



E Q U I N I X

2013 United States Retail Co-location Services
Market Share Leadership Award



F R O S T & S U L L I V A N



50 Years of Growth, Innovation & Leadership

Market Share Leadership Award Retail Co-location Services United States, 2013

Frost & Sullivan's Global Research Platform

Frost & Sullivan is in its 50th year in business with a global research organization of 1,800 analysts and consultants who monitor more than 300 industries and 250,000 companies. The company's research philosophy originates with the CEO's360-Degree Perspective™, which serves as the foundation of its TEAM Research™ methodology. This unique approach enables us to determine how best-in-class companies worldwide manage growth, innovation and leadership. Based on the findings of this Best Practices research, Frost & Sullivan is proud to present the 2013 United States Market Share Leadership Award in Retail Co-location Services Market to Equinix.

Significance of the Market Share Leadership Award

Key Industry Challenges Addressed by Increased Market Share

The U.S. Retail co-location services market demand is driven by various customer segments—communication service providers, content delivery network providers, hosting service providers, cloud service providers and enterprises.

Despite predictions from some industry insiders about growth slowing down due to the impact of cloud computing on the enterprise market, demand from other customer segments—particularly hosted service providers and cloud service providers—is contributing to steady growth in co-location revenues. Cloud computing services are appealing to enterprises to off-load some of their IT workloads to a utility-based, pay-per-use, third-party delivered IT consumption model.

While retail co-location service providers are adding capacity to cater to the market demand, they are also increasingly being threatened by wholesale data center operators that have started targeting smaller market deals, defined as 300 to 500 KW of power or 3,000 to 5,000 square feet of space. Historically, wholesalers have only catered to customers requiring more than 1 MW of power (approximately 10,000 square feet of data center space). Retail co-location providers include network interconnections, physical security and limited management services in their offerings to offer a turn-key solution to customers looking to co-locate their servers. Wholesalers typically just offer space, power and cooling for customers to configure for their needs.

Despite the challenges of other co-location providers diversifying their offerings to include managed hosting and cloud services, and wholesalers eyeing for retail co-lo deals, Equinix has continued to focus on its core competencies—co-location and interconnection. By focusing its efforts on what it the company does best it has successfully positioned itself as

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