

***ISG** Provider Lens™

Next-Gen Private/Hybrid Cloud - Data Center Services & Solutions

Colocation Services

Nordics 2020

Quadrant
Report



A research report
comparing provider
strengths, challenges
and competitive
differentiators

Customized report courtesy of:



July 2020

About this Report

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The research and analysis presented in this report includes research from the ISG Provider Lens™ program, ongoing ISG Research programs, interviews with ISG advisors, briefings with services providers and analysis of publicly available market information from multiple sources. The data collected for this report represents information that ISG believes to be current as of April 2020 for providers who actively participated as well as for providers who did not. ISG recognizes that many mergers and acquisitions have taken place since that time, but those changes are not reflected in this report.

All revenue references are in U.S. dollars (\$US) unless noted.

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EXECUTIVE SUMMARY

In the next two to three years a substantial number of IT outsourcing deals are anticipated in the Nordics, with majority of the companies in the region planning to outsource. The Nordics market for outsourcing and insourcing represents an interesting trend; while there is continuous outsourcing growth, companies are also focusing on insourcing engagement. Sweden has shown the highest IT outsourcing rate among countries in the Nordics (it is followed by Denmark, Finland, Norway and Iceland). Scalability and cost reduction are the key drivers along with focus on cloud adoption. With hundreds of IT service provider briefings in the region, ISG believes that the reason of more outsourcing is to bring down the cost and focus on digital adoption.

According to the latest 1Q20 ISG Index™ The annual value of outsourcing deals in the Europe, Middle East and Africa (EMEA) region rose almost 4 percent in the first quarter of 2020, but would have grown at a higher rate had the impact of COVID-19 not hit the market in March. In the first quarter, managed services ACV was up 6 percent year on year, to €2.7 billion (£2.3 billion), fueled by strong demand for information technology outsourcing (ITO), up 23 percent, to €2.4 billion (£2.1 billion). Strength in the DACH and Benelux regions countered a sluggish ACV performance in the Nordics and in the U.K., which continues to grapple with Brexit anxiety.

The majority of the organizations are using artificial intelligence (AI) for IT operational excellence. Also, the companies are exploring the option to spend and leverage IT service provider's AI and automation platforms. Hybrid IT and multi-cloud represent the new normal in the region from the IT workload deployment perspective. It is anticipated that more than 50 percent companies would migrate their applications to the multi-cloud model.

This report considers the present scenario in IT managed service insourcing and outsourcing, hyperconverged infrastructure, datacenter security products, colocation, and managed hosting services in the Nordics. It gives a detailed overview of several market growth enablers, restrictions, and trends. The report profiles and examines the leading IT service provider operations in the market.

Nordics IT outsourcing market: With the advent of complex advanced technologies, companies are no longer able to handle all aspects of transformation on their own. Therefore, the chief experience officers (CXOs) in the Nordics are increasingly showing an interest in collaborations/alliances, making this one of this year's top strategies for growth. The majority of companies in the Nordics, and across industries, believe that they will continue to outsource IT and invest in cloud services, or perhaps more than they do today. Some of the reasons why companies outsource all or part of their IT or cloud service management are cost savings, the need to focus on core business and access to innovation. According to the survey, the most common reason is that companies want to scale their operations effectively based on needs.

Hyperscalers driving the growth of colocation services growth in the Nordics:

