ISG Provider Lens™

Private/Hybrid Cloud – Data Center Services

Colocation Services

A research report comparing provider strengths, challenges and competitive differentiators

Customized report courtesy of:

green

QUADRANT REPORT | JUNE 2024 | SWITZERLAND

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The growing demand for outsourced IT infrastructure solutions continues to drive the expansion of managed services and colocation services

Published on an ongoing basis, ISG Index™ has already indicated in recent issues that the market for infrastructure outsourcing is still growing, but unit costs are continuing to fall. By automating services, suppliers can offset the high labor cost and the increasing cost of living. Although prices for long-term IT service contracts continue to fall, overall expenditure is rising due to increased consumption. In Switzerland, the projected inflation rate for 2024 may prompt suppliers to negotiate contract realignment to find joint solutions to offset rising costs and strengthen future collaboration. Long-term IT service contracts can be further optimized through close cooperation between suppliers and customers to take increased consumption into account and develop efficient solutions despite falling prices. The aim is to react flexibly to changing market conditions and remain competitive in the long term through automation and the realignment of contracts.

ISG also predicts that competition between providers of hybrid IT and colocation services in Switzerland will intensify as companies increasingly seek flexible and secure solutions. The rising demand for cloud services and data center capacities will pressurize providers to develop innovative offerings and continuously improve their service quality.

It is noticeable that providers are increasingly emphasizing the importance of standardizing infrastructures to offer better services at a lower price. Standardization offers various advantages — it enables providers to automate the operation of infrastructures and reduce the need for manual intervention, leading to significant cost savings and improved efficiency.

A standardized infrastructure makes it easier for providers to scale operations quickly and replicate the standardized components at

Multicloud strategies rely on both **polycloud and hybrid cloud** and are thus becoming increasingly complex.

different locations and with various customers. Furthermore, standardization increases the reliability and consistency of the infrastructure, which can increase customer satisfaction and reduce the risk of downtime and service interruptions. By standardizing infrastructure services through infrastructure as code (IaC) and software-defined infrastructure, providers can achieve greater efficiency, scalability and reliability, ultimately benefiting providers and enterprise customers.

Trends in managed services: In many cases, hybrid infrastructure management tools must be compatible with VMware and ServiceNow products to integrate machine learning into automation. Modern service platforms will use incident analytics to look for potential root causes to provide more contextual information to service teams and automate incident resolution, thus reducing mean time to detect (MTTD) and mean time to repair (MTTR). Service providers will continue to automate their processes to improve service quality and save costs. For medium-sized customers, this would mean simplifying infrastructure management and reducing operational risk. Large customers, on the other hand, want to minimize service interruptions to improve service quality. Large service providers use automated systems to increase performance and reduce administrative costs. Data analytics provides customers with insights and knowledge regarding consolidation and rightsizing so that they can make informed decisions. Infrastructure as Code (IaC) allows customers to fully control the deployment of new services and DevOps environments. Modern managed service platforms have IaC and DevOps automation options on-premises as well as in colocation and managed hosting environments.

Modernization of IT infrastructure: Many Swiss companies have been using their IT systems for many years or even decades, and these systems have reached the end of their lifespan. These systems can no longer keep up with the demands of modern applications and business processes and are more vulnerable to security threats and other risks. Modernization requires a significant investment of time, money and resources, which many companies see as a major challenge. Service providers offer a thorough analysis of existing infrastructure, identify vulnerabilities and inefficiencies, and create a plan for how these systems can be updated or replaced. Although the benefits may not be immediately apparent, and there may be risks such as business disruption during the migration process, modernization is a crucial step for many companies to remain competitive and meet the demands of the digital age. While it may be challenging, the potential savings are significant, particularly through improved operational efficiency and increased business results.

Hybrid cloud trends: Companies have recognized that legacy applications often do not run smoothly in a public cloud environment. This is why they often choose to operate in colocation data centers or migrate to a managed hosting model. Service providers can now manage colocation, hosting and cloud through a single AIOps platform to provide customers with a unified experience across all infrastructures. On the other hand, local data centers are often not as well connected as colocation and hosting data centers, making a move inevitable.

