



Hosted Private Cloud Services – PEAK Matrix™ Assessment and Profiles Compendium

Cloud & Infrastructure Services

Market Report: December 2015 – Preview Deck

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- Other | Market intelligence, service provider capabilities, technologies, contract assessment

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¹ Banking, financial services, and insurance

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Background of the research

Background of the research

- Hosted private cloud deployment continues to witness increasing acceptance/traction as enterprises are looking to make their IT setups more streamlined, secure, and flexible, while offloading the cumbersome setup and management of cloud infrastructure to service providers. Such a setup helps enterprises achieve the right set of access controls and restrictions, while benefiting from the inherent advantages offered by the cloud services model
- Service providers realize that having strong credentials and capabilities to offer hosted private cloud services on a global scale is a critical component of their overall hybrid cloud services story. Service providers are beefing up their hosted private cloud services capabilities through investments in expanding their cloud datacenter footprint, incorporating advanced features in their hosted private cloud platforms (e.g. automation, self-service, extensibility to multiple public cloud platforms, and security features), and providing a wide suite of management services options
- In this research, we present the assessment and detailed profiles of 15 IT service providers featured on the hosted private cloud services PEAK Matrix. Each service provider profile gives an overview of their hosted private cloud services scale of operations, relative focus, and domain investments
- The assessment is based on Everest Group's annual Request for Information (RFI) process conducted in Q3 2015, interactions with leading private cloud service providers, and analysis of the broader cloud services marketplace

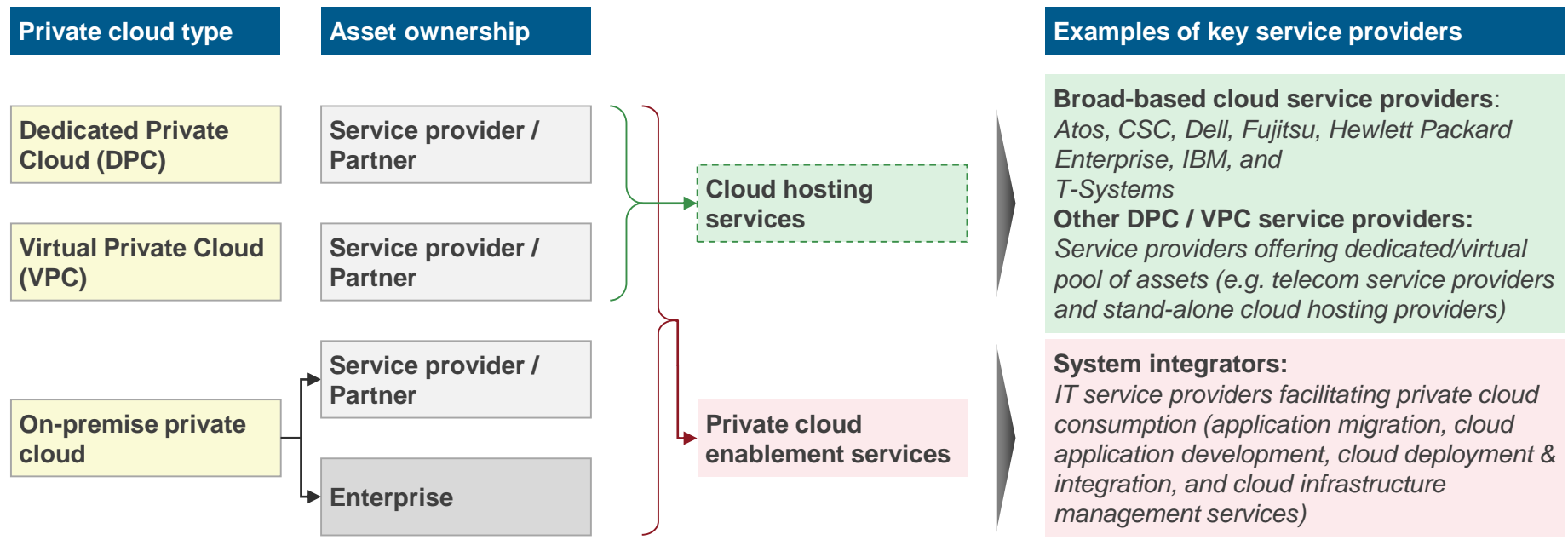
Scope of this report

- **Services:** Hosted private cloud services
- **Geography:** Global
- **Service providers:** 15 leading hosted private cloud service providers

