

451

Research

ANALYZING THE BUSINESS
OF ENTERPRISE IT INNOVATION

When is this DevOps Unicorn Going to Sprout Wings and Fly?

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#DevOpsDays Austin, May 2014



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Uptime Institute™



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- IT research, advisory, professional services, datacenter certification, and events
- One company with 3 operating divisions
- Global focus
- 200+ staff, 100+ analysts
- 1,300+ client organizations: enterprises, vendors, service providers, and investment firms
- 7,500+ individual subscribers
- Reach 16,000 end-users annually



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

Before 451 I worked Dell in corporate strategy/M&A for software & cloud; as an analyst for 6+ years at RedMonk; software developer for 10+ years.



The Great Rewrite

Over the next 10 years, Many applications will be rewritten...
if not just replatformed



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

It's custom software development

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

Software defined businesses...or just software injected

Legacy...



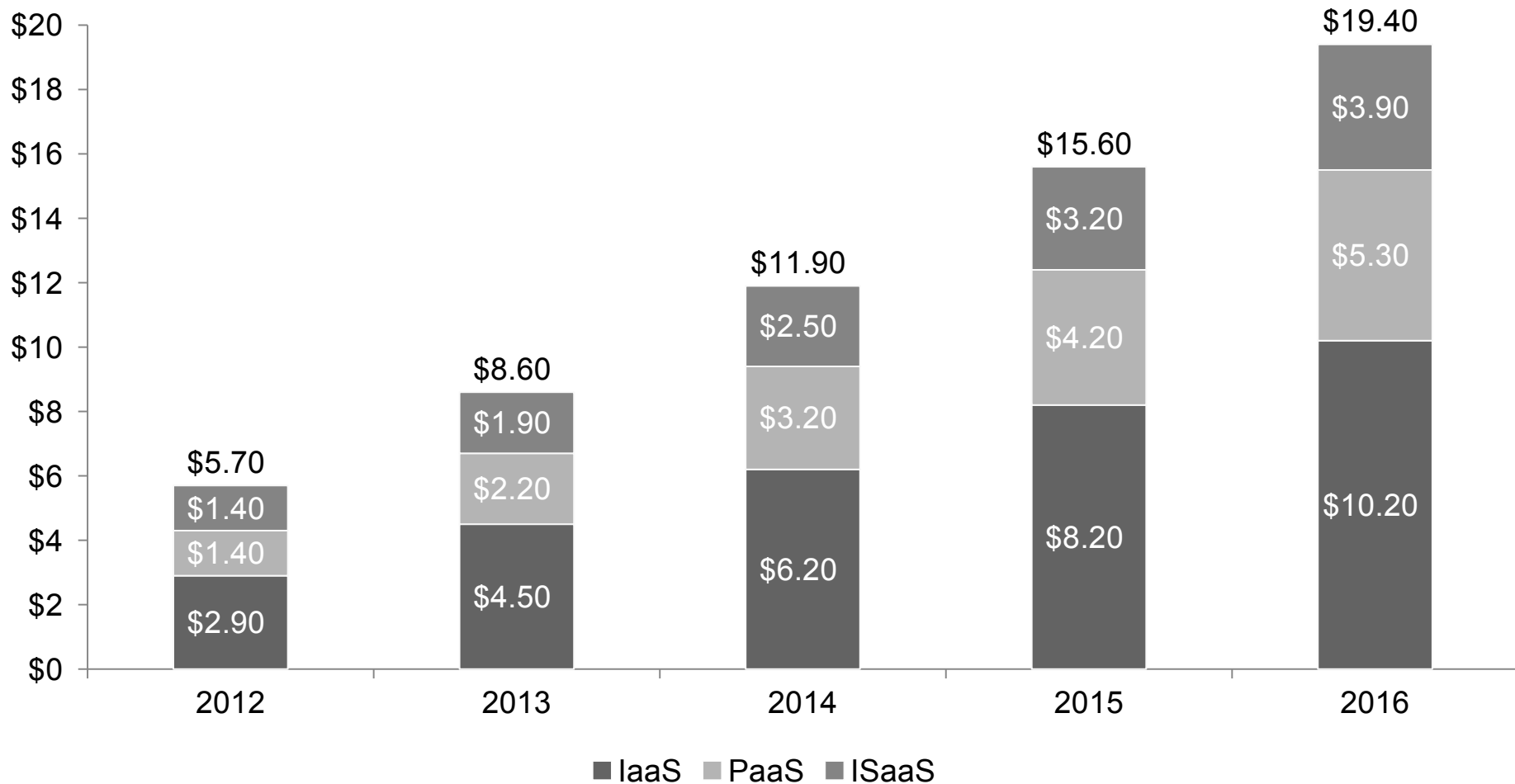
New...



