



Odin

2015

SMB Cloud Insights™



EUROPE

DEFINITIONS

SMB Defined

We define SMBs—also known as small and medium enterprises (SMEs) – as companies with one to 250 employees. There are around 25 million SMBs in Europe today. SMB categories include micro (1-9 employees), small (10-49 employees), and medium (50-250 employees).

Cloud Opportunities



Cloud leapers: SMBs that are not currently using an in-house IT solution (no servers, web servers, or PBX systems) and are likely to move straight to the cloud, i.e., “leaping over” in-house IT solutions.



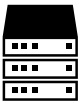
Cloud converters: SMBs with in-house solutions but moving or planning to move to hosted services. For example, an SMB with in-house servers who is planning to switch to hosted servers when they next upgrade their infrastructure.



Cloud expanders: SMBs who are already using some form of cloud services, representing an opportunity for upselling to new and expanded cloud offerings. For example, an SMB with cloud services who is purchasing mobile optimization to complement their website.

Cloud Services Defined

This research focuses on the cloud services that matter most to SMBs: IaaS, web presence and web applications, unified communications, and other general business applications.



Infrastructure-as-a-service (IaaS): Cloud servers, dedicated servers, virtual private servers (VPS), fully managed hosting, as well as add-on applications and services for hosted infrastructure such as control panels, development platforms, LAMP stack, security, and server backup.



Web presence and web applications: Third-party web hosting, domain registration, and web applications including web server backup, content delivery networks (CDN), content management systems (CMS), Ecommerce, site health monitoring, mobile optimization tools, search engine optimization (SEO), site-building tools, SSL, web server backup, and web server security.

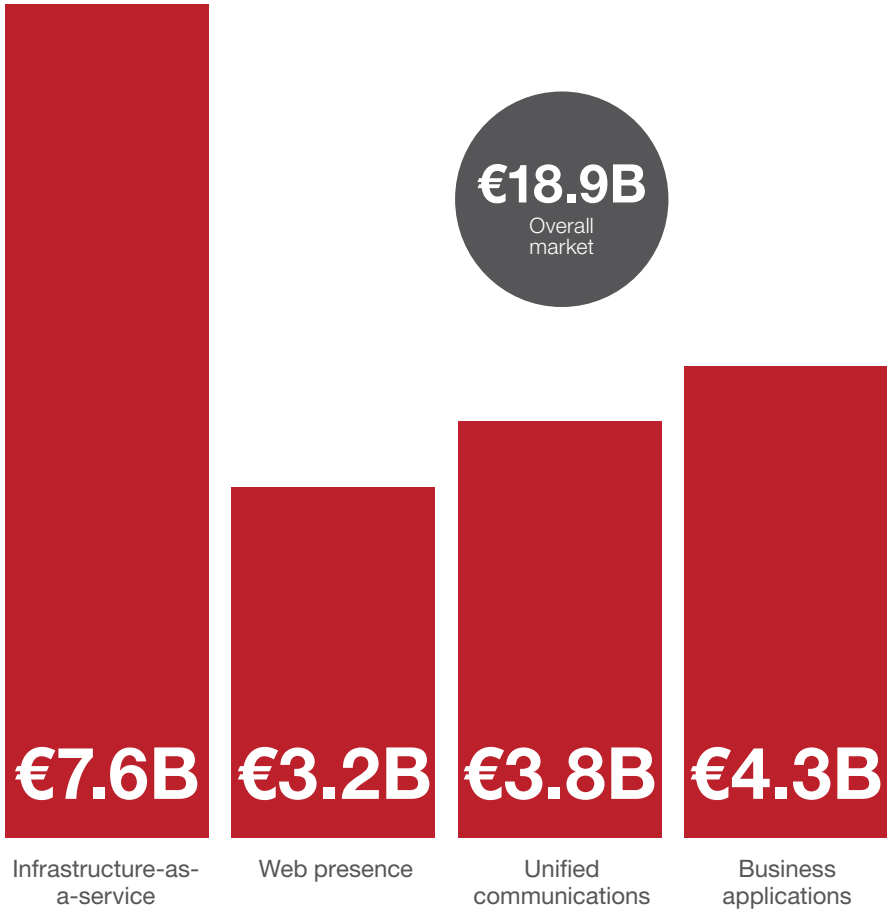


Unified communications: Business-class email services including email security, and email archiving, along with mobility and hosted business voice services such as hosted PBX. Includes communication and collaboration applications such as web and phone conferencing, instant collaboration, and mobile device management (MDM).



