ⁱSG Provider Lens™

Private/Hybrid Cloud – Data Center Services

A research report comparing provider strengths, challenges and competitive differentiators

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ELCA

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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   Page 1 of 8

	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

Provider Positioning   **Page 3 of 8**

	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

	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 **Page 5 of 8**

	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

	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

	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

	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.
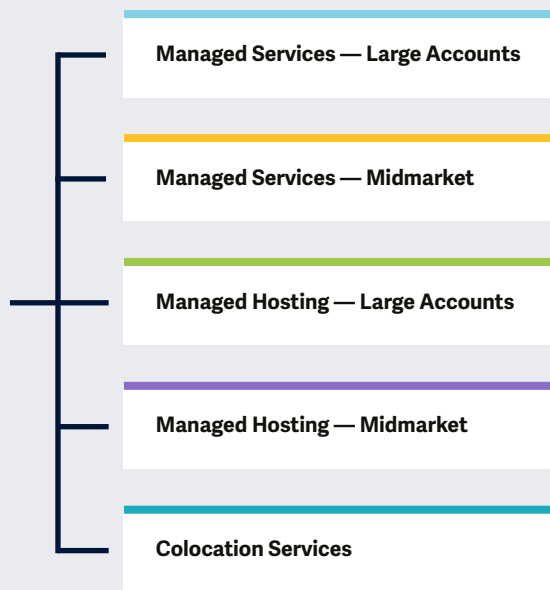
Simplified Illustration Source: ISG 2024

- Managed Services — Large Accounts
- Managed Services — Midmarket
- Managed Hosting — Large Accounts
- Managed Hosting — Midmarket
- Colocation Services

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.

★ **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.

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.

Managed Services — Large Accounts

Who Should Read This Section

This report is relevant to large enterprises across all industries in Switzerland for evaluating private/hybrid cloud data center MSPs.

In this quadrant, ISG defines MSPs' current market positioning in Switzerland and how they address large enterprises' key challenges with their private/hybrid cloud models. These providers are adept at managing data center infrastructure for their enterprise clients, which enables them to focus on other tasks.

Switzerland is witnessing clear growth in the demand for managed private/hybrid cloud services as a result of openness to cloud technologies, a clear focus on customer satisfaction and impressive revenue growth. In particular, the demand for comprehensive management capabilities, industry-specific platforms and SRE-based solutions is growing continuously. Swiss enterprises are forming partnerships with technology providers to actively promote their digital transformation, thus increasing their competitiveness in the market.

Large enterprises in Switzerland are seeking service providers that can automate their processes to improve service quality and deliver cost benefits. These enterprises want to minimize service interruptions to improve service quality. Enterprises also seek service providers that use incident analytics to look for potential root causes and automate incident resolution, leading to a reduction in mean time to detect (MTTD) and mean time to repair (MTTR).

As hyperscalers continue to differentiate their offerings, enterprises are subtly transitioning from a hybrid cloud strategy toward embracing a polycloud strategy.

IT and infrastructure leaders should read this report to analyze MSPs' modernization and service capabilities and market advancements impacting private/hybrid cloud strategies.

Software development and technology leaders should read this report to understand providers' positioning, offerings and impact on the ongoing infrastructure transformation initiatives.
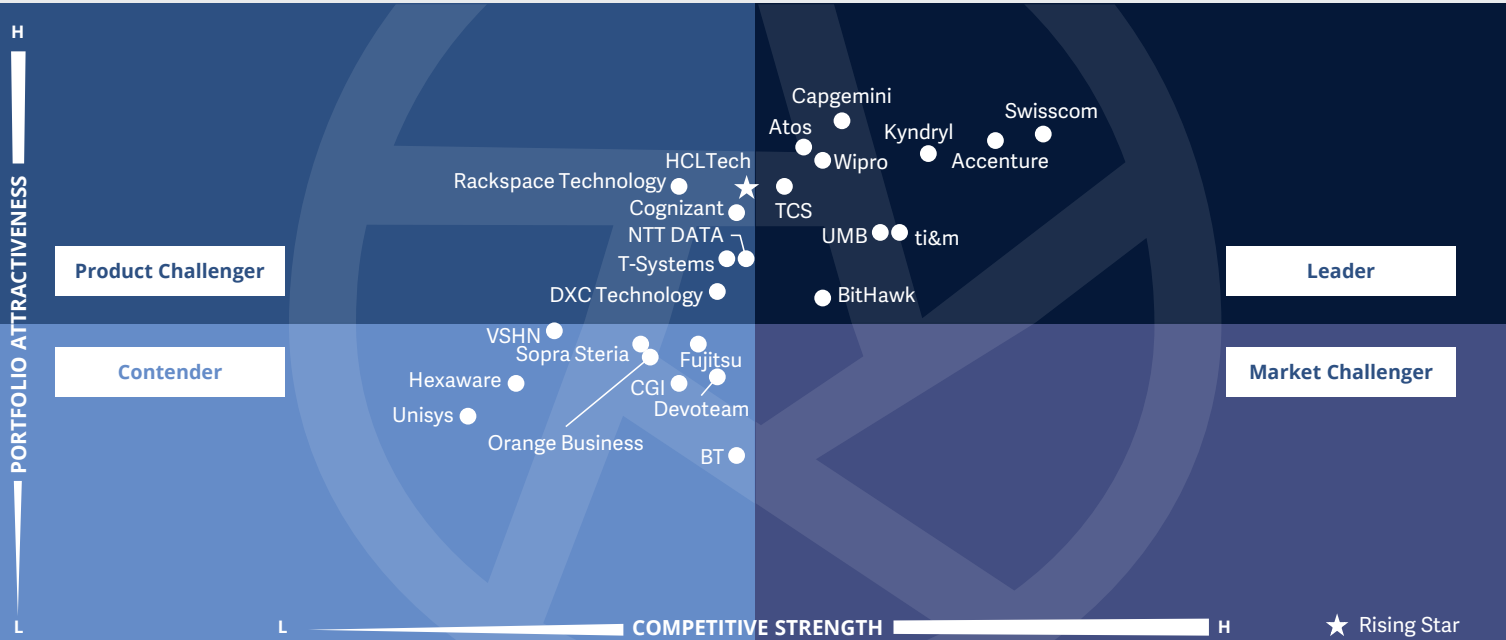
Sourcing, procurement and vendor management professionals should read this report to better understand the current landscape and partner ecosystem of MSPs in Switzerland.

iSG Provider Lens™

Private/Hybrid Cloud – Data Center Services
Managed Services — Large Accounts

Switzerland 2024

H

PORTFOLIO ATTRACTIVENESS

Capgemini
Atos   Kyndryl   Swisscom
          Wipro   Accenture
HCLTech
Rackspace Technology
Cognizant   TCS
NTT DATA   UMB ti&m
T-Systems
DXC Technology   BitHawk

Product Challenger

Contender

Leader

Market Challenger

VSHN
Sopra Steria
Hexaware   Fujitsu
          CGI
Unisys   Devoteam
Orange Business
          BT

L

L   **COMPETITIVE STRENGTH**   H   ★ Rising Star

This quadrant evaluates providers of **managed services for private and hybrid clouds and traditional data center infrastructure**. The providers generally offer transition services and support their customers in optimizing their existing IT landscapes.