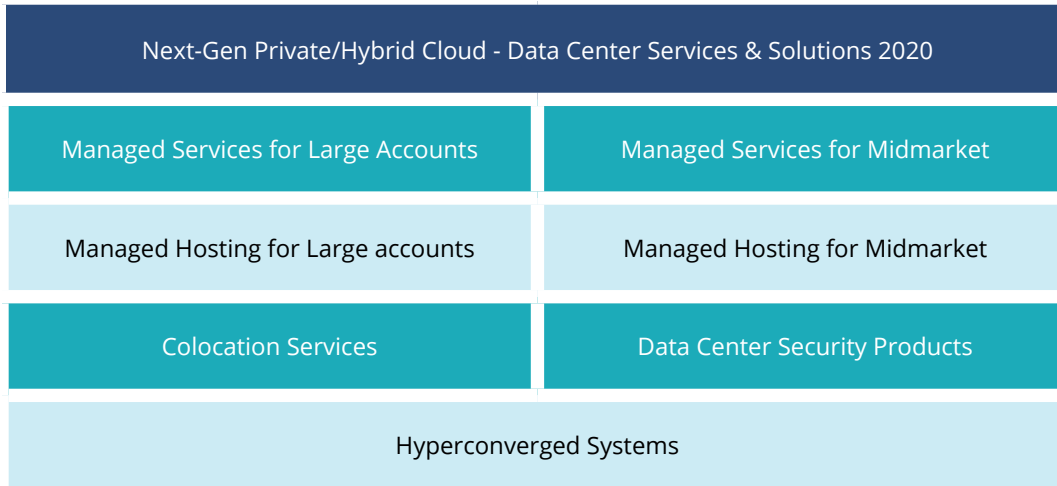
Colocation services in the Nordics are expected to comply with regulations and certifications. Adhering to regulations ensures high reliability, scalability, and flexibility in data center operations along with efficiency and resilience. The importance of physical security systems is growing among service providers in the Nordics. In the future, the data center market is likely to witness the increased use of robot monitoring systems with sensors and video surveillance. At the same time, Tier I and Tier II facilities are expected to see a decline, but the Tier III facilities are likely to grow. Denmark and Norway have five and six facilities, respectively, that are certified by the Uptime Institute. Many operators are expected to move to Tier IV facilities based on growth in rack power density and critical applications. Nordic countries are witnessing increased hyperscale investments from Google, Facebook, Microsoft and AWS.

Managed hosting services: The demand for managed hosting services is anticipated to grow in the next two to three years with various vendors providing advanced controlled scalability solutions to enterprises. Since enterprises are expanding business globally, the need for space and utilities has increased significantly. Hosting service providers associated with cloud providers and hardware vendors have been offering exclusive services to their clients. These data centers are highly flexible with governed solutions ranging from simple data warehousing to data analytics. These solutions allow easily managed hosting by reducing expenses, which is expected to have a positive effect on the global managed hosting services market.

Hyperconverged Infrastructure (HCI): The adoption of HCI in the region is low compared with the DACH and Benelux regions as digital transformation is slower. ISG has learned that enterprises want to reduce their costs related to power, space and cooling are, thereby, exploring and moving to HCI platforms. Enterprises that have evolved over the decades with complex data center IT landscapes are now seeking to consolidate their infrastructure with scale and agile capabilities. HCI is playing a critical role in such scenarios. The major players operating in this market have witnessed high growth in demand for HCI, especially due to ongoing data center modernization projects or other initiatives in the data center industry worldwide.

Introduction

Simplified illustration



Source: ISG 2020

Definition

A private cloud is an extension of an isolated IT or cloud system landscape, consisting of a company's existing computer environment and leveraging the investments already made in virtual infrastructure and applications. It is essential that the cloud infrastructure consists of either a physical or logical separation between systems on which no other customers are served. Companies with stringent security and governance requirements that need to handle large volumes of data and ensure tight integration with other business applications and workflows may prefer an enterprise cloud or a private cloud. Service providers or managed service providers can use cloud technologies to create private clouds with virtual machines or containers, network and storage resources running in their data centers or shared infrastructure, but in a suitably configured, isolated environment.

Definition (cont.)

A hybrid cloud combines the best of on-premises infrastructure at the customer/user site, a hosted cloud in a service provider's data center, and a public cloud from a hyperscaler. It connects the existing on-site infrastructure services with a private or public cloud or both. The aim is to combine services and data from different cloud models to create a uniform, automated and well-managed computing cloud infrastructure environment. Hybrid clouds enable companies to leverage the capabilities of public cloud platform providers without having to outsource all their data to a third-party data center or a shared infrastructure environment. This gives them greater flexibility in sourcing workloads, while allowing them to continue to operate key components within their own firewall or private cloud.

Data center outsourcing is the practice of transferring the responsibility of provisioning, monitoring and management of computing and storage resources to a third-party provider. The data center may be owned by the enterprise, service provider or a third-party colocation provider. Monitoring services are usually delivered from the provider's location and are called remote infrastructure management (RIM) services.

Data center outsourcing is the practice of outsourcing the responsibility of provisioning, monitoring, and managing computing and storage resources to a third-party provider. The data center may be owned by the enterprise, service provider or a third-party colocation provider. Monitoring services are usually delivered from the provider's location and are called remote infrastructure management (RIM) services.

Definition (cont.)

Scope of the Report

The ISG Provider Lens™ study offers IT-decision makers:

- Transparency on the strengths and weaknesses of relevant providers;
- A differentiated positioning of providers by segments;
- Focus on markets, including the U.S., Germany, Switzerland, U.K., Nordics and Brazil.

