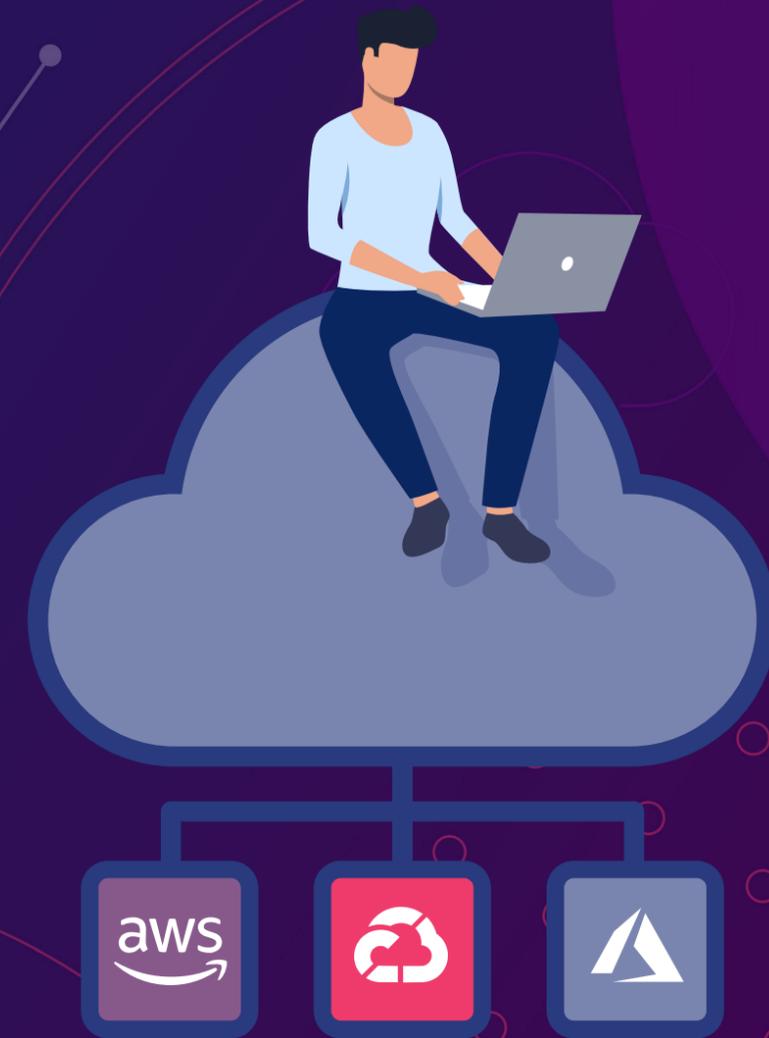


STATE OF THE 2022 CLOUD HOSTING MARKET

Presented by  INTRICATELY



The State of The Cloud Market in 2022

Among the many ways to analyze the state of the cloud hosting market, two narratives stand out.

As the uncertainty introduced by the COVID-19 pandemic begins to wane, it's also the case that the accelerating expansion of cloud adoption has come into focus. We are excited to share Intricately's 4th Annual *State of the Cloud Hosting Market Report* during a period of robust growth for the industry and with great promise for the future.

When assessing the biggest players in the cloud hosting market; Amazon Web Services, Google Cloud Platform, and Microsoft Azure the media and pundits have been quick to declare winners and losers among the leading providers. However, a deeper dive into the ongoing pursuit of hearts, minds, and wallets reveals a far more nuanced account of what is actually happening in the market.

At Intricately, our focus has always been on monitoring infrastructure-level product adoption and usage detail, providing spend intelligence, and delivering those insights to customers to accelerate their results. As could be expected, there are many conclusions to draw from the findings in this report.

We at Intricately are excited for you to draw your own conclusions from this year's report. Here's to the flourishing cloud ecosystem of today and to the future it will enable for us all. If you'd like to learn more about how Intricately's data products can help your organization target, identify, and engage prospects with the highest propensity and spend potential, drop us a line at learnmore@intricately.com.

In particular, I'd like to highlight two narratives:

1. Cloud-Native Start-up Capture

Amazon (AWS) continues to be in a unique position, distancing itself from other providers, and maintaining its grip on small, fast-growing companies. AWS is now the well-established home for start-ups to deploy the initial layers of their infrastructure. These cloud-native customers represent the fastest growing infrastructure consumers on the planet, and AWS stands to continue reaping the benefits of their growth for years to come.

2. Data Centers Aren't Going Away

While growth across the Cloud Hosting market continues to outpace the Data Center market, it's important to note that the overall Data Center market is quite healthy and is substantially larger than Cloud.* The Data Center is where large Cloud spenders go to reduce their Cloud costs but, more importantly, migrating applications out of the Data Center and into a Cloud environment has proven so costly (and challenging) that the majority of Data Center customers continue to retain their Data Center budgets. While new projects and applications may start in the Cloud, Data Center hosting is not going anywhere any time soon.

FIMA LESHINSKY
Co-Founder and CTO of Intricately

*Coming Soon!
2022 Data Center Market Report

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2022 Global Cloud Hosting Market At A Glance

Intricate's cloud data empowers go-to-market teams with a granular view into the various sectors of the cloud infrastructure market.

With this focused lens, Intricate has identified over **1.5 million** businesses that are purchasing cloud hosting services, with an estimated value of **\$132 billion per year**.*

In 2020, the cloud market for enterprise software became larger than the on-prem market for the first time. **Gartner** predicts that the cloud market will be double the size of the on-prem software market by 2025.

Deep cloud adoption across industries – coupled with the rise of hybrid and multi-cloud strategies – is driving sustained market growth in 2022 and beyond.

Read on for Intricate's full analysis.