Evolution from hybrid cloud to polycloud: In 2024, cloud providers such as AWS, Microsoft Azure and Google Cloud will continue to expand their services. Companies will carefully decide where to place their workloads. With the polycloud strategy, applications will have access to the optimal services for their specific use case, be it an industry-specific cloud solution, a specialized database or an AI and ML service. Companies are integrating their on-premises and private cloud infrastructures into their roadmaps as they realize that not all workloads belong in the public cloud, mainly due to cost, performance and regulatory aspects.

Cost optimization in the cloud is paramount: Companies are increasingly focusing on cost reduction and efficiency in 2024 due to the possibility of an impending economic downturn. With the rapid growth in public cloud usage over the last two years, cloud spending has significant cost-saving potential. IT, Finance and FinOps teams are visualizing their TCO across their hybrid cloud footprint (on-premises, private and public clouds) to identify optimization opportunities and monetization potential in cloud migrations. Having achieved

fundamental cost savings through simple FinOps in recent years, organizations are now looking to redesign their applications to leverage cost-effective, cloud-native technologies such as serverless to further optimize their cloud spend.

Increasing success for small and medium-sized providers: It is noticeable that several large global system integrators are losing customers to these smaller providers. The main reasons for this are manifold. A few of them are listed below:

Costs: Small and medium-sized providers can offer more competitive prices due to lower overheads. They are also more agile and can adapt quickly to changing market conditions.

Innovation: Due to their agility and innovative strength, small and medium-sized providers can react more quickly to new technologies and trends. Some of them even offer more advanced solutions.

Personal service: Small and medium-sized providers attach great importance to personal support, customer orientation and flexibility. This allows them to tailor their services to the individual needs of their customers, in contrast to the standardized offerings of large providers.

Ongoing shortage of skilled workers drives M&A activity: Companies are acquiring capacity and skills to increase their revenues. In 2023, the trend of increasingly smaller companies in the managed services sector being acquired by larger companies continued unabated. ISG predicts further mergers and acquisitions in the coming years.

Strong demand for colocation services: In Switzerland, commercial enterprises, banks and insurance companies, healthcare sectors and public administrations are increasingly relying on the services of colocation providers and moving their infrastructure to their data centers. There are many reasons for this, including improved operational security, adherence to compliance requirements and the rapid provision of secure connectivity worldwide. In addition to housing, some colocation providers offer state-of-the-art IT infrastructure systems that can be easily added and provide a basis for a hybrid cloud. Sustainability is an important issue.

Data centers are required to achieve the goal of climate neutrality by 2030. Green technologies, energy recovery systems, use of green energy, monitoring and optimization will become mandatory — a requirement that many customer-owned data centers will find challenging to meet.

The providers hold targeted discussions with companies to create added value for their business. They help modernize and manage the infrastructure instead of focusing solely on day-to-day operational management. In addition, providers help organizations create a roadmap to improve performance and reduce workload costs.

Provider Positioning

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	Managed Services — Large Accounts	Managed Services — Midmarket	Managed Hosting — Large Accounts	Managed Hosting — Midmarket	Colocation Services
Abraxas	Not In	Not In	Market Challenger	Not In	Not In
Accenture	Leader	Not In	Not In	Not In	Not In
ACP	Not In	Contender	Not In	Not In	Not In
All for One Group	Not In	Product Challenger	Not In	Not In	Not In
AlpHosting	Not In	Not In	Contender	Not In	Not In
Anexia	Not In	Not In	Not In	Market Challenger	Not In
Aspectra	Not In	Not In	Not In	Contender	Not In
AtlasEdge	Not In	Not In	Not In	Not In	Product Challenger
Atos	Leader	Not In	Leader	Not In	Not In
Aveniq	Not In	Leader	Leader	Not In	Not In

Provider Positioning

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	Managed Services — Large Accounts	Managed Services — Midmarket	Managed Hosting — Large Accounts	Managed Hosting — Midmarket	Colocation Services
Axians	Not In	Leader	Not In	Not In	Not In
Bancadati	Not In	Not In	Not In	Not In	Contender
Bechtle	Not In	Leader	Not In	Leader	Not In
Bedag Informatik	Not In	Not In	Contender	Not In	Not In
BitHawk	Leader	Not In	Not In	Not In	Not In
BrainServe	Not In	Not In	Not In	Not In	Product Challenger
BT	Contender	Not In	Contender	Not In	Not In
CANCOM	Not In	Rising Star ★	Not In	Not In	Not In
Capgemini	Leader	Not In	Not In	Not In	Not In
CGI	Contender	Not In	Not In	Not In	Not In