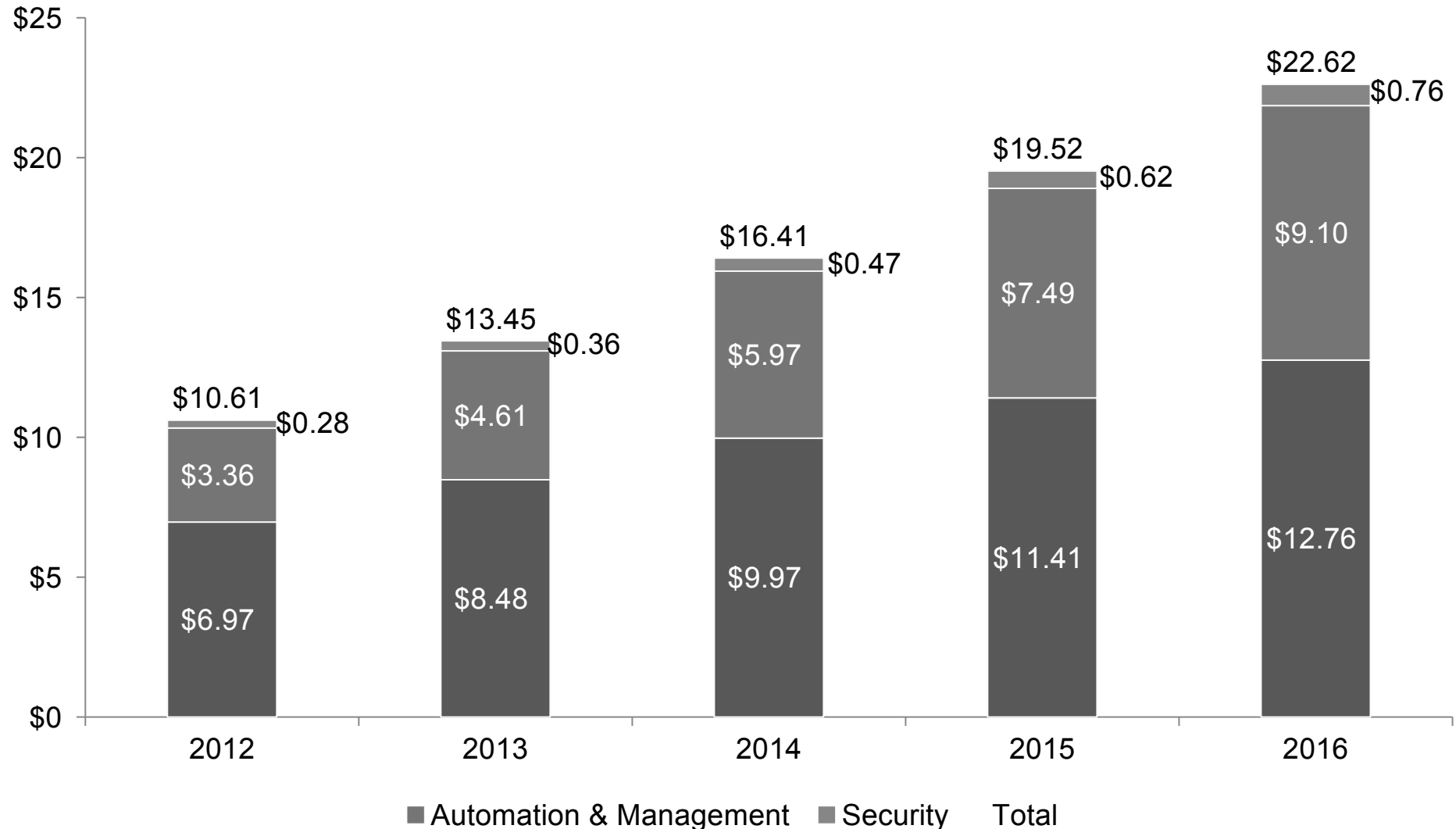
“Cloud” is opening a new way of delivering software, DevOps