This study serves as an important decision-making basis for positioning key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their current vendor relationships and potential new engagements.

Typical outsourcing activities include level 1, 2, and 3 technical support, server monitoring, application performance monitoring, storage and database administration, hosting, colocation, disaster recovery testing and execution, defining or setting up the architecture, standards and policies, and transformation projects such as virtualization, consolidation and cloud-enablement services.

For standalone services such as colocation and managed hosting, the level of services and support varies from those in a fully managed data center outsourcing contract. For example, a colocation provider will provide the facilities and infrastructure to host equipment and some basic support services. However, all other aspects of infrastructure management are the responsibility of the client, which may independently handle it or outsource it to a managed service provider.

ISG studies are intended to anticipate the investigation efforts and buying decisions of typical enterprise clients. While contemplating a significant strategy transformation, making purchase-versus-rent decisions for infrastructure, implementing agile practices, or incorporating automation into their environments, enterprise clients will benefit from a study that examines an entire ecosystem for a certain service line.

Definition (cont.)

The studies are comprised of multiple quadrants covering the spectrum of services that an enterprise client requires, as illustrated below:

The quadrant descriptions are as follows:

- **Managed Services for Large Accounts:** This quadrant assesses a service company's ability to provide ongoing management services for data center infrastructure for large businesses. The enterprises are subject to strict regulations that add to complexities. They typically have more than 5,000 employees and revenues of more than \$1 billion.
- **Managed Services for Midmarket:** This quadrant assesses a service company's ability to provide ongoing management services for data center infrastructure for medium-sized business. The enterprise client typically has less than 5,000 employees or generates less than \$1 billion in revenue.
- **Managed Hosting for Large accounts:** This quadrant ranks service providers that offer enterprise-grade hosting solutions and use their facilities and infrastructure. They take responsibility for the day-to-day management and maintenance of data center assets such as servers, storage and operating systems.
- **Managed Hosting for Midmarket:** This quadrant assesses a service company's ability to provide ongoing management hosting services for data center infrastructure for medium-sized business. The enterprise client typically has less than 5,000 employees or generates less than \$1 billion in revenue.
- **Colocation Services:** This quadrant assesses service providers that offer professional and standardized data center operations as colocation services. These providers typically supply network connectivity, access point for various hosting providers, system houses, independent software vendors (ISVs), and carriers or telecommunication providers.
- **Data Center Security Products:** This market ranks software and appliances that are designed to protect the IT infrastructure, regardless of whether they are installed in a public or private cloud. It assesses the capabilities of ISVs.
- **Hyperconverged Systems:** This quadrant analyzes the systems built around preconfigured hardware and software appliances. The systems comprise network, storage and compute resources that are equipped with management software for orchestration purposes and are often the first step to build a private or hybrid cloud.

Provider Classifications

The ISG Provider Lens™ quadrants were created using an evaluation matrix containing four segments, where the providers are positioned accordingly.

Leader

The “leaders” among the vendors/providers have a highly attractive product and service offering and a very strong market and competitive position; they fulfill all requirements for successful market cultivation. They can be regarded as opinion leaders, providing strategic impulses to the market. They also ensure innovative strength and stability.

Product Challenger

The “product challengers” offer a product and service portfolio that provides an above-average coverage of corporate requirements, but are not able to provide the same resources and strengths as the leaders regarding the individual market cultivation categories. Often, this is due to the respective vendor’s size or their weak footprint within the respective target segment.

Market Challenger

“Market challengers” are also very competitive, but there is still significant portfolio potential and they clearly lag behind the “leaders.” Often, the market challengers are established vendors that are somewhat slow to address new trends, due to their size and company structure, and have therefore still some potential to optimize their portfolio and increase their attractiveness.

Contender

“Contenders” are still lacking mature products and services or sufficient depth and breadth of their offering, while also showing some strengths and improvement potentials in their market cultivation efforts. These vendors are often generalists or niche players.

Provider Classifications (cont.)

Each ISG Provider Lens™ quadrant may include a service provider(s) who ISG believes has a strong potential to move into the leader's quadrant.

Rising Star

Rising stars are mostly product challengers with high future potential. When receiving the “rising stars” award, such companies have a promising portfolio, including the required roadmap and an adequate focus on key market trends and customer requirements. Also, the “rising stars” has an excellent management and understanding of the local market. This award is only given to vendors or service providers that have made extreme progress towards their goals within the last 12 months and are on a good way to reach the leader quadrant within the next 12-24 months, due to their above-average impact and innovative strength.

