451 Research: Worldwide datacenter colocation and wholesale market will reach $48bn by 2021

Equinix and Digital Realty remain the market leaders among nearly 1,200 worldwide suppliers

NEW YORK — January 12, 2017 — 451 Research projects that global colocation and wholesale market revenue will top $48bn by 2021 in its latest quarterly release of our Datacenter KnowledgeBase (DCKB), which tracks nearly 4,500 datacenters operated by 1,193 companies worldwide.

In Q3 2016, the datacenter colocation and wholesale market saw $28.9bn in annualized revenue. The majority of this revenue (42%) was generated in North America, with Asia-Pacific generating 31%.

Following a year of significant M&A activity in 2015, the first three quarters of 2016 maintained the momentum with notable industry consolidation that included Equinix completing its acquisition of Telecity Group, Tierpoint buying Windstream and Digital Realty Trust taking on eight of Equinix’s European datacenters, among many other deals.

The datacenter market continues to grow, not only in many of the main markets, but increasingly in ‘edge’ markets outside of the global top 20. “Interest in edge markets is one of the factors driving consolidation,” notes Leika Kawasaki, Senior Analyst, Datacenter Initiatives at 451 Research. “Over the next one to two years, we expect to see growing interest from top providers and investors in markets outside of the top 20, particularly in Asia and Latin America.

![Market Share of Global Top 10 Colocation and Wholesale Datacenter Providers - by Total Annualized Revenue - Q3 2016**](image-url)

**The market shares represented in this chart reflects each company’s total as of Q3 2016 – excludes any M&A activities completed after September 30, 2016.**

Source: 451 Research’s Datacenter KnowledgeBase, December 2016
In terms of annualized colocation and wholesale revenue, as of Q3 2016 Equinix and Digital Realty remained the global leaders, with 9.5% and 5.7% share, respectively. Once the Equinix acquisition of Verizon’s datacenter business closes in mid-2017, Equinix market share is expected to expand to 11.4% of global annualized revenue, equivalent to double that of the second-largest provider, Digital Realty Trust.

**About the Datacenter KnowledgeBase**

The DCKB is a database of 4,500 individual datacenters operated by 1,193 datacenter companies serving North America, Europe, the Middle East and Africa, Asia-Pacific, and Latin America. The Datacenter KnowledgeBase tracks colocation and wholesale datacenter facilities globally, and provides insight into facility capacities and capabilities, investment and expansion opportunities, and future facility builds.

This unique database provides the industry’s most authoritative and comprehensive set of datacenter intelligence, covering more than 100 metrics per facility. The 451 Research team gathers data directly from datacenter operators through on-site visits, assessments and direct outreach.

**About 451 Research**

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