Ulrich Meister

Managed Services — Large Accounts

Definition

This quadrant assesses a provider's ability to offer ongoing management services for private and hybrid clouds and traditional data center infrastructures and platforms to midmarket and large enterprise clients. These services include managing physical and virtual servers, middleware, storage, databases and networking components across various environments, including client data centers, multicloud settings, provider facilities or third-party colocation centers.

Such providers typically offer transition services, guiding clients to optimize their existing IT landscapes. Common projects include large-scale data center consolidation, virtualization, cloud enablement and configuration, and implementation of a software-defined data center (SDDC). These services may also include expanding existing facilities, migrating workloads or creating new private/hybrid clouds.

Managed services involve transferring responsibilities to a service provider and are governed by SLAs with penalties for non-compliance. Key services include provisioning, real-time and predictive analysis, and monitoring and managing operations of a customer's on-premises, private and hybrid cloud environments. These activities aim to maximize workload performance on the cloud, reducing costs and ensuring compliance and security. Providers are expected to adeptly manage both traditional and cloud-native application releases, encompassing continuous integration and delivery processes. They must also leverage advanced AI and ML capabilities to automate operational activities, predict outages and offer actionable insights.

Eligibility Criteria

1. Offer **services for private and hybrid clouds and data center infrastructure** (servers, middleware, storage and databases) **on their own** without depending on partners

2. Provide services within a client's premises or remotely and preferably through its **shared service centers** (under the remote infrastructure management (RIM) model)

3. Demonstrate experience in **large transition** projects that include **automation, consolidation, virtualization** and **containerization** of data centers and cloud enablement

4. Act as an **extension of clients' IT organization** and get involved in creating blueprints, architecture frameworks and management processes at the client's location

5. Provide services for a **centralized orchestration**/management of hybrid IT infrastructure

6. Showcase **appropriate certifications** to ensure security and compliance at the local level

Observations

Switzerland has successfully fought its way to the top of the European market for managed hybrid cloud services. This success is no accident but the result of openness to cloud technologies, a clear focus on customer satisfaction and impressive revenue growth. Many companies are recognizing the benefits of integrated solutions that combine hybrid cloud and edge technologies with AI and ML applications to automate processes.

Particularly in Switzerland, the demand for comprehensive management capabilities, industry-specific platforms and SRE-based solutions is growing continuously. Service providers help companies efficiently evaluate workload migrations and offer customized infrastructure solutions. The strategy of increasing the use of multicloud approaches is aimed at minimizing redundancies and avoiding downtime. Through partnerships with technology providers, Swiss companies are actively promoting their digital transformation and thus increasing their competitiveness.

As part of this study, 77 providers were examined, 25 of which were considered for the quadrant, including 10 as Leaders and one as a Rising Star.

accenture

Accenture continues to consolidate its position as one of the top providers with an attractive and impressive portfolio and numerous client relationships. Users benefit enormously from the Accenture Cloud Platform (ACP) and management expertise.

AtoS

Atos has optimized its portfolio and is now in a better position than ever to offer customers a successful overall solution based on its expertise in edge, analytics, security and cloud orchestration.

BitHawk

BitHawk's expertise in data center modernization and transformation, comprehensive scope of services and high level of security establishes it as a top provider that supports customers with outstanding operational and strategic performance.

Capgemini

Capgemini has a strong position due to its excellent knowledge in the areas of security and costs. The portfolio is complete, innovative and cloud-focused - an important factor for success and stability.

kyndryl

Kyndryl is an outstanding integrator offering a comprehensive range of services including strategy, migration, development and management.

swisscom

Swisscom is experiencing above-average growth compared to the market and is increasingly able to effectively integrate central departments into the managed cloud business and support them with an in-depth consulting concept.

tcs TATA CONSULTANCY SERVICES

TCS combines the best of traditional and modern approaches to meet the automation needs of numerous customers. This increases the provider's attractiveness and ensures competitiveness.

ti&m

ti&m remains strong at all levels and always offers its customers top-notch platform management and innovative contract forms.

UMB

UMB, a leading IT outsourcing provider, stays updated and constantly innovates to offer its customers the best possible service.
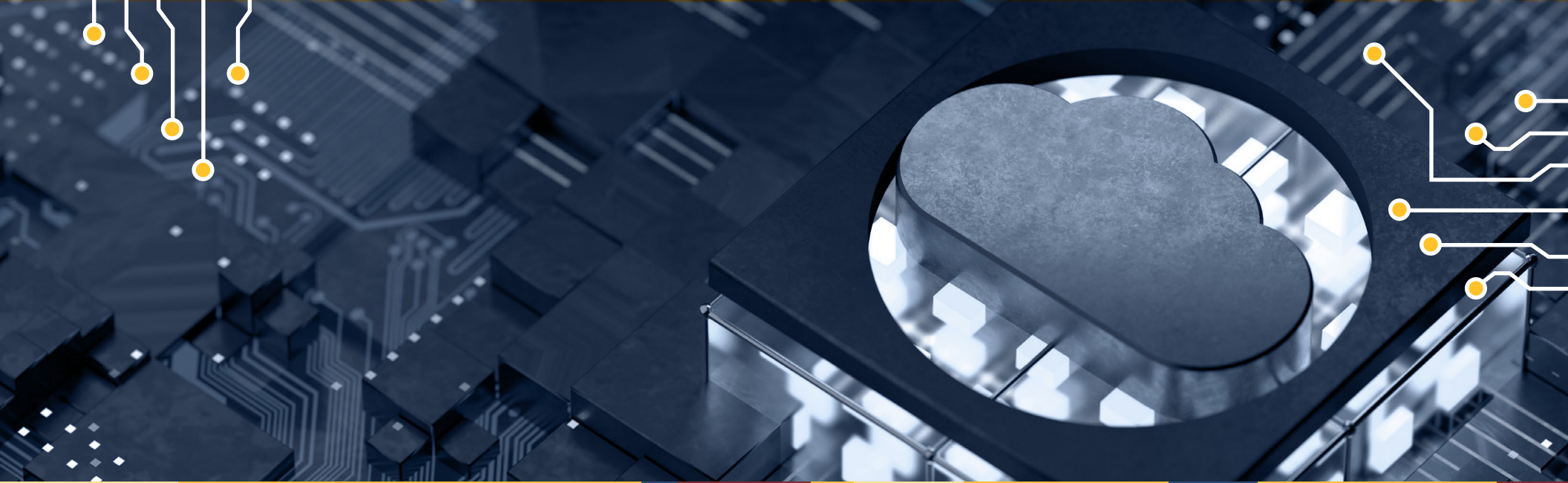

Wipro with its successful mega-deals, has finally opened the door to the German-speaking market.

