Global Cloud Service Provider
IP Address Analysis 1H 2019
Report
As China’s Internet enters the second half of the phrase, the cloud computing industry is still rising strong. The total numbers of IP addresses and active uses are a key indicator to measure the business performance of various cloud computing manufacturers.

This report will present the development of the cloud computing industry in the first half of 2019 from three dimensions: the overall growth rate of the industry, the total and active IP of global key cloud service providers, and the cloud services adoption in various regions of the world.
According to the total registered IP number of various leading cloud service providers, with 75.24 million registered IP addresses, and a growth rate of 17.79% compared with 2H2018, AWS kept its first position in the world ranking, and continues to separate from Azure, the second place whose total registered IP number has no significantly change in the past two years.

The total registered IP number of Alibaba Cloud and Tencent Cloud maintained a small growth in 1H2019.

However, it is worth noting that, although with a small total registered IP base, Google increased by 65.18% during 1H2019 as a late comer in the field of cloud computing, surpassing Tencent cloud in total registered IP for the first time.
1H 2019 Global Cloud Service Provider IP Address Development Trend

- AWS
- Alibaba Cloud
- Azure
- Google
- Tencent Cloud
In terms of the active IP number of various leading cloud service providers, AWS, which has always been in the leading position, exceeded 10 million for the first time, reaching 11.23 million, with a growth rate of 34.3% compared with 2H2018.

The second active cloud service provider in the world changed its title owner. It was handed over from Alibaba Cloud to Google for the first time in 1H2019.

In terms of active IP growth rate, Google and Tencent cloud, which have the smallest base, became the two fastest growing cloud service providers with 48.14% and 40.24% growth rate respectively, while Alibaba Cloud’s kept slowing down in 1H2019, with only 11.35%.
1H2019 Global Cloud Service Provider IP Address Development Trend

Active IP Number

- AWS
- Alibaba Cloud
- Azure
- Google
- Tencent Cloud
Comparing the data in 1H2017 with that of 1H2019, in the past two years, the first-mover advantage of AWS had further widened, and the differences of total IP number and active IP against the second place were more than 100%.

However, the order of those ranking from the second to fifth may change.

The main reason is that Google and Tencent cloud had seen a rapid growth rate of 300%-400% in the past two years as the late starters of cloud service providers, while Alibaba Cloud and Azure, now ranking number two and three respectively, with growth rates below 200%.
1H2017~1H2019 Global Cloud Service Provider
IP Address Development Trend

AWS
IP Total: 1H 2017: 31180816, 1H 2019: 75240704
Growth Rate: 241.30%
Active IP: (1H 2017: 6868550 / 1H 2019: 11235415)
Growth Rate: 163.58%

Alibaba Cloud
IP Total: (1H 2017: 10007296 / 1H 2019: 15515904)
Growth Rate: 154.39%
Active IP: (1H 2017: 1714427 / 1H 2019: 3303152)
Growth Rate: 173.03%

Azure
IP Total: 1H 2017: 23252480, 1H 2019: 38142936
Growth Rate: 164.04%
Active IP: (1H 2017: 1162815 / 1H 2019: 2445486)
Growth Rate: 210.31%

Google
IP Total: (1H 2017: 1011456 / 1H 2019: 8869888)
Growth Rate: 305.32%
Active IP: (1H 2017: 633434 / 1H 2019: 3674165)
Growth Rate: 300.83%

Tencent Cloud
IP Total: (1H 2017: 1105920 / 1H 2019: 4876288)
Growth Rate: 440.93%
Active IP: (1H 2017: 345580 / 1H 2019: 1447777)
Growth Rate: 418.94%
1H2017~1H2019 Global Cloud Service Provider IP Address Development Trend

AWS
- IP Total: 63877136
- Active IP: 37356080
- Growth Rate: +17.79%

Ali Baba Cloud
- IP Total: 75240704
- Active IP: 38142936
- Growth Rate: +34.30%

Azure
- IP Total: 8366215
- Active IP: 38142936
- Growth Rate: +0.42%

Google
- IP Total: 3958784
- Active IP: 3088128
- Growth Rate: +65.18%

Tencent Cloud
- IP Total: 15515904
- Active IP: 31560368
- Growth Rate: +23.18%

+34.30%
+0.42%
+2.11%
+11.35%
+15.66%
+65.18%
+48.14%
+23.18%
+40.24%
The overall market share of the top 5 active IP companies is 79.7%.

Compared with 2H 2018's 77.07%, the industry concentration ratio increased slightly.
1H2019 Global Key Cloud Service Providers Development Trend
Amazon's total revenue continued to increase in the second half fiscal year of 2018 and the first half fiscal year of 2019. AWS’s cloud service revenue increased quarter by quarter, with a large year-on-year growth rate. In recent years, amazon's cost on cloud service also increased.
AWS remained the world's largest cloud service provider in 1H2019 with active ratio reaching 39.21% in all cloud computing companies.

AWS’s active areas are mostly distributed in the United States and Europe, among which 54.06% are active users in the United States, 8.44% in Ireland, and 7.69% in Japan.

AWS active users accounts for less than 1% in China and southeast Asia.
Microsoft's total revenue had increased year by year from the second half fiscal year of 2018 to the first half fiscal year of 2019, and its cloud service Azure’s revenue grew steadily. In the year-on-year growth process of registered IP and active IP, the active IP growth of Microsoft cloud service Azure was larger.
Azure is a cloud service provider which had the world's second largest users number at 1H2019, with 8.53% active ratio in all cloud computing companies.

