

Summary of Paper: [Cloud Computing Start-ups and Emerging Technologies: From Private Investors' Perspectives](#)

What is this Study About?

The study identifies the funding preferences of private investors for cloud computing start-ups. In particular, it considers how offering services in specific areas like IT security and Big Data affects the amount and frequency of investment.

What are the major findings of the study?

Private investors show a distinct preference to fund cloud computing start-ups based on the IT services they provide, notably favoring those in IT security and Big Data/data analytics. These areas attract more funding both in size and frequency, which indicates a belief in their higher growth potential and importance. Conversely, start-ups offering services in more traditional IT sectors like Enterprise Resource Planning (ERP) systems tend to receive less funding. This is probably because investors do not see exponential growth prospects in these sectors. This differentiation explains that during rapid industry growth periods, investors not only focus on the technology itself but also consider the specific IT areas being served, prioritizing emerging and fast-growing fields over established ones.

Why is the study important?

The researchers provide insights into how private investors prioritize their funding within the cloud computing industry, particularly favoring start-ups involved in cutting-edge IT areas. This shows a clear preference for emerging technologies over traditional IT services. The findings offer valuable guidance for start-ups on where to focus their innovations to attract investment. Additionally, they contribute to the broader understanding of aligning start-up offerings with investor interest in rapidly evolving IT domains.