Pool of money #1 - Infrastructure Public Cloud Forecast (\$bn)

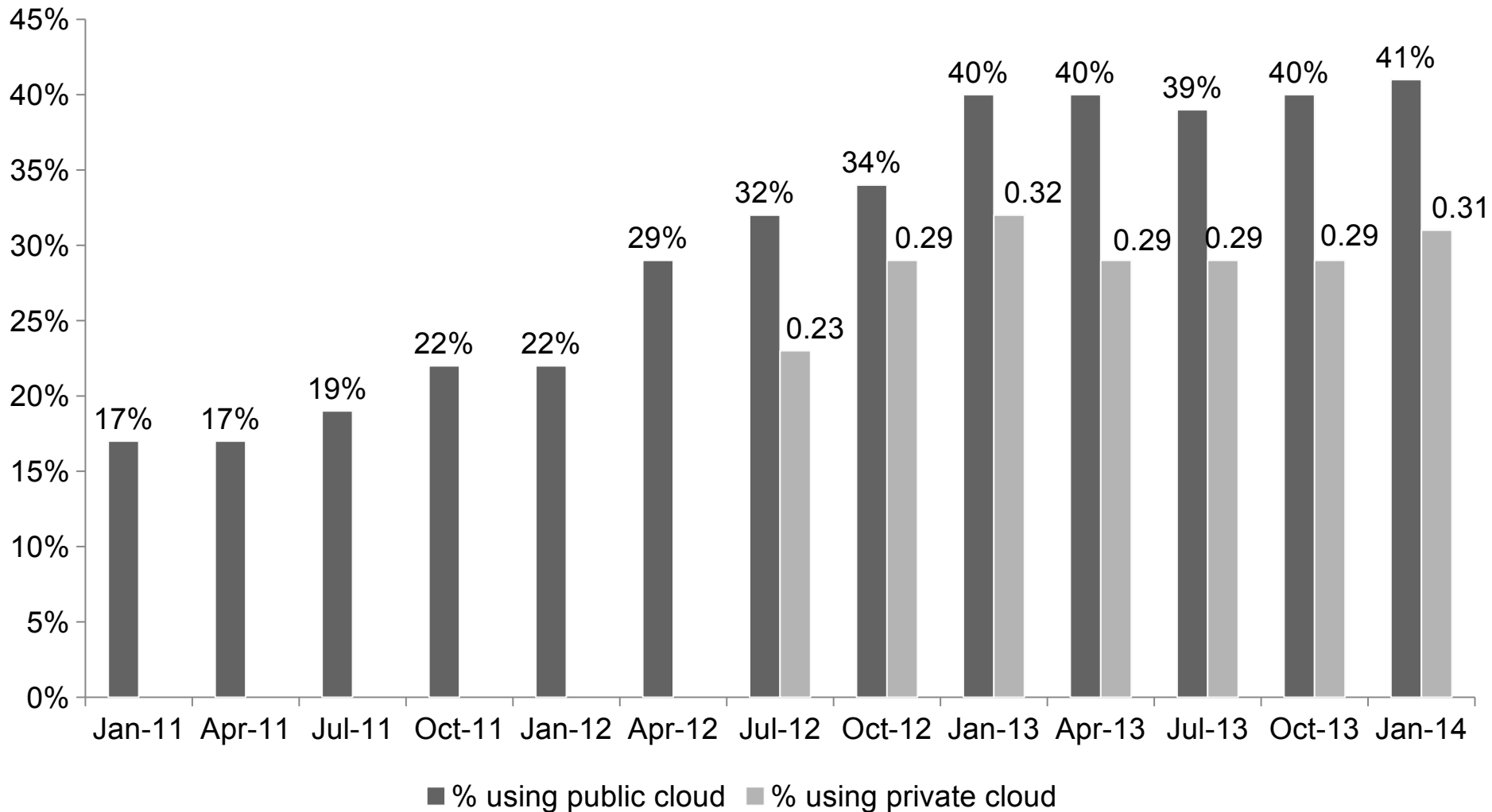


Pool of money #2 - Cloud Enabling Technologies (\$bn)