This report includes the profiles of the following 15 service providers on the hosted private cloud services PEAK Matrix:

- **Leaders:** Hewlett Packard Enterprise, IBM, and Rackspace
- **Major Contenders:** AT&T, Atos, CenturyLink, CSC, Datapipe, Dell, Fujitsu, NEC Corporation, Verizon, and T-Systems
- **Aspirants:** BT and Orange Business Services

This report focuses on hosted private cloud services and offers insights about prominent service providers operating in this space



- ### Hosted private cloud services coverage
- **Hosting services:** Based on standard/customized HPC offering
 - **Management services:** Typically offered upto the OS layer by default; additional services include security, monitoring, storage management (backup and disaster recovery), and middleware management services (covering web server software, application servers and database servers, etc.)
 - **Professional services:** Cloud readiness assessment and planning, security and compliance assessment, cost analysis, etc.

Focus of this research

Everest Group's private cloud services research is based on two key sources of proprietary information

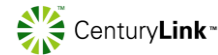
- 1
 - Proprietary database of IT service contracts of major IT service providers and IT infrastructure hosting providers with private cloud scope of work (updated annually)
 - The database tracks the following elements of each contract:
 - Buyer details including size and signing region
 - Contract details including service provider, contract type, TCV and ACV, service provider FTEs, start and end dates, duration, datacenter and delivery locations
 - Scope details including share of individual buyer locations being served in each contract, Line of Business (LoB) served, and pricing model employed

- 2
 - Proprietary database of IT and cloud service providers (updated annually)
 - The database tracks the following for each service provider:
 - Revenue and number / split of FTEs
 - Revenue split by region
 - Number of clients
 - Location and size of delivery centers
 - Datacenter locations
 - Cloud platforms and other solutions developed

- 3
 - **Service provider briefings**
 - Vision and strategy
 - Annual performance and future outlook
 - Key strengths and improvement areas
 - Emerging areas of investment

- 4
 - **Ongoing buyer surveys and interactions**
 - Drivers and challenges for adopting hosted private cloud services
 - Assessment of service provider performance
 - Emerging priorities
 - Lessons learnt and best practices

Service providers assessed



Note: Assessment for AT&T, CenturyLink, IBM, Fujitsu, Rackspace, T-Systems, and Verizon excludes service provider input on this particular study, and is based on Everest Group's estimates that leverage its proprietary Transaction Intelligence (TI) database, ongoing coverage of service providers, service provider public disclosures, and interaction with buyers. Further, we continuously monitor market developments and track additional service providers beyond those included in the analysis (e.g., Dimension Data, NTT Data, and Telstra could either not be reached or did not respond to our RFI requests)

Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any information, that is contract-specific, will be presented back to the industry only in an aggregated fashion

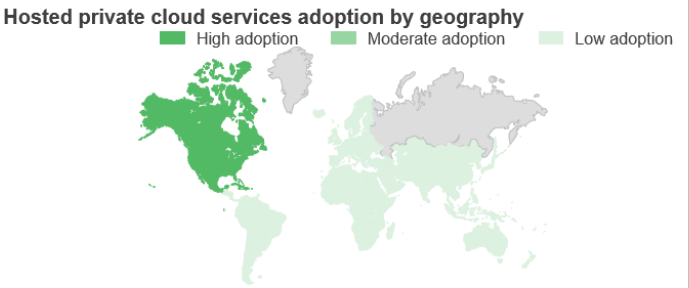
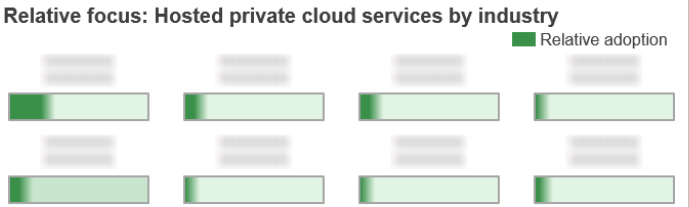
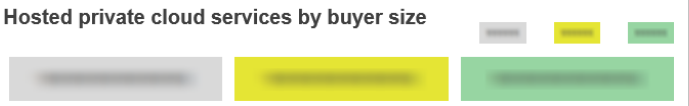
This hosted private cloud service provider compendium report has 15 IT service provider profiles, focusing on their scale of operations, and domain investments

