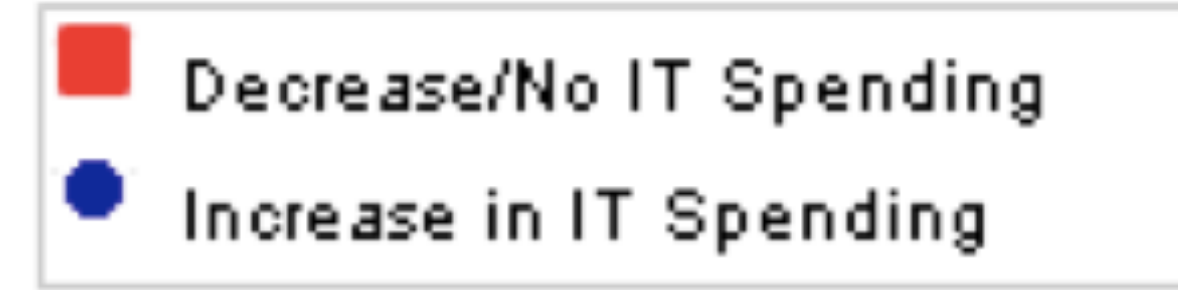
# Business Drivers

(Where the money comes from)

## Projected IT Spending for Next Quarter

Sep '03 - Feb '14

Regarding your own company's IT budget, do you think you'll see an increase, decrease, or will IT spending remain the same for next quarter vs. the current quarter?