Provider Positioning

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	Managed Services — Large Accounts	Managed Services — Midmarket	Managed Hosting — Large Accounts	Managed Hosting — Midmarket	Colocation Services
CKW	Not In	Not In	Not In	Contender	Contender
Cognizant	Product Challenger	Not In	Not In	Not In	Not In
ColoBâle	Not In	Not In	Not In	Not In	Contender
Controlware	Not In	Contender	Not In	Not In	Not In
CONVOTIS	Not In	Leader	Not In	Leader	Contender
Data11	Not In	Not In	Not In	Not In	Contender
Datasource	Not In	Not In	Not In	Not In	Contender
Devoteam	Contender	Market Challenger	Not In	Not In	Not In
Digital Realty	Not In	Not In	Not In	Not In	Leader
DXC Technology	Product Challenger	Not In	Not In	Not In	Not In

Provider Positioning

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	Managed Services — Large Accounts	Managed Services — Midmarket	Managed Hosting — Large Accounts	Managed Hosting — Midmarket	Colocation Services
Econis	Not In	Contender	Product Challenger	Not In	Not In
ELCA/EveryWare	Not In	Leader	Not In	Leader	Product Challenger
eqipe	Not In	Not In	Not In	Contender	Not In
Equinix	Not In	Not In	Not In	Not In	Leader
exaSys	Not In	Not In	Not In	Not In	Market Challenger
Fujitsu	Contender	Not In	Product Challenger	Not In	Not In
Green	Not In	Leader	Not In	Product Challenger	Leader
HCLTech	Rising Star ★	Not In	Not In	Not In	Not In
Hexaware	Contender	Not In	Not In	Not In	Not In
Hosttech	Not In	Not In	Not In	Contender	Product Challenger

Provider Positioning

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	Managed Services — Large Accounts	Managed Services — Midmarket	Managed Hosting — Large Accounts	Managed Hosting — Midmarket	Colocation Services
Infomaniak	Not In	Not In	Product Challenger	Not In	Product Challenger
ITpoint Systems	Not In	Contender	Not In	Product Challenger	Not In
ITRIS One	Not In	Not In	Not In	Market Challenger	Not In
IWB	Not In	Not In	Not In	Not In	Product Challenger
Kyndryl	Leader	Not In	Leader	Not In	Not In
LAKE Solutions	Not In	Contender	Not In	Not In	Not In
Leuchter IT	Not In	Not In	Not In	Market Challenger	Not In
MTF	Not In	Leader	Not In	Leader	Not In
Netcloud	Not In	Leader	Not In	Not In	Not In
Netskin	Not In	Not In	Not In	Contender	Not In

Provider Positioning

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	Managed Services — Large Accounts	Managed Services — Midmarket	Managed Hosting — Large Accounts	Managed Hosting — Midmarket	Colocation Services
nexellent	Not In	Not In	Contender	Not In	Not In
Nine Internet Solutions	Not In	Not In	Not In	Product Challenger	Not In
nLighten	Not In	Not In	Not In	Not In	Product Challenger
NorthC Datacenters	Not In	Not In	Not In	Not In	Product Challenger
Novatrend	Not In	Not In	Contender	Not In	Not In
NTS Workspace	Not In	Not In	Not In	Not In	Leader
NTT DATA	Product Challenger	Not In	Product Challenger	Not In	Not In
NTT GDC	Not In	Not In	Not In	Not In	Leader
Orange Business	Contender	Not In	Contender	Not In	Not In
ProCloud	Not In	Not In	Not In	Product Challenger	Not In

Provider Positioning

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	Managed Services — Large Accounts	Managed Services — Midmarket	Managed Hosting — Large Accounts	Managed Hosting — Midmarket	Colocation Services
Rackspace Technology	Product Challenger	Not In	Rising Star ★	Not In	Not In
Safe Swiss Cloud	Not In	Not In	Not In	Product Challenger	Not In
ServerTown	Not In	Not In	Not In	Contender	Not In
SmartIT Services	Not In	Not In	Not In	Contender	Not In
Sopra Steria	Contender	Not In	Contender	Not In	Not In
STACK Infrastructure	Not In	Not In	Not In	Not In	Leader
Swisscom	Leader	Leader	Leader	Leader	Leader
TCS	Leader	Not In	Not In	Not In	Not In
ti&m	Leader	Not In	Leader	Not In	Not In
T-Systems	Product Challenger	Not In	Leader	Not In	Not In

