



EXECUTIVE OVERVIEW

**MARKET
FORECAST**

DEC 2017

Multi-Tenant Datacenter Global Providers 2017

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This report examines the overall size, scope and growth of the multi-tenant datacenter market globally. It segments the global market into regions, including North America; Europe, the Middle East and Africa (EMEA); Asia-Pacific; and Latin America. The report spotlights various prominent global datacenter providers and provides a market outlook for each.



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Key Findings

The multi-tenant datacenter (MTDC) industry remained solid during 2017 and will continue to grow going forward. We forecast the compound annual growth rate (CAGR) for global MTDC revenue at 12% for the period from 2016 to 2021.

We expect to see the fastest MTDC market size growth in Latin America, with a CAGR of 14.5% predicted from 2016 to 2021. This is due to the small size of the market and the expansions/new builds announced by providers there. We expect the market size in APAC to grow nearly as quickly, with a forecast CAGR of 12% for the same period.

The global MTDC market remains highly fragmented, with roughly 1,300 companies offering MTDC services, providing opportunities for further consolidation.

451 Research has identified 105 'top-tier' global MTDC providers with revenue of at least \$30m from that sector. Consolidation has led to fewer companies falling into this category, but has also resulted in significant upward movement in revenue buckets for some companies.

Thirty-five out of the top 50 GDP countries in the world are considered by 451 Research to have emerging or fledgling datacenter markets with the potential for more rapid growth than that of the mature and adolescent markets.

Executive Summary

INTRODUCTION

The multi-tenant datacenter (MTDC) industry has changed enormously in the past 10-15 years. Although enterprises continue to own and operate in-house datacenters, their use of colocation, private cloud, dedicated hosting, public cloud, IaaS and other elements of outsourcing has boosted demand for MTDCs from both the enterprises themselves and the providers serving them. The growth of data and content – and the storage, latency and processing required for them – has been a huge factor in determining where MTDCs are located. These trends will continue, since the fundamental drivers for global growth of the MTDC market remain strong.

METHODOLOGY

The data in this report was assembled in part through the use of 451 Research's Datacenter KnowledgeBase (DCKB), which tracks thousands of datacenters and hundreds of companies in the space, including product mix and regional market shares. Our methodology includes tours of many of the datacenters in the markets, surveys of datacenter providers, phone briefings and data collection from competitors. 451 Research also interviews real estate professionals as part of our research.

This report was written by:

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451 Research client input and comments on this report are encouraged. Any questions about the methodology should be addressed to datacenter@451research.com.

In cases where metrics are not available from the company, we have used general industry averages and assumptions. Not all of the companies listed in this report were willing to provide data, and in some cases approximations were given, which were adjusted based on our best assessment. 451 Research acknowledges the vastness of the sector and endeavors to track datacenter providers as we learn about them, no matter where they are in the world.

MTDC revenue figures in this report do not necessarily represent total revenue figures for these providers, only the allotted revenue from MTDC services (colocation and wholesale). It does not include interconnection, managed hosting, cloud services, domain name services, website hosting or other services – all, some or none of which the companies in the report also provide. We also do not count revenue for single-tenant datacenters in our MTDC market sizing. Please refer to the taxonomy at the end of this report for further clarification. This report uses updated models and the most up-to-date information received from datacenter providers to estimate market sizes and company revenues.

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