



Gartner estimates the global **Infrastructure-as-a-Service** (IaaS) market will grow to \$3.7BN this year-- and will reach \$10.5BN by 2014.

The analyst says the market's next 5 years represent a significant revenue opportunity, a period where vendors must start laying down the foundation for their future.

Due to the relative immaturity of the cloud market and its technologies, customers will tend to settle on what they can get immediately, rather than what they actually need. This implies at worst some unhappy customers and at best some customers who will want to evolve their IaaS.

Gartner warns IaaS providers will need to work hard to retain customers as their needs evolve. Providers will need to understand their clients' present-- and future-- intentions for IaaS. With a lot of clients not yet aware of the cloud's potential, more education needs to take place.

Providers need to also understand the needs of different buyers within each segment-- whether it's IT operators, other technical personnel (developers, engineers, scientists) or business buyers.

Gartner's conclusions suggest IaaS providers must prepare for the global evolution of IaaS by building in flexibility, by developing an ability to respond quickly to changing market demands and by growing a willingness to quickly adopt new technology.

Global Evolution for IaaS

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