Provider Positioning

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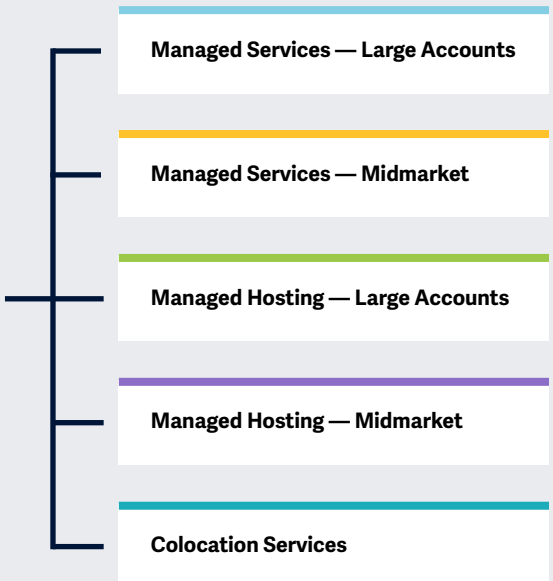
	Managed Services — Large Accounts	Managed Services — Midmarket	Managed Hosting — Large Accounts	Managed Hosting — Midmarket	Colocation Services
UMB	Leader	Not In	Not In	Not In	Not In
Unisys	Contender	Not In	Not In	Not In	Not In
UnitedLayer	Not In	Not In	Not In	Not In	Contender
Vantage Data Centers	Not In	Not In	Not In	Not In	Product Challenger
VSHN	Contender	Product Challenger	Not In	Not In	Not In
Wipro	Leader	Not In	Not In	Not In	Not In
Xelon	Not In	Not In	Not In	Contender	Not In

This study focuses on what ISG perceives as the most critical aspects of **private/ hybrid cloud and data center** outsourcing services in 2024.



Simplified Illustration Source: ISG 2024

Definition

This study assesses global and regional providers offering data center outsourcing, including the service providers of managed hosting, colocation facilities and managed services.

Data center outsourcing is the practice of transferring the responsibility of managing data center assets to a third-party provider. It encompasses orchestration, provisioning, integrated monitoring, and managing infrastructure components, including computing, storage, database and middleware. The data center may be owned by the enterprise client, service provider or a third-party colocation provider. A private cloud is an extension of a client's computing environment that leverages investments in virtual infrastructure and applications. A hybrid cloud connects the existing on-premises infrastructure services with a private cloud, a public cloud or multicloud arrangements. An enterprise may also leverage colocation and hosting providers, and not necessarily own a data center, to have a hybrid cloud setup.

Enterprises with stringent security and governance requirements, large data volumes and close integration of enterprise applications and workflow needs may prefer an on-premises or a private cloud environment and choose to host in their own facility. Enterprises are also increasingly opting for hybrid cloud setups as they offer a high degree of control and leverage the capabilities of public cloud platforms without the need to offload all their data to a third-party data center. ISG has also observed enterprises demanding the implementation of ESG initiatives by infrastructure services providers. The rapid increase in digital transformation engagements is accompanied by a rise in energy demands, contributing to climate changes, while government regulations are mandating a faster transition to carbon neutrality.

Scope of the Report

The ISG Provider Lens™ Private/Hybrid Cloud – Data Center Services offers the following to businesses and IT decision-makers:

- Transparency on the strengths and weaknesses of relevant providers.
- A differentiated positioning of providers by segments on their competitive strengths and portfolio attractiveness.
- Focus on different markets, including the APAC**, Brazil, France, Germany, Nordics, Netherlands, Switzerland, U.K. and U.S.

ISG Provider Lens™ studies serve as an important decision-making tool for positioning service providers, growing 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 engagements.