HCLTech

HCLTech has been a successful outsourcing provider for years and has become a rising star in this quadrant.

Managed Services — Midmarket

Who Should Read This Section

This report is relevant to midsize enterprises across all industries in Switzerland for evaluating private/hybrid cloud and data center MSPs.

In this quadrant, ISG defines MSPs' current market positioning in Switzerland and how they address midsize enterprises' key challenges with their private/hybrid cloud models. These providers are adept at managing enterprise clients' data center infrastructure, enabling them to focus on other tasks.

Midsize enterprises in Switzerland have been swift in adopting cloud services and are keen on working with service providers that offer end-to-end management of their cloud environments. These businesses are investing in cloud services to reduce their operations costs and benefit from providers' expertise. They are increasingly looking for customized solutions that enable them to meet their complex requirements optimally.

Midsize enterprises in Switzerland seek service providers that can automate their processes, simplify infrastructure management and reduce operational risks, thereby improving service quality and saving costs. These enterprises also look for integrated solutions through private/hybrid cloud deployments, focusing on edge solutions. Integrating AI and ML technologies for process automation is becoming increasingly important, leading to cost savings and process improvements.

Service providers are offering superior control to enterprises for the deployment of new services and DevOps environments by providing infrastructure as code (IaC). Modern managed service platforms have IaC and DevOps automation options, both on-premises and in colocation and cloud environments.

IT and infrastructure leaders should read this report to analyze MSPs' modernization and service capabilities and market advancements impacting private/hybrid cloud strategies.

Software development and technology leaders should read this report to understand providers' positioning, offerings and impact on the ongoing infrastructure transformation initiatives.
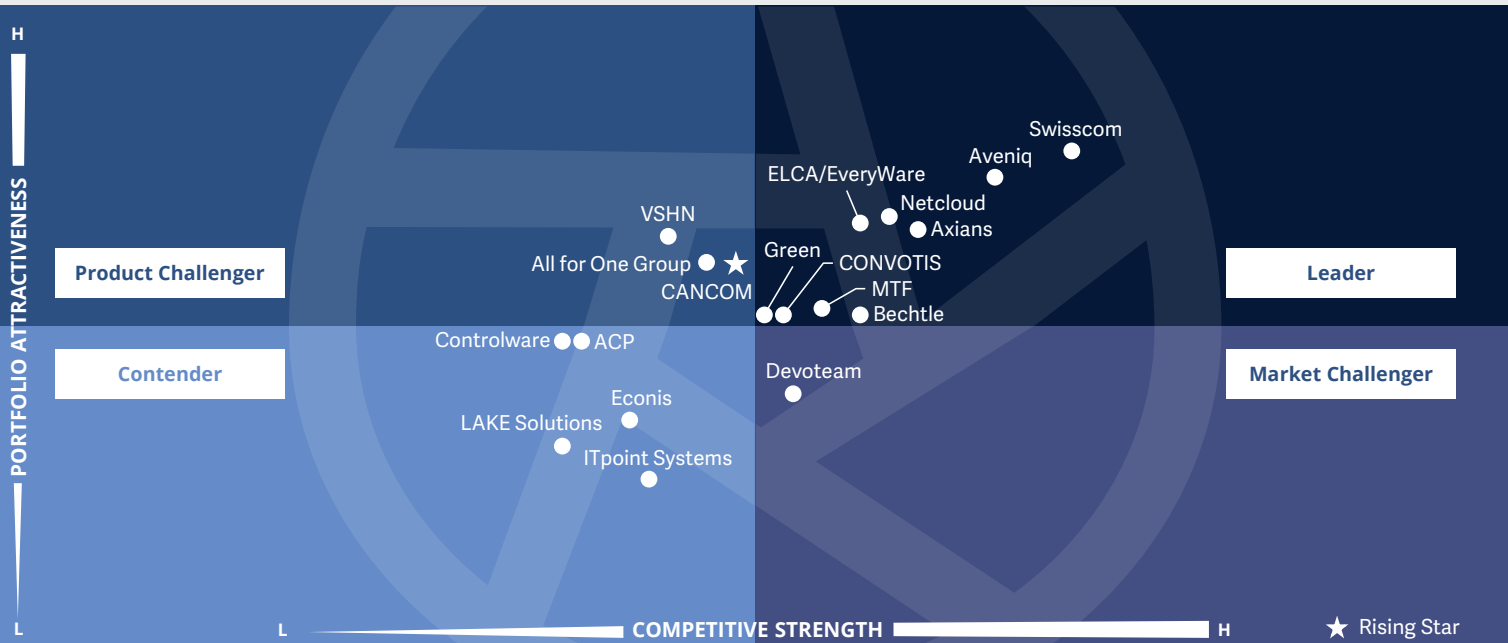
Sourcing, procurement and vendor management professionals should read this report to better understand the current landscape and partner ecosystem of MSPs in Switzerland.

Quadrant chart — axes: PORTFOLIO ATTRACTIVENESS (vertical, L to H), COMPETITIVE STRENGTH (horizontal, L to H). Quadrant labels: Product Challenger, Leader, Contender, Market Challenger. ★ Rising Star.

Providers plotted: Swisscom, Aveniq, ELCA/EveryWare, Netcloud, Axians, VSHN, All for One Group ★, Green, CONVOTIS, CANCOM, MTF, Bechtle, Controlware, ACP, Devoteam, Econis, LAKE Solutions, ITpoint Systems.

This quadrant evaluates providers of **managed services for private and hybrid clouds as well as traditional data center infrastructure**. They mostly offer transition services and help optimize existing IT landscapes.

Ulrich Meister

Definition

This quadrant assesses a provider's ability to offer ongoing management services for private and hybrid clouds and traditional data center infrastructures and platforms to midmarket and large enterprise clients. These services include managing physical and virtual servers, middleware, storage, databases and networking components across various environments, including client data centers, multicloud settings, provider facilities or third-party colocation centers.

Such providers typically offer transition services, guiding clients to optimize their existing IT landscapes. Common projects include large-scale data center consolidation, virtualization, cloud enablement and configuration, and implementation of a software-defined data center (SDDC). These services may also include expanding existing facilities, migrating workloads or creating new private/hybrid clouds.

