

Cloud Price Index™

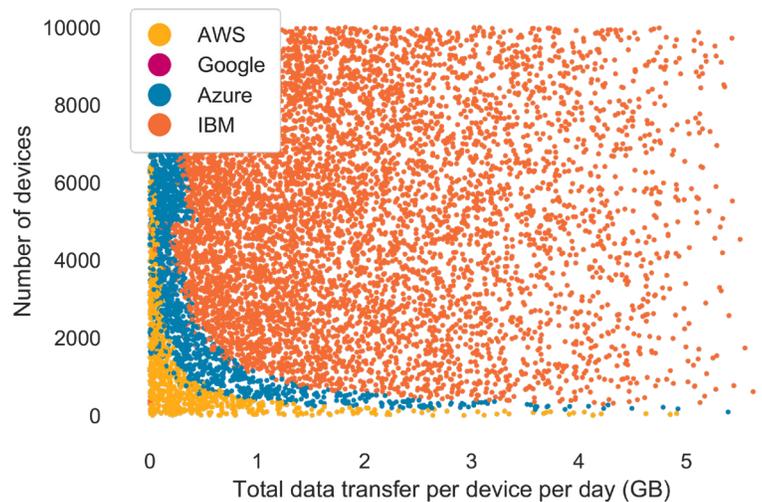
Data-driven insights into the value-led age of consumption

Cloud is the ubiquitous on-demand consumption model that underpins today's technology usage and innovation – it's now critical for enterprises to understand the value of cloud economics and the costs it may bring, or else risk their opportunities for growth and market development. Cloud is an enabler of business revenue, but it also impacts competitive differentiation, financial stability, time to market and gross margins.

The Cloud Price Index isn't just data on pricing, but insights and commentary on what the market is offering today and where the opportunities and risks lie ahead.

Cheapest Provider by Number of Devices and Data Transfer

451 Research's Cloud Price Index:
The Economics of IoT 2021



What has the Cloud Price Index found?

In the past six years, the Cloud Price Index has revealed a range of insights that have given service providers, vendors, enterprises and financial firms an industry-leading view of the economics behind the cloud opportunity, such as:

- A multicloud approach can save 85% on cloud costs when multiple commitments are made.
- For smaller IoT deployments, AWS is on average the cheapest provider but for larger projects, IBM generally has lower prices.
- Public cloud on-prem models are putting hyperscalers at the center of enterprise IT procurement.
- Providers use five metrics to bill for CDN, but only two really dictate the cheapest provider – requests and bandwidth.
- Google Cloud provides viable migration paths to reduce carbon and costs, without significantly impacting latency.
- Hyperscaler-developed chips are bringing significant price drops, contributing to the steepest annual decline in the CPI compute benchmark (15%) since we started tracking in 2015.
- In 2021, the hyperscalers added over a million capabilities to their portfolios, including in robotics, satellite and healthcare.
- The major cloud providers plan to grow their global datacenter footprint by 20% in the next few years, including first-time deployments in Israel, Spain and New Zealand.

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Market Intelligence

Who is the CPI for?

Service Providers

Build differentiated services based on demand in your target market, create data-led business cases, understand TCO and ROI, benchmark your pricing against industry averages, stay abreast of price cuts in the market to stay competitive, justify your value in meetings and proposals, highlight your selling points in collateral

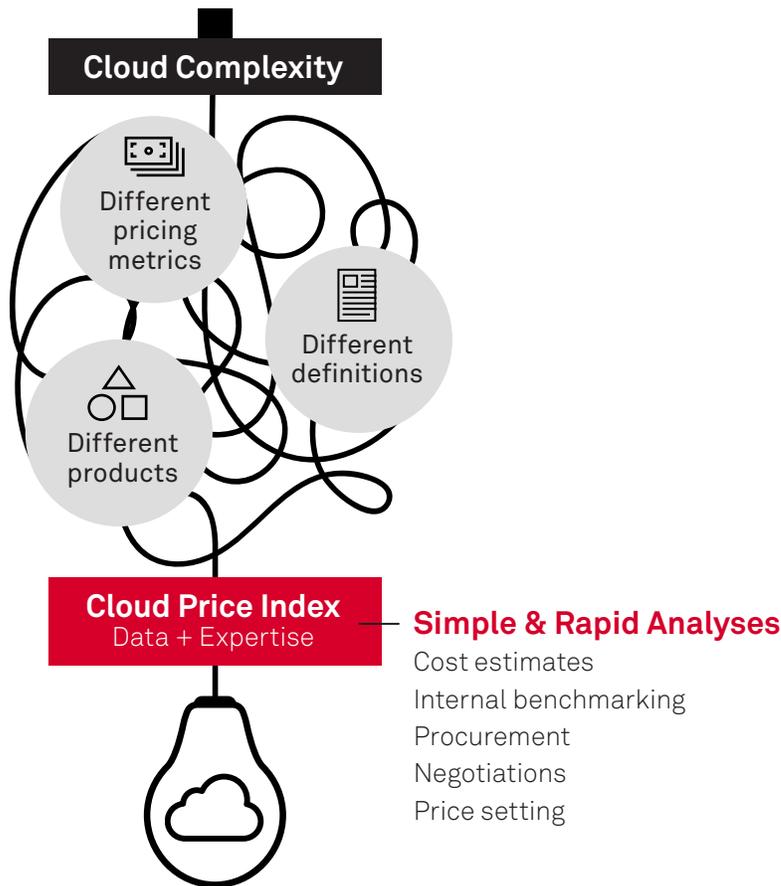
Tech Vendors

Show the value in hybrid and multicloud enabling technologies, demonstrate profitability to service provider partners, evaluate growth areas for new development, understand key targets through TCO assessments, create marketing collateral and sales pitches

Enterprises

Know where your provider is cutting/raising prices, negotiate with providers, assess value of managed services, benchmark operational costs against cloud prices, evaluate private and hybrid cloud options, select providers for RFPs based on service capability

The Cloud Price Index unravels the complexity of cloud economics to deliver easily accessible and rapid insights on best value



Economics of cloud services

Quarterly benchmarks

Over 450 price benchmarks across 10 regions

Compute, storage, cloud native, network, databases

Standard and committed prices

Web-tool and Excel calculators

Price change alerts and portfolio analysis

Weekly alerts on price changes and service additions across AWS, Google Cloud and Microsoft Azure

More than 3 million SKUs tracked

451 Research uniquely covers all phases of innovation, from investment to innovation to adoption. Through a variety of research techniques – including face-to-face briefings, end user surveys, forecast modeling, revenue tracking, in-depth interviews and acquisition tracking – 451 Research provides compelling and comprehensive coverage of IT innovation.

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