**APAC (ANZ, *ASEAN, India – ex China, Hong Kong, Japan, Korea, Taiwan)

*ASEAN = Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam

Provider Classifications

The provider position reflects the suitability of providers for a defined market segment (quadrant). Without further additions, the position always applies to all company sizes classes and industries. In case the service requirements from enterprise customers differ and the spectrum of providers operating in the local market is sufficiently wide, a further differentiation of the providers by performance is made according to the target group for products and services. In doing so, ISG either considers the industry requirements or the number of employees, as well as the corporate structures of customers and positions providers according to their focus area. As a result, ISG differentiates them, if necessary, into two client target groups that are defined as follows:

- **Midmarket:** Companies with 100 to 4,999 employees or revenues between$20 million and $999 million with central headquarters in the respective country, usually privately owned.
- **Large Accounts:** Multinational companies with more than 5,000 employees or revenue above $1 billion, with activities worldwide and globally distributed decision-making structures.

The ISG Provider Lens™ quadrants are created using an evaluation matrix containing four segments (Leader, Product & Market Challenger and Contender), and the providers are positioned accordingly. Each ISG Provider Lens™ quadrant may include a service provider(s) which ISG believes has strong potential to move into the Leader quadrant. This type of provider can be classified as a Rising Star.

- **Number of providers in each quadrant:** ISG rates and positions the most relevant providers according to the scope of the report for each quadrant and limits the maximum of providers per quadrant to 25 (exceptionsare possible).

Provider Classifications: Quadrant Key

Product Challengers offer a product and service portfolio that reflect excellent service and technology stacks. These providers and vendors deliver an unmatched broad and deep range of capabilities. They show evidence of investing to enhance their market presence and competitive strengths.

Leaders have a comprehensive product and service offering, a strong market presence and established competitive position. The product portfolios and competitive strategies of Leaders are strongly positioned to win business in the markets covered by the study. The Leaders also represent innovative strength and competitive stability.

Contenders offer services and products meeting the evaluation criteria that qualifies them to be included in the IPL quadrant. These promising service providers or vendors show evidence of rapidly investing in products/ services and a follow sensible market approach with a goal of becoming a Product or Market Challenger within 12 to 18 months.

Market Challengers have a strong presence in the market and offer a significant edge over other vendors and providers based on competitive strength. Often, Market Challengers are the established and well-known vendors in the regions or vertical markets covered in the study.

★ **Rising Stars** have promising portfolios or the market experience to become a Leader, including the required roadmap and adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market in the studied region. These vendors and service providers give evidence of significant progress toward their goals in the last 12 months. ISG expects Rising Stars to reach the Leader quadrant within the next 12 to 24 months if they continue their delivery of above-average market impact and strength of innovation.

Not in means the service provider or vendor was not included in this quadrant. Among the possible reasons for this designation: ISG could not obtain enough information to position the company; the company does not provide the relevant service or solution as defined for each quadrant of a study; or the company did not meet the eligibility criteria for the study quadrant. Omission from the quadrant does not imply that the service provider or vendor does not offer or plan to offer this service or solution.

Colocation Services

Who Should Read This Section

This quadrant is relevant to enterprises of all sizes in Switzerland for evaluating colocation service providers.

In this quadrant, ISG defines colocation service providers' current market positioning in Switzerland and how they address key challenges faced by enterprises in the region.

Enterprises lease space in colocation facilities to store their servers, storage devices and networking equipment and utilize providers' power, cooling, bandwidth and security infrastructure to manage their hardware. The providers offer diverse connectivity with various carriers and telecommunication providers, low-latency networks, high bandwidth for content delivery, security, scalability and service flexibility.

Switzerland operates the most number of data centers per capita in Europe, and the demand for data centers continues to grow. In response, several leading colocation providers have opened or are planning new data centers in the country. With the establishment of new data centers, enterprises across the country are also expecting advanced services from these providers.

In the past, the decisive factors for choosing a data center were security, sufficient energy and cooling, a secure line connection to customers and price. However, low-latency interconnections, sustainable operations and significant computing power requirements for LLMs and AI-powered applications are now emerging as the deal makers. Enterprises are also seeking edge computing solutions closer to their operations, with low latency and stable line connections, further increasing the demand for colocation services.

IT and infrastructure leaders should read this report to analyze colocation providers' capabilities and market advancements impacting the management and operation of key workloads.

Software development and technology leaders should read this report to understand providers' positioning and offerings and their impact on ongoing development at an enterprise level.

