

# 2020 CDN Market Report

H2'20



[intricate.ly](https://intricate.ly)



# ABOUT INTRICATELY

Intricate is a platform that leading companies in the cloud use to accelerate prospecting, prioritization, and planning processes. Intricate is the authoritative source of digital adoption, usage, and spend insights.

Intricate gives cloud providers an unfair advantage in identifying new growth opportunities, defining their total addressable market, and turning analysis into actionable plans for both sales and marketing.

Our sophisticated data platform provides a detailed picture of your prospects' cloud products and technology contracts so you can identify and target your ideal customer.

## Some Of Our Customers





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# Global CDN Market: An Overview

Between 2020 and 2025 the **cloud CDN market** is expected to grow at a compounded annual growth rate of 28%. In 2020, COVID-19 contributed to CDN market growth acceleration, as consumers' increased demand for high-speed digital content and improved online experiences puts pressure on content delivery network (CDN) vendors. These changes accelerated growth in streaming, video conferencing, gaming, and online consumption.

CDN providers are expected to deliver better, faster applications—and better service on top of the delivery.

This report will address the questions below and more:

- **Who are the CDN industry market leaders?**
- **What distinguishes the CDN vendors with the highest revenue?**
- **Which global markets are experiencing the highest CDN deployment growth rates?**
- **How much do customers spend on CDN products?**



Intricate monitors the adoption, usage, and spend on 21,000 distinct cloud products and analyzes the digital infrastructure of more than seven million businesses worldwide.

With more than 150 points of presence (PoPs) deployed, Intricate's proprietary Global Sensor Network assesses how organizations deploy, utilize and invest in their digital products, applications and ecosystems.

Using this data platform, Intricate has gathered data from January 2019 through June 2020 on CDN product usage and spending across global businesses of varying sizes.

## This report evaluated:

**7 million**  
businesses evaluated

**21,000**  
distinct cloud products monitored

## Our data is trusted by:



### **Content Delivery Network (CDN)**

A geographically distributed network of proxy servers and their data centers that provides high-speed delivery of internet content and applications.

### **CDN Buyer**

A business that buys CDN services.  
For example: Nike, Bloomberg, LinkedIn, etc

### **CDN Vendor**

A company that sells CDN services.

This report breaks out usage by company size. Companies are broken out in the following groups:

### **DEFINITIONS**

- **Enterprise**  
1,000+ employees
- **Mid-Market**  
100-1,000 employees
- **SMB**  
10-100 employees
- **Startup**  
Less than 10 employees



# 2020 CDN MARKET COMPETITIVE LANDSCAPE



## Global CDN Market: An Overview

According to Intricate's data, between January 2019 and June 2020, there were 2.1 million CDN buyers worldwide. The adoption of CDN services was already increasing prior to COVID-19, but has risen exponentially with people consuming more content at home, working from home and shopping online.

