



Research[®]
Market Monitor[™]

Sector Review: Virtualization

Virtualization is the foundation for cloud-enabling technologies. Here we present estimates for the aggregate size of the virtualization market, categorizing vendors by revenue range, forecasting growth trends for the space, and highlighting the opportunities and threats facing these vendors. This analysis leverages 451 Research's deep knowledge of and relationships within the cloud-enabling technologies marketplace, resulting in a proprietary forecast of virtualization revenue based on a bottom-up analysis of 47 vendors' current revenue and growth expectations through 2016.

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47

Vendors included in analysis are estimated and forecasted individually

Our cloud-enabling technologies virtualization database contains individual models on 47 vendors in the market. Each model contains intelligence specific to that company (i.e., customers, pricing, deal sizes and trends) with a forecast that incorporates the unique traits, strengths and weaknesses of the vendor.

100%

Of market estimate and forecast based on individual vendor estimates, no black-box ‘other’ category

A bottom-up analysis entails creating individual estimates and forecasts for each market participant in lieu of relying on historical or related data, applying broad assumptions or extrapolating market totals based on input from a handful of large vendors (a top-down approach).

8 out of 10

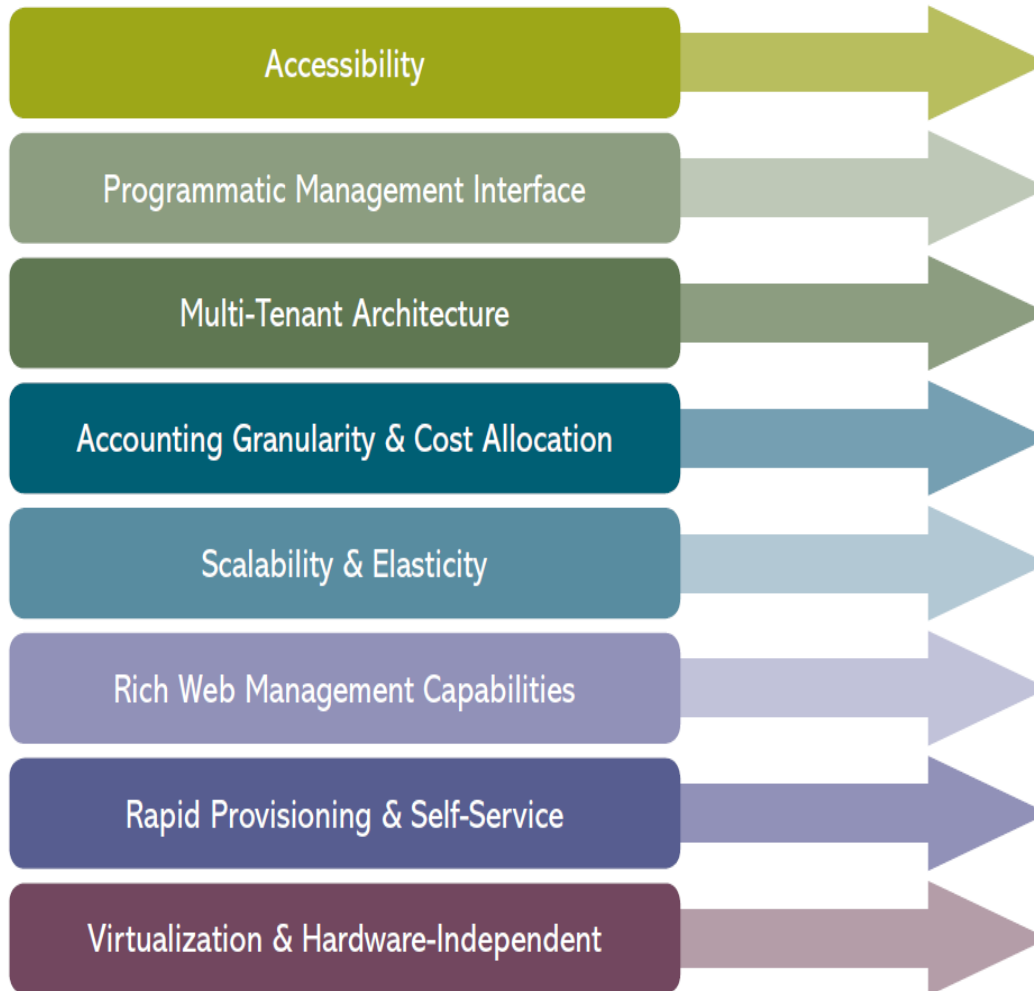
Vendors we have briefed directly to support our findings

This analysis leverages our deep knowledge of and relationships within the cloud-enabling technologies marketplace, resulting in proprietary forecast of industry revenue based on a bottom-up analysis of each vendor’s current revenue and growth expectations.



15,000	Vendor briefings as a company annually
55+	Sector analysts support estimates
12	Financial analysts contribute to MM
950+	Financial/banking clients provide insight
CXO	Executive-level access across IT landscape
6	End-user surveys performed annually





Our Definition of a Cloud Service: With the cloud concept firmly embedded in the marketing lingo across the technology landscape, we constantly witness ‘cloudwashing’ – the practice of including many legacy products and services under a company’s cloud umbrella. To enable us to sift through the marketing noise and gather data on true cloud offerings, we examine each product or service using eight primary attributes that together constitute and define a cloud service. These attributes should not be evaluated in isolation, since each builds on the one before it, and there are clear dependencies, with certain cloud properties being difficult to architect without the appropriate supporting attributes. Only when the full stack is satisfied will an offering be included in our cloud computing analysis.

These criteria are designed primarily as a yardstick for examining and evaluating various types of cloud offerings. Through proper use of the attributes, one can determine just how ‘cloudy’ an ostensible cloud computing or storage offering is, and if that offering in fact qualifies as a cloud using objective metrics. The eight attributes we use to determine what is and what isn’t a cloud for this analysis are listed here. A more detailed discussion of each of these criteria is provided in 451 Research’s free Cloud Codex report, which is available for download at <https://451research.com>.

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