



# 2011 CA Technologies Channel Index

The annual study tracking the IT industry outlook of CA Technologies partners



FEBRUARY 2011

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## Executive Introduction



Dear Partners,

A big thank you to all that took part in this year's Channel Index. This report marks the third year of the survey and it continues going from strength to strength. With your help, we are still collecting interesting data which provides us with invaluable insights into our partner community.

The Index shows that our partners are very optimistic about the year ahead, and virtualisation and cloud computing have been identified particularly important areas of growth. This provides exciting opportunities for our partners. CA Technologies is helping its partners help their customers to be 'cloud ready', by providing the most robust IT management and security portfolio in the industry.

The expertise of our partners is vital in ensuring our continued success and growth in the European market and CA Technologies is committed to its partner community. It remains an important focus area for us this year.

On behalf of CA Technologies, I look forward to continuing a prosperous partnership in 2011.



Regards,

**David Griffiths**

VP Partners, Alliances and MSPs in Europe  
CA Technologies

## About the Survey

The CA Technologies Channel Index is an annual study which tracks the IT industry outlook of CA Technologies partners. This is the third year of the Index. In 2011 the study surveyed 965 of CA Technologies partners across Europe from 6<sup>th</sup> December 2010 to 11<sup>th</sup> January 2011. Respondents completed an online survey.

Regions included in the survey were Austria, Belgium, France, Germany, Israel, Italy, the Netherlands, Nordics (Norway, Sweden, Finland and Denmark), Portugal, Spain, Switzerland and the UK. A breakdown of the respondents, by regions, follows:

| <b>Region</b> | <b>Number of respondents</b> |
|---------------|------------------------------|
| Austria       | 77                           |
| Belgium       | 20                           |
| France        | 92                           |
| Germany       | 240                          |
| Israel        | 27                           |
| Italy         | 102                          |
| Netherlands   | 50                           |
| Nordics       | 50                           |
| Portugal      | 32                           |
| Spain         | 83                           |
| Switzerland   | 86                           |
| UK            | 106                          |
| <b>Total</b>  | <b>965</b>                   |

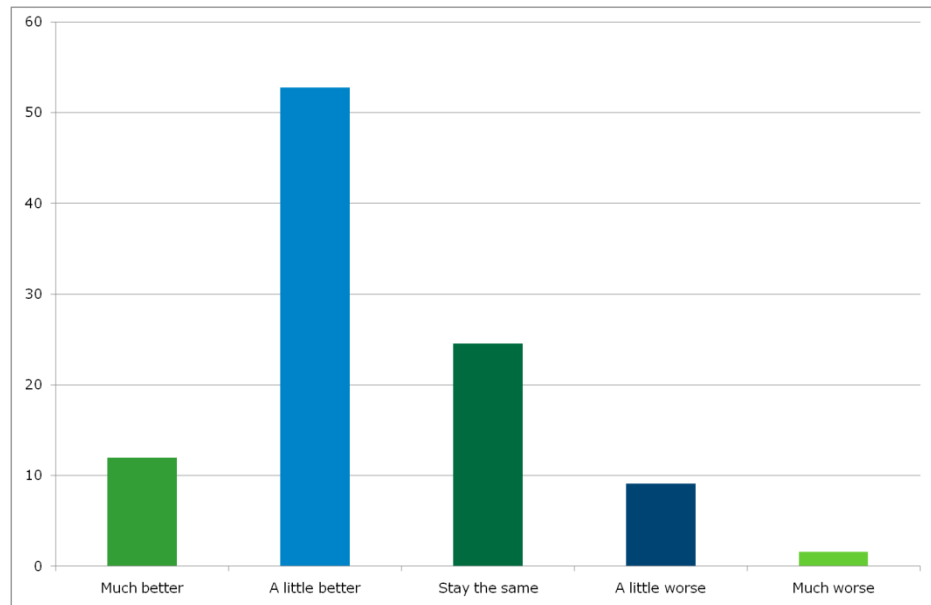
For further information on the 2011 CA Technologies Channel Index, please visit <http://www.ca.com/gb/mediaresourcecentre>

For information on CA Technologies solutions visit [www.ca.com](http://www.ca.com)