Corporate Market: Public and Private Cloud Usage

(Private not tracked until Jul 2012)

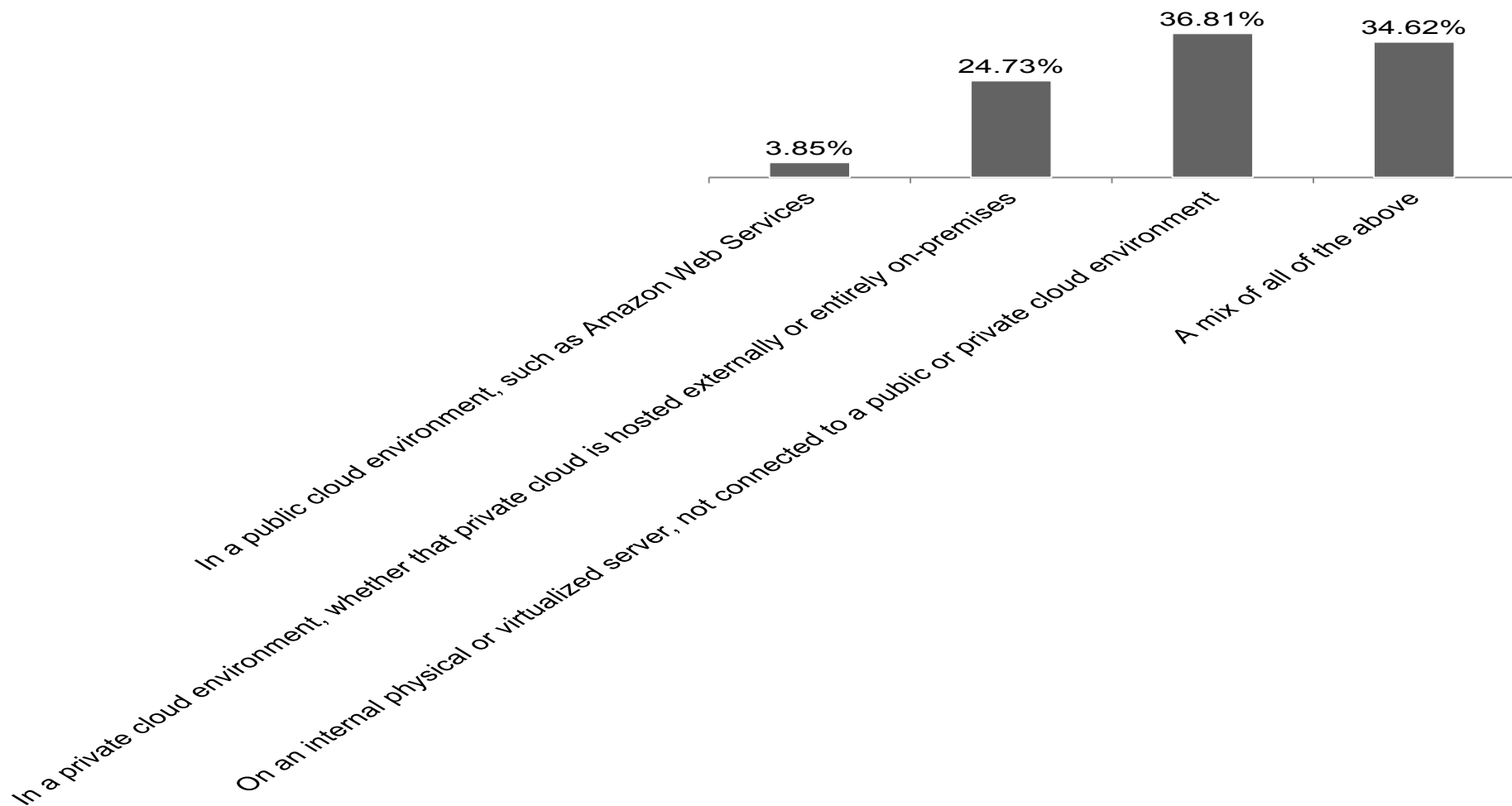


Source: A total of 1,137 respondents involved in their company's IT buying decisions participated in the January 8-27 survey, including 470 whose company currently use public cloud. ChangeWave Research is a service of 451 Research, from "[Corporate Cloud Computing Trends](#)," 451's ChangeWave, Feb 11,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