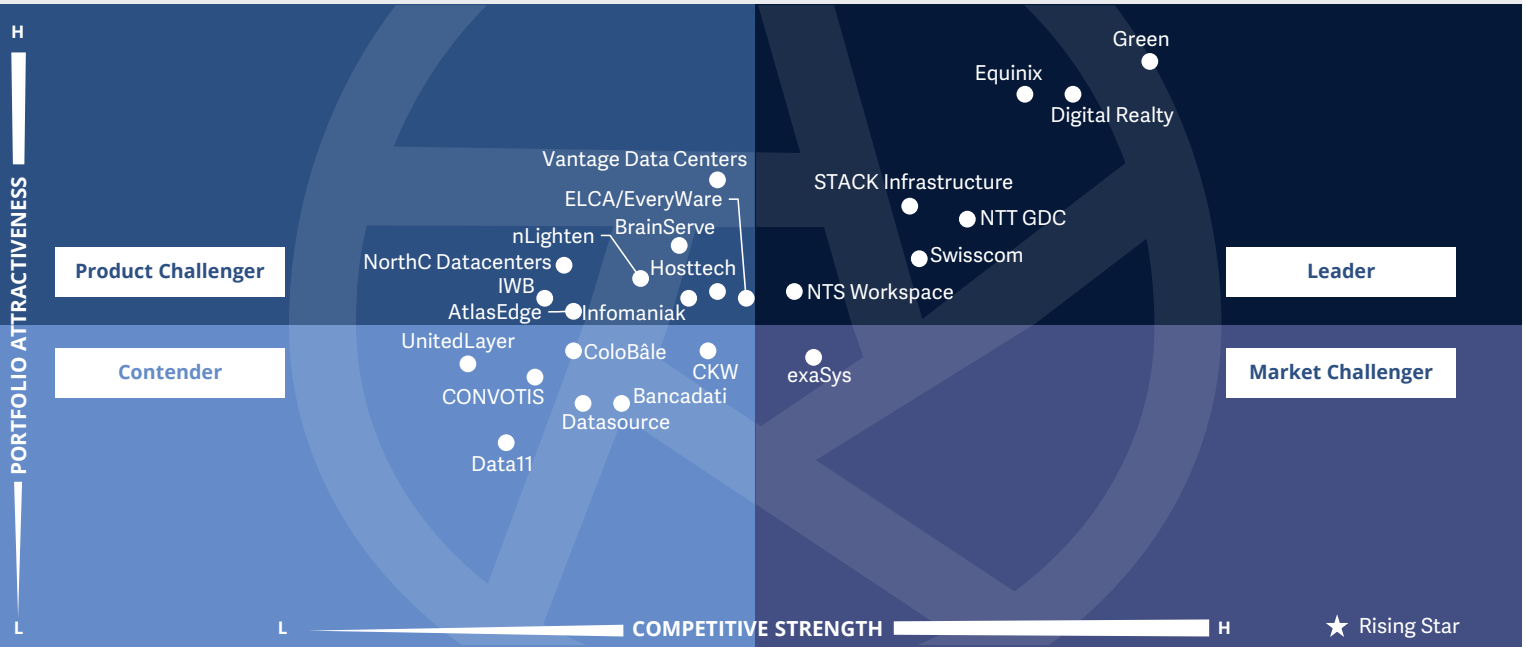
Sourcing, procurement and vendor management professionals should read this report to better understand the current landscape and partner ecosystem of colocation service providers in Switzerland.

ISG Provider Lens™

Source: ISG RESEARCH

Private/Hybrid Cloud – Data Center Services
Colocation Services

Switzerland 2024



This quadrant evaluates colocation providers that offer **a wide range of services and connectivity** in highly secure data centers for national and international companies, public cloud providers, integrators and managed service providers.

Wolfgang Heinhaus

Definition

This quadrant assesses colocation providers offering standardized data center operations for midmarket and large enterprise clients, focusing on renting space for servers and computing hardware in a third-party infrastructure space. Providers offer building, cooling, power and security services, while clients manage their hardware. Key offerings include high-quality data center setups and onboarding services, diverse connectivity with various carriers and telecommunication providers, low latency, high bandwidth for content delivery, scalability and flexibility in services. Security and compliance are paramount, ensuring data and infrastructure protection. These centers also serve as community access points, fostering collaboration among hosting providers, system houses and end users.