“

“The shift to the cloud has only accelerated over the past two years due to COVID-19, as organizations responded to a new business and social dynamic. Technology and service providers that fail to adapt to the pace of cloud shift face increasing risk of becoming obsolete or, at best, being relegated to low-growth markets.”

MICHAEL WARRILOW
Research Vice President at Gartner

*\$132 billion cloud hosting market size excludes Content Delivery, Security, Performance Management (APM), Video Platform (OVP), DNS and Traffic Management markets.

CLOUD MARKET FORECAST:

\$474 billion

Predicted global cloud revenue in 2022

\$917 billion

Cloud market size by 2025

85%

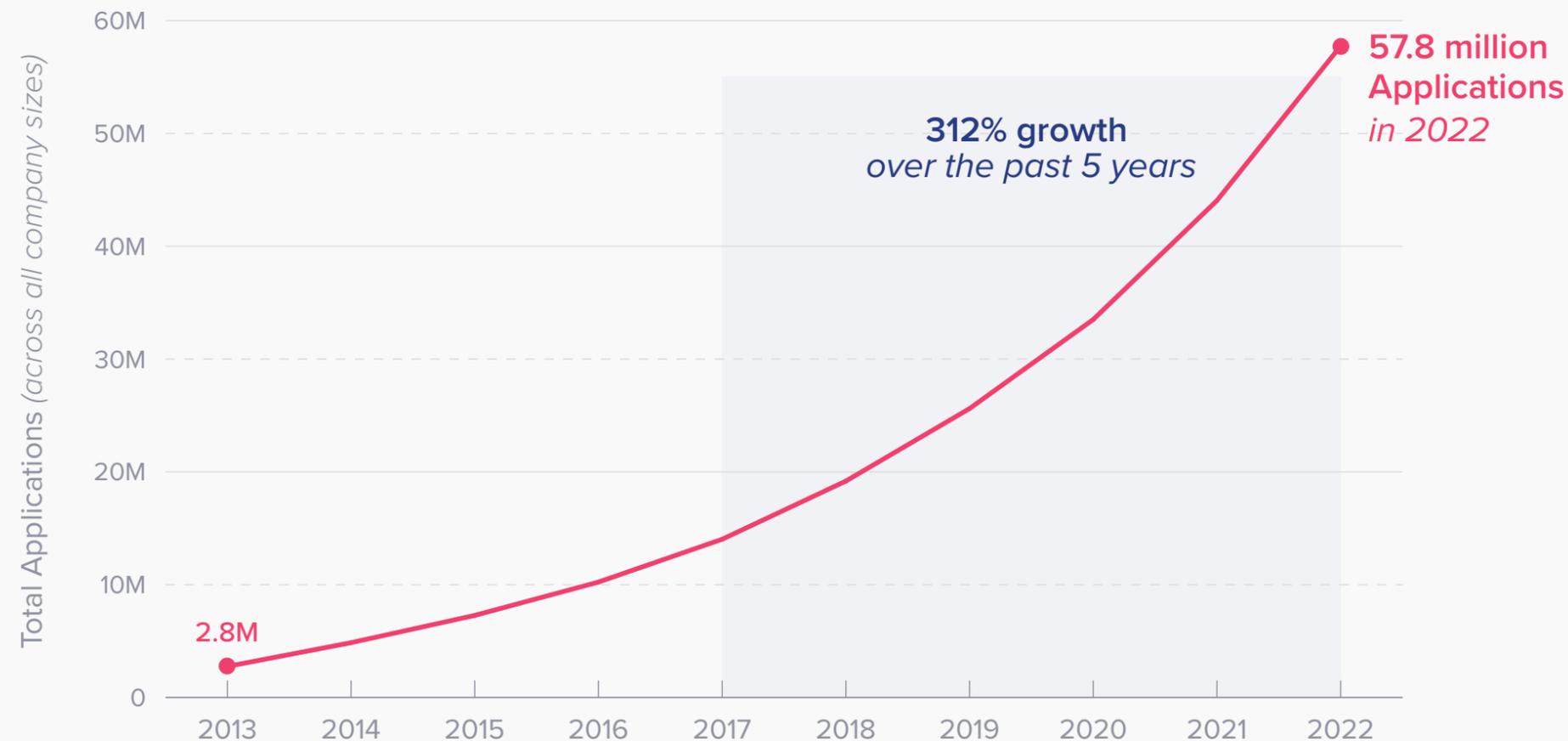
Organizations embracing a cloud-first principle by 2025

Source: Gartner

Global Growth of Cloud Infrastructure Market From 2013 to 2022

Global Growth of Cloud Infrastructure Market From 2013 to 2022

Cumulative Number of Cloud-Based Applications Worldwide



Source: Intracately data, March 2022

INTRICATELY INSIGHT

Intracately data shows the number of cloud applications deployed worldwide grew from **44 million to 57.8 million** from 2021 to 2022.

In the past five years, the growth of applications deployed in the cloud was **312%**.

Later in the report, we'll cover the industries in which cloud hosting leaders are seeing the most growth.

To review a 2022 cloud hosting market data sample, contact us.