### Market Snapshot

**2.1 million**  
CDN buyers

**27.3%**  
annual CDN market growth  
between now and 2025.

**\$49.6B**  
expected value of the CDN  
market by 2025



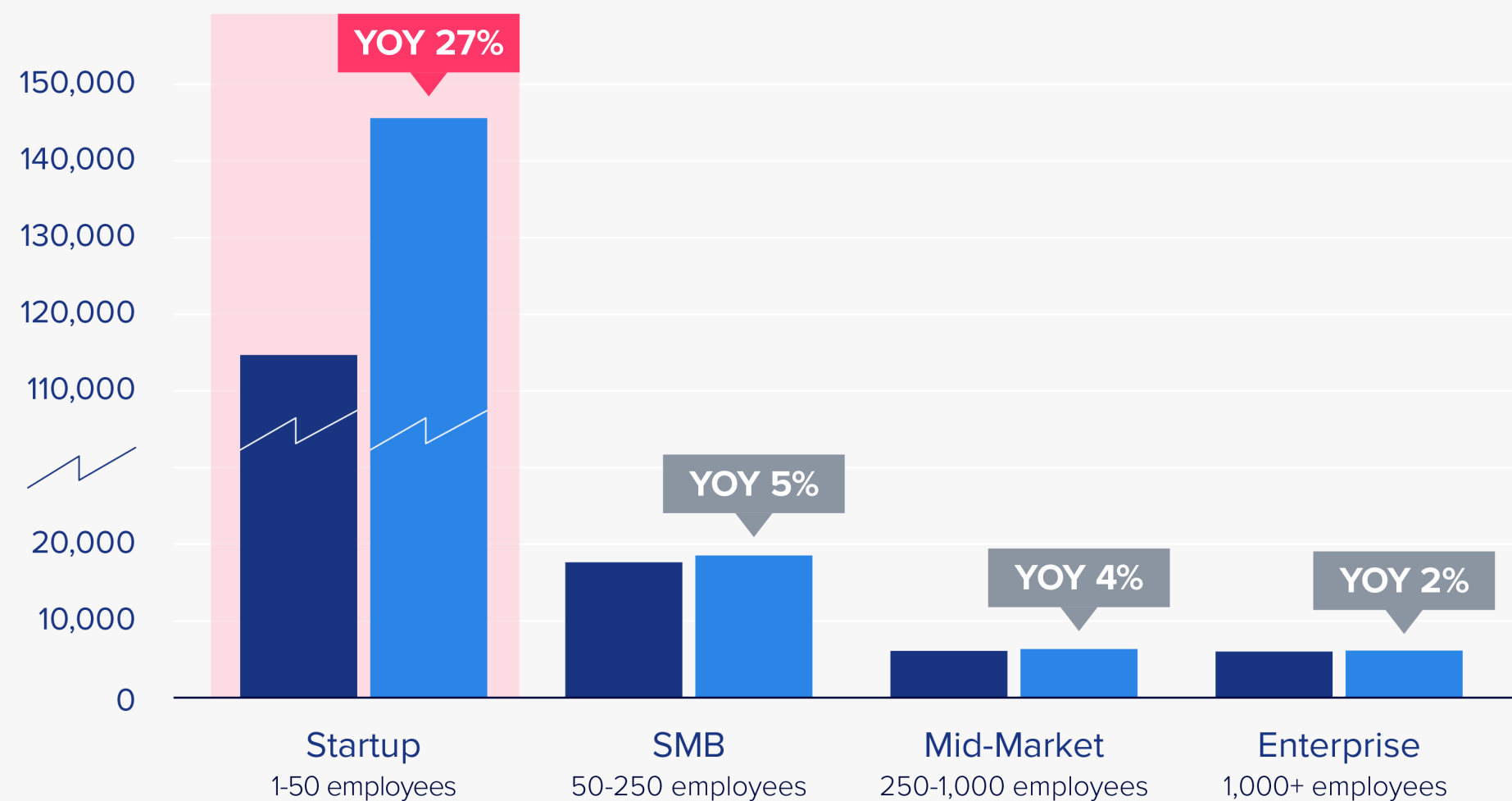


# Multi-CDN Usage is Increasing

## Multi-CDN Year-Over-Year Growth

Total Growth of CDNs By Customer Type

● Q2'19 ● Q2'20 YOY indicates year-over-year growth



Source: Intricate data, July 2020



Intricate data shows multi-CDN is growing, especially among startups. Enterprise, mid-market, and small businesses increased their multi-CDN usage by single digit percentages, but startups increased their multi-CDN vendor approach by 27%.

**Cloud technology and lower prices are making multi-CDN a reality for startups.**

This is a huge benefit for SMBs and startups because as they scale, their need for availability and redundancy increases. Having multiple CDNs allows organizations to load-balance, which improves the efficiency of traffic flow and reduces the risk of outages.



## Market Share Analysis of Selected CDN Leaders

Akamai, Cloudflare, and Amazon CloudFront are the industry leaders based on revenue—but they have different customer bases and strategies. Here's how they compare:



**Akamai** has consistently been an innovator in CDN technology and has longstanding relationships with large enterprises that handle heavy traffic and require top security features. Akamai's monthly revenue substantially exceeds that of the next two leaders, but has fewer customers. Their customers are heavy users, with multiple use cases, rich media and high security needs.

