



# 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

11/3/10: Streaming Media West- Dan Rayburn - [dan@streamingmedia.com](mailto:dan@streamingmedia.com)



**How do you define “CDN”? Depends who you ask.**

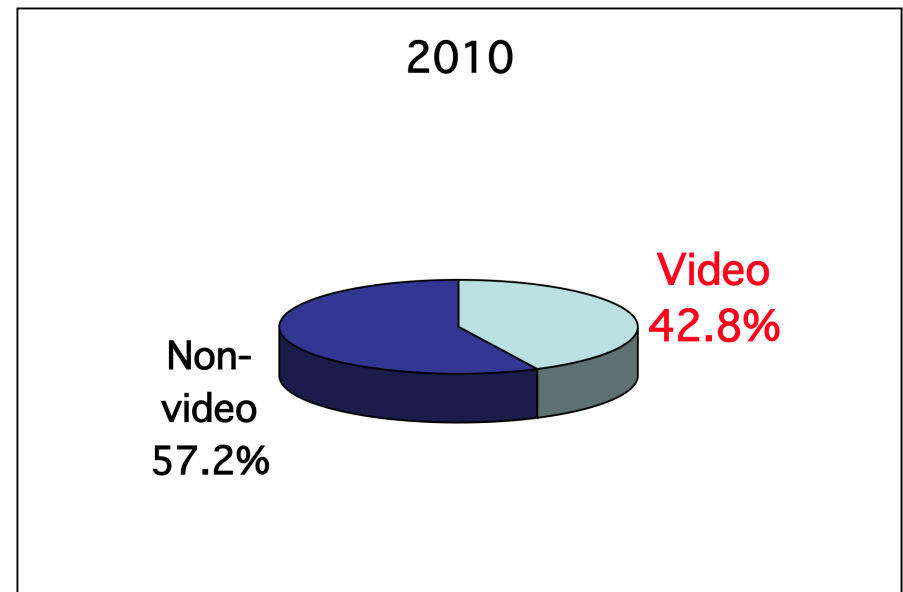
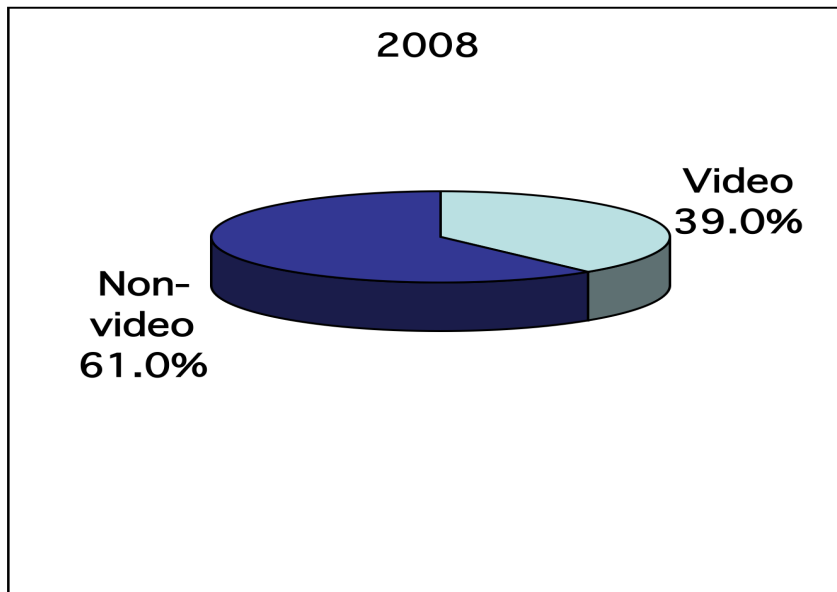
- Software downloads
- Streaming video
- Progressive download of video
- Small object delivery

“Value Add Services”

- Application Acceleration
- Dynamic Site Acceleration (DSA)
- SSL/DNS/Security
- Verticals: Advertising/Commerce/Enterprise