Managed services involve transferring responsibilities to a service provider and are governed by SLAs with penalties for non-compliance. Key services include provisioning, real-time and predictive analysis, and monitoring and managing operations of a customer's on-premises, private and hybrid cloud environments. These activities aim to maximize workload performance on the cloud, reducing costs and ensuring compliance and security. Providers are expected to adeptly manage both traditional and cloud-native application releases, encompassing continuous integration and delivery processes. They must also leverage advanced AI and ML capabilities to automate operational activities, predict outages and offer actionable insights.

Eligibility Criteria

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2. Provide services within a client's premises or remotely and preferably through its **shared service centers** (under the remote infrastructure management (RIM) model)

3. Demonstrate experience in **large transition** projects that include automation, **consolidation, virtualization** and **containerization** of data centers and cloud enablement

4. Act as an **extension of clients' IT organization** and get involved in creating blueprints, architecture frameworks and management processes at the client's location

5. Provide services for a **centralized orchestration**/management of hybrid IT infrastructure

6. Showcase **appropriate certifications** to ensure security and compliance at the local level

Observations

Switzerland is one of the leading nations in the European market for managed hybrid cloud services. This results from openness to cloud technologies, focus on improving customer experience, strong revenue growth and increasing number of service contracts in the Swiss market compared to the entire European region. Companies are looking for integrated solutions through hybrid cloud deployment with a focus on edge solutions. Integrating AI and ML technologies for process automation is becoming increasingly important, leading to cost savings and process improvements. Medium-sized companies also increasingly require service providers with extensive management capabilities as well as automated orchestration, industry-specific platforms and solutions based on site reliability engineering (SRE). Here, medium-sized providers in Switzerland are reacting faster than their larger competitors.

A growing trend in the Swiss market is the use of multicloud approaches to ensure redundancy and minimize downtime. Close collaboration between service providers and customers is required to ensure seamless integration of different cloud platforms. This allows companies to react more flexibly to changing market conditions, strengthen their competitiveness and protect their data and applications.

SME customers are looking to simplify infrastructure management and minimize operational risk by working with SME providers on an equal footing. This development shows that SMEs are increasingly looking for customized solutions that optimally meet their complex requirements. SME providers play an important role here, as they can respond more flexibly to individual needs and offer more personalized support. Discussions about managed hybrid cloud solutions are becoming increasingly important, as collaboration with various hyperscalers and the integration of legacy applications is becoming a complex challenge for many companies.

This study examined 77 providers, 18 of which qualified for this quadrant, including nine Leaders and one Rising Star.

Aveniq presents an extremely interesting offer that is specially designed for SAP and Microsoft solutions and can be flexibly adapted to customers' needs.

Axians is a professional in infrastructure modernization and offers many solutions. The company has shown its capabilities with many successful projects.

Bechtle has been a successful provider of services and solution integration for a long time. The company sets high standards with a wide range of products and services and satisfied customers.

CONVOTIS

CONVOTIS, through the merger with JMC, has significantly expanded its portfolio and gained financial stability.

ELCA/EveryWare understands its customers' challenges in hybrid and multicloud projects. The company works closely with major cloud providers to develop top-notch cloud scenarios for its customers.

Green

Green has become the industry leader through continuous portfolio development.

MTF

MTF is a frontrunner in managed private cloud solutions and is very familiar with the requirements of IT services.

Netcloud

Netcloud inspires numerous customers from various industries with its comprehensive range of services.

Swisscom remains one of the top providers of managed service solutions for SMEs and actively contributes to shaping market demand.

CANCOM has become a Rising Star with its outstanding portfolio, especially in the area of hybrid and multicloud management.

ELCA/EveryWare

Leader

"ELCA/EveryWare offers its customers scalable cloud solutions with the highest security standards. The provider attaches great importance to the individual needs of its customers and offers customized solutions for various industries."

Ulrich Meister

Overview

Headquartered in Lausanne, Switzerland, ELCA/EveryWare employs more than 2,000 people in 14 offices in eight countries. In FY23 the company generated revenues of CHF 239.0 million. The company's range of services includes Hybrid Cloud Managed Services, Mainframe Modernization, Managed Edge Services and Sovereign Cloud Services. ELCA/EveryWare is one of the leading providers of hybrid cloud managed services in Switzerland. Due to the continuous development of innovative solutions, the company was able to increase its sales in the area of cloud services by 15 percent.

Strengths

Highly qualified employees: The employees have extensive knowledge of network and security aspects as well as various technologies such as hypervisors (VMware) and tools (AD, IIS, Docker, etc.). They also have extensive expertise in DevOps and agile software development.

Optimum accessibility: The ultra-modern Tier 3 data centers guarantee outstanding accessibility and reliability and impress with their flexibility and scalability. Due to automation, the standard package also includes a proactive business monitoring service available around the clock. Customers are always optimally protected and can concentrate on their business activities.

SaaS as a central element: ELCA/EveryWare managed services offer software applications as Software as a Service (SaaS). It takes over the installation and operation of infrastructure, system software and business applications for customers. Customers receive IT systems equipped with comprehensive services and ready for immediate use. Customers can choose between hosting in the ELCA/EveryWare data centers in Switzerland, being on premises in their own data center or using external cloud service providers. ELCA/EveryWare has partnered with AWS as an AWS Channel Reseller and Standard Consulting Partner. It has also partnered with Microsoft as a Microsoft Cloud Solutions Provider (CSP).

Caution

ELCA/EveryWare should finalize its branding and market access strategy promptly to strengthen customer confidence and fully exploit the potential of its product and service portfolio. The analytics and AI expertise could be used to expand capabilities in securing sensitive infrastructures.

Managed Hosting — Large Accounts

Managed Hosting — Large Accounts

Who Should Read This Section

This report is relevant to enterprises across all industries in Switzerland for evaluating managed hosting providers for large enterprises.

In this quadrant, ISG defines managed hosting providers' current market positioning in Switzerland and how they address large enterprises' key challenges.

The managed hosting market for large enterprises is a rapidly evolving area, with providers offering a variety of services and solutions to meet their customers' complex needs. Some managed hosting providers specialize in certain services, such as database management, while others offer more general services.

Large enterprises in Switzerland are increasingly using managed hosting services in conjunction with public cloud infrastructure to optimize operating costs. They prefer using hybrid cloud environments due to the availability of AIOps and software-defined networking (SDN) tools, which make private/hybrid clouds a more cost-efficient choice.