Not In

This service provider or vendor was not included in this quadrant as ISG could not obtain enough information to position them. This omission does not imply that the service provider or vendor does not provide this service.

Next-Gen Private/Hybrid Cloud - Data Center Services & Solutions 2020 - Quadrant Provider Listing 1 of 5

	Managed Services for Large Accounts	Managed Services for Midmarket	Managed Hosting for Large Accounts	Managed Hosting for Midmarket	Colocation Services	Data Center Security Products	Hyperconverged Systems
Accenture	● Leader	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In
Advania	● Product Challenger	● Product Challenger	● Rising Star	● Market Challenger	● Not In	● Not In	● Not In
Asseco	● Contender	● Market Challenger	● Not In	● Not In	● Not In	● Not In	● Not In
ATEA	● Market Challenger	● Leader	● Leader	● Leader	● Not In	● Not In	● Not In
Atos	● Product Challenger	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In
Barracuda Networks	● Not In	● Not In	● Not In	● Not In	● Not In	● Product Challenger	● Not In
Basefarm (OBS)	● Leader	● Leader	● Leader	● Leader	● Leader	● Not In	● Not In
Broadcom/Symantec	● Not In	● Not In	● Not In	● Not In	● Not In	● Leader	● Not In
Capgemini	● Leader	● Not In	● Leader	● Not In	● Not In	● Not In	● Not In
CenturyLink	● Not In	● Not In	● Not In	● Not In	● Product Challenger	● Not In	● Not In
Check Point	● Not In	● Not In	● Not In	● Not In	● Not In	● Leader	● Not In
Cisco	● Not In	● Not In	● Not In	● Not In	● Not In	● Leader	● Leader
Cognizant	● Product Challenger	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In
Columbus	● Not In	● Product Challenger	● Not In	● Not In	● Not In	● Not In	● Not In

Next-Gen Private/Hybrid Cloud - Data Center Services & Solutions 2020 - Quadrant Provider Listing 2 of 5

	Managed Services for Large Accounts	Managed Services for Midmarket	Managed Hosting for Large Accounts	Managed Hosting for Midmarket	Colocation Services	Data Center Security Products	Hyperconverged Systems
Conapto	● Not In	● Not In	● Not In	● Not In	● Product Challenger	● Not In	● Not In
Dell EMC	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In	● Leader
DigiPlex	● Not In	● Not In	● Not In	● Not In	● Leader	● Not In	● Not In
Digital Realty	● Not In	● Not In	● Not In	● Not In	● Rising Star	● Not In	● Not In
DXC	● Leader	● Not In	● Leader	● Not In	● Not In	● Not In	● Not In
Embriq AS	● Contender	● Not In	● Not In	● Product Challenger	● Not In	● Not In	● Not In
Equinix	● Not In	● Not In	● Not In	● Not In	● Leader	● Not In	● Not In
Ficolo	● Not In	● Not In	● Not In	● Not In	● Leader	● Not In	● Not In
FireEye	● Not In	● Not In	● Not In	● Not In	● Not In	● Product Challenger	● Not In
Fortinet	● Not In	● Not In	● Not In	● Not In	● Not In	● Product Challenger	● Not In
Fujitsu	● Leader	● Not In	● Leader	● Not In	● Not In	● Not In	● Market Challenger
GlobalConnect	● Not In	● Not In	● Not In	● Not In	● Market Challenger	● Not In	● Not In
HCL	● Leader	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In
HPE	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In	● Leader

Next-Gen Private/Hybrid Cloud - Data Center Services & Solutions 2020 - Quadrant Provider Listing 3 of 5