[Contact us to learn more](#)

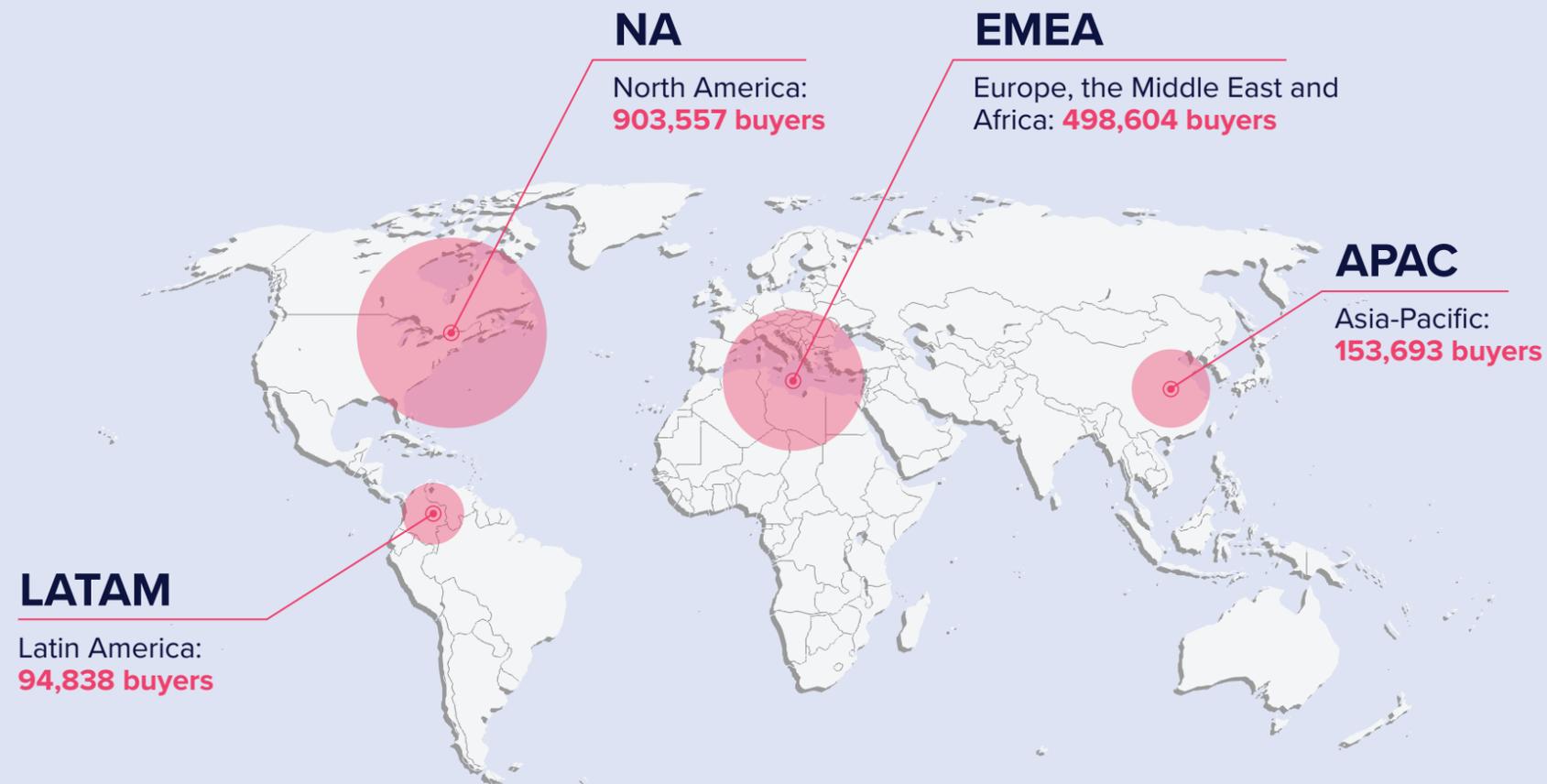


TRENDS SHAPING THE MARKET IN 2022
AND BEYOND

Regional Trends in Cloud Hosting

Size of Regional Cloud Hosting Markets

Number of Cloud Buyers by Company Headquarters Location



Source: Intracately data, March 2022

INTRICATELY INSIGHT

Intracately's 2021 regional cloud market snapshots examined the growth of the cloud market by buyer count and by wallet share. In these regional snapshots, Intracately uncovered massive opportunity for cloud infrastructure growth, notably in untapped opportunities in LATAM and APAC.

The map on the left summarizes the quantity of cloud buyers in each region. **For a deeper dive into exactly who these buyers are, you can download our regional reports or request a data sample.**

Browse Intracately's 2021 Regional Market Snapshots

[Contact us to learn more](#)

Industries with the Highest Cloud Hosting Spend

Intracately can pinpoint top cloud spenders in any industry to help cloud hosting providers prioritize their prospects. According to 2022 data, three of the industries with the highest cloud hosting spend are computer software, media & publishing, and financial services. Below are three selected prospects with estimated cloud spend of **more than \$100K per month** and spend potential of **more than \$500K per month**.

COMPUTER SOFTWARE

Industry annual cloud hosting spend: **\$9.4B**



LOCATION: **San Francisco, California, USA**

\$264K

EST. MONTHLY
CLOUD SPEND

PRIMARY CLOUD
HOSTING PROVIDER:



[View in Intracately](#)

MEDIA & PUBLISHING

Industry annual cloud hosting spend: **\$8.0B**



LOCATION: **Milano, Italy**

\$146K

EST. MONTHLY
CLOUD SPEND

PRIMARY CLOUD
HOSTING PROVIDER:



[View in Intracately](#)

FINANCIAL SERVICES

Industry annual cloud hosting spend: **\$5.5B**



LOCATION: **São Paulo, Brazil**

\$321K

EST. MONTHLY
CLOUD SPEND

PRIMARY CLOUD
HOSTING PROVIDER:



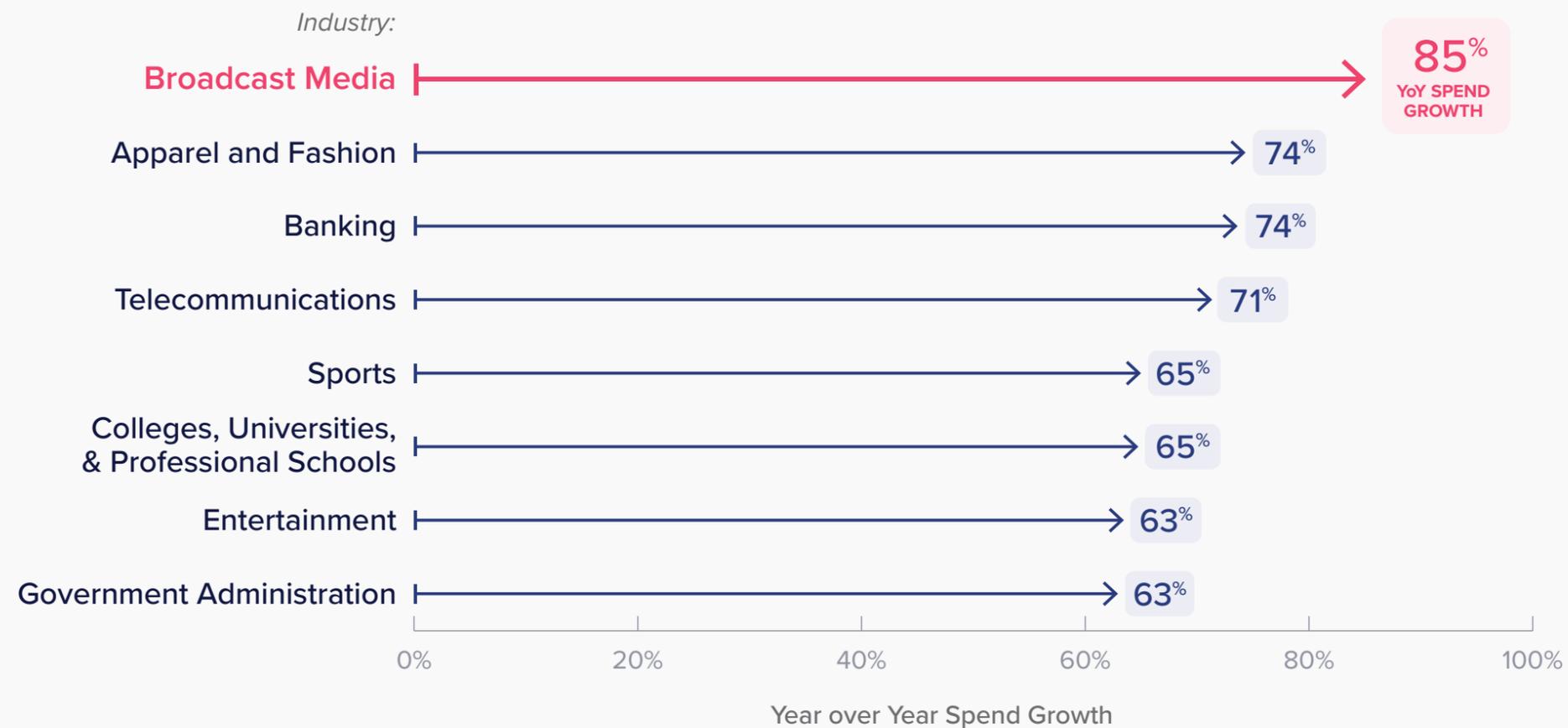
[View in Intracately](#)

For the full list of industries with high cloud spend, or to find your ideal prospects in any vertical, **contact Intracately.**

Industries to Watch: Global Verticals Increasing Their Cloud Spend

Historically Late Adopter Industries with Notable Cloud Growth

Cloud Hosting Spend Growth from 2021 to 2022



Source: Intracately data, March 2022

INTRICATELY INSIGHT

According to Intracately data, the industries in this chart are comparatively spending less on cloud hosting – so far. However, it’s worth noting that even though these industries are considered “late adopters” in comparison to others, their cloud spend is still increasing by at least **60% year-over-year** and is expected to continue growing.