## Survey Results

### Economic Outlook and IT Budgets

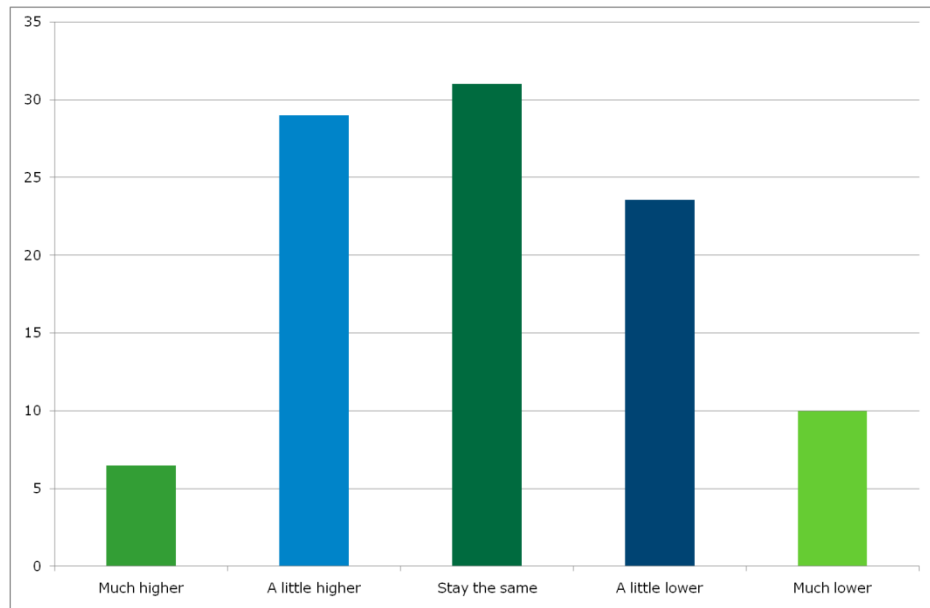
Throughout 2011, do you expect the economic outlook to get...?



Partners are remaining upbeat about the economic outlook in 2011, as they did in 2010. The Index reveals that 65% of partners think the economy will be better this year than last, compared with 66% who expected it to improve in 2010. Only 11% of partners are expecting the outlook to deteriorate over the year ahead.

Partners in the Netherlands are showing the most optimism, with 92% expecting economic improvements and none believing it will worsen.

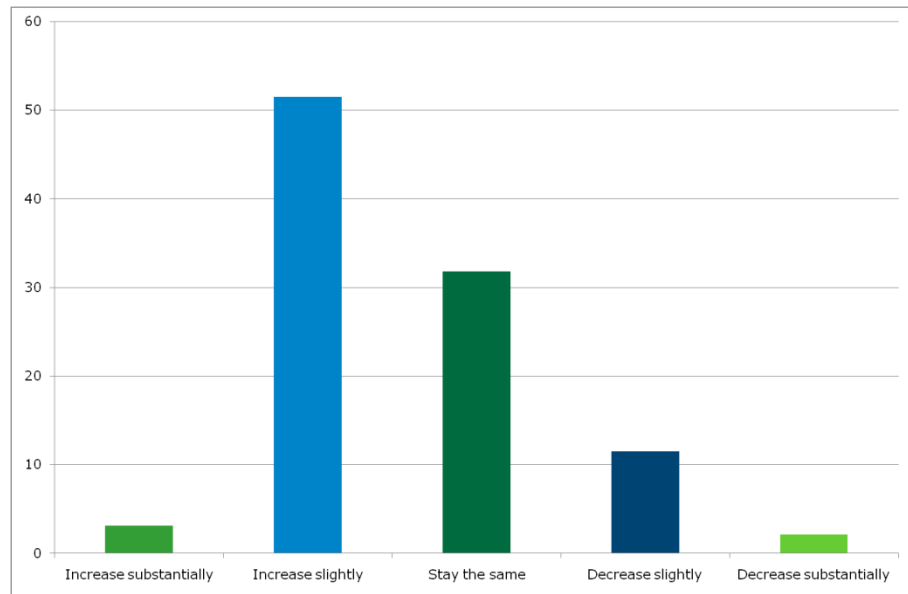
### How were your customers' 2010 IT budgets (as compared with 2009)?



Partners reported customers experienced predominantly flat IT budgets in 2010, with 35% revealing an increase from the year before but 34% revealing a decrease. Budgets were actually lower than partners had predicted: 43% thought that IT spending would increase in 2010 and only 21% thought they would decrease.

IT spending in Israel showed the most improvement from 2009, with 81% reporting higher IT spending that the year before, and 8% reporting spending decreases. IT budgets showed the least improvement in Spain, where 7% had higher budgets and 68% lower than 2009.