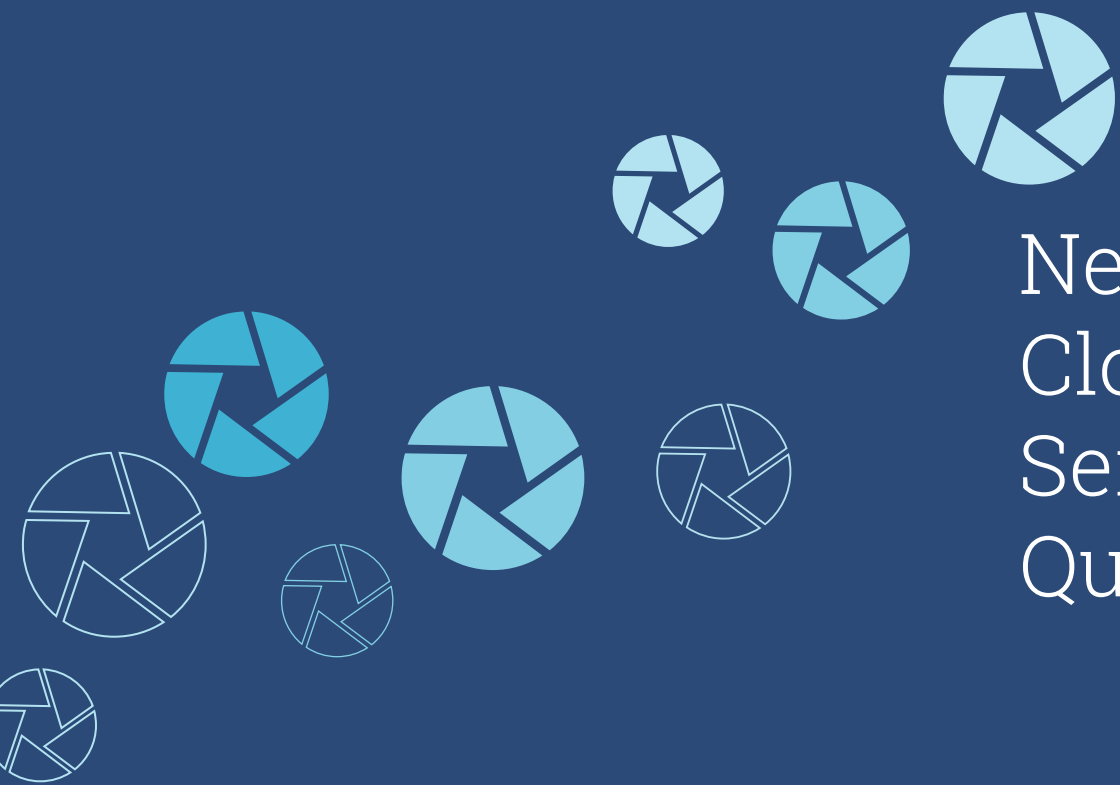
	Managed Services for Large Accounts	Managed Services for Midmarket	Managed Hosting for Large Accounts	Managed Hosting for Midmarket	Colocation Services	Data Center Security Products	Hyperconverged Systems
HTBASE	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In	● Contender
Huawei	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In	● Product Challenger
HYDRO66	● Not In	● Not In	● Not In	● Not In	● Rising Star	● Not In	● Not In
IBM	● Leader	● Not In	● Leader	● Not In	● Not In	● Leader	● Not In
Infosys	● Product Challenger	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In
Interxion	● Not In	● Not In	● Not In	● Not In	● Leader	● Not In	● Not In
iver	● Not In	● Rising Star	● Not In	● Rising Star	● Not In	● Not In	● Not In
Juniper Networks	● Not In	● Not In	● Not In	● Not In	● Not In	● Leader	● Not In
Kaspersky	● Not In	● Not In	● Not In	● Not In	● Not In	● Market Challenger	● Not In
KMD	● Market Challenger	● Leader	● Rising Star	● Not In	● Not In	● Not In	● Not In
Lenovo	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In	● Contender
LTI	● Rising Star	● Leader	● Not In	● Not In	● Not In	● Not In	● Not In
McAfee	● Not In	● Not In	● Not In	● Not In	● Not In	● Market Challenger	● Not In
MEDIAM	● Not In	● Not In	● Not In	● Not In	● Contender	● Not In	● Not In

Next-Gen Private/Hybrid Cloud - Data Center Services & Solutions 2020 - Quadrant Provider Listing 4 of 5

	Managed Services for Large Accounts	Managed Services for Midmarket	Managed Hosting for Large Accounts	Managed Hosting for Midmarket	Colocation Services	Data Center Security Products	Hyperconverged Systems
Micro Focus	● Not In	● Not In	● Not In	● Not In	● Not In	● Contender	● Not In
Microsoft	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In	● Product Challenger
NetApp	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In	● Contender
Netcompany	● Contender	● Product Challenger	● Product Challenger	● Product Challenger	● Not In	● Not In	● Not In
Nordlo	● Not In	● Leader	● Not In	● Not In	● Not In	● Not In	● Not In
Nutanix	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In	● Leader
Palo Alto Networks	● Not In	● Not In	● Not In	● Not In	● Not In	● Leader	● Not In
Pivot3	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In	● Product Challenger
Proact	● Not In	● Market Challenger	● Not In	● Not In	● Not In	● Not In	● Not In
Rapid7	● Not In	● Not In	● Not In	● Not In	● Not In	● Contender	● Not In
Red Hat	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In	● Market Challenger
SonicWall	● Not In	● Not In	● Not In	● Not In	● Not In	● Contender	● Not In
Systematic	● Product Challenger	● Product Challenger	● Not In	● Not In	● Not In	● Not In	● Not In
TCS	● Leader	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In

