

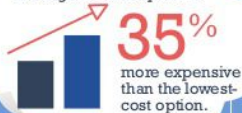
June 2015  **ISG Cloud Comparison Index™**



Public Cloud is not always cheaper

New ISG study shows usage matters when comparing the cost of public cloud to internal IT solutions

At 100% instance usage, the highest-cost option is



* **Prices for similar infrastructure configurations vary substantially between public cloud providers.**

The monthly price for a sample configuration varies significantly among the public cloud infrastructure-as-a-service (IaaS) providers we analyzed: Amazon Web Services, Google Cloud Platform, Microsoft Azure and IBM SoftLayer.

* **Public cloud prices are highly sensitive to usage.**

The price spread between public cloud providers is



The provider with the lowest-priced services varies depending on the usage level.

* **Internal IT costs are significantly less than the public cloud when cloud instance usage is high.**

When the instance usage is 100% for the specific configuration we analyzed, the internal IT cost is



The break-even point for the configuration we analyzed was



* **When public cloud usage is less than 55%, internal IT costs cannot compete.**

As expected, public cloud options become much more financially attractive for the configuration we analyzed as cloud instance usage decreases, delivering on the promise of cloud to reduce cost by charging clients only for what they use.

* **Usage is the primary driver of cost in the cloud, but configurations and features also play a significant role.**

Different infrastructure configurations and additional options can dramatically influence the break-even point.