Service providers are offering better services by automating the configuration of high-performance computing hardware and bare-metal servers. Service providers also prefer building partnerships with market leaders such as VMware to expand their computing capabilities and cater to the growing demand for high-computing infrastructure in the country. They also provide data replication technologies in their portfolio, which customers can use in hosting facilities or with management tools to implement sophisticated disaster recovery solutions.

IT and infrastructure leaders should read this report to better analyze providers' tool modernization and hosting capabilities and the impact of hosting space advancement on hybrid cloud strategies.

Software development and technology leaders can gain an understanding of providers' offerings and their impacts on ongoing software development and systems, including applications under development.
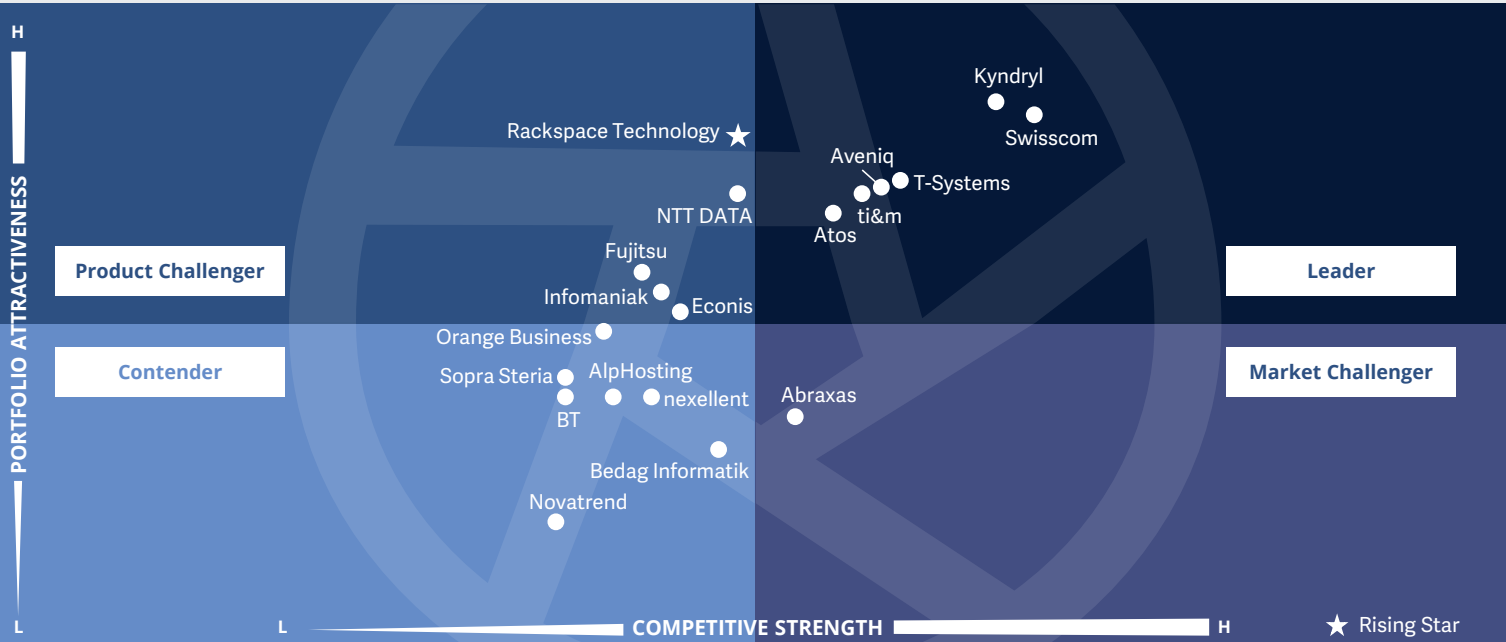
Sourcing, procurement and vendor management professionals should read this report to better understand the current landscape and partner ecosystem of managed hosting providers in Switzerland.

ISG Provider Lens™

Private/Hybrid Cloud – Data Center Services
Managed Hosting – Large Accounts

Switzerland 2024

PORTFOLIO ATTRACTIVENESS

H

Product Challenger

Contender

Rackspace Technology ★

Kyndryl

Swisscom

Aveniq

T-Systems

ti&m

Atos

NTT DATA

Fujitsu

Infomaniak

Econis

Orange Business

Sopra Steria

AlpHosting

nexellent

BT

Abraxas

Bedag Informatik

Novatrend

Leader

Market Challenger

L

L

COMPETITIVE STRENGTH

H

★ Rising Star

This quadrant evaluates providers of **standalone, enterprise-level hosting solutions using their own or third-party facilities and infrastructure**. Providers are responsible for managing and maintaining data center equipment such as servers, storage media, operating systems and networks.

Ulrich Meister

Definition

This quadrant assesses service providers that offer standalone enterprise-grade hosting solutions using their own or third-party facilities to midmarket and large enterprise clients. The providers assessed here are responsible for regularly managing and maintaining data center components such as servers, storage, operating systems and connectivity to the external network. Ideally, clients state their application and operating requirements, and the managed hosting provider takes on the responsibility of provisioning the infrastructure to keep applications running effectively, with optimal performance and security.

The assessment includes providers monitoring IT assets, such as legacy systems and private and public clouds, through hybrid cloud management platforms. However, this evaluation does not include providers solely offering hybrid cloud management tools or platforms. Key service levels considered in this benchmark are data center tiers, multilayered

security, service availability and network (LAN) I/O performance during peak times. The assessment focuses on providers that deliver a comprehensive managed hosting service, ensuring high performance, security and reliability for enterprise clients. Enterprises also expect managed hosting providers to offer automated backup and recovery services that use advanced techniques and hosting applications near the workload to get ultra-low latency capabilities.

Eligibility Criteria

1. Offer **enterprise-grade hosting** solutions using the provider's infrastructure

2. Offer active-active and active-passive **disaster recovery and backup services**

3. Have **technical** and **financial capacity** to upgrade infrastructure and maintain capacity plans to ensure hosting performance in advance if there is an increase in demand

4. **Can scale** and **maintain dedicated servers** and storage and shared cloud resources on the same network and management platform

5. Provide at least **five layers** of **data center security**

Observations

The market for managed hosting for large companies is highly competitive, with many providers offering various services. Some managed hosting providers specialize in specific industries or types of services, such as database management, while others offer more general services.

Companies in Switzerland are increasingly using managed hosting services in conjunction with public cloud infrastructure to optimize their operating costs. Due to AIOps and software defined networking (SDN) tools, hybrid clouds can be provided, which are a stable and more cost-effective choice compared to the public cloud. Providers promise that customers can reduce their operating costs by hosting workloads that do not require the dynamic scalability of the public cloud.