Next-Gen Private/Hybrid Cloud - Data Center Services & Solutions 2020 - Quadrant Provider Listing 5 of 5

	Managed Services for Large Accounts	Managed Services for Midmarket	Managed Hosting for Large Accounts	Managed Hosting for Midmarket	Colocation Services	Data Center Security Products	Hyperconverged Systems
Tech Mahindra	● Product Challenger	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In
TietoEVRY	● Leader	● Leader	● Leader	● Leader	● Not In	● Not In	● Not In
Trend Micro	● Not In	● Not In	● Not In	● Not In	● Not In	● Leader	● Not In
T-Systems	● Rising Star	● Leader	● Product Challenger	● Leader	● Not In	● Not In	● Not In
UnitedLayer	● Not In	● Not In	● Contender	● Not In	● Not In	● Not In	● Not In
Visolite	● Not In	● Contender	● Not In	● Not In	● Not In	● Not In	● Not In
VMware	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In	● Leader
Vodafone	● Not In	● Not In	● Not In	● Contender	● Not In	● Not In	● Not In
Wipro	● Leader	● Not In	● Not In	● Not In	● Not In	● Not In	● Not In
Xfiber	● Not In	● Not In	● Not In	● Not In	● Contender	● Not In	● Not In



Next-Gen Private/Hybrid Cloud - Data Center Services & Solutions Quadrants

ENTERPRISE CONTEXT

This report is relevant to enterprises of all sizes in the Nordics that are evaluating colocation providers.

In this quadrant report, ISG lays out the current market positioning of colocation providers in the Nordics, and how they interact with key enterprise challenges in the region. Foremost among those challenges is the integration of colocated computing resources into an enterprise's overall hybrid cloud strategy. In order to be successful in the current digital business environment, enterprises must take a unified approach to their technical infrastructure across public and private clouds.

Colocation is especially useful to enterprises in the Nordics because they can get access to datacenters that are closer to their operations. This geographic proximity is important for applications that require low latency to be successful. In addition, using local datacenters can help enterprises comply with data protection and data residency requirements.

Using colocation can help enterprises by alleviating the burden of operating a private datacenter, while still allowing some control over the underlying hardware and systems that underpin the applications hosted there. Enterprises will get the benefit of the colocation providers' investment in systems and processes that make their datacenters more efficient and reliable.

IT leaders should read this report to better understand the relative strengths and weaknesses of colocation providers, as well as how those providers' approaches to the market can impact enterprise hybrid cloud strategies. In particular, these leaders should understand how using a colocation provider will impact their management and operation of key workloads.

Software development and technology leaders should read this report to understand the positioning of colocation providers, and gain a better understanding of how those providers' offerings can impact the ongoing development of software products within an enterprise. Even if all of the applications hosted with a colocation provider are not under active development, it is likely that new projects will have to integrate with some of these systems.

Sourcing, procurement and vendor management professionals should read this report to develop a better understanding of the current landscape of colocation providers in the Nordics