**Cloudflare** has the most customers by a considerable margin, largely consisting of startups and SMBs. They have a significant lead on Amazon CloudFront when it comes to mid-market level customers, but has nearly the same amount of enterprise contracts. Cloudflare is known for its specialization in security and easy set-up.



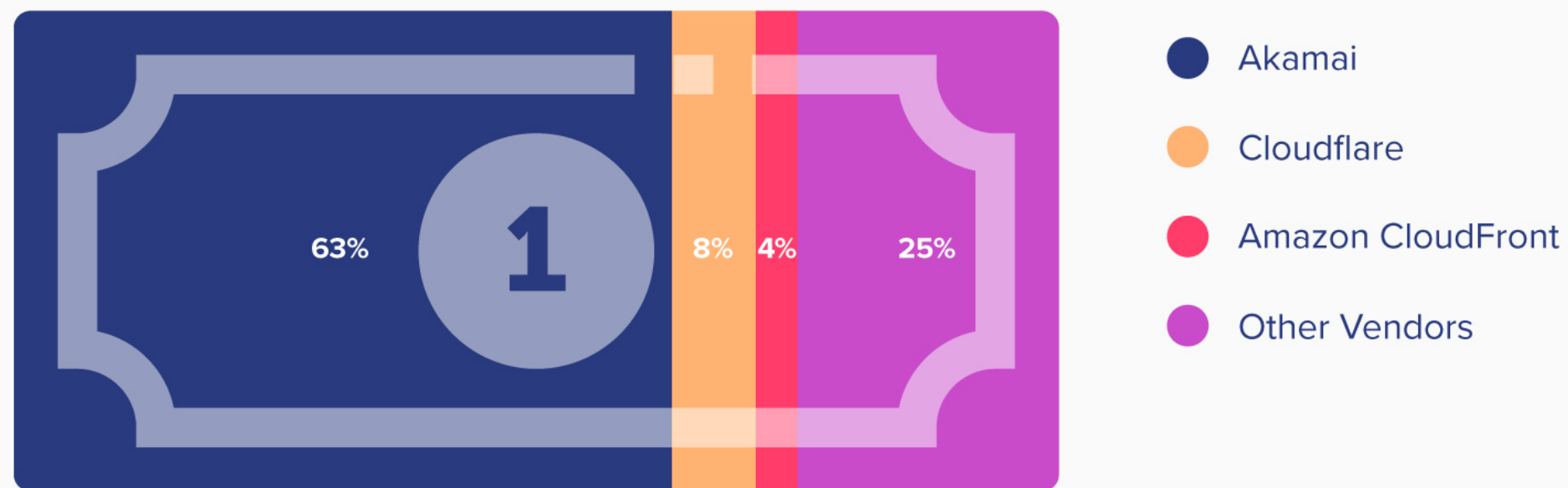
**Amazon CloudFront** is offered as an integration with Amazon Web Services (AWS). CloudFront offers security, low-latency, and high-transfer speeds like other CDNs, but is marketed as a simpler option with a pay-as-you go pricing model. AWS customers can apply the CDN in just minutes.



# Analyzing Market Share of Selected Top CDN Providers

## Walletshare of Top CDN Providers

Estimated Industry Percent of Dollar per Vendor



Source: Intricate data, July 2020



Akamai, Amazon CloudFront, and Cloudflare are leaders of the pack by several measures, including revenue. The CDN space has a large number of smaller providers, but the top three vendors control more than half the market.



# Customer Size Among Selected CDN Vendors

## Customer Distribution Among Selected CDN Providers

Percentage of Customers by Company Size



- Enterprise**  
1,000+ employees
- Mid-Market**  
250-1,000 employees
- SMB**  
50-250 employees
- Startup**  
1-50 employees