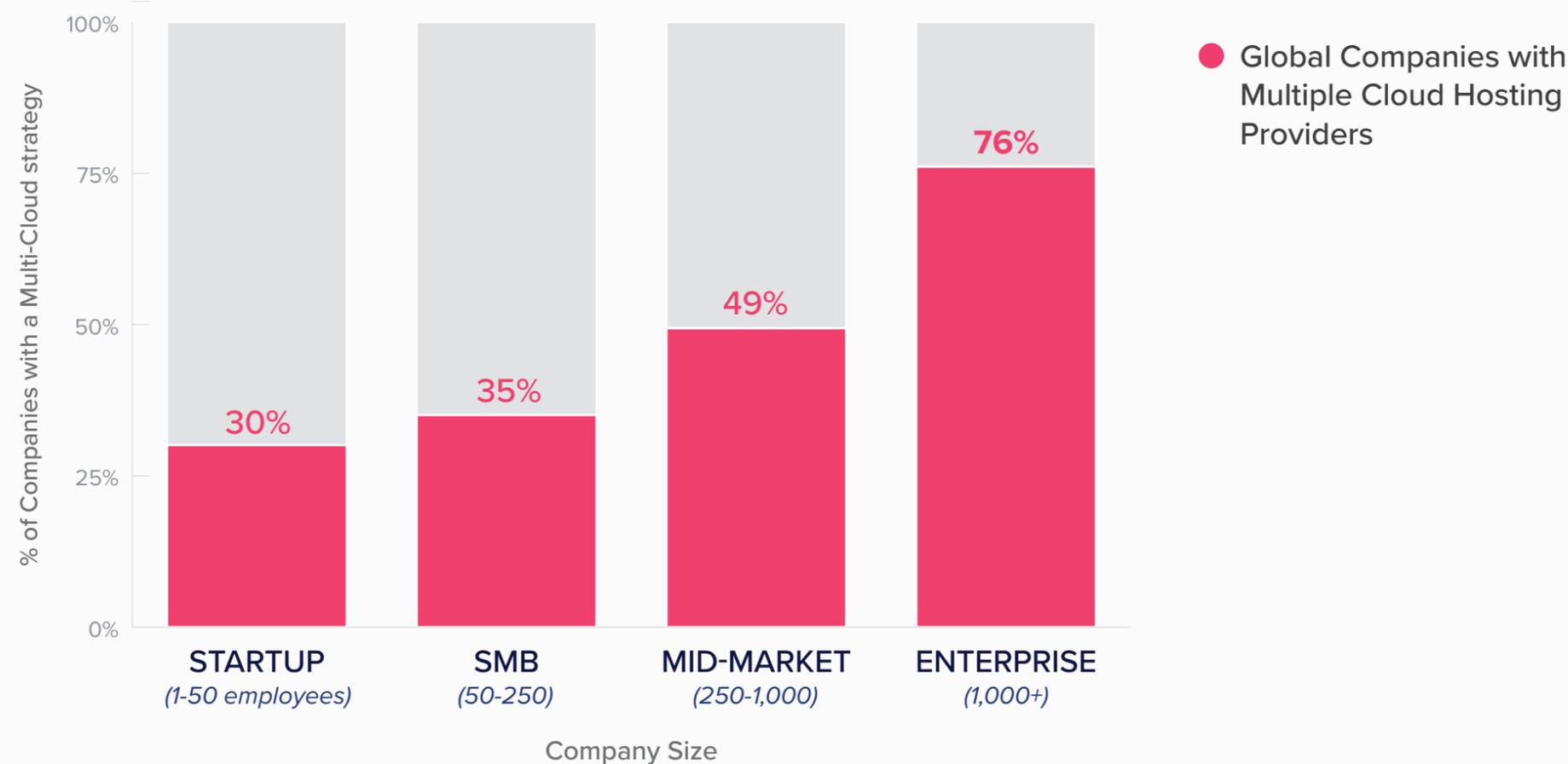
To find opportunities in industries with growing cloud spend, set up an Intracately demo.

[Contact us to see the platform in action](#)

Multi-Cloud is Eating the Cloud

2022 Multi-Cloud Deployment Rates

Percentage of Multi-Cloud Deployments by Company Size



Source: Intracately data, March 2022

INTRICATELY INSIGHT

Intracately can see how many cloud hosting providers a company has adopted. Intracately data reveals that **76% of enterprises who purchase cloud hosting products are meeting that demand with multiple cloud hosting providers.**

The percentage of organizations using a multi-cloud hosting strategy has grown significantly across all company sizes since 2021:

- **Startup:** 22% to 30%
- **SMB:** 10% to 35%
- **Mid-Market:** 20% to 49%

Intracately can help cloud providers understand how their buyers are using cloud products.

[Contact us to learn more](#)

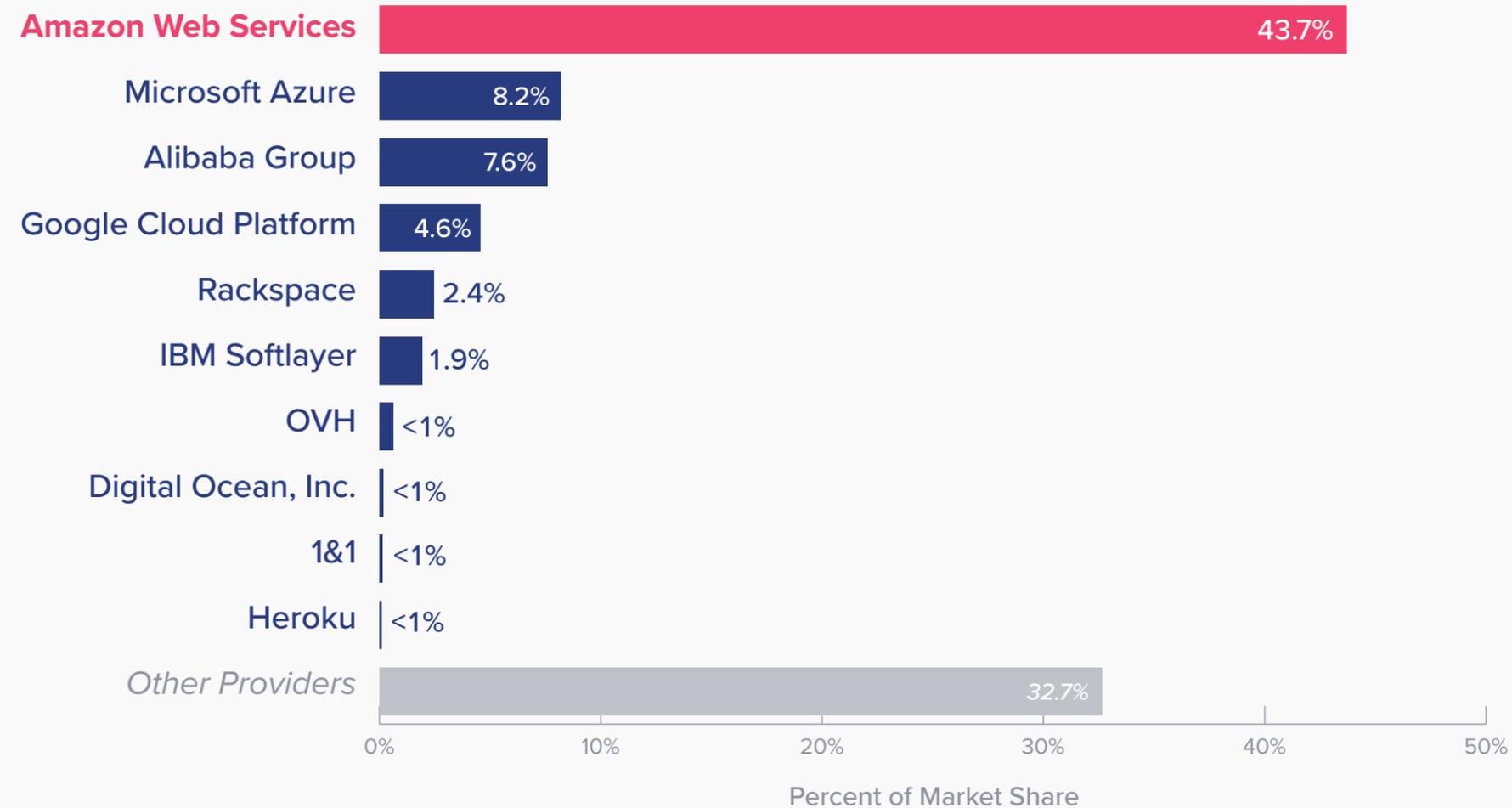
The background features a dark blue to purple gradient. On the left, there are faint, light-colored cloud outlines. A prominent diagonal band of dark purple runs from the top-left towards the bottom-right. In the center, a line graph with several data points and connecting lines is visible, rendered in a light blue/purple hue. On the right side, there is a large, solid purple circle. Below it, a smaller cloud outline contains a downward-pointing arrow. The bottom right corner is filled with a pattern of small, light purple circles.