Azure’s active regions are mostly in the United States and Europe, among which 48.15% are active users in the United States, 18.79% in the Netherlands, and 7.81% in Ireland.

In China, Azure only has active users in only Hong Kong, China (2.59%), and no active users in mainland China. It has 3.91% in Singapore in southeast Asia, and 1.83% in India in South Asia.
In Alibaba's 2019 fiscal year, Alibaba’s Cloud Service’s revenue increased quarter by quarter, and the year-on-year growth rate was relatively large, and Alibaba's investment proportion in Cloud Service also increased.
Alibaba Cloud was the third largest Cloud Service provider in the world in terms of business users in 1H2019, accounting for 11.52% of all Cloud Computing companies.

Most active regions of Alibaba Cloud are located in China (Beijing, Zhejiang, Guangdong, Shanghai, Hong Kong, and Shandong), which account for more than 80%, while the active users in the US and Singapore only account for 1.99% and 1.57% respectively.

Alibaba Cloud accounts for no active users in Europe and less than 3% in southeast Asia.
Tencent did not disclose specific revenue data of its Cloud Services in its financial report for the 2018-2019 fiscal year, but in 2018 Q3, Tencent Cloud Services’ revenue had more than doubled year on year and recorded a double-digit percentage growth quarter on quarter. Tencent’s Cloud Services revenue grew more than 100% to 9.1 billion yuan (around $1.321 billion) in 2018 Q4.

In 2019 Q1, Tencent Cloud Service’s revenue maintained a rapid growth year on year. At present, Tencent Cloud has opened 53 available zones in 25 regions of five continents and deployed more than 1,300 acceleration nodes globally, covering more than 50 countries and regions.

In terms of IP data, Tencent Cloud Service has seen a rapid growth in active IP, and the total registered IP number is also increasing. Tencent Cloud Service is growing very fast and its market share is increasing continuously too. According to the financial report released by Tencent, the revenue of Cloud Services has been increasing. Chiping Liu, President of Tencent, also said that a large amount of investment is needed in the early stage of Cloud Services, including the expenditure on data centers and servers, to generate regular revenue from cloud services.
Tencent Cloud was the ninth largest Global Cloud Service provider in terms of registered users in 1H2019, accounting for 5.05% of all cloud computing companies.

Most active users of Tencent Cloud are in China (Guangdong, Shanghai, Sichuan, Beijing, Tianjin, Chongqing, Hong Kong, etc.), followed by 1.09% in the US.

Active users in Europe and Southeast Asia only account for a small proportion.
Google did not disclose specific revenue data of its cloud services in recent financial reports. However, Google under Alphabet (google. US) reported its 2019 Q2 earnings in the latest quarterly financial report.

With a revenue of US $38.94 billion, up 19% from a year earlier, and with a net profit of US $9.947 billion, up 211% year on year, Google's earnings and revenue exceeded expectations; In terms of the Cloud Service, Google said it is expecting a $8 billion annual revenue from cloud computing, which will be a bright spot in the future.

In terms of the growth of IP users of Google Cloud services in 2H2018 and 1H2019, Google had an obvious growth in both registered IP and active IP users. The Cloud Service revenue growth mentioned in Google's financial report indicates that Google will increase its investment in Cloud Services in the future.
Google was the fourth largest cloud service provider of the world in 1H2019, which took up 12.82% of all cloud computing companies.

Most of Google's active regions are in North America and Europe, among which 58.83% are active users in the US, 10.44% in Belgium, 6.18% in China/Taiwan, 1.79% in China/Hong Kong; There are not many users in southeast Asia—only 1.91% in Singapore.
The total market share of the top three active IP companies in the US market was 90.35%, compared with 86.75% in 2H 2018. This indicates a sustained increase in industry concentration.

The US has always been a leading country in the global development of cloud services, with the largest number of users and active users in the world. However, according to the analysis of the distribution of active users of Chinese cloud service providers such as Alibaba Cloud and Tencent Cloud, it can be seen that Chinese cloud service providers have landed in the American market in recent years and are in the early stage of development.
The market share of the top three active IP companies in the European market was 79.74%. Compared with 85.88% in 2H 2018, we can see a decrease in industry concentration.

Most of the European markets are occupied by American cloud service providers. Chinese cloud service providers are still in the early stage of developing the European market.
The overall market share of the top three active IP companies in the Chinese market was 94.42%. Compared with 95.96% in 2H 2018, we can see a decrease in industry concentration.

Although, compared to the global distribution of the US cloud service provider- AWS, the active IP users in mainland China only takes up a small proportion, we have seen a rapid increase in the total number of IP and active IP in mainland China, which shows that the US cloud service has a great potential in the Chinese mainland market.
The overall market share of the top three active IP companies in southeast Asia was 93.38%. Compared with 92.12% in 2H 2018, we can see an increase in industry concentration.

The number of active IP in the southeast Asian market is growing rapidly, which is accompanied by the rapid development of American cloud service providers. The growth rate of Chinese cloud service providers is far less than that of America, despite its increase.
IPIP.NET focuses on IP geographic location and research, sorting and distribution of IP portrait data. Our main product IP geographic location database is based on BGP/ASN data and network monitoring points all over the world for city-level IP geographic data annotation, higher than domestic and foreign similar products. Our customers are various types of internet companies, and are more concentrated in the advertising industry, network security industry, e-commerce industry, entertainment industry, financial industry, hardware industry, and CDN, DNS, VPN, video, live broadcast, Internet statistical analysis, and other subdivisions. We have become a de facto industry standard in the direction of China's IP geolocation database and are striving to expand globally.

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• Note: Data in this report are as of 30 June 2019