Hosting and public cloud providers usually work together on a shared VMware platform. Service providers have been able to offer customers better performance by automating the configuration of high-performance computing (HPC) hardware and bare-metal servers. Due to the addition of data replication technologies to the portfolio, customers can use hosting facilities or management tools to implement sophisticated disaster recovery (DR) solutions.

Overall, the managed hosting market for large enterprises is a rapidly evolving area, with providers offering a variety of services and solutions to meet the complex needs of their customers.

This study examined 77 providers, 19 of which qualified for this quadrant, including six as Leaders and one as a Rising Star.

AtoS

Atos is one of the leading companies in the field of managed hosting and impresses with a wide range of products and services that are cross-platform and cross-technology.

AVEИIQ

Aveniq is one of the leading providers of managed hosting in Switzerland and is continuously expanding its expertise. It also offers certified consulting in the areas of transformation, architecture and digital technologies.

kyndryl

Kyndryl is a renowned provider of data center services, distinguished by its diverse hardware portfolio and global network of data centers.

swisscom

Swisscom is the undisputed market leader in managed hosting and serves local and international customers from its eight Tier 4 data centers.

ti&m

ti&m is an established provider of hosting services characterized by many years of experience and success. Its portfolio is particularly interesting for customers with innovative requirements.

T Systems

T-Systems offers roadmaps for future cloud structures and managed hosting services from its own data centers in Switzerland. Its extensive portfolio is modular and can be flexibly expanded.

rackspace technology

Rackspace Technology has positioned itself as a Rising Star through consistent further development of its portfolio.

Managed Hosting — Midmarket
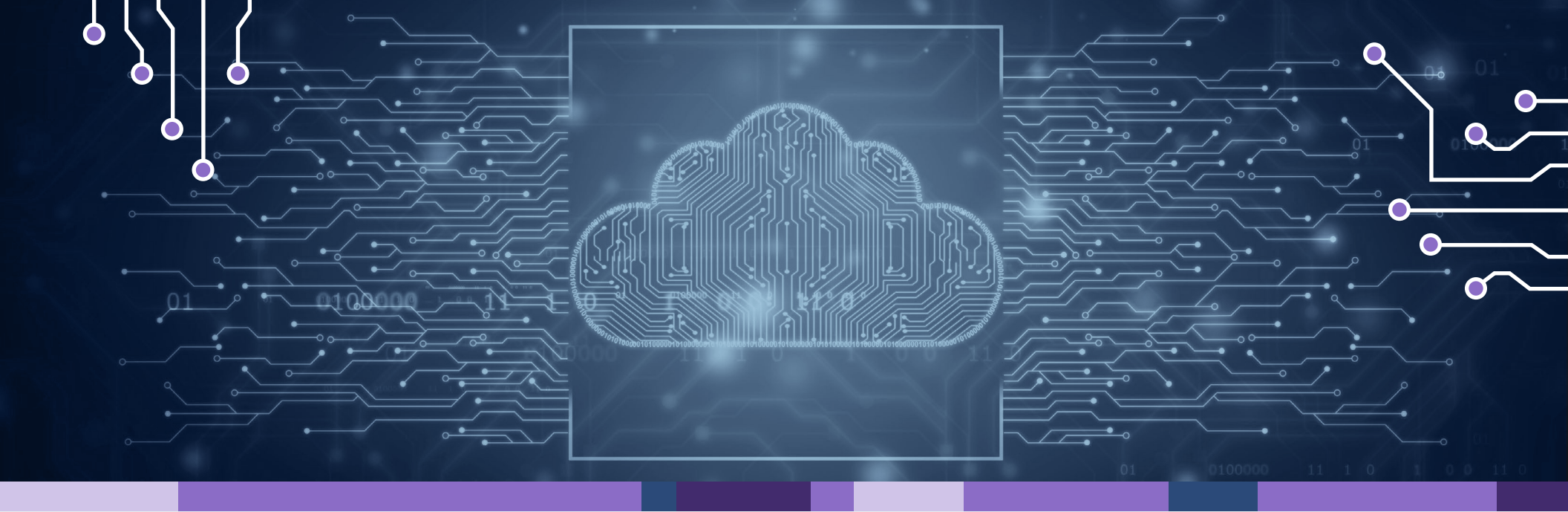
Managed Hosting — Midmarket

Who Should Read This Section

This report is relevant to enterprises across all industries in Switzerland for evaluating managed hosting providers for midsize enterprises.

In this quadrant, ISG defines managed hosting providers' current market positioning in Switzerland and how they address the key challenges midsize enterprises face.

With managed hosting in place, enterprises are relieved of operating and maintaining their data centers while still having control over their hosted data. Enterprises can leverage modern technologies and updated traditional infrastructure offered by providers, reducing their on-premises infrastructure needs. In addition, they can benefit from the consumption-based offerings of service providers, such as bare metal options, multi-operating systems and multi-database support, compliance certifications, connectivity to multicloud environments and low-latency connectivity between data centers.

The market for managed hosting among midmarket enterprises in Switzerland has experienced steady growth in recent years. Hosting providers have made significant investments in expanding their service portfolios and advancing their data centers to offer new options. Observations in Switzerland indicate that the managed hosting business is significant despite low profit margins. Some smaller service providers have been acquired by larger ones. However, service providers ensure that hosting stable, non-dynamic workloads can lower customers' operating costs compared to using public clouds.

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

Software development and technology leaders can gain an understanding of providers' offerings and their impact on ongoing software development and systems, including applications under development.