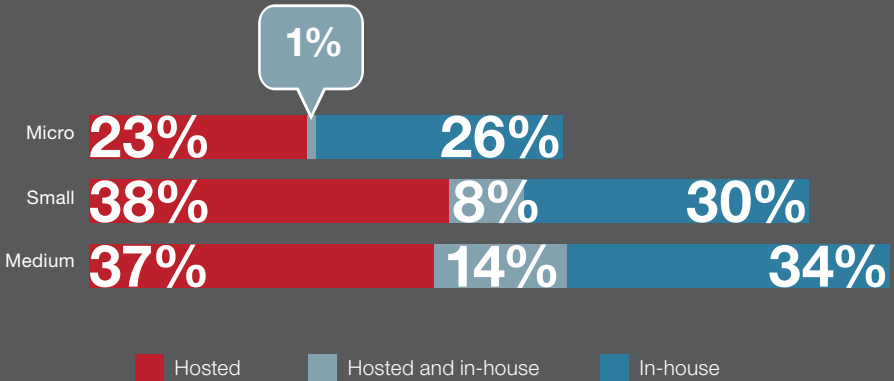
Business applications (also known as software-as-a-service or SaaS): The major types of software applications that can be accessed online such as file sharing, online accounting, online backup and storage, online customer relationship management (CRM), payroll and human resources (HR), support and help desk, and virtual desktop (VDI).

2015 Cloud Market Size in Europe

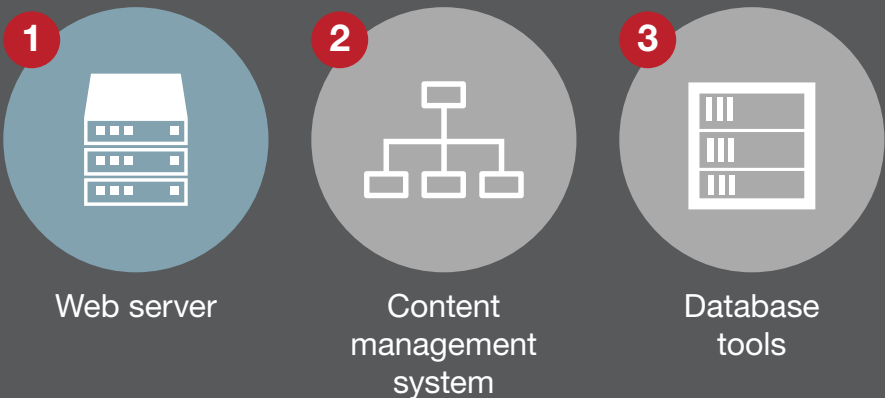


INFRASTRUCTURE-AS-A-SERVICE (IaaS)