Enterprise clients procure colocation services to reduce operating expenditures while balancing quality and affordability, including professional support, remote hands, monitoring and maintenance. They expect a standardized and sophisticated data center setup, several carrier options, low latency and high bandwidth at affordable prices to deliver rich content or critical, latency-sensitive information to users within and outside major metropolitan areas. Colocation providers offer a secure, high-performance environment for critical IT infrastructure by leveraging next-generation AI and ML technologies that are adaptable to changing business needs.

Eligibility Criteria

1. Own facilities that offer **standardized data center** architecture design for colocation
2. Offer **secure** and high-quality **network** equipment, appliances and connectivity systems
3. Guarantee **power density** to support current and future technologies
4. Provide at least **five layers** of **data center security**
5. Possess **appropriate certifications** such as SSAE 16, HIPAA, ISO 14001, ISO 22301, ISO 27001, ISO 50001, EN 50600, PCI DSS, NIST2, FISMA and SOC Type 1 and 2
6. Amenable to SLAs related to **hands-and-feet support** and hardware replacement
7. Offer **facilities with traffic exchange points** in proximity to users and hyperscalers
8. Offer **disaster recovery and backup solutions**
9. Leverage **clean energy sources** and solutions to **reduce energy consumption**, including zero carbon emission and **green data center** initiatives

Observations

The demand for data centers in Switzerland has continued to grow. This country operates the most data centers per capita in Europe. The providers Green, Digital Realty and NorthC have opened new data centers; others are already under construction or planning. Vantage Datacenter has announced the construction of a second data center in Glattfelden. Existing colocation data centers are changing hands — Exa Infrastructure, for example, sold its two data centers in Zurich and Geneva to the Dutch provider nLighten. This is just a small selection of the currently observed activities. Companies of all sizes, integrators, public cloud providers, administrations and system houses are relocating their infrastructure to colocation data centers. The increased demand for edge computing solutions close to the customer with low-latency, stable line connections is leading to further demand for colocation services. Customer requirements for the equipment of a colocation data center have increased. In the past, a secure data center that could provide sufficient power, cooling and a secure line connection to the customer and the price were the decisive factors. Low-latency line connections worldwide and sustainability, which are now a must, are the trends. The AI revolution is another driving force. The significant computing power requirements of LLMs and AI-powered applications are accelerating the development of a new generation of high-density environments. Data center operators must adapt their infrastructure to support high-performance computing.

Of the 77 companies evaluated for this study, 24 qualified for this quadrant, including seven as Leaders.

Leader

"Green impresses with its expertise, customer focus and high-performance, highly networked and energy-efficient data centers."

Wolfgang Heinhaus

Green

Overview

Green, headquartered in Lupfig, is a unique and successful colocation provider. Six modern, highly secure data centers are currently maintained in the Zurich area, two more are under construction on the Zurich metro campus and a further high-performance data center is being built at the Lupfig site. The plans envisage a doubling of data center capacity. Companies from the banking, insurance, healthcare and industrial sectors as well as service providers, international cloud providers and integrators, are highly satisfied with the excellent facilities and services. Green achieved above-average scores in the ISG customer satisfaction survey "Star of Excellence CX 2024" and took first place in the category.

Strengths

Network connectivity and security: Green offers many state-of-the-art, highly secure connectivity technologies. The company also provides Cloud Connects for direct access to all leading cloud providers and connects customers to 700 global data center locations. Green is also a Swiss IX core site that offers 50 carriers.

Exemplary energy efficiency: Green invests in a high level of energy efficiency and is continuously developing further. The architecture, facilities and systems are meticulously coordinated. The use of waste heat, which Green implemented early on as a pioneer, is part of the Green reference architecture. Around the Zurich metro campus, 11,500 households benefit from climate-neutral heating provided by Green.

Outstanding colocation services: Green impresses with high-quality colocation services and comprehensive support from local experts, aiming to develop tailor-made solutions for customers. Individual racks, cages or secure suites in comprehensively certified data centers are available to house the infrastructure. Green offers ready-to-use platforms for companies that want to expand their infrastructure with a private cloud environment.

Caution

The demand for colocation services in Switzerland continues unabated. Green could also benefit from this with additional locations outside of German-speaking Switzerland.

Star of Excellence

A program, designed by ISG, to collect client feedback about providers' success in demonstrating the highest standards of client service excellence and customer centricity.

Source: ISG Star of Excellence™ research program, Insights till June 2024

In the ISG Star of Excellence™ research on enterprise customer experience (CX), clients have given feedback about their experience with service providers for their **Private/Hybrid Cloud – Data Center Services** services.