Source: Intricate data, July 2020

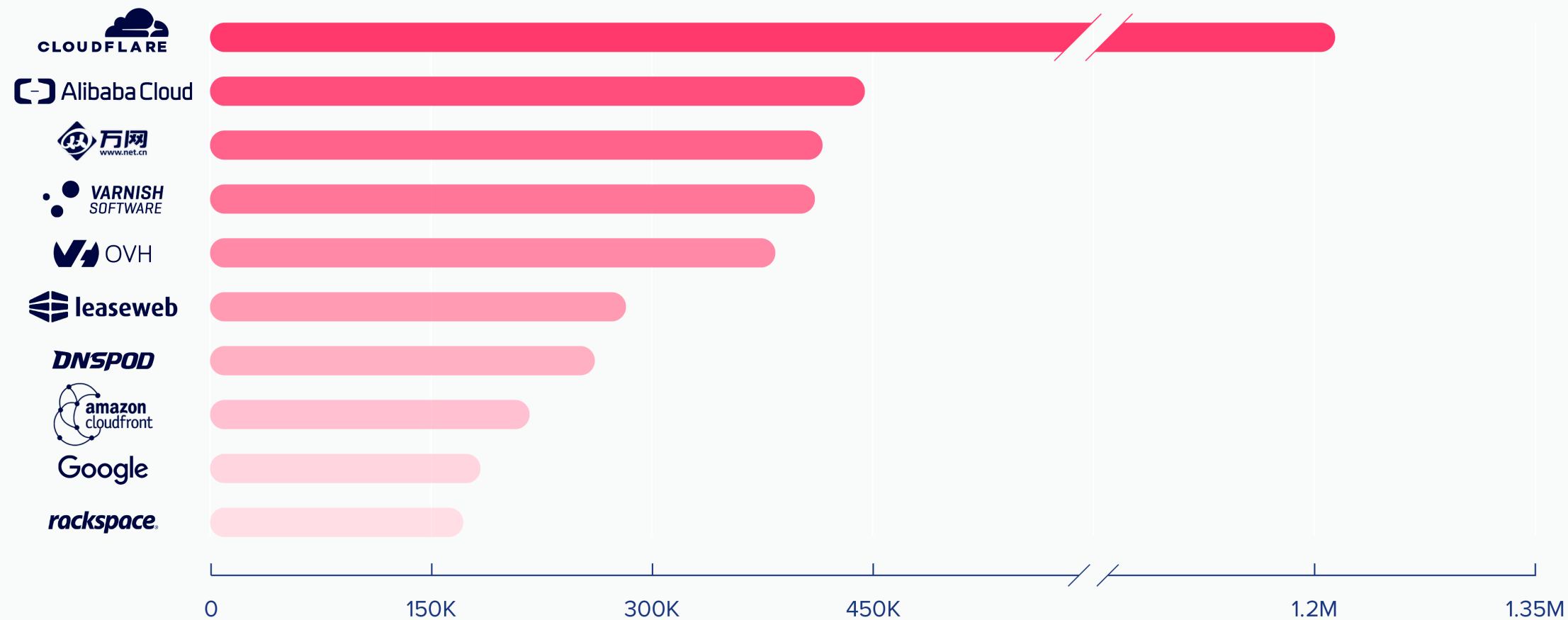




# CDN Vendors by Customer Base

## Top 10 CDN Providers by Customer Count

Estimated Customer Count by Provider



Source: Intricate data, July 2020

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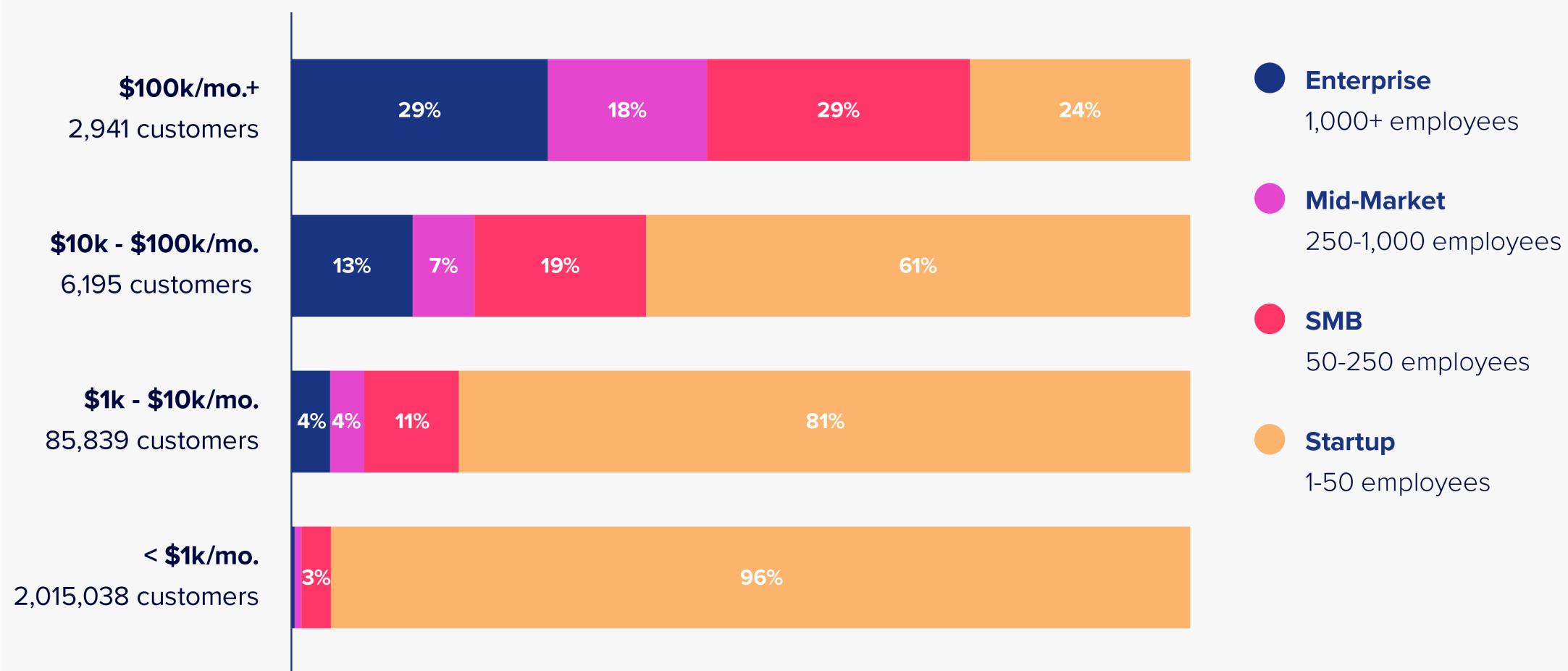
Though the top three providers own the majority of market share, vendors like Alibaba Cloud and Varnish Software are successfully capturing customers within their sectors. Although Akamai does not make the list of top 10 providers based on customer count, they are by far the leading vendor by revenue.



# Distribution of CDN Buyer Spend By Company Size

## How Much CDN Buyers Are Spending

CDN Buyer Spend by Company Size



Source: Intricate data, July 2020



With just over 2.1 Million buyers, the vast majority of buyers spend less than \$12,000 annually on CDN services.