Hosted and In-House Server Usage



Top Hosted Server Workloads

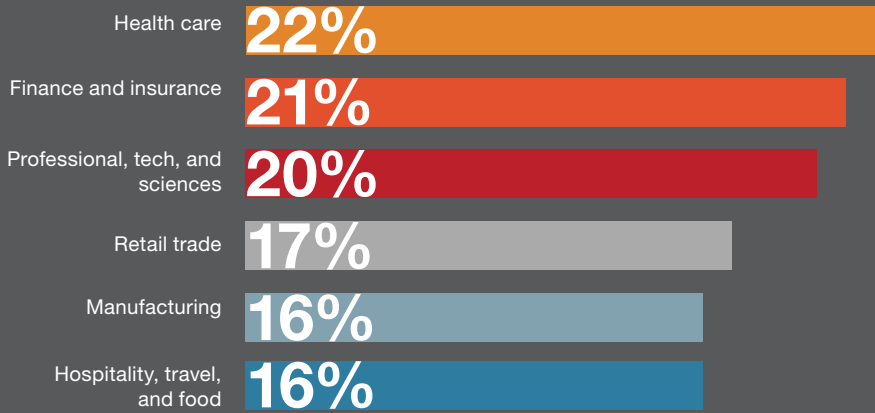


Top Barriers to Hosted Server Adoption

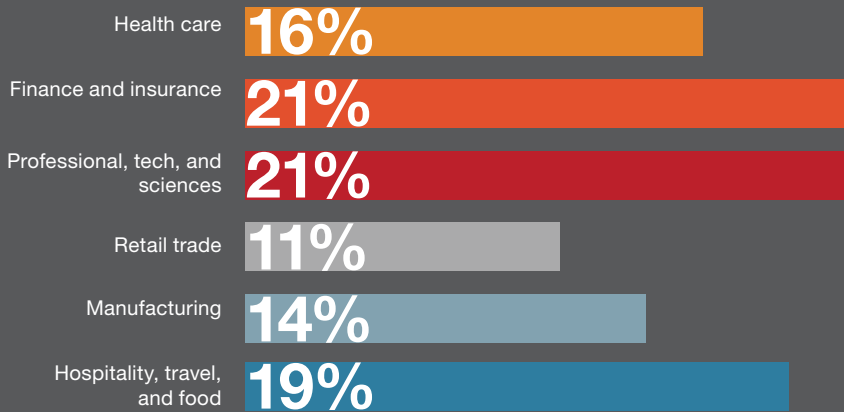


Server Add-On Usage by Top Industries

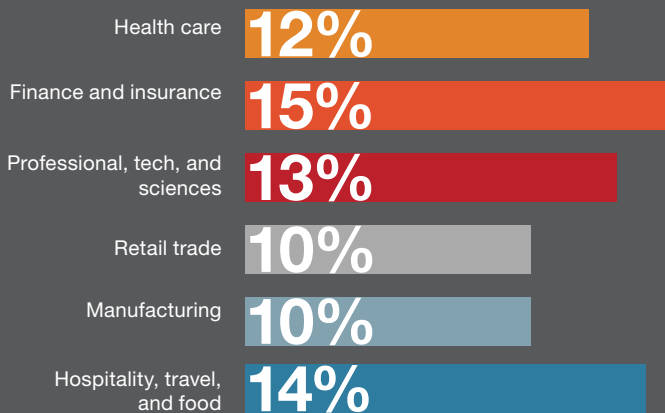
Security



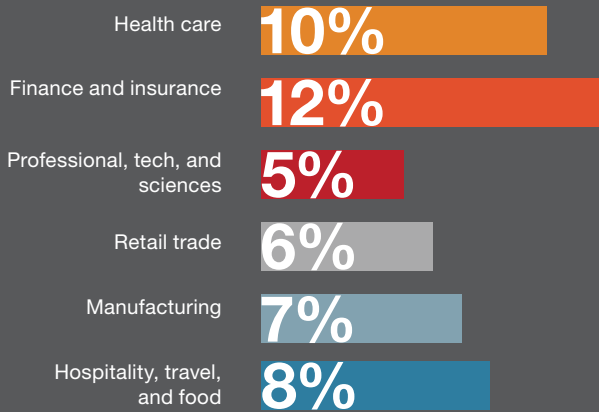
Server Backup



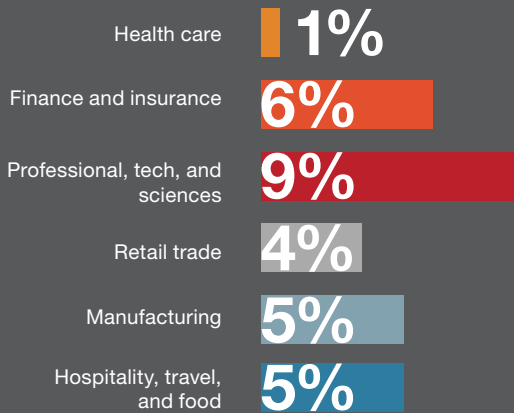
Control Panel



Development Platform