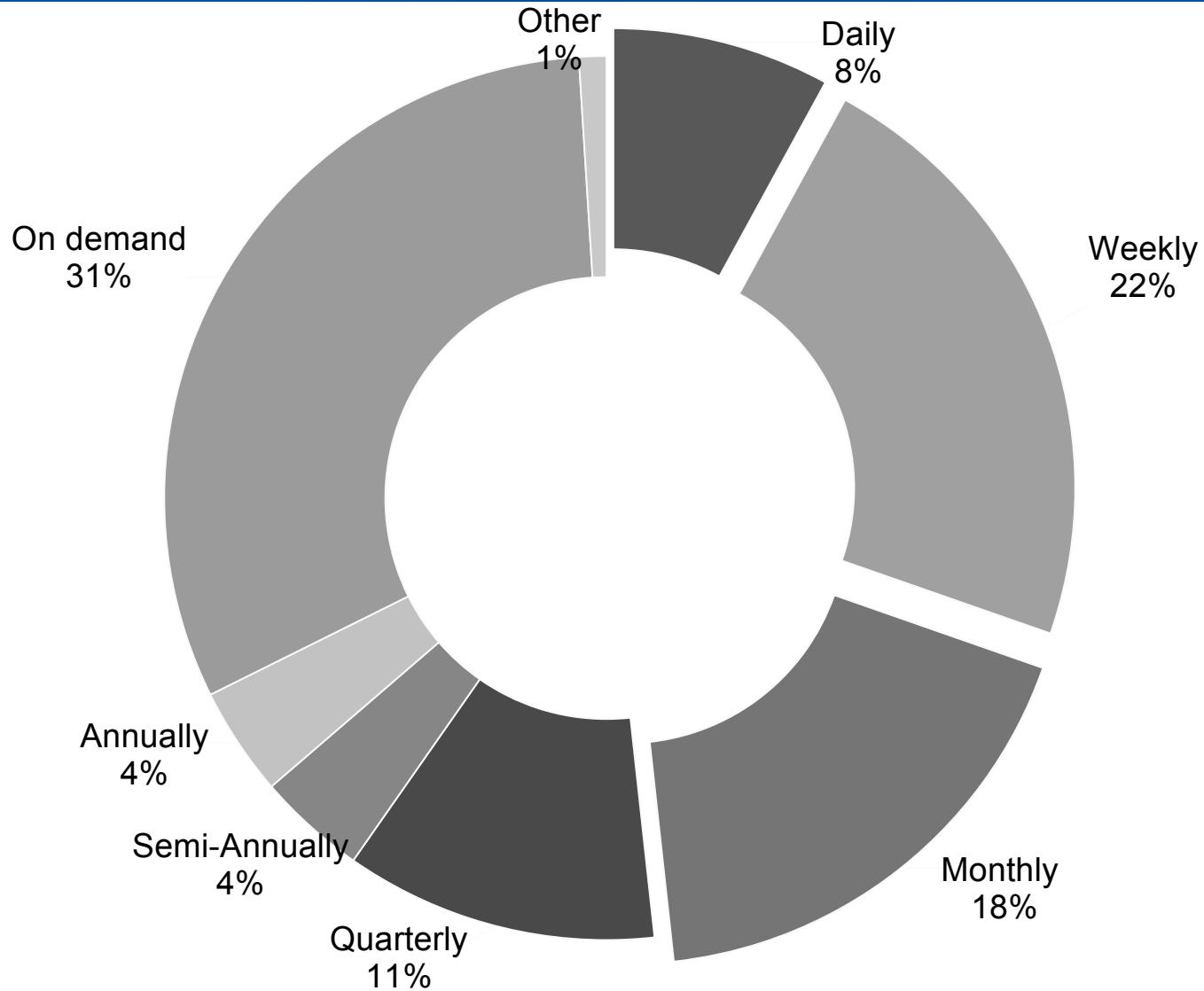
So...DevOps anyone?