IT and infrastructure leaders should read this report to better analyze tool modernization and providers' hosting capabilities along with hosting space advancement's impact on private/hybrid cloud strategies.
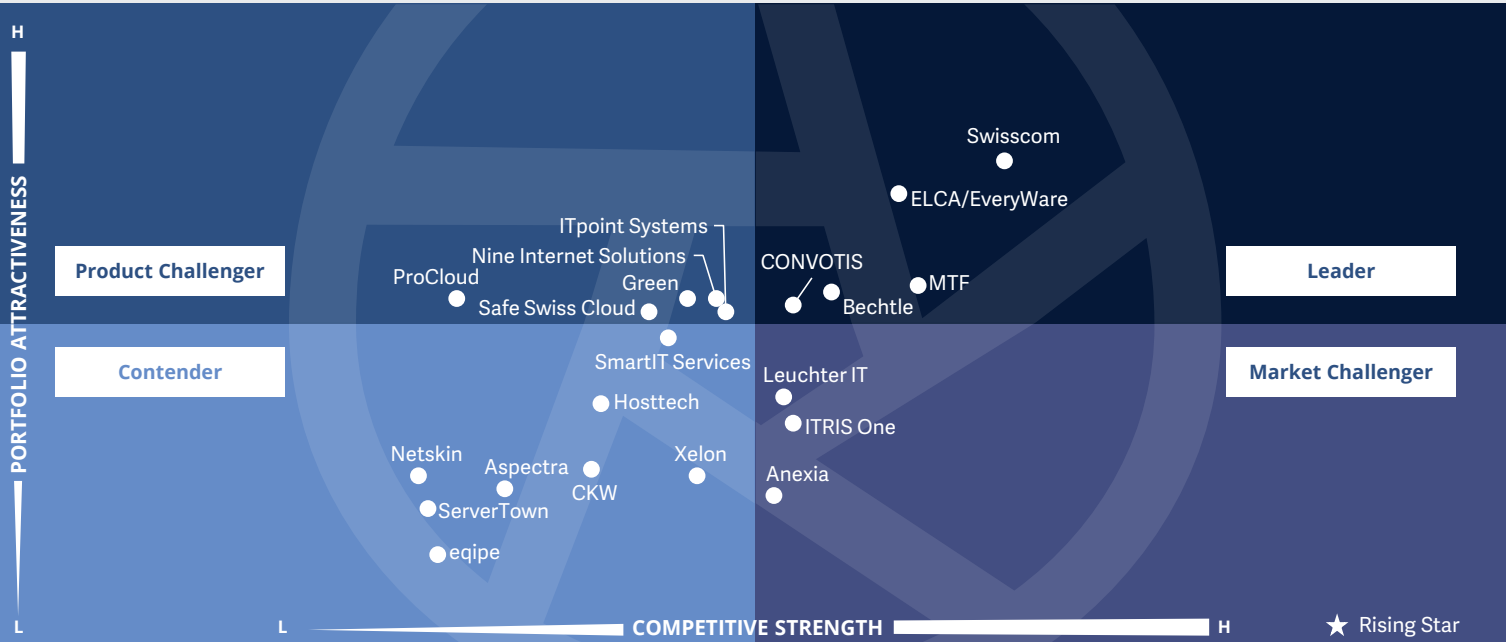
ISG Provider Lens™

Source: ISG RESEARCH

Private/Hybrid Cloud — Data Center Services
Managed Hosting — Midmarket

Switzerland 2024

PORTFOLIO ATTRACTIVENESS

H

Product Challenger

ITpoint Systems
Nine Internet Solutions
ProCloud   Green
Safe Swiss Cloud

CONVOTIS
Bechtle   MTF

Swisscom

ELCA/EveryWare

Leader

Contender

SmartIT Services

Hosttech

Netskin
Aspectra
ServerTown   CKW   Xelon

eqipe

Leuchter IT

ITRIS One

Anexia

Market Challenger

L

L   **COMPETITIVE STRENGTH**   H

★ Rising Star

This quadrant evaluates providers of **standalone hosting solutions using their own or third-party facilities and infrastructure**. Providers are responsible for the day-to-day management and maintenance of data center equipment such as servers, storage media, operating systems and networks.

Ulrich Meister

Managed Hosting — Midmarket

Definition

This quadrant assesses service providers that offer standalone enterprise-grade hosting solutions using their own or third-party facilities to midmarket and large enterprise clients. The providers assessed here are responsible for regularly managing and maintaining data center components such as servers, storage, operating systems and connectivity to the external network. Ideally, clients state their application and operating requirements, and the managed hosting provider takes on the responsibility of provisioning the infrastructure to keep applications running effectively, with optimal performance and security.

The assessment includes providers monitoring IT assets, such as legacy systems and private and public clouds, through hybrid cloud management platforms. However, this evaluation does not include providers solely offering hybrid cloud management tools or platforms. Key service levels considered in this benchmark are data center tiers, multilayered security, service availability and network (LAN) I/O performance during peak times.

The assessment focuses on providers that deliver a comprehensive managed hosting service, ensuring high performance, security and reliability for enterprise clients. Enterprises also expect managed hosting providers to offer automated backup and recovery services that use advanced techniques and hosting applications near the workload to get ultra-low latency capabilities.

Eligibility Criteria

1. Offer **enterprise-grade hosting solutions** using the provider's infrastructure

2. Offer active-active and active-passive **disaster recovery and backup services**

3. Have **technical** and **financial capacity** to upgrade infrastructure and maintain capacity plans to ensure hosting performance in advance if there is an increase in demand

4. **Can scale** and **maintain dedicated servers** and storage and shared cloud resources on the same network and management platform

5. Provide at least **five layers** of **data center security**

Observations

The market for managed hosting has seen continuous growth in recent years. Hosting providers have made significant investments in expanding their service offerings and developing their data centers to offer their customers new options. Their portfolio has been adapted to customer needs to provide high-performance functions.

Support for hybrid clouds has also been improved, and state-of-the-art mainframe solutions have been developed. Providers have updated their security measures, both physical and virtual. They have also optimized their customer service with a 24/7 support system and further developed their solution technologies. Hyperconverged systems have proven to be crucial for improving the performance of APIs, enabling automated provisioning and self-service capabilities.

Observations in Switzerland show that the managed hosting business is significant despite a low-profit margin. Some providers have resold their hosting services to large companies.

ISG also notes that many organizations are using hosting services in conjunction with public cloud infrastructure to reduce costs. Providers of managed hosting services argue that by hosting stable and non-scalable workloads, their customers can reduce their operating costs without switching to a broad, standardized range of public cloud services.

This study examined 77 providers; 21 of them qualified for this quadrant, including five as Leaders.

Bechtle is experiencing steady growth in Switzerland and is valued by customers of all sizes, especially Swiss SMEs, due to its numerous data storage locations.

CONVOTIS

CONVOTIS has significantly expanded its portfolio and created improved market access by merging with JMC.

ELCA/EveryWare has once again been recognized as a Leader in managed hosting. Its broad portfolio of services is reflected in a continuously growing customer base and trust.

MTF

MTF is a respected provider of system houses from Switzerland, specializing in the provision of comprehensive cloud solutions for SMEs.

Swisscom is undoubtedly a leader in the field of managed hosting, serving both medium-sized and large companies from its eight Tier 4 data centers and offering tailor-made cloud solutions with certified infrastructure experts.

ELCA/EveryWare

Leader

"ELCA/EveryWare, due to customized solutions, has already been able to build many long-standing customer relationships and establish excellent reputation in the industry. The high customer satisfaction and recommendation rate further prove the quality of its services."

Ulrich Meister

Overview

Headquartered in Lausanne, Switzerland, ELCA/EveryWare employs more than 2,000 people in 14 offices in eight countries. In FY23 the company generated revenues of CHF 239.0 million. The company's range of services includes hybrid cloud managed services, mainframe modernization, managed edge services and sovereign cloud services. ELCA/EveryWare is one of the leading providers of hybrid cloud managed services in Switzerland. Due to the continuous development of innovative solutions, the company has increased its sales in cloud services by 15 percent.

