



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

**Detailed pricing data can be seen at:**

**[www.cdnpricing.com](http://www.cdnpricing.com)**

**[www.cdnlist.com](http://www.cdnlist.com)**

**[www.contentdeliveryblog.com](http://www.contentdeliveryblog.com)**

Note: Data from these slides can be used by anyone but please credit [CDNpricing.com](http://CDNpricing.com) or Dan Rayburn

5/10/10: Content Delivery Summit - Dan Rayburn - [dan@streamingmedia.com](mailto: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

Year	Frost & Sullivan Scenario	Conservative Scenario
	Revenues (\$ Million)	Revenues (\$ Million)
2007	280.6	280.6
2008	398.5(E)	398.5
2009	549.9	478.2
2010	742.4	573.8
2011	979.9	700.0
2012	1,244.5	854.1
2013	1,505.9	1,042.0
Compound Annual Growth Rate (2008-2013):	30.5%	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](http://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](http://www.cdnlist.com)

[www.cdnpricing.com](http://www.cdnpricing.com)

[www.cdnpatents.com](http://www.cdnpatents.com)

[www.cdnmarket.com](http://www.cdnmarket.com)

[www.contentdeliveryblog.com](http://www.contentdeliveryblog.com)

[www.cdnreport.com](http://www.cdnreport.com)

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