A DEEP DIVE INTO THE TOP GLOBAL HOSTING PROVIDERS

Market Share of Leading Cloud Hosting Providers

Market Share of Leading Cloud Hosting Providers by Estimated Revenue

Top 10 Providers by Total 2021 Market Share



Source: Intricately data, March 2022

Note: The above chart represents percentage share based on \$132 billion dollars of total estimated annual cloud spend.

INTRICATELY INSIGHT

Intricately data indicates that the four leading cloud hosting providers account for **nearly 64%** of the cloud wallet share.

The rise of multi-cloud is a contributing growth factor, with buyers investing in multiple cloud hosting providers (as discussed previously).

Over 30% of cloud hosting demand is not being met by the leading 10 providers.

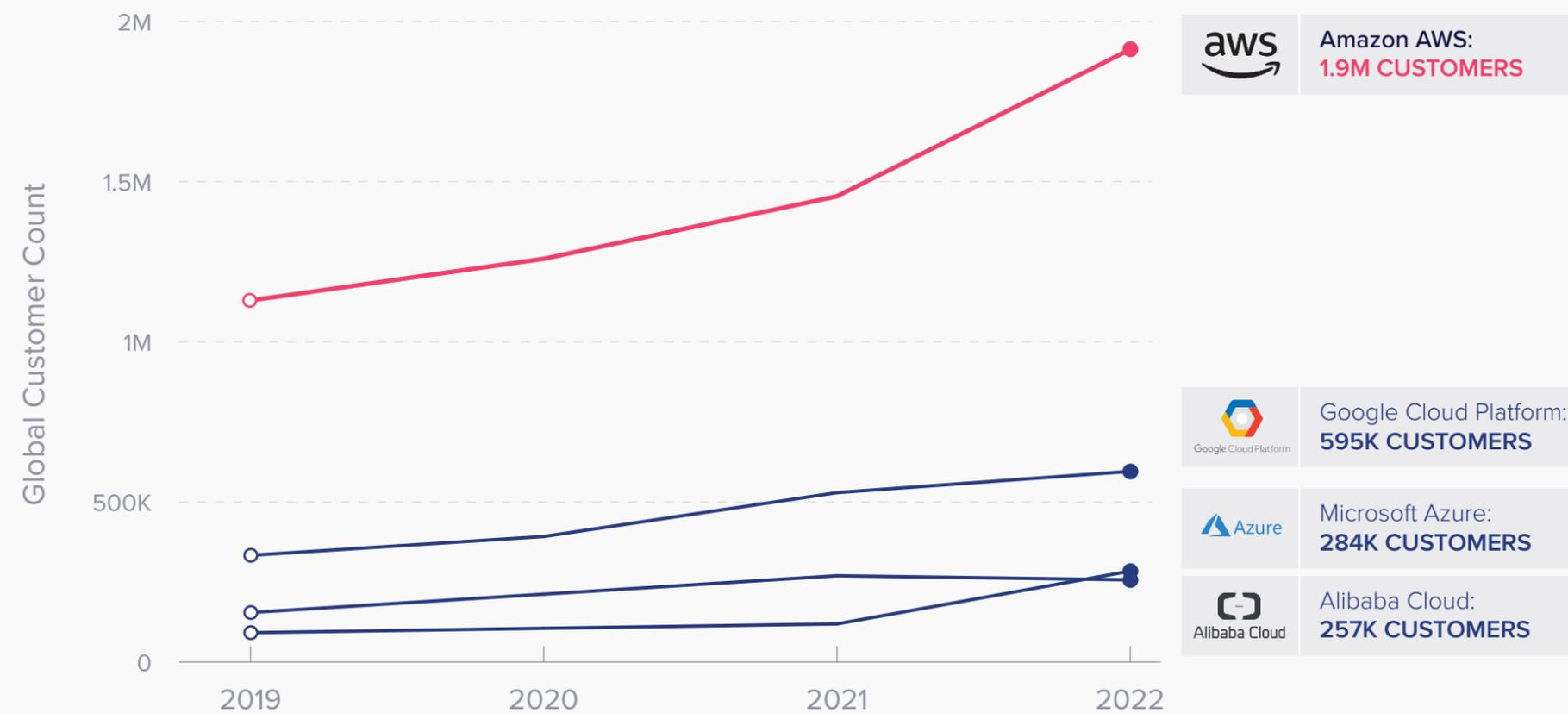
Intricately can help cloud providers understand how their buyers are using cloud products

[Contact us to learn more](#)

Growth of Leading Cloud Hosting Providers

Customer Growth of Leading Cloud Hosting Providers

Global Customer Count from 2019 to 2022



Source: Intricately data, March 2022

INTRICATELY INSIGHT

- ▶ **Amazon AWS** remains the global market leader with nearly 2 million cloud customers worldwide.
- ▶ **Google Cloud Platform** grew 81% among Enterprises (1,000+ employees) from 2021 to 2022.
- ▶ **Microsoft Azure** achieved nearly 210% growth in customer count between 2019 and 2022.