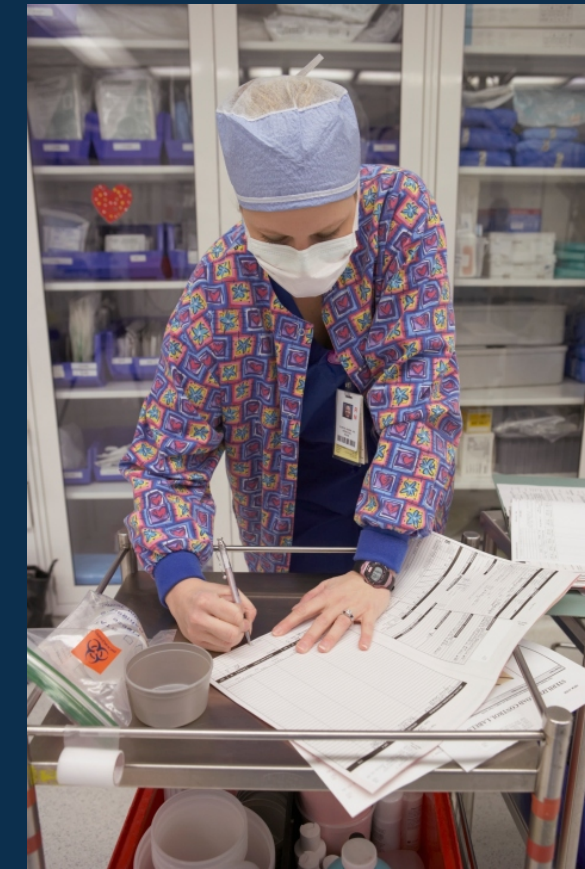


ChangeWave Research, a service of 451 Research © 2014 451 Research, LLC

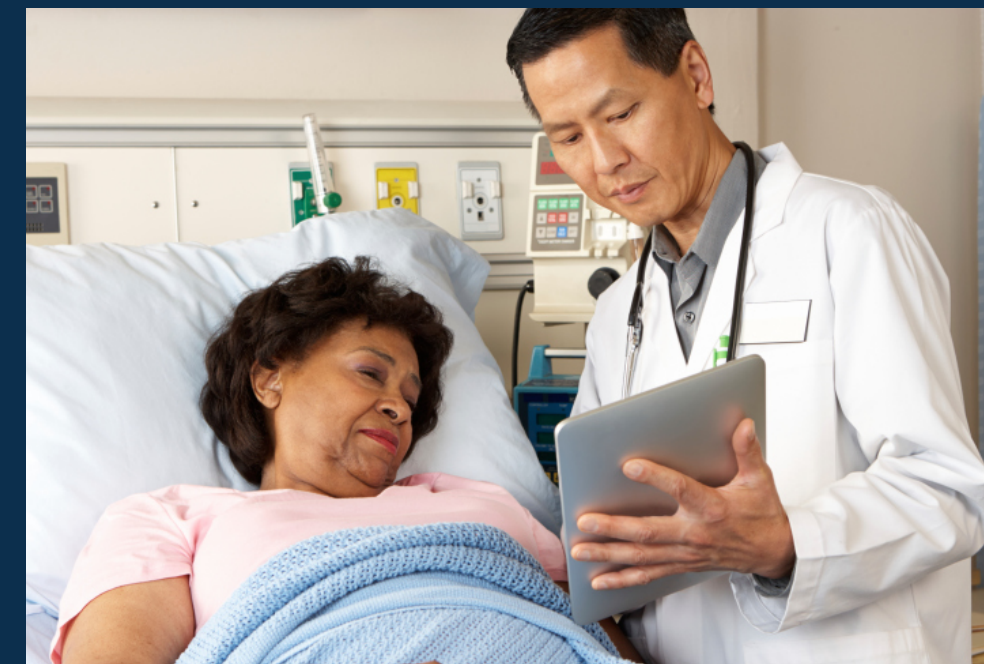
“Looking further ahead to 2nd half 2014, there are also encouraging signs. A total of **17% think their IT budget will be *greater* than the 1st half of 2014**, and 19% believe it will be *less* – which is an 8-pt improvement from previously.”

# Transformation is afoot

Legacy...