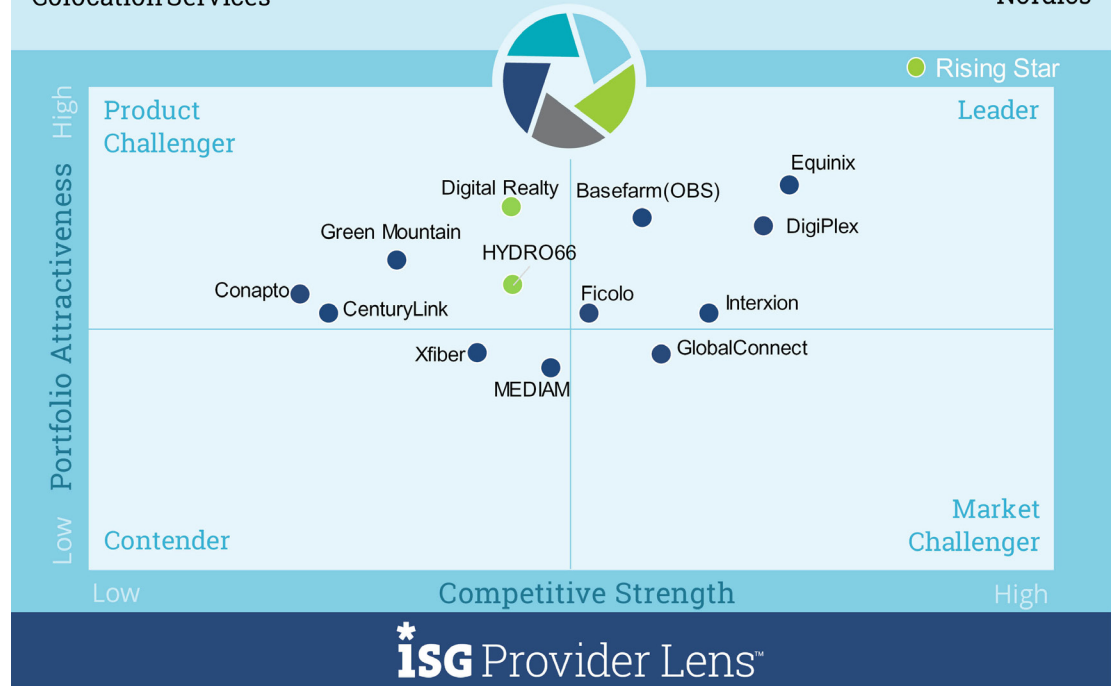
COLOCATION SERVICES

Definition

This quadrant includes providers that offer professional and standardized data center operations as colocation services. The participating companies offer community access points for various hosting providers, system houses, carriers or telecommunication providers and end users. Enterprise clients opt for colocation services because they provide a standardized and sophisticated data center setup, different carrier providers choices, low latency and high bandwidth at affordable prices to deliver critical, latency-sensitive information to users in and outside major metropolitan areas.

Next-Gen Private/Hybrid Cloud - Data Center Services & Solutions Colocation Services

2020
Nordics



Source: ISG Research 2020

COLOCATION SERVICES

Eligibility Criteria

- Ability to use a standardized data center architecture design for colocation field offices.
- Ability to provide colocation-hosting facilities with high-quality data network equipment.
- Ability to guarantee power density to support current and future technologies.
- Ability to provide at least five layers of physical security measures on the premises.
- Colocation site possess appropriate certification such as SSAE 16, HIPAA, ISO 14001, ISO 22301, PCI DSS, NIST, FISMA, SOC Type I and II, from one or more auditing companies.
- Ability to offer edge computing and networking.
- Ability to offer interconnected fabric hub services.
- Ability to optimize hybrid/multi-cloud applications by placing traffic exchange points close to users and clouds Ability to offer seamless integration with hyperscalers and edge data centers to support new applications for AI, Internet of Things (IoT), autonomous vehicles, big data, etc.

COLOCATION SERVICES

Observations

In the last couple of years, the Nordics has been a key focus region for colocation services. From U.S.- based large colocation providers to Nordics-based colocation providers, players have been expanding their footprint in the region. The major factors driving investments in this area are ease of doing business, focus on zero carbon emission, reasonable electricity price and taxation flexibility. Among Nordics countries, Denmark is a developed country, is centrally located in Europe, with good connectivity to surrounding countries such as Norway, Sweden, Germany, The Netherlands and the U.K. Major colocation data centers in the country are located in or around the capital city, Copenhagen, which also means that the majority of the traffic in Denmark is exchanged there. Peering is primarily done via private peering in carrier neutral data centers or via the Internet exchange point, Danish Internet Exchange (DIX).

- **Equinix** has evolved steadily over the decade to become a data center powerhouse in the Nordics.
- **Interxion** maintains seven computing centers at two locations in the Nordics, Also, the organization has 20 years of experience with consistent design and operational excellence across the Nordics, which allows companies to easily scale services across Europe.
- **DigiPlex** offers seven colocation centers with robust inter-connectivity, security and sustainability that brings the best solutions for companies.
- **Digital Realty** combined with Interxion, offers an expansive portfolio of cloud and carrier-neutral data centers, colocation and interconnection solutions across Europe.
- **Ficolo** has multiple colocation data centers across the Nordics. The organization is planning establish strategic partnerships to expand its colocation services in the region.
- **Basefarm (OBS)** has three large colocation centers with large inter-connectivity in the Nordics.
- **H66** offers cloud and colocation hyperscale data centers that are located in Sweden. The organization provides green solutions that are suitable for enterprise cloud strategies.