Based on the direct feedback of enterprise clients, below are the key highlights:

Client Business Role

▲ **Most satisfied**
Human Resources

▼ **Least satisfied**
Shared Services Operations

Region

▲ **Most satisfied**
Australia/New Zealand

▼ **Least satisfied**
Africa

Industry

▲ **Most satisfied**
Public sector

▼ **Least satisfied**
Healthcare

Industry Average CX Score

▲ Highest CX: 96.8
▼ Lowest CX: 60.6

CX Score: 100 most satisfied, 0 least satisfied
Total responses (N) = 467

Most Important CX Pillar

Execution and Delivery

Service Delivery Models	Avg % of Work Done
Onsite	56.0%
Nearshore	20.8%
Offshore	23.2%

Appendix

Methodology & Team

The ISG Provider Lens 2024 - Private/Hybrid Cloud – Data Center Services research study analyzes the relevant software vendors/service providers in the Switzerland market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

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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 May 2024, 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.

The study was divided into the following steps:

1. Definition of Private/Hybrid Cloud – Data Center Services market
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. Use of Star of Excellence CX-Data
6. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
7. Use of the following key evaluation criteria:
   * Strategy & vision
   * Tech Innovation
   * Brand awareness and presence in the market
   * Sales and partner landscape
   * Breadth and depth of portfolio of services offered
   * CX and Recommendation

Author

Ulrich Meister
Lead Analyst

Ulrich is significantly involved in the ISG Provider Lens™ quadrant studies involved. He mainly writes about digital technology, IT services and cloud technology. His research agenda includes the assessment of the impact the digital transformation that Analysis of market dynamics, the Positioning of providers on the market, the writing of POVs, the Observation of the software market and the identification of opportunities for Company.

Author

Wolfgang Heinhaus
Lead Analyst

Wolfgang Heinhaus has over 25 years Experience in IT infrastructure and was in a leading position in a global food companies active. He has more than 8 years Extensive research experience in the areas of colocation services, IT infrastructure, IT security and cloud Computing. He has conducted several IPL studies for the German and Swiss markets and also advises customers on these topics.

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Arpita Choudhury

Senior Research Analyst

Arpita is a Senior Research Analyst at ISG. She is responsible for supporting and co-authoring Provider Lens™ studies on Public Cloud and Private Hybrid Cloud Data Center Solutions and Services. Arpita supports the Lead Analysts in the research process on multiple regions and authors the global summary report, and focal points. She also collaborates with the Lead Analysts in the process of rating the providers and in building insights around the market trends and drivers.

Arpita comes with an experience of over 4.5 years in research. She has led and supported ad-hoc research requests in investment banking, healthcare, energy, and information and communication technology. During this period, she has also spent a significant time enabling technology sales in pre-sales research teams. Arpita is skilled in insights generation, market sizing and forecasting, storyboarding, design thinking, financial analysis, go-to-market strategies, competitive intelligence, and benchmarking. Her areas of interest broadly are- technology, finance, and business strategy.

Study Sponsor

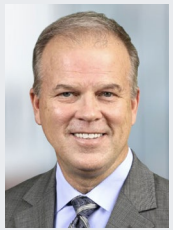
Heiko Henkes

Managing Director, ISG Provider Lens™

Heiko Henkes serves as Director and Principal Analyst at ISG, overseeing the Global ISG Provider Lens™ (IPL) Program for all IT Outsourcing (ITO) studies alongside his pivotal role in the global IPL division as a strategic program manager and thought leader for IPL lead analysts.

Henkes heads Star of Excellence, ISG's global customer experience initiative, steering program design and its integration with IPL and ISG's sourcing practice. His expertise lies in guiding companies through IT-based business model transformations, leveraging his deep understanding of continuous transformation, IT competencies, sustainable business strategies and change management in a cloud-AI-driven business landscape. Henkes is known for his contributions as a keynote speaker on digital innovation, sharing insights on using technology for business growth and transformation.

IPL Product Owner



Jan Erik Aase

Partner and Global Head – ISG Provider Lens™

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.

ISG Provider Lens™

The ISG Provider Lens™ Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider Lens™ research, please visit this webpage.

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Founded in 2006, and based in Stamford, Conn., ISG employs 1,600 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data.

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