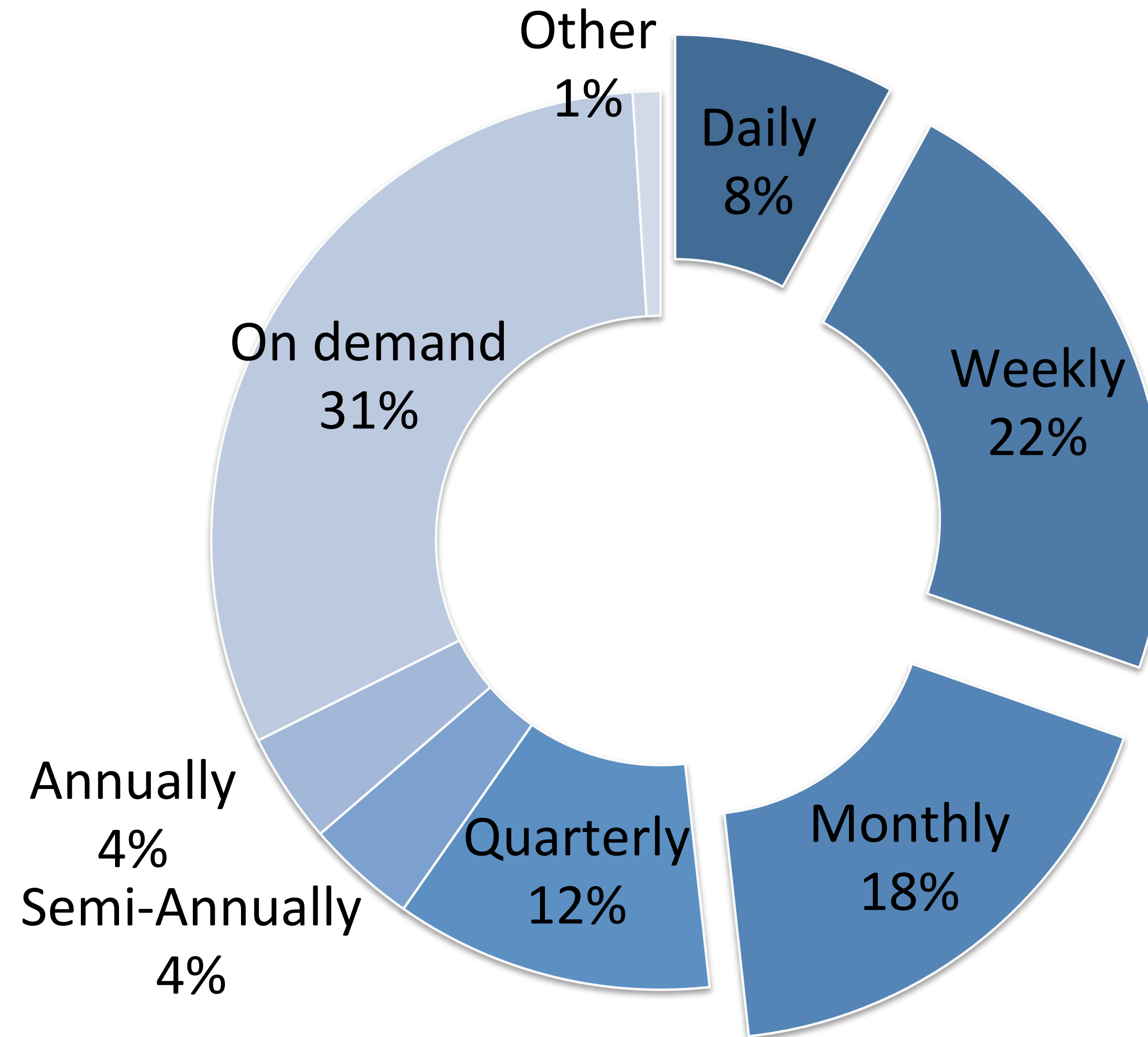


New...

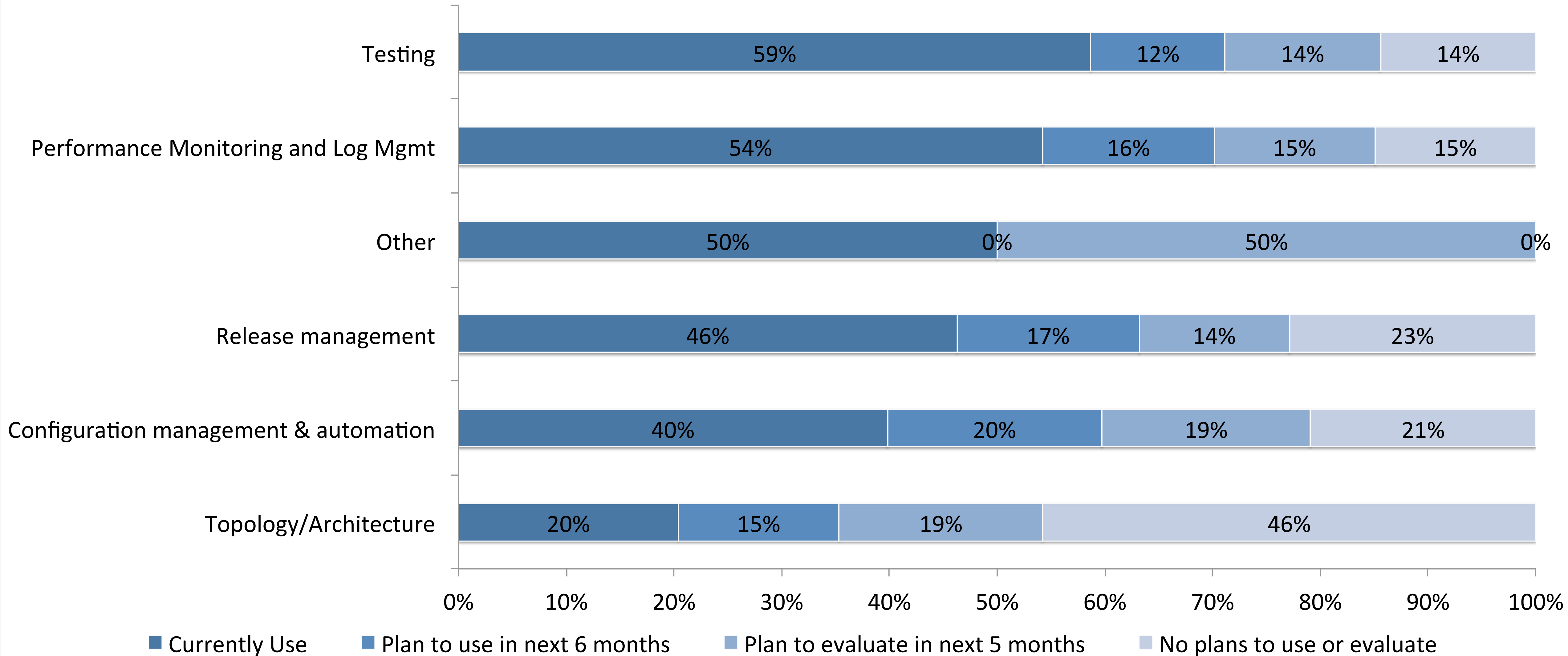


So... DevOps, anyone?