Strengths

Experienced companions in the cloud world: ELCA/EveryWare's state-of-the-art data centers ensure optimum availability and data security in the cloud. The focus is on customers' needs and customized solutions. The ELCA Cloud (OpenStack) impresses with its Swiss sovereignty, high flexibility and scalability. This allows companies of all sizes and industries to benefit from the advantages of a secure and reliable cloud platform.

Secure security solution: Due to the close cooperation between ELCA/EveryWare and BlueVoyant, customers can count on cutting-edge protection and comprehensive monitoring of their systems around the clock. All customer data is treated as strictly confidential and remains exclusively in Switzerland. The experts at ELCA/EveryWare are always up to date with the latest security standards, regulations and hacking methods.

Sovereign cloud in Switzerland: Due to ELCA/EveryWare's high-security standards, companies can rest assured that their sensitive data is stored securely in state-of-the-art data centers. The cloud solution also offers a scalable infrastructure that enables companies to react flexibly to changing business requirements and drive their growth.

Caution

ELCA/EveryWare should finalize its branding and market access strategy promptly to strengthen customer confidence and fully exploit the potential of its product and service portfolio. The analytics and AI expertise could be used to expand capabilities in the area of securing sensitive infrastructures.

Colocation Services

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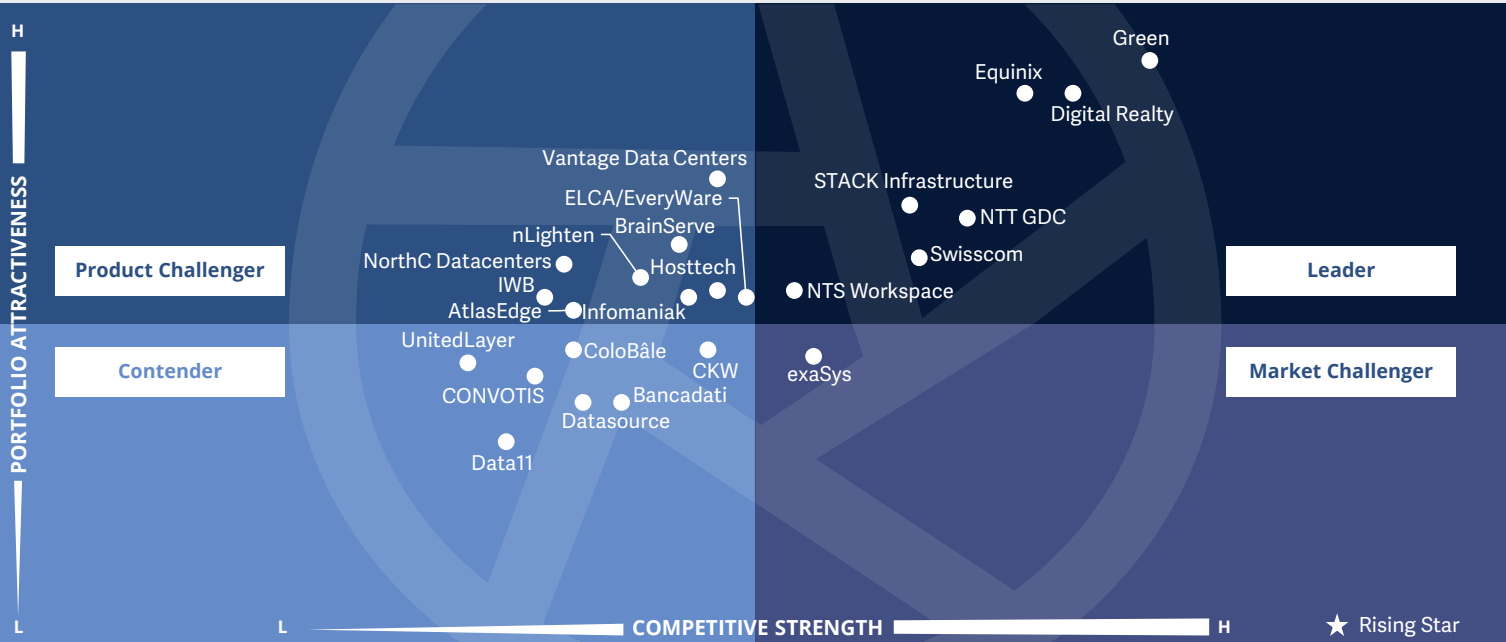
Software development and technology leaders should read this report to understand providers' positioning and offerings and their impact on ongoing development at an enterprise level.

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™

Private/Hybrid Cloud – Data Center Services
Colocation Services

Switzerland 2024

PORTFOLIO ATTRACTIVENESS

H

Product Challenger

Contender

L

Vantage Data Centers

ELCA/EveryWare

nLighten
BrainServe

NorthC Datacenters
IWB
Hosttech

AtlasEdge
Infomaniak

UnitedLayer
ColoBâle

CONVOTIS
CKW
Bancadati

Datasource

Data11

Green

Equinix
Digital Realty

STACK Infrastructure
NTT GDC

Swisscom

NTS Workspace

Leader

exaSys

Market Challenger

L
COMPETITIVE STRENGTH
H

★ Rising Star

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

Colocation Services

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.

Digital Realty

Digital Realty is a leading global provider with over 310 data centers. The comprehensive colocation offering is available in 50 metros and is of the same quality. In Switzerland, the company operates three data centers in Zurich.

Equinix

Equinix is one of the world's largest providers of colocation services with great support options on the way to the digital world. In Switzerland, state-of-the-art data centers are available in Zurich and Geneva, offering a wide range of low-latency connectivity.

Green

Green is a unique colocation provider with a first-class portfolio and exceptional services that are highly valued by national and international companies.

NTS Workplace

NTS Workplace offers a broad, flexible portfolio of colocation services for smaller customers and SMEs with a comprehensive connectivity offering.

NTT DATA/NTT GDC

NTT DATA/NTT GDC operates a modern, high-performance colocation data center in Switzerland and is one of the world's leading providers.

Swisscom

Swisscom offers a secure home with solid colocation services in eight data centers (telehousing) distributed throughout Switzerland.

STACK Infrastructure

STACK Infrastructure operates 23 data centers in 15 markets in the U.S., APAC and EMEA. In Switzerland, four data centers in the Zurich and Geneva area are mainly offered for large accounts and cloud providers.

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.

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

77.7

▲ 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

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 & Editor Biographies

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.

Author

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.

Author & Editor Biographies

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Jan Erik Aase
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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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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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