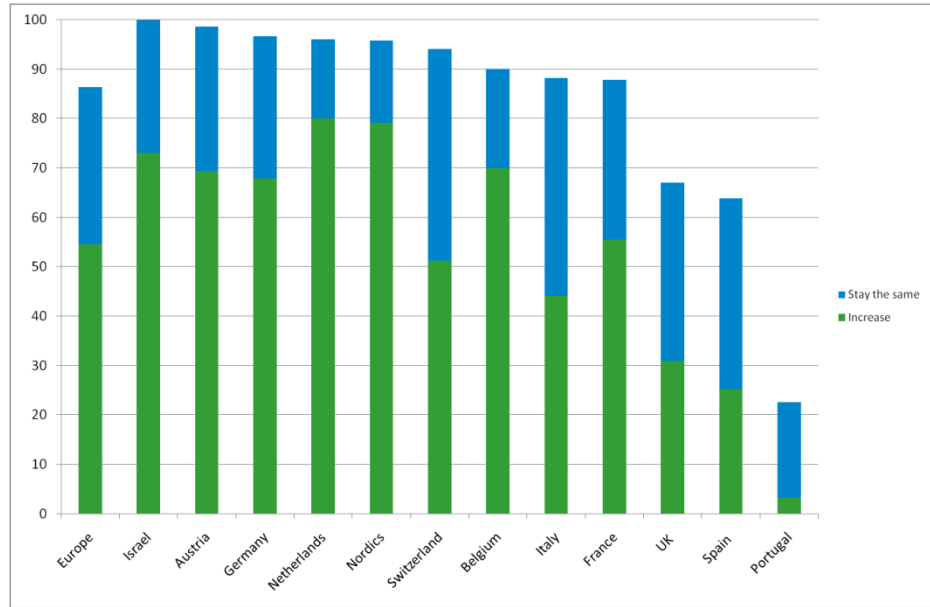
### What do you expect will happen to your customers' 2011 IT budgets?



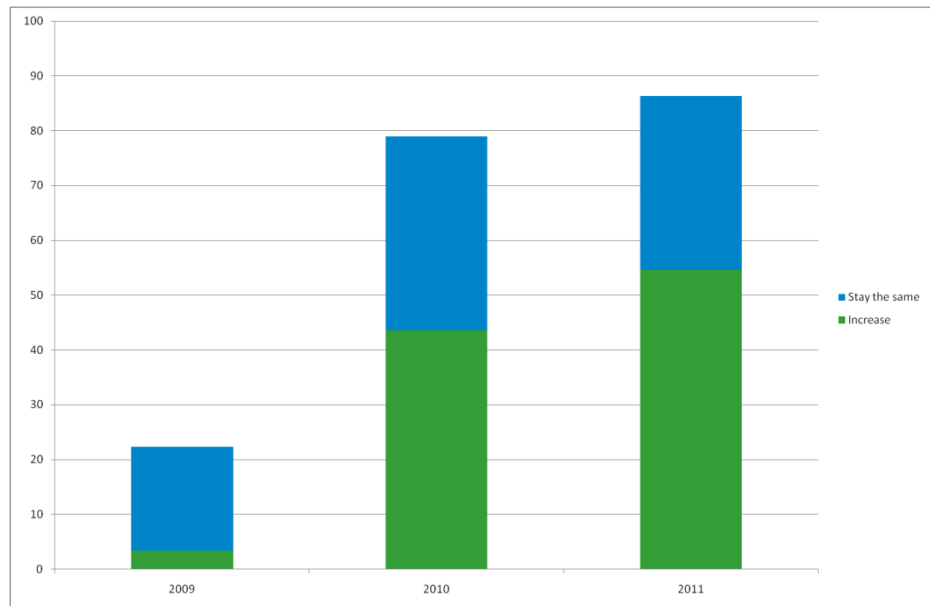
Partners are positive about IT spending in 2011 with over half (54%) thinking that customer budgets will increase. A further 32% believe that they will stay the same. Very few partners think there will be any *substantial* change in spending over the upcoming year (3% predicted a substantial increase, and 2% a substantial decrease).

Dutch partners are expecting the largest increases in IT spending in 2011 (80%). The Nordics came a close second with 79%. Portuguese respondents are less optimistic: only 3% of partners think budgets will be higher than 2010; whereas 78% think they will decrease.