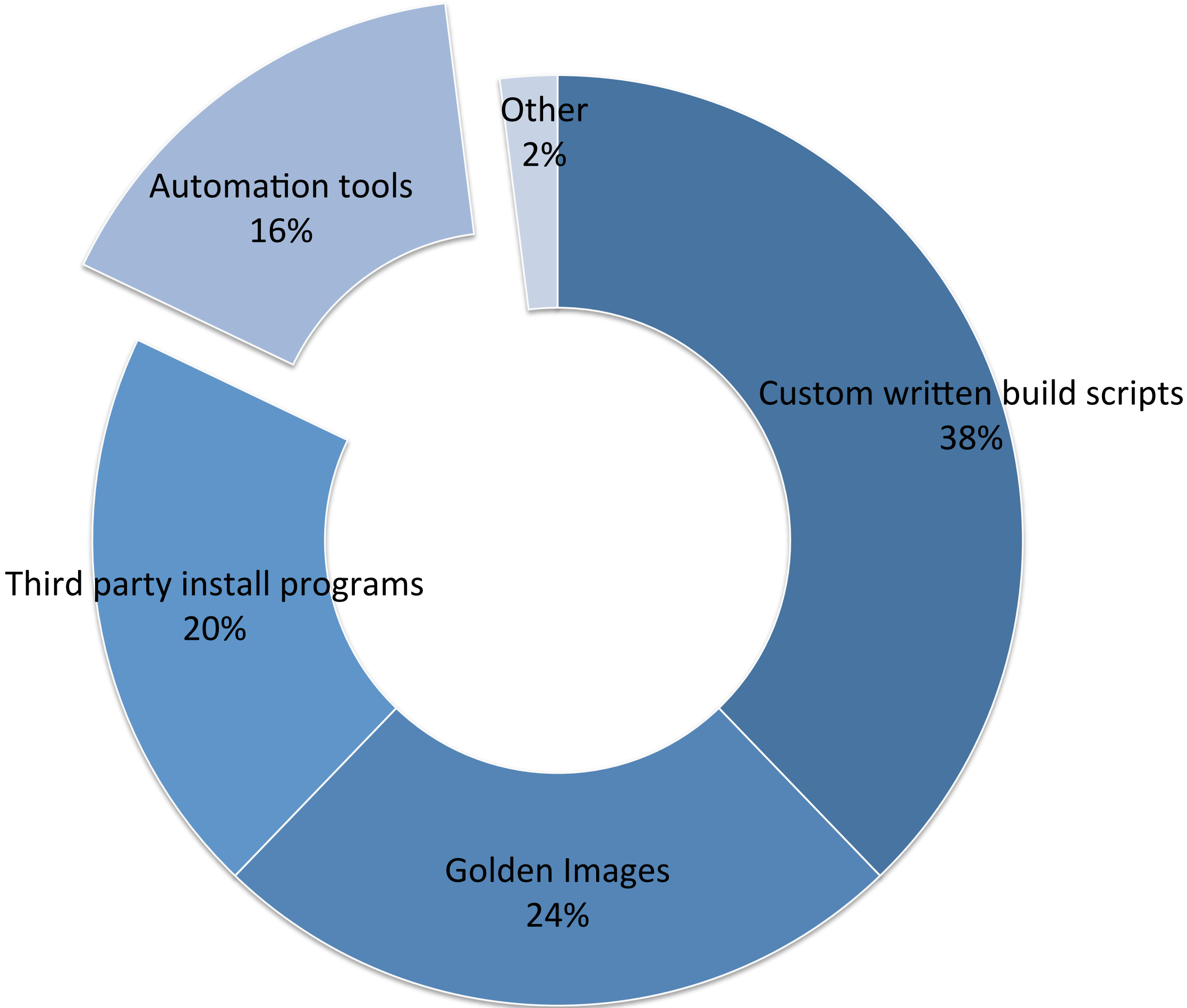
# How often do you deploy to production?