LAMP Stack

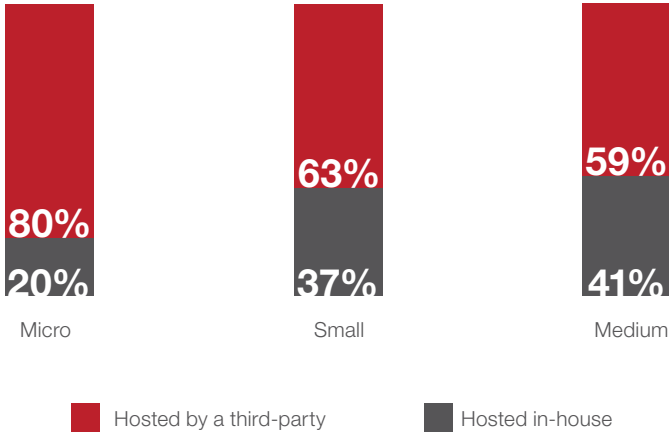


38%

of the 2018 total cloud services market will come from IaaS

WEB PRESENCE

Website Location



39%

of SMBs use a web designer to build their website

Top Web Applications for 2015



SEO



Security



Backup



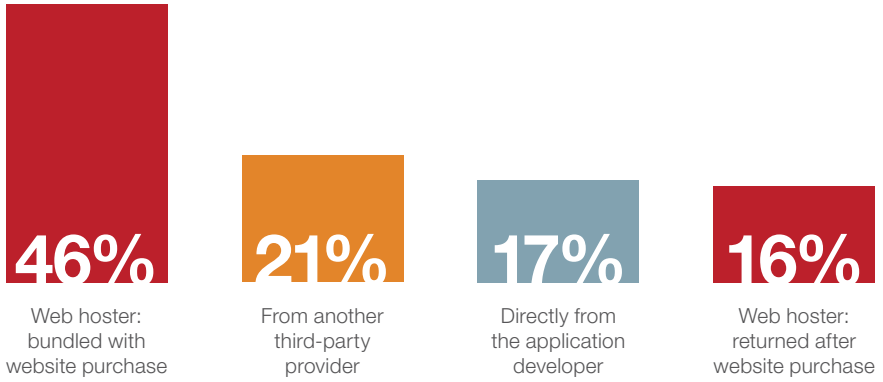
Ecommerce



SSL certificates

These will remain the top web applications over the next three years.