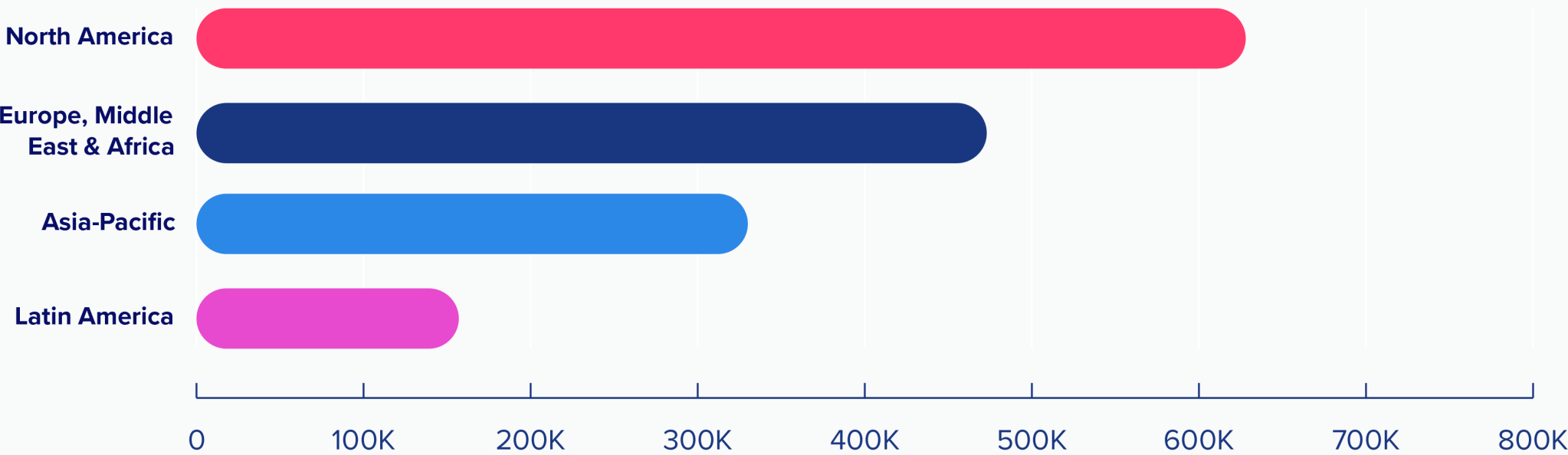
A tiny portion of CDN buyers (just less than one percent) spend \$100k+ but contribute to an estimated 10% of the total revenue for the top 10 CDN providers.



# CDN Spend By Region

## Regional Distribution of CDN Buyers by Location

Headquarters location of 2.1M CDN Buyers



Source: Intricate data, July 2020



Latin America experienced the largest increase in CDN buyers this past year with a massive 257% year-over-year (YoY) growth. This is related to a significant recent investment in the region from **data centers**, especially among media and entertainment sectors.

North America saw a 46% YoY increase, while the APAC region expanded by 39% and EMEA grew at 13%.



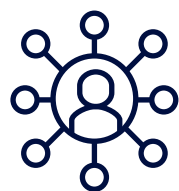
# 2020 CDN MARKET TRENDS





# Current Events' Impact on CDN Consumption

Rising consumer expectations and content needs are increasing demand for CDN services globally.



## Social Media

People are turning to social media with more time at home. For example, the amount of **Twitter conversations** between mid-March and the beginning of June was nearly 40x that between January and March.



## Streaming/Over-the-top (OTT) media services

Before COVID-19, streaming video accounted for more than **50%** of total data consumed on the internet. Streaming grew by **1 billion hours** across devices between March and May 2020.



## eCommerce

Most online retail categories saw more than **10% growth in customer base** since March, with many consumers saying they will continue shopping online for the foreseeable future. The fastest-growing regional ecommerce market is **Asia Pacific**, specifically China.



## Gaming apps

Daily **Twitch viewership** in the U.S. more than doubled in Q1 2020. The number of gamers who say they play more video games due to COVID-19 has steadily increased week over week since March.



## Summary

2020 has accelerated changes that were already in motion. To find the best fit customers, CDN providers will have to capitalize on their unique position in the marketplace and the cloud footprint of their ideal customer.

Today's CDN vendors sell multiple products, which can make it a challenge for marketers and sales teams to target buyers with the right message. CDN spend and usage intelligence from Intricate can help CDN vendors target their ideal accounts, at the right time, to supercharge their marketing and sales programs.

The biggest challenge for CDN sales and marketing teams is targeting and prioritizing your best opportunities.

**Contact Intricate to find out how to leverage CDN spend, usage, and adoption data to win more deals.**



## Get Started With Intricate

Intricate gives cloud sales and marketing teams an unfair advantage in finding and acquiring new customers, building advanced scoring models, getting proactive notification of sales cycles, and spotting churn before it happens. Our customers use the Intricate data platform to:

- **Identify their ideal customer profile**
- **Define their total addressable market**
- **Implement territory and account plans for global sales teams**
- **Execute sophisticated marketing programs to drive growth**

Schedule a demo to learn how to use Intricate's detailed product adoption, usage, and spend data to focus your prospecting and prioritization efforts. Let us show you how our platform can help your marketing team identify more opportunities, your sales team close more deals, and your leadership teams identify new opportunities.

**Contact us at:**



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