

PAAS AND THE CLOUD

How platform-as-a-service is changing the way applications are developed and deployed

The proliferation of PaaS offerings is changing the application development game. More applications are being created for cloud environments, more ISVs are SaaS-enabling existing applications, required skill sets are changing, and non-developers are getting a seat at the table.

CLOUDSCAPE

4 FINDINGS

- PaaS has come from nowhere to emerge as a popular – and faster and easier – approach for developing applications. **PAGE 3**
- Although salesforce.com has largely dominated the PaaS space with its Force.com offering, the dynamics of PaaS figure to change with the advent of new offerings from Microsoft and VMware. **PAGE 7**
- PaaS is bringing application development out of the IT department, with the benefit that development is closer to the business need. **PAGE 14**
- Portability in PaaS is limited to deployment. Customers won't be easily able to move code or service components from one PaaS vendor to another. **PAGE 5**

5 IMPLICATIONS

- Developers need to view PaaS not as a threat, but as an opportunity to update their skills and more rapidly develop applications for the cloud. **PAGE 22**
- IT departments will also be faced with a choice: block PaaS adoption or embrace PaaS to bridge the gap between business and IT and rapidly create new apps that are more closely aligned to business processes. **PAGE 22**
- PaaS is an opportunity for ISVs to move their software to an on-demand hosted environment by leveraging existing infrastructure, but software vendors should take advantage of multiple PaaS platforms to avoid lock-in. **PAGE 22**
- Hosting companies appear to be the biggest winners from PaaS adoption. Testing software companies could be the biggest losers. **PAGE 20**
- Although PaaS is dominated by larger vendors, innovation is going on at the lower end of the market, presenting investment opportunities for VCs. **PAGE 22**

1 BOTTOM LINE

- PaaS is a game-changer in terms of how applications are developed, who develops them, where they are deployed, and how ISVs deliver their applications. The space is – and will continue to be – dominated by a few large vendors, although startups are making an impact at the lower end of the market.

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REPORT SNAPSHOT

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ANALYST	Dennis Callaghan, Senior Analyst, Enterprise Software
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ABOUT THIS REPORT

In the space of only about three years, platform-as-a-service has come from nowhere to emerge as a popular approach for developing applications. PaaS providers deliver many of the building blocks for applications, such as data services, security, user interfaces and workflow engines, allowing developers to build the core function of the applications on top of this common foundation. The market is today dominated by two companies – salesforce.com, with its Force.com platform, and Google with its Google App Engine.

The dynamics of PaaS could change considerably over the next 12-18 months. Microsoft recently entered the space with its Windows Azure offering, and VMware is expected to launch its own offering later this year with the product of its SpringSource acquisition. Both are more likely to expand the existing market than cannibalize it.

This report examines the state of the PaaS market today, where it is going, what the most popular uses of PaaS will be, and what other software disciplines will be most impacted by PaaS.

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