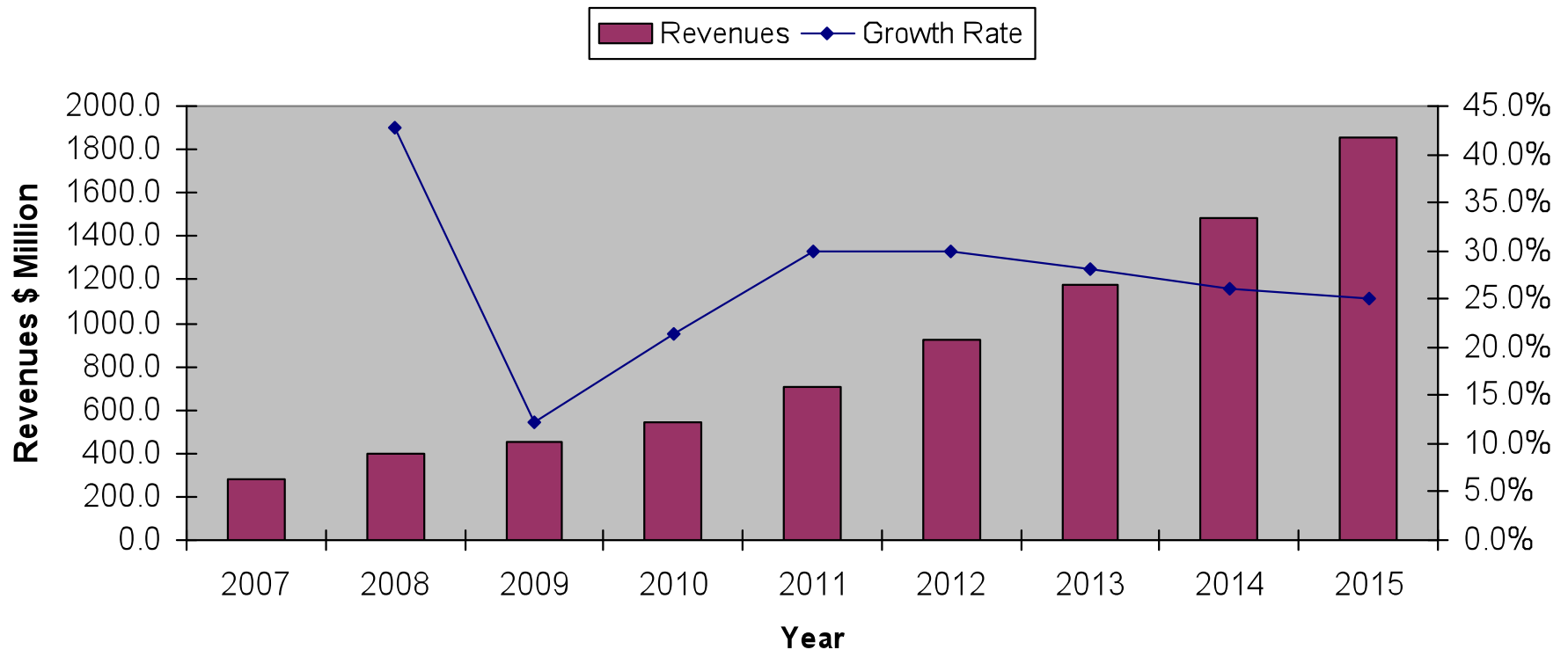
## Video Delivery Revenue As a % Of The Total CDN Market





## Nearly \$550M in 2010 - Will grow to over \$1.85B in 2015

Video Content Delivery Networks Market (2007-2015)





## Pricing: Current Costs and Market Trends, Q4

### Video Delivery Pricing For Q4 2010

- (Q1) 50TB: High \$0.45 per GB, Low \$0.40 per GB
- (Q4) 50TB: High \$0.30 per GB, Low \$0.20 per GB
- (Q1) 100TB: High \$0.25 per GB, Low \$0.20 per GB
- (Q4) 100TB: High \$0.25 per GB, Low \$0.20 per GB
- (Q1) 250TB: High \$0.10 per GB, Low \$0.06 per GB
- (Q4) 250TB: High \$0.10 per GB, Low \$0.04 per GB
- (Q1) 500TB: High \$0.06 per GB, Low \$0.02 per GB
- (Q4) 500TB: High \$0.05 per GB, Low \$0.015 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)**



## **2010 Has Been A Good Year For The CDNs**

Pricing fell 40% for video delivery customers in 2009(average)

- Pricing declined 25% in 2010

- Traffic grew 30% in 2009 for video delivery customers (average)

- Traffic growth averaged 45% in 2010

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

- Devices are helping, but real surge comes in 24 months



## Device Explosion: Cool, But No Real Impact Yet

(Sales figures for North America)

- Xbox 360: 20 million units (\$199 retail)
- PS3: 14 million units (\$299 retail)
- Wii: 30 million (\$199 retail) 85% of Wii's are not connected to Internet
- Roku: project 1 million units by year's end (\$60-\$99 retail)
- WD TV Live: less than 2 million units to date (\$119 retail)
- TiVo: About 600,000 TiVo HD units (\$170-\$400 retail)
- Boxee: Product comes out this month (\$229 retail)
- Google TV: Logitech Revue Box, released last month (\$299 retail)
- New Apple TV: less than 1 million to date (\$99 retail)
  
- Broadband enabled TVs
  - iSuppli predicts almost 23 million by 2013
  - TDG predicts 43 million by 2014
  - DisplaySearch predicts 31 million by 2013
- Averages out to 33 million sets. If 50% of them are connected, that's only 16 million units by 2013-2014.



## 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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