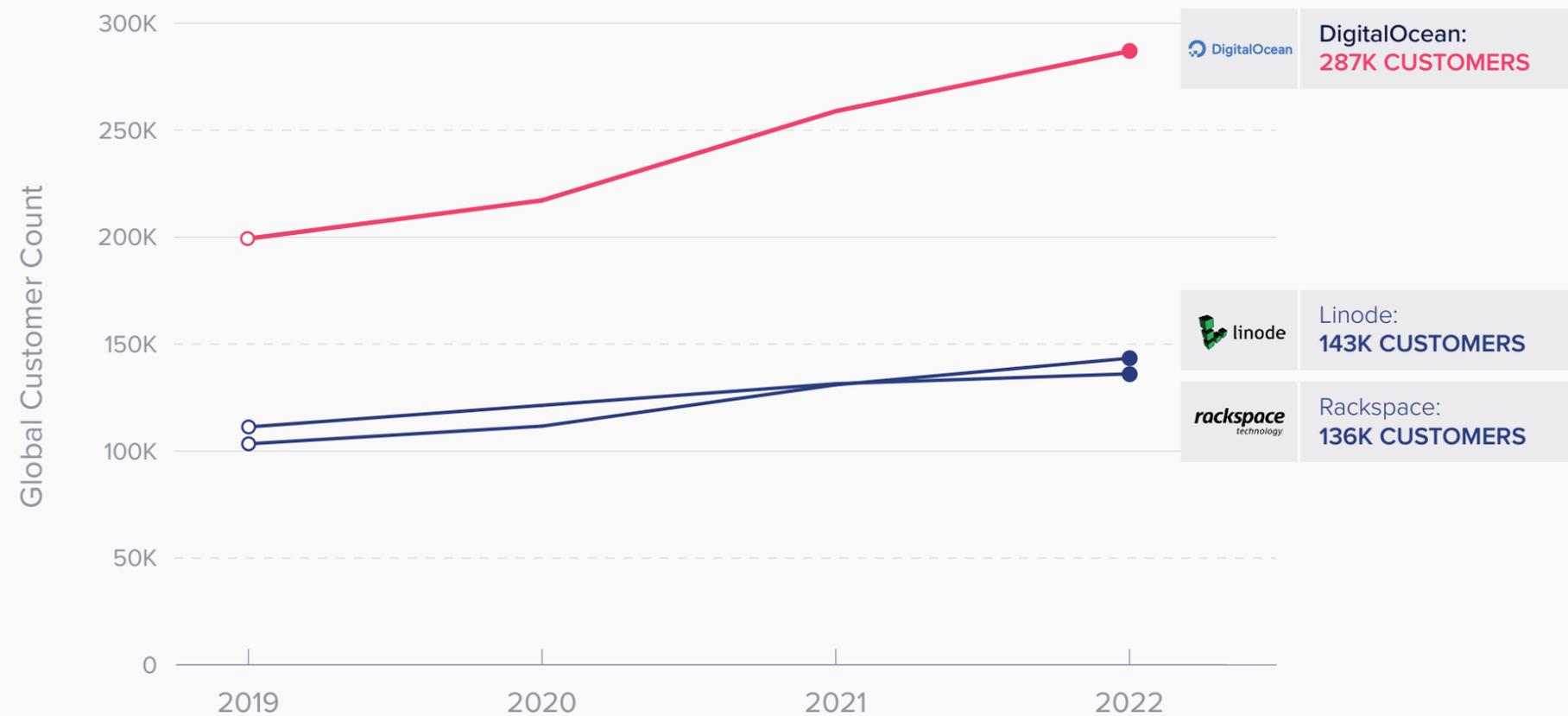
Intricately can help cloud providers understand how their buyers are using cloud products.

[Contact us to learn more](#)

Fast-Growing Cloud Hosting Providers to Watch

Cloud Hosting Providers To Watch

Global Customer Count from 2019 to 2022



Source: Intricately data, March 2022

INTRICATELY INSIGHT

- ▶ **Digital Ocean** grew their customer base by 9 - 16% in all four global regions in 2022.
- ▶ **Linode** grew by 19% YoY in the EMEA region and was acquired by Akamai for \$900M in February 2022.
- ▶ **Rackspace** achieved 45% growth among Enterprise customers between 2021 and 2022.

Intricately can help cloud providers understand how their buyers are using cloud products.

[Contact us to learn more](#)

Use Intricate Data to Understand the Opportunities in the Cloud Hosting Market

Intricate's analysis of the 2022 cloud hosting market shows the following insights for cloud providers:



Capitalize on multi-cloud

Adjust selling strategies for buyers embracing multi-cloud.



Identify new industry demand

Invest resources in sectors where cloud adoption is growing.



Keep an eye on cloud-native

AWS is the current leader in winning these high-growth, early-stage companies.



Grow globally

Capitalize on rapid regional growth in APAC and LATAM.