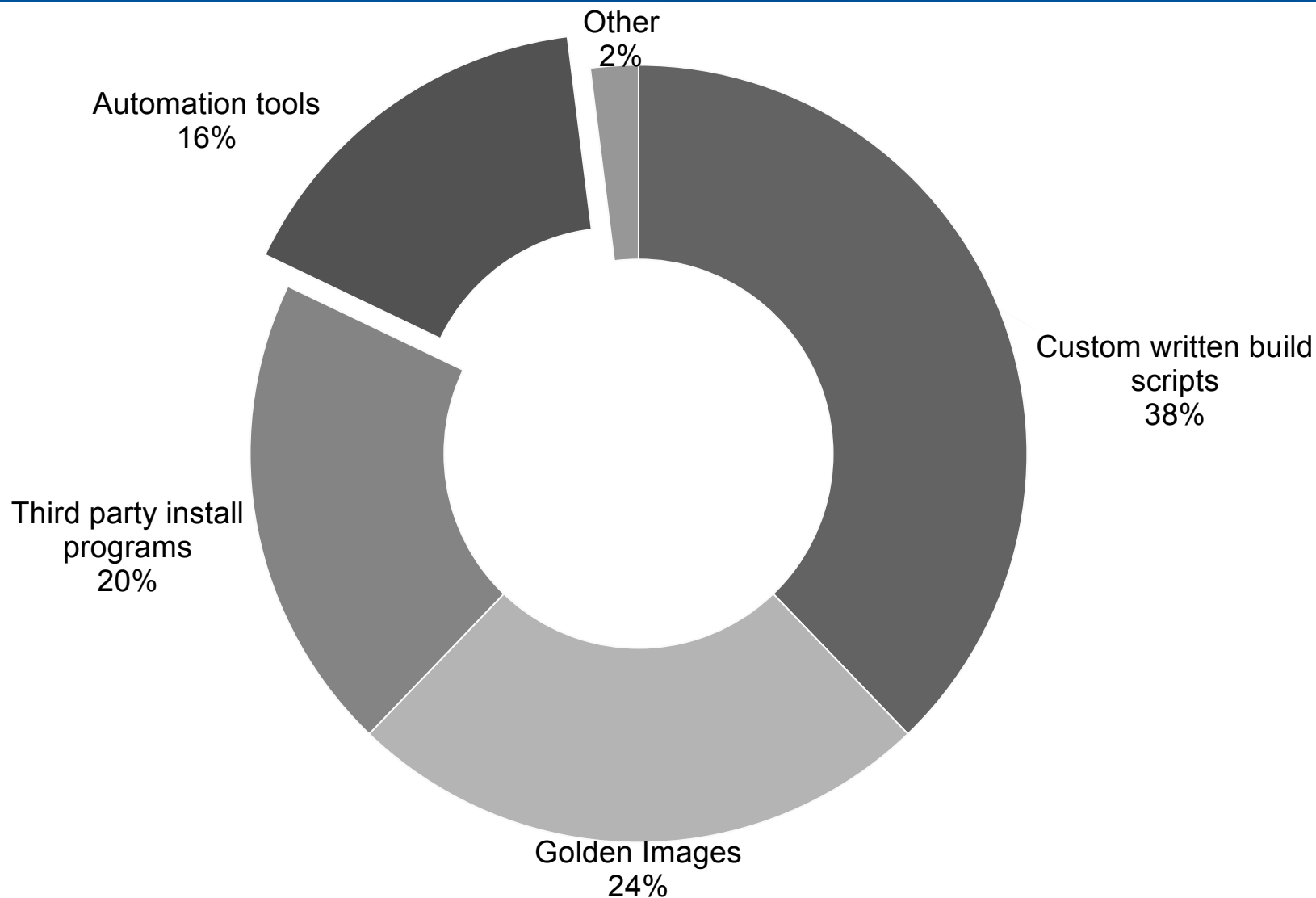
When running your application in production, where does it reside?



