CDN Data: Pricing, Contract, Volume and Market Sizing Trends

Detailed pricing data can be seen at:

www.cdnpricing.com
www.cdnlist.com
www.contentdeliveryblog.com

Note: Data from these slides can be used by anyone but please credit CDNpricing.com or Dan Rayburn

5/10/10: Content Delivery Summit - Dan Rayburn - dan@streamingmedia.com
How do you define “CDN”? Depends who you ask.

- Software downloads
- Streaming video
- Progressive download of video
- Small object delivery

“Value Add Services”
- Application Acceleration
- Dynamic Site Acceleration (DSA)
- SSL/DNS/Security
- Verticals: Advertising/Commerce/Enterprise
## Current Market Size and Forecasts (2007-2012)

**Figure 2-9**

Video Content Delivery Networks Market: Dual Scenario Revenue Forecasts (World), 2007-2013

<table>
<thead>
<tr>
<th>Year</th>
<th>Frost &amp; Sullivan Scenario Revenues ($ Million)</th>
<th>Conservative Scenario Revenues ($ Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>280.6</td>
<td>280.6</td>
</tr>
<tr>
<td>2008</td>
<td>398.5 (E)</td>
<td>398.5</td>
</tr>
<tr>
<td>2009</td>
<td>549.9</td>
<td>478.2</td>
</tr>
<tr>
<td>2010</td>
<td>742.4</td>
<td>573.8</td>
</tr>
<tr>
<td>2011</td>
<td>979.9</td>
<td>700.0</td>
</tr>
<tr>
<td>2012</td>
<td>1,244.5</td>
<td>854.1</td>
</tr>
<tr>
<td>2013</td>
<td>1,505.9</td>
<td>1,042.0</td>
</tr>
</tbody>
</table>

**Compound Annual Growth Rate (2008-2013):**

- Frost & Sullivan: 30.5%
- Conservative: 21.2%

**Key:** (E) = Estimates

*Note: All figures are rounded; the base year is 2008. Source: Frost & Sullivan*
Pricing: Current Costs and Market Trends

Video Delivery Pricing For Q1 2010

50TB: High $0.45 per GB, Low $0.40 per GB
100TB: High $0.25 per GB, Low $0.20 per GB
250TB: High $0.10 per GB, Low $0.06 per GB
500TB: High $0.06 per GB, Low $0.02 per GB

- This is per GB delivered pricing, not per MB sustained
- Pricing is for major CDNs who focus on global delivery
- Cheaper prices can be found by going to regional service providers
- Customers have different needs and requirements which determines the final price

For quarterly pricing updates visit: www.cdnpricing.com
All Data Points To 2010 Being A Good Year For CDN Growth

- Pricing fell 40% for video delivery customers last year (average)
  - Pricing should decline 20% in 2010

- Traffic grew 30% last year for video delivery customers (average)
  - Traffic growth could be 45% in 2010

- CDNs are branching out into more “value add services”

- Devices are helping, but real surge comes in 24 months
Technology/Market Impacts

- HD Video: growing, but won’t make major impact for another 18 months

- Video Advertising: is the key to content owners being able to monetize their content and deliver more of it, but progress is slow

- Live Events: get a lot of exposure and coverage, but count for very little in the way of revenue for CDNs

- Cloud Computing/ISPs/MSOs: Not a serious threat, yet

- Application Acceleration/DSA: The future for CDN growth
Questions and Additional Resources

www.cdnlist.com
www.cdnpricing.com
www.cdnpatents.com
www.cdnmarket.com
www.contentdeliveryblog.com
www.cdnreport.com

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