SMBs Purchase 62% of their Website Applications from their Web Hoster



Between One-Third and One-Half of Websites are Mobile Optimized



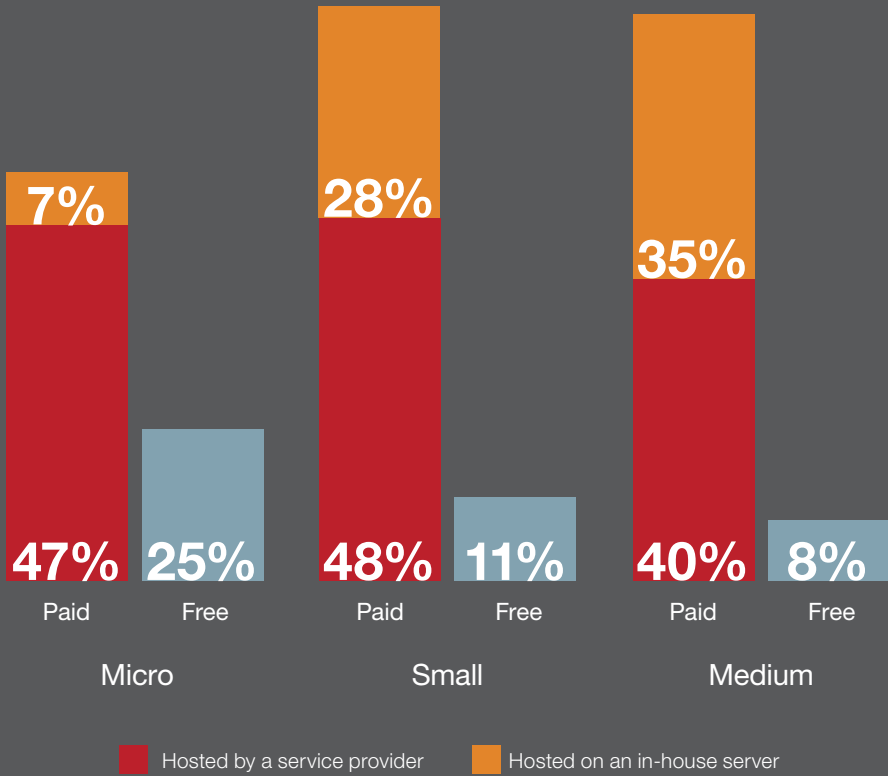
16%

of the 2018 total cloud services market will come from web presence

UNIFIED COMMUNICATIONS

EMAIL

Types of Business Email



Top Purchase Triggers for Hosted Email

- 

Good price point
- 

Increased need for security
- 

Need for professional look and feel

BUSINESS VOICE SERVICES (HOSTED PBX)

Most Frequently Used Communication Tools



Smartphone



Landline



Softphone
(e.g., Lync)

Top Purchase Triggers for Hosted Business Voice Services

49% Major change to business or growth

24% Good price point

16% Office location changes

Web Conferencing Usage by Top Industries

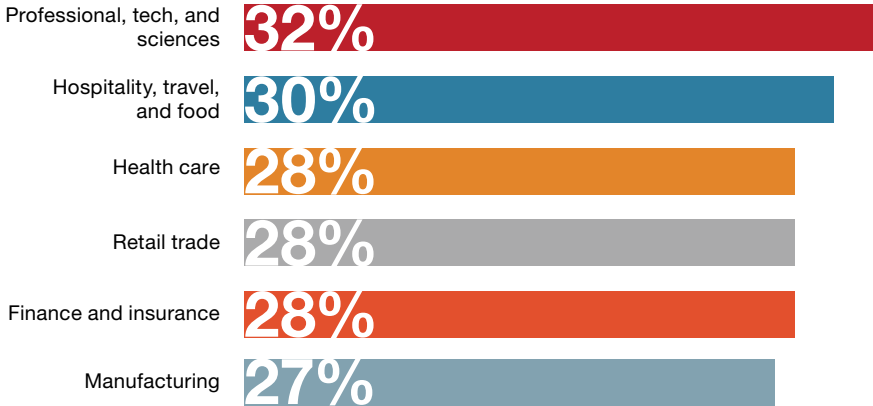


21% of the 2018 total cloud services market will come from unified communications