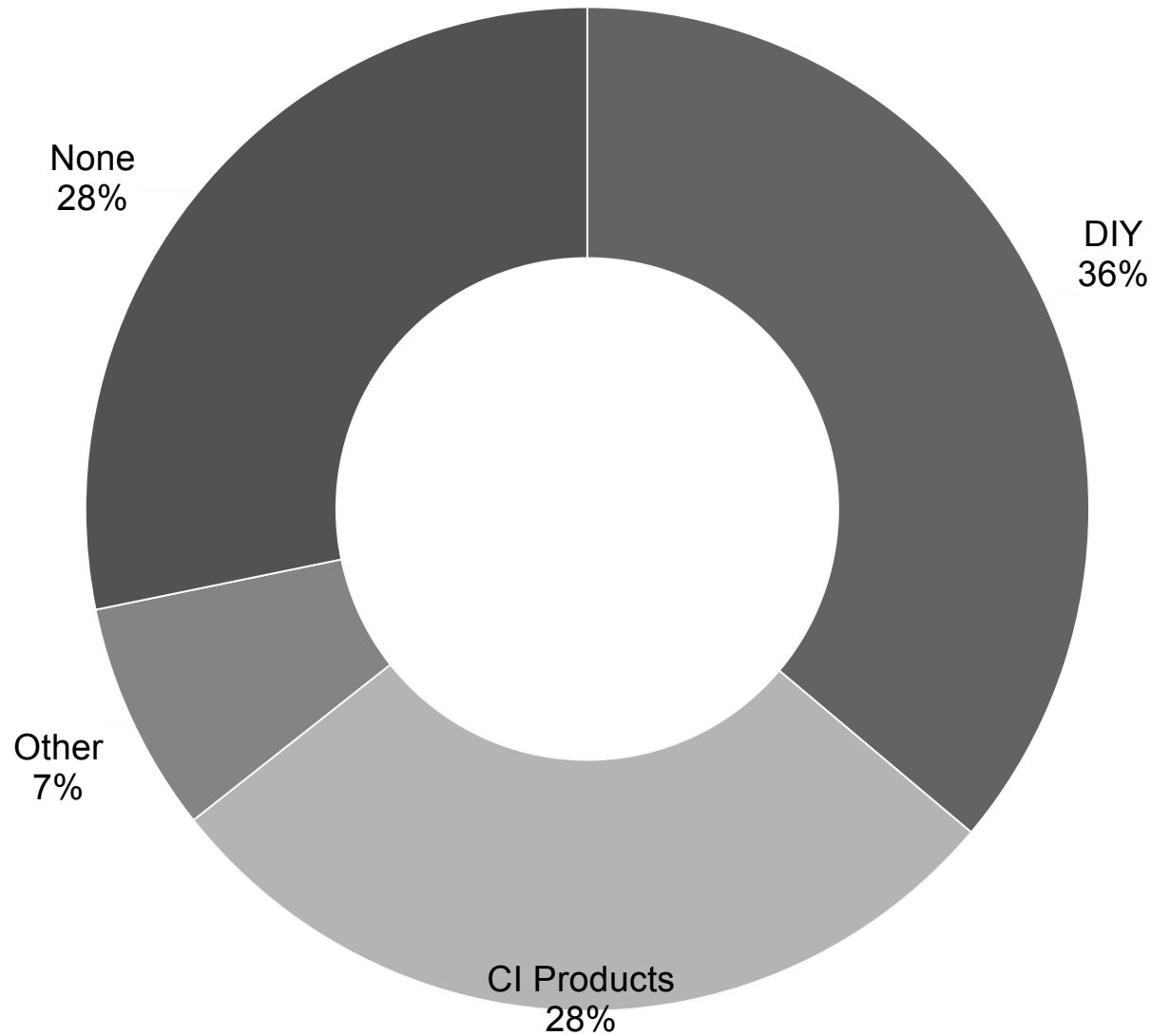
How often do you deploy to production?