DIGIPLEX

Overview

DigiPlex delivers tailored IT-housing for mission-critical systems. Established in 2000, the organization is one of the long-standing data center builders and operators in Europe. The company, recognized as a leader in innovative, sustainable, and secure data centers. Strong investor interest is evident in the company's track record and the exponential growth in the Nordics, as well as its strong brand name in the industry that it has built over the past 20 years. DigiPlex provide solutions across the size spectrum – from hyperscale deployment to half racks – via wholesale, data halls, cages and single racks.

Strengths

Nordics based colocation providers: DigiPlex operates five data centers in total (one in Stockholm, one in Copenhagen, and three in Oslo), with two more under construction in the Oslo area. The two upcoming facilities will be operational in the second half of 2020. The data centers are ISO 9001, 14001, 27001 and 45001 certified and run on 100 percent renewable electricity. The company is known for its green data centers, with 100 percent renewable energy.

Hyperscalers connections: DigiPlex offers DigiPlex Nordic Connect, an ethernet-based network, that can directly connect to both Microsoft Azure ExpressRoute and AWS Direct Connect, enabling stable, low-latency and scalable cloud access for its customers. The organization partnered with MegaPort to offer direct, secure, and on-demand access to partner global ecosystems of service providers, including leading cloud service providers such as Google Cloud Platform and Oracle Cloud.

Launched Nordic Connect platform: DigiPlex launched its Nordic Connect Platform to link its main data centers in Norway, Sweden and Denmark, thereby creating a unique cross-border eco-system. In 2018, DigiPlex secured several major new customers such as AWS, Candidator and NetNordics, expanded two of its data centers in Oslo, and entered the Danish market through the acquisition of Telia data center in central Copenhagen.

Caution

DigiPlex should continue to work with large hyperscalers in the region with focus on expanding interconnectivity.



2020 ISG Provider Lens™ Leader

With hyperscalers investing significantly in the Nordics, DigiPlex is gearing up to capture these market opportunities. DigiPlex is one of the most attractive brand names in data centers among international enterprise clients in the Nordics market.



Methodology

METHODOLOGY

The research study “ Next-Gen Private/Hybrid Cloud - Data Center Services & Solutions 2020” analyzes the relevant software vendors/service providers in the Nordics market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

The study was divided into the following steps:

1. Definition of Next-Gen Private/Hybrid Cloud - Data Center Services & Solutions
2. Use of questionnaire-based surveys of service providers/vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities & use cases
4. Leverage ISG's internal databases & advisor knowledge & experience (wherever applicable)
5. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
6. Use of the following key evaluation criteria:
 - Strategy & vision
 - Innovation
 - Brand awareness and presence in the market
 - Sales and partner landscape
 - Breadth and depth of portfolio of services offered
 - Technology advancements



Authors and Editors



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At ISG, Manoj Chandra Jha is primarily responsible for research projects and working on the ISG Provider Lens™ (IPL) program. He actively contributes in gathering service provider intelligence through both primary and secondary research. He is responsible for writing thought leadership reports and papers on briefings provided by the service providers. In addition to these, Manoj also writes blogs on trending topics, specifically on cutting-edge technology. Manoj has executed several client requests for research and consulting assignments across industries, predominantly in the IT, manufacturing and insurance. He has handled client communication for the team, managing the client right from on-boarding to understanding their custom research requests to scheduling briefing calls. Along with this, he has been closely involved with the quadrant studies around cloud services and data center outsourcing market.



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Blair serves as an ISG enterprise analyst covering topics including artificial intelligence, cloud computing and Agile/DevOps transformation. This year, he is providing enterprise context for ISG Provider Lens reports on the service provider ecosystems around Private/Hybrid Cloud, Public Cloud, Microsoft, SAP and Next-Gen ADM. He provides enterprise IT decision makers with market-leading advice on key technology trends through research notes and personal consultation. Since joining ISG in 2018, Blair has provided clients with insights about how their strategy fits with emerging technology trends that are shaping markets worldwide, and how new technologies can help them drive better business value.

Authors and Editors



Jan Erik Aase, Editor
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Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor. Now as a research director, principal analyst and global head of ISG Provider Lens™, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.

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