Intricate partners with cloud sales and marketing teams to develop the most impactful go-to-market strategies for their business. **Contact us** to schedule a demo and discover your best opportunities for revenue growth.

About Intricate Market Reports

Intricate's data platform provides an unparalleled view into cloud infrastructure.

As the authoritative source of cloud product adoption, usage, and spend data, Intricate gives cloud sales and marketing teams a unique advantage in finding and acquiring new customers, building advanced scoring models, and spotting churn before it happens.

To empower cloud sales teams to grow their global revenue, Intricate data analysts have compiled a report that sheds unique light on where the cloud hosting market stands in 2022 and where it's headed next.

Top Cloud Sellers Rely on Intricate Data



How Intricately Collects Cloud Infrastructure Data

Intricately's global sensor network collects data from publicly-deployed applications, infrastructure, and traffic to provide detailed insights on businesses' cloud and data center product adoption, usage, and spend.

In some cases, for companies with exceptionally large amounts of infrastructure, our spend estimates may be smaller than actual spends.



EVENTS DATABASE

Collect 4M+ deployment/product events monthly



DIGITAL FOOTPRINTS & FINGERPRINTS

Assess the performance, configuration, location of applications



COMPANY DETAILS

Assemble IPs and products under a company container



GLOBAL SENSOR NETWORK

Map the comprehensive IP space of the internet

**INTRICATELY IS CONSTANTLY
REFINING AND IMPROVING OUR
SPEND MODELING.**

You can interpret our spend estimates as directional guidance for cloud and data center adoption.

[Click here for a detailed overview on our methodology.](#)

Get Customized Cloud Market Insights

Intricately gives cloud sales and marketing teams an unfair advantage in finding and acquiring new customers, building advanced scoring models, getting proactive notification of sales cycles, and spotting churn before it happens.

Our customers use the Intricately data platform to:

- Identify their ideal customer profile
- Define their total addressable market
- Implement territories and account plans for global sales teams
- Execute sophisticated marketing programs to drive growth
- Assess performance against competitors
- Prioritize your account-based marketing and sales efforts

Schedule a demo to learn how to use Intricately's detailed product adoption, usage, and spend data to focus your prospecting and prioritization efforts.

CONTACT US AT:

650-600-1834

learnmore@intricately.com

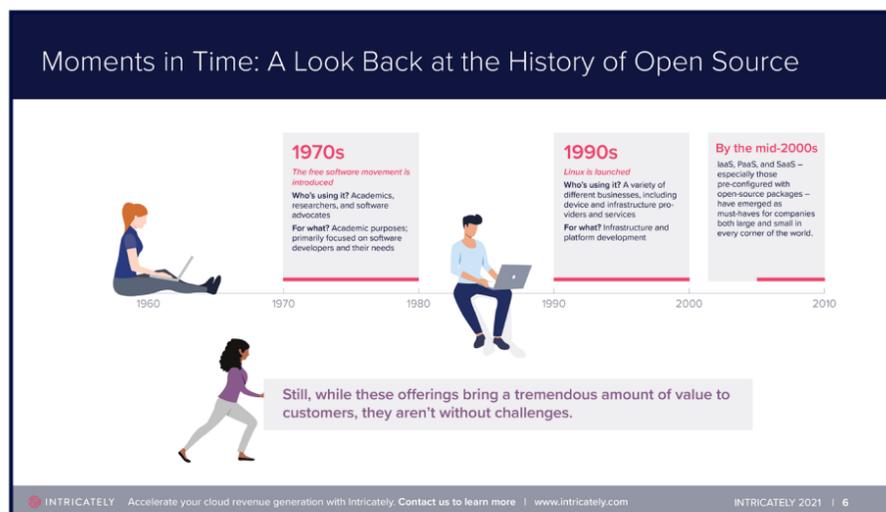
**TOP CLOUD SELLERS RELY ON
INTRICATELY DATA**



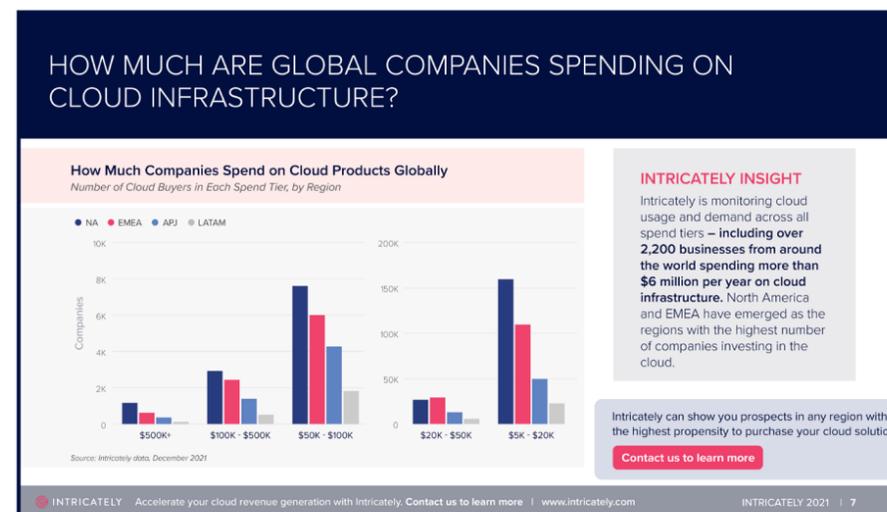
Looking For More Data?

Read Intricate's Full Library of Cloud Market Reports, Including:

Market Trends in Cloud-Native Computing



Cloud Infrastructure Market Report



Multi-Cloud Infrastructure Adoption



Looking for more cloud data on any vertical or market? **Contact Intricate today** for a custom view into the cloud adoption, usage and spend of over 7 million global companies.