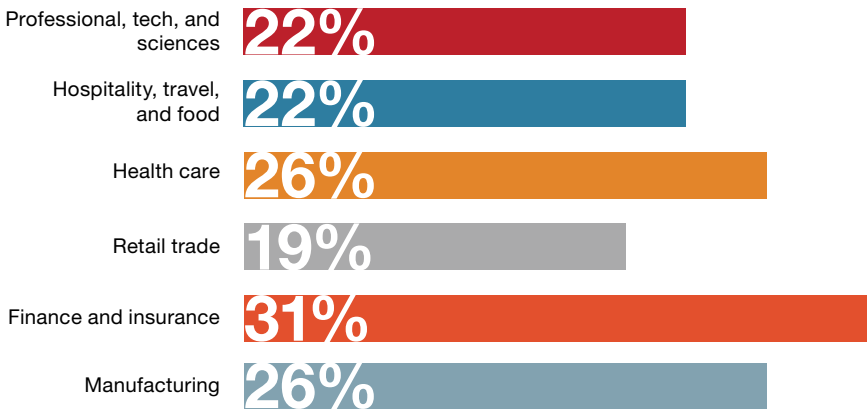
BUSINESS APPLICATIONS

Top Business Applications by Top Industries

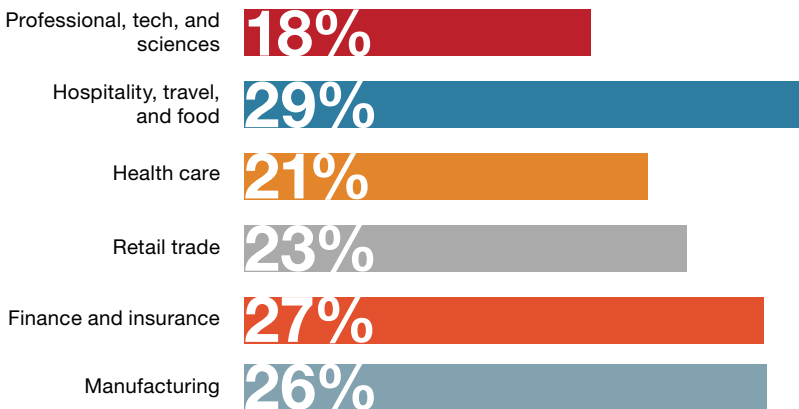
File Sharing



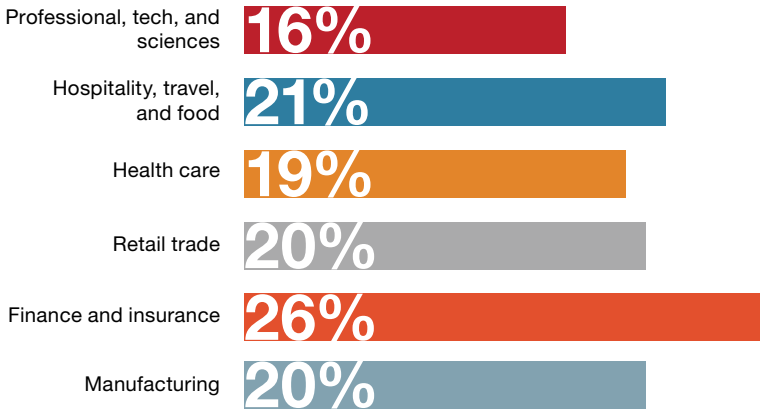
Online Backup and Storage



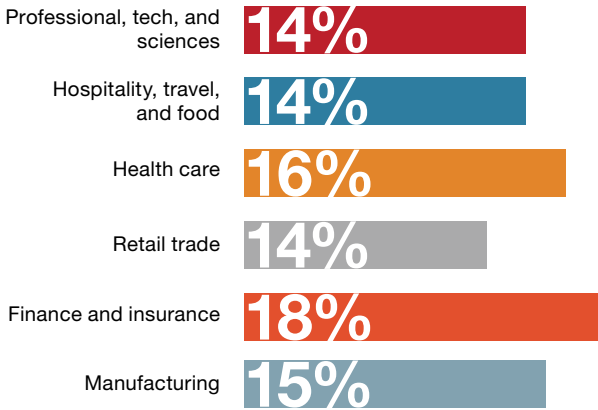
Payroll and HR



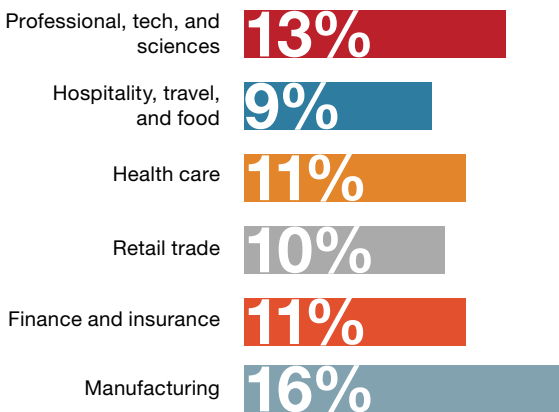
Online Accounting



Support/Help Desk



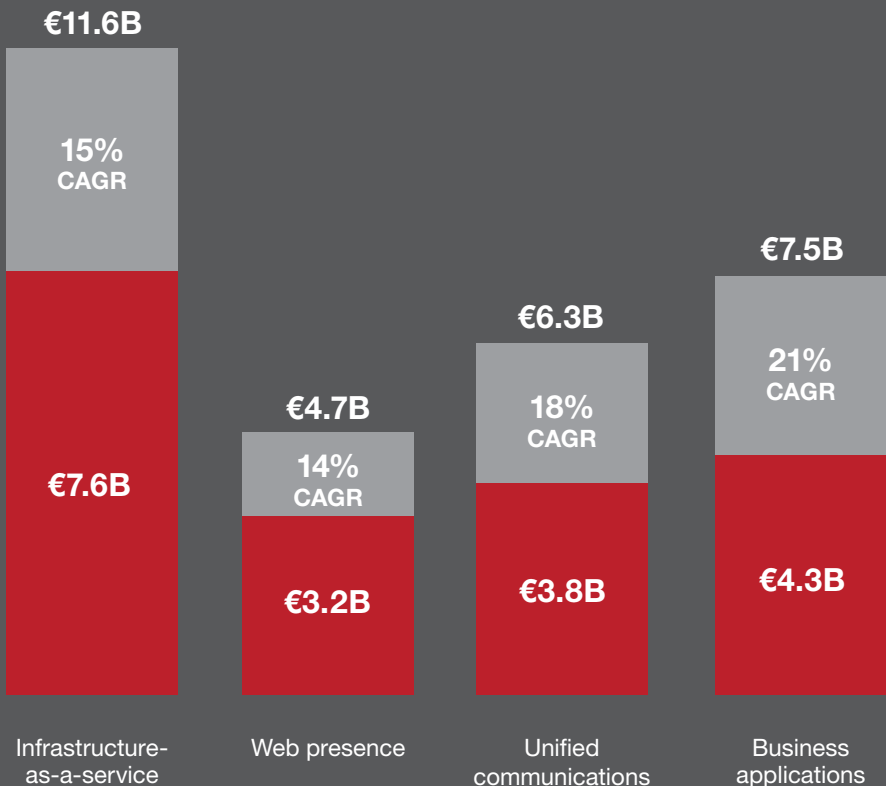
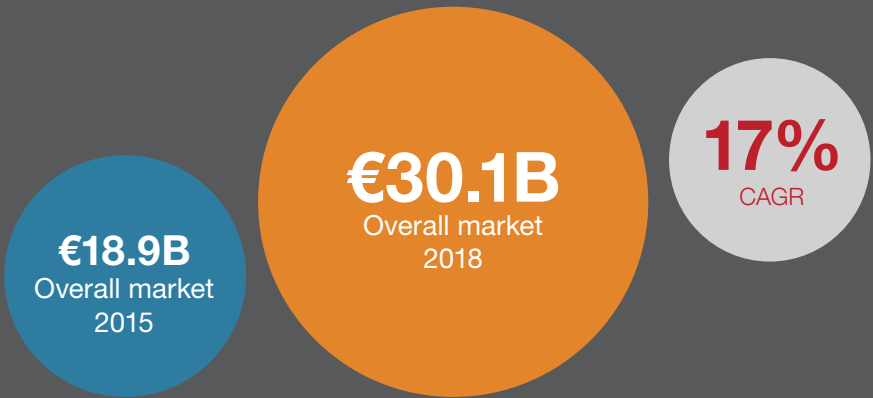
Online CRM



62%
of business
application sales
are closed after a
free trial offer

25% of the 2018 total cloud services market will come from business applications

Overall European Cloud Service Market Opportunity



2015 2018

Learn More

Please contact SMB@odin.com with any further questions.

Odin is committed to helping our partners understand the best opportunities in the SMB cloud market.

This report covers only a portion of the extensive data included in Odin SMB Cloud Insights™ research.

About Odin

Odin provides the software that powers the cloud ecosystem, from small and local hosters to some of the world's largest telecommunication companies. By partnering with Odin, service providers gain access to industry expertise, a catalog of the most in-demand cloud applications, and the most comprehensive selection of software including web server management, server virtualization, provisioning, and billing automation. With offices in 15 countries, Odin supports more than 10,000 service providers in delivering applications and cloud services to more than 10 million SMBs. For more information, visit <http://odin.com>, follow us on Twitter, or like us on Facebook.

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