XYZ | Hosted private cloud services profile

Hosted private cloud services overview

Headline assessment

XYZ has established itself as a credible hosted private cloud services provider for the North American region, leveraging its strong datacenter footprint and legacy strengths in network services. XYZ has a strong focus on the large enterprise segment (annual revenue greater than US\$5 billion), and is betting big on its NetBond cloud networking solution to help clients integrate and manage multi-cloud environments. However, inability to provide consistent levels of management/support services and high-priced solutions remain key deterrents to XYZ's hosted private cloud services growth.



Source: Everest Group (2015)

Proprietary solutions (representative list)

Solution	Details
XYZ Private Cloud	A vCloud-based private cloud solution with two server management options: <ul style="list-style-type: none"> • Self-service management with XYZ managing the hardware stack only up to the hypervisor • Fully-managed private cloud with XYZ providing management up to the application layer
XYZ Synaptic Compute-as-a-Service	A virtual private cloud offering along with VMware vCloud Datacenter Service allowing enterprises to connect their dedicated private clouds with XYZ's network-based cloud using a virtual private network.
XYZ NetBond	An enterprise-grade cloud networking solution – network connectivity for VMware vCloud Air (public cloud) was announced in mid-2014.
XYZ Synaptic Storage-as-a-Service	A cloud-based storage solution providing real-time access to data from any device, anywhere.

Partnerships

Some of XYZ's key partnerships in hosted private cloud services space include ABC, EFG, HIJ, KLM, and NOP.

Cloud and Infrastructure Services research calendar

■ Published ■ Current

Topic	Release date
Optimizing IT Service Delivery: Technology is the Answer	February 2015
Enterprise Cloud Adoption – Solving the Pricing Conundrum	March 2015
Enterprise Cloud Services – Annual Report 2015: “Contracting Remains Cloudy”	March 2015
Upcoming Contract Renewals – Infrastructure Services	March 2015
Workplace Services – PEAK Matrix™ Assessment and Profiles Compendium	June 2015
Infrastructure Services – Annual Report 2015: “Digital Businesses: Mind Your Security”	July 2015
Workplace Services Market Update 2015 – Left is Right for the Service Desk!	July 2015
Workplace Services PEAK Matrix – Europe-focused – Assessment and Profiles Compendium	September 2015
Private Cloud Enablement Services – PEAK Matrix™ Assessment and Profiles Compendium	November 2015
Hosted Private Cloud Services – PEAK Matrix™ Assessment and Profiles Compendium	December 2015
IT Security Services – PEAK Matrix™ Assessment and Profiles Compendium	December 2015

Additional research recommendations

The following documents are recommended for additional insight into the topic covered in this research. These documents either provide additional details on the topic, or complementary content which may be of interest

1. **Workplace Services – PEAK Matrix™ Assessment and Profiles Compendium** ([EGR-2015-4-R-1462](#)); 2015. Today's enterprise workplace is characterized by a strong focus on improving the overall end-user experience by offering secure and on-demand access to applications and data across the devices of choice, based on the individual personas of the users. Service providers are investing to ramp up their capabilities, build up scale, and develop and acquire IP to align their capabilities with changing market dynamics. This report provides the assessment and detailed profiles of 23 IT service providers featured on Everest Group's Workplace Services PEAK Matrix
2. **Enterprise Cloud Services – Annual Report 2015: “Contracting Remains Cloudy”** ([EGR-2015-4-R-1434](#)); 2015. This research provides fact-based trends impacting the cloud services market. It analyzes multiple aspects such as overall cloud service market size and growth estimates, deal size, cloud deployment trends, buyer adoption trends, and outlook for 2015-2016. Buyers will gain by understanding these trends and evolving their sourcing portfolio accordingly. Service providers will benefit by aligning their strategy to cater to these trends

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About Everest Group

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