Comparison of European countries - partners who expect IT budgets to increase/stay the same



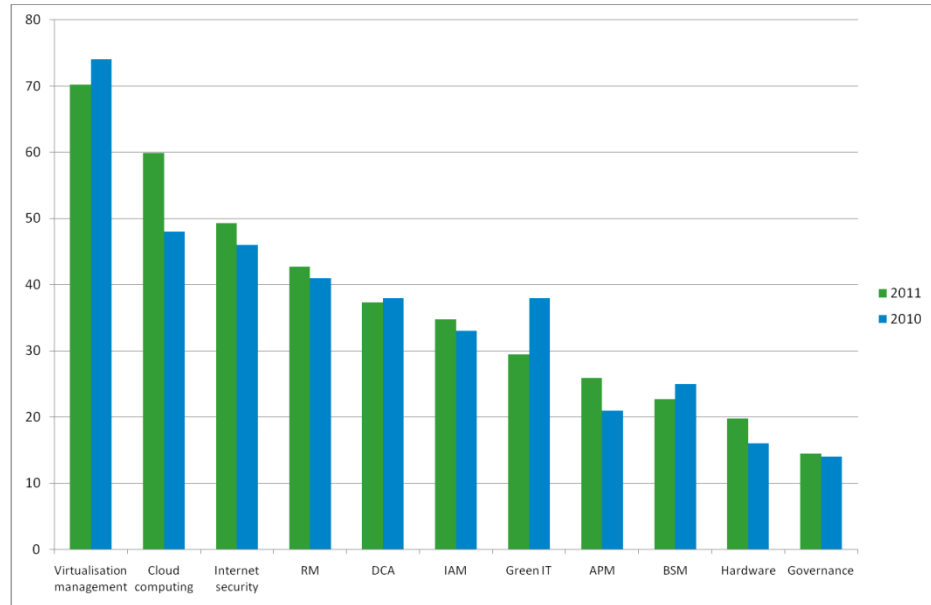
Comparison of projected IT budgets since 2009 – partners who expect IT budgets to increase/stay the same



Partners' expectations about their customers IT budgets are improving year-on-year. In 2009 only 3% of partners expected a rise in IT budgets over the year ahead. This increased to 44% in 2010 and 55% in 2011.

## IT Spending: Virtualisation Management and Cloud Computing

Throughout 2011, what do you think will happen to spending in the following areas?

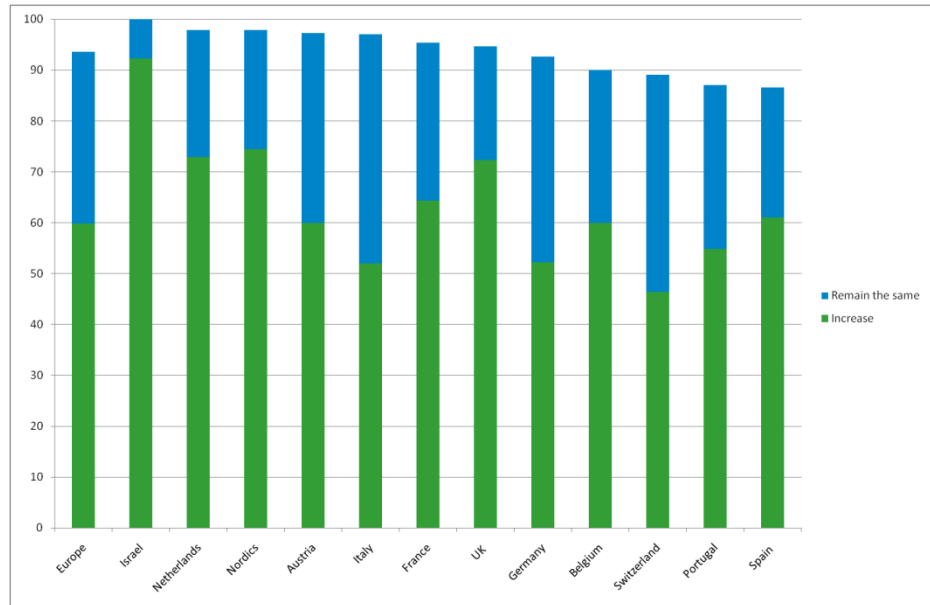


The largest increase in IT expenditure in 2011 is expected to be in virtualisation management, where 70% of partners predict a rise. Spending on cloud computing is also expected to continue its upward trend, with 60% of partners anticipating an increase in spending.