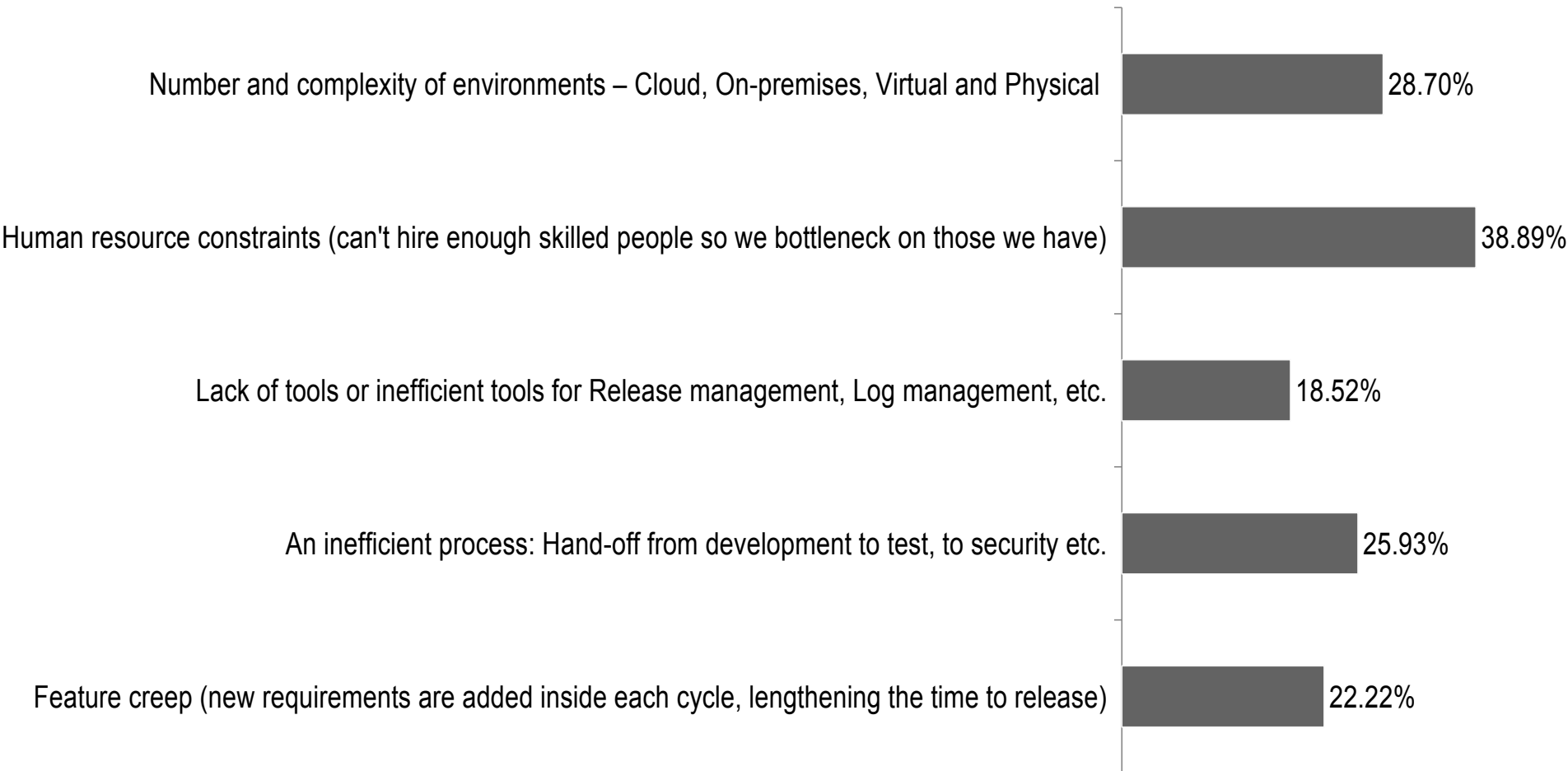
When designing and writing your software, how do you model and specify how the application should be deployed?



What build automation, or continuous integration (CI) tools are you using?



What is holding you back from reducing release cycles?



There's strong business demand, work to be done as far as the eye can see, and lots of maturing ahead of us.

Good luck out there!

Thanks!
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