



Public Project Summary

MSc in Technology Management and Innovation

***Topic: Analysis of Cloud Storage Market and
Distributed Computational Storage for
Telecommunication Service Providers***

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Abstract

The report is a market research and business analysis for establishing cloud storage business for telecommunication service providers. The research purpose is to provide the client – a telecommunication cloud provider an informative view about the cloud storage market based on data analyzing, market research, pricing models. The report investigated the size, structure, challenges. It is specific focused on analyzing key players with their pricing strategies in order to provide a suitable pricing strategy for the client. Many problems that the client may face with are presented and tackle in the report. It is also recommended for the client to approach Multi cloud strategy which is the use of different cloud providers, is a rising strategy that can be implemented. The report contributed a different view in business analysis with focused on Pricing as client's requirement.

Main Findings

The report attempts to investigate the market size, market structure, challenges, demand dynamics, main players, and pricing strategies of various types of cloud storage providers. The purpose of this project is to provide a market report which will cover the dynamics of a growing market where there are different types of cloud storage providers

The report begins by describing the historical facts about the client - a telecommunication service provider and their attempt to establish a cloud storage business, as it is the reason why we generated this market report. It describes from its inception in 1876 to today's operations.

The report tends to identify key problems which are faced by the cloud players and the customers of cloud storage.

Key problems

- High cost to move/switch data from one cloud provider to a new provider, No Revenue sharing between the service providers to network providers
- Different providers (dominating players and new comings) with different business strategies created a very dynamic market. Future trend of the market. (Decentralized storage space, Multilayer setup, shared cloud community)
- Pricing strategies/competition (how they set the price and incentives, costs which are related to pricing, the relationship between the customer acquisition cost and revenue, return on investment, and risk assessment).

The main objective of the report was to analyze the market players of cloud storage providers while focusing on pricing and business strategies to be implemented.

It also focuses on recommending the best strategies which can be used by new startups which want to venture into the cloud storage market. Which can be both cost effective and solve their business problems.

The report described more about the global cloud storage market size. In 2020 the cloud storage was estimated to be USD 50.1 billion. And by 2022 it is estimated to grow to USD 137.3 billion. This is because many industries are adopting I.T infrastructure, and the effects of Covid 19 has forced people to work remotely, Cloud storage is divided into 5 regions. North America dominates the market and is expected to sustain the market for a very long period of time.

On the other hand, AWS has managed to gain 32% of the market share as compared to Microsoft Azure, Google cloud and others. This is due to its unique established strategies. Some of the main market drivers are increased storage of large amounts of data, security, advancements in AI and emerging technologies,

Pricing Strategies

Different vendors employ various strategies, ranging from: on-demand pricing strategies, in-demand cost reductions, sub hour diling, pay as you go, paying less by using more, saving when you reserve, and free usage tiers. The report discusses these pricing strategies in details to show a dynamic market of cloud service providers.

Furthermore, the report suggested that Multi cloud strategy, which is the use of different cloud providers, is a rising strategy that can be implemented/solutions. This strategy is important because it will solve the challenge of moving data from one cloud provider to another. Use of

cloud analytics can be used in decision making for the new vendors. Various suggestions on a rising and suitable strategy also introduced to the Telecommunication Service Provider

Learning outcomes

Public clouds are not designed to be very redundant. For example, Apple and Starbucks have both placed all of their eggs in one basket. As a result, their business was interrupted when their cloud provider went down. They had to learn the hard way that public clouds aren't always extremely redundant.

Hybrid cloud strategies require multiple cloud infrastructures. Apple spends about \$1 billion per year on AWS. It is said that Apple intends to move all of its computing to its own data centers. As of now, Apple is dedicating \$400 million USD annually to the Google Compute Engine.

Because it may be inefficient to monitor and manage across databases, new startups should use a cloud vendor that uses a single bill; cost management with multiple bills is also ineffective and inefficient. Also, new startups should look for vendors which will carry responsibilities with you during critical time.

It is recommended to avoid from building an enterprise-wide cloud strategy without the assistance of a certified infrastructure services provider. Many businesses confuse early success in moving test and development systems to the cloud for the experience required to launch production workloads. Only the largest firms with the highest IT budgets and internal personnel are capable of deploying an enterprise-wide cloud strategy into a public or hybrid cloud on their own. The recommendation is to seek professional assistance. Look for infrastructure providers who can help you with a variety of options.

Another lesson learnt is that we have to consider which infrastructure should be purchased with booze. The prospect of purchasing resources just when they are required can be appealing.

Purchasing by the drink may be efficient and effective—until a "run at the bar" occurs.

Understanding the client's service-level requirements, the capabilities of the technology infrastructure, and the cost model associated with that infrastructure is required for designing the correct cloud infrastructure. When it came time to pay the monthly bill for all those beverages, several organizations encountered "sticker shock."

The last point is that you should take careful responsibility to back up your data. While some public cloud service providers advise clients to leave their own data centers and trust them to maintain mission-critical computing infrastructure, the user is often held liable for events such as data loss under the terms of the contract.