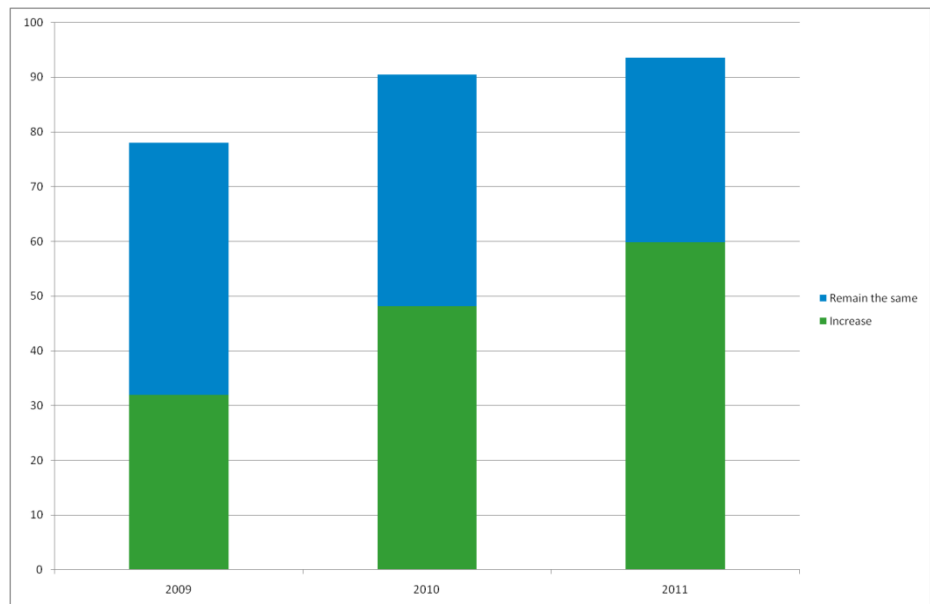
In comparison to 2010, the top five areas of increased spending are the same: virtualisation management, cloud computing, internet security, recovery management and data center automation.

Partners in Israel are particularly optimistic about investment in virtualisation management and cloud computing, with 84% and 92% respectively predicting increases.

**European partners predicting an increase in spending in cloud computing and virtualisation management in 2011**



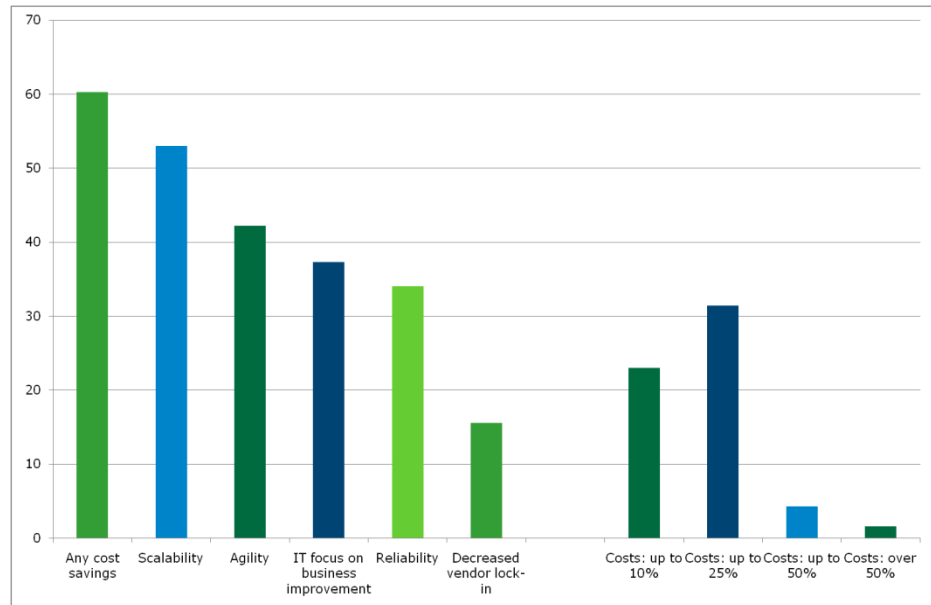
**Comparison of projected spending on cloud computing since 2009 – partners who expect cloud spending to increase/stay the same**



Cloud computing shows the largest year-on-year increase with 60% of partners expecting an increase in spending compared with 48% in 2010 and 32% in 2009.

## Benefits of Cloud Computing

What kind of business benefits are your customers achieving through cloud computing?

