Enterprise Cloud Computing Poised for Explosive Growth During Next Two Years

Non-IT-Related Obstacles Slow Project Completion

NEW YORK, September 4, 2013 – TheInfoPro, a service of 451 Research, released its latest cloud computing study, which projects explosive growth in the number of enterprise cloud computing projects over the next two years. However, an increase in non-IT roadblocks is slowing the pace of project completion. Conducted during the first half of 2013, TheInfoPro study identifies the key cloud computing initiatives of leading organizations while examining market factors and major players. This semi-annual study is based on extensive live interviews with IT professionals and primary decision-makers at large and midsize enterprises in North America and Europe.

Highlights from the TheInfoPro Cloud Computing Study include:

- Sixty percent of respondents view cloud computing as a natural evolution of IT service delivery and do not allocate separate budgets for cloud computing projects. Of those that do have separate budgets for cloud computing, 69% expect their spending to increase in both 2013 and 2014 compared with the prior year.

- While internal, private cloud projects still dominate cloud-related activity cited by 35% of respondents, in just the past six months, IaaS and SaaS activity has doubled to between 30% and 33% of the projects mentioned.

- Despite the increased cloud computing activity, 83% of respondents are facing significant roadblocks to deploying their cloud computing initiatives, a 9% increase since the end of 2012. IT roadblocks have declined to 15% while non-IT roadblocks have increased to 68% of the sample, mostly related to people, processes, politics and other organizational issues.

- Regulatory and compliance issues are essentially ‘pass/fail’ criteria for public cloud provider selection, but security remains paramount as the biggest pain point for IT professionals implementing cloud computing projects.

- Established vendors Microsoft, VMware and Amazon.com lead the list of exciting vendors and technologies, followed by OpenStack, which has gained significant market traction in the past year and looks poised to challenge the existing status quo as the enterprise cloud market develops. The cloud market is still a nascent opportunity – a very long list of vendors large and small coupled with open source and other market initiatives are getting the attention of IT strategists.

- At the cloud technology level, cloud platform/orchestration stacks lead TheInfoPro Heat Index, followed by cloud performance management/monitoring and virtual private cloud-based IaaS as the top greenfield opportunities offering the biggest upside opportunity for vendors in the next two years.
“As organizations are completing their transition to a virtualized datacenter infrastructure, their focus is switching rapidly to cloud computing projects,” said Peter ffoulkes, TheInfoPro's Research Director for Cloud Computing. “Despite this shift of attention and the associated growth opportunity, there are major roadblocks – for the most part, they are not technology related and fall within the domain of people, process, policy and organizational issues, which are more complex for vendors to address.”

Research Director and report author Peter ffoulkes will host a 451 Research Innovation Series webinar on September 17 to discuss the report’s findings.

Webinar Details:
- **Title:** Cloud Computing Poised for Explosive Growth
- **Date:** September 17, 2013
- **Time:** 2pm ET
- **Presenters:** Peter ffoulkes, Research Director, Servers & Virtualization and Cloud Computing
- **Registration:** [https://www1.gotomeeting.com/register/954321841](https://www1.gotomeeting.com/register/954321841)

**About TheInfoPro Cloud Computing Study**
TheInfoPro’s Cloud Computing Study relies on a proprietary network of IT professionals and is based on in-depth interviews with 100 IT professionals conducted from February through May 2013. TheInfoPro’s interview methodology elicits an excellent understanding of the issues and decision-making processes related to strategic planning, technology benchmarking, and vendor selection and negotiation. TheInfoPro’s Commentator Network members comprise a variety of industry types and levels of technology adoption. TheInfoPro screens potential commentators to ensure that they can discuss in detail their enterprises’ technology roadmap and relationships with pertinent vendors. To participate, a commentator must work for a large or midsize enterprise. For the purposes of this study, large enterprises have at least $1 billion in revenue, while midsize enterprises have annual revenue between $100 million and $999 million.

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