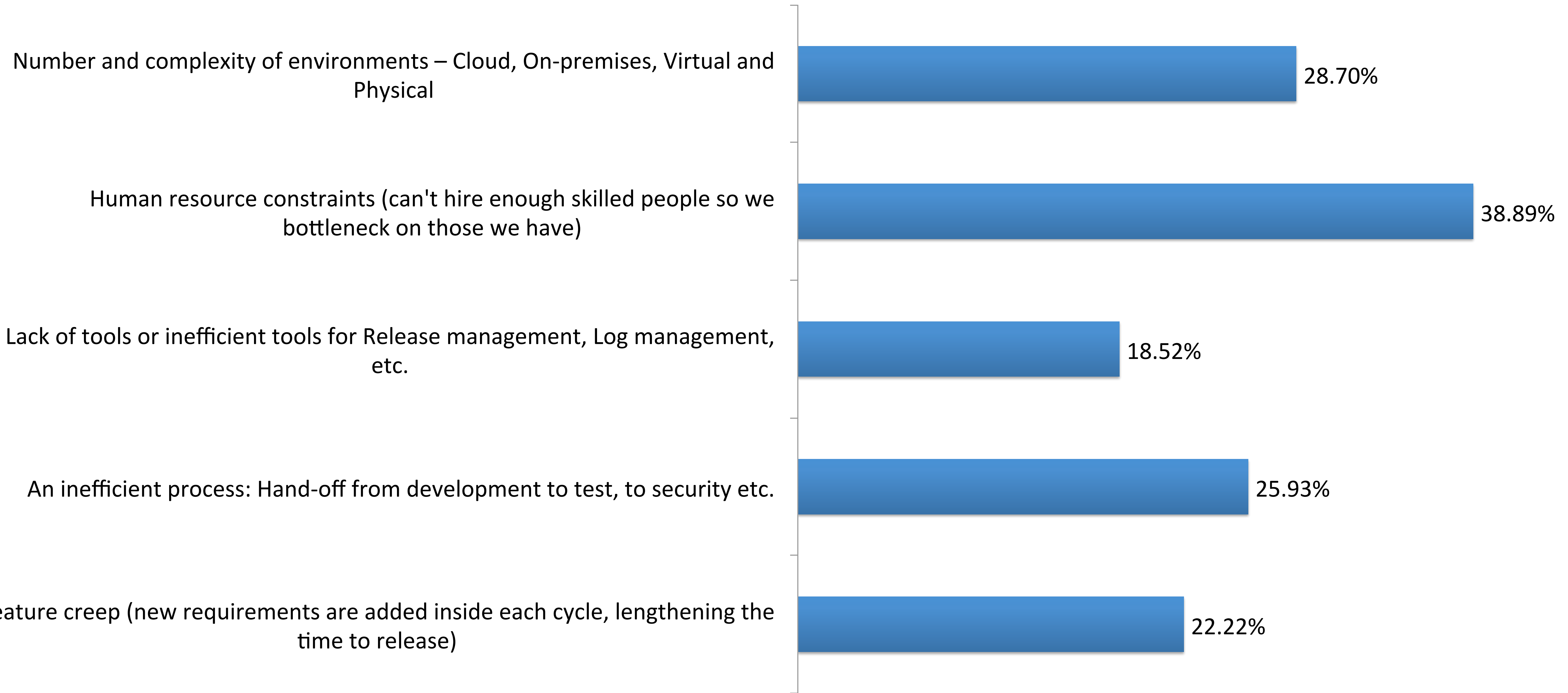
# What tools are you using?



# When designing and writing your software, how do you model and specify how the application should be deployed?



# What is holding you back from reducing release cycles?



There's plenty of opportunity out there, and clearly  
room for improvement.

Good luck out there!



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# Thanks!

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