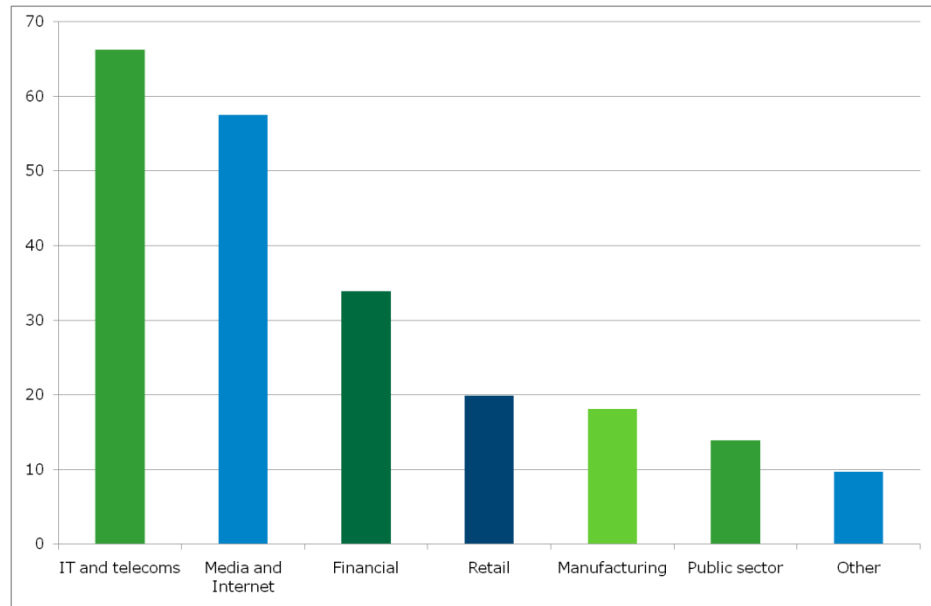


The business benefit that most partners reveal their customers are achieving through cloud computing is cost saving, with 60% of partners already seeing this. In Israel, this rises to 81%. On average, partners estimate that customers are saving 9.7% of their IT budgets through the use of cloud.

The second most prevalent business benefit from cloud is scalability, with over half (53%) of partners saying that customers are experiencing this. 42% reveal that their customers are benefitting from added agility.

## Industry Adoption of Cloud

Which vertical sectors do you think are adopting cloud computing the fastest?



Different industries are transitioning to cloud computing at different rates, and partners believe that the fastest of all is the IT and telecoms sector. 66% of partners say that this sector is one of the fastest cloud adopters. This is followed by the media and internet sector (57%).

The manufacturing and public sectors are adopting cloud the least quickly to date (18% and 14% respectively).

## Summary

- CA Technologies partners are optimistic about the year ahead with the majority expecting the economy and IT budgets to improve in 2011
- Cloud computing and virtualisation are driving increases in IT spending. Partners expect these technology areas to show the largest rise in IT expenditure. Cloud computing in particular has shown the most significant year-on-year increases.
- Cloud computing is supporting customers' business objectives of growth and acquiring new customers. Partners identified that scalability and agility are benefits of cloud that customers are already achieving. The majority of partners also revealed that customers are making significant cost savings through cloud.
- Partners are aware that different industries are transitioning to the cloud at different speeds. The IT and telecoms, and media and internet sectors are making this change the fastest.

## More information

Combining a broad portfolio of cloud-proven solutions with aggressive innovation, CA Technologies is uniquely able to help enterprises accelerate their path to success across diverse cloud models, requirements, and Adoption maturity levels. With CA Technologies clients can accelerate any or all facets of their cloud strategy, whether they want to make optimal use of public cloud services, leverage their existing virtual and physical environment into a private cloud, build private cloud services from the ground up, or all of the above.

To learn more about CA Technologies virtualization management solutions to help provision, control, assure, secure and optimize virtual environments, please visit <http://www.ca.com/us/virtual.aspx>.

With solutions for public and private cloud computing across diverse virtual and physical platforms, CA Technologies helps to realize the promise of cloud computing so that companies can quickly realize agility, efficiency and optimized business value. More information at <http://www.ca.com/us/cloud-computing.aspx>

### **About CA Technologies**

CA Technologies (NASDAQ: CA) is an IT management software and solutions company with expertise across all IT environments – from mainframe and distributed, to virtual and cloud. CA Technologies manages and secures IT environments and enables customers to deliver more flexible IT services. CA Technologies innovative products and services provide the insight and control essential for IT organizations to power business agility. The majority of the Global Fortune 500 relies on CA Technologies to manage evolving IT ecosystems. For additional information, visit CA Technologies at [www.ca.com](http://www.ca.com).

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