



Swiss Cloud Adoption Drives Local Data Center Expansion

Enterprises are building hybrid clouds to modernize IT and business processes, favoring local facilities for compliance, ISG Provider Lens™ report says

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ZÜRICH--(BUSINESS WIRE)--Enterprises in Switzerland are increasing their use of IT and business process outsourcing, and they pay close attention to data center location when choosing service providers, according to a new research report published today by Information Services Group (ISG) (Nasdaq: III), a leading global technology research and advisory firm.

The 2022 ISG Provider Lens™ Next-Gen Private/Hybrid Cloud — Data Center Services & Solutions report for Switzerland finds Swiss enterprises are contributing to the steep rise in outsourcing services in many European countries, including the U.K., France, Germany and Austria. The top services that companies are seeking include application development and maintenance (ADM) and infrastructure services, ISG says.

Due to a strong focus on compliance, Swiss enterprises tend to favor service providers that operate in local data centers with a high level of certification, the report says. Cloud data center capacity in Switzerland is growing but still in short supply.

“Data centers in Switzerland are in great demand, especially for cloud services,” said Anna Medkouri, EMEA partner at ISG. “Swiss companies often favor local facilities that offer strong data protection and energy efficiency.”

Swiss companies take a pragmatic approach to the cloud, the report says. Public clouds are the main focus for most IT departments due to innovative application-level opportunities in AI, machine learning and IoT, but IT teams also value easy integration with existing legacy systems. Most cloud implementations boil down to a hybrid or multi-cloud approach.

Cloud data centers are expected to represent a majority of data center capacity in Switzerland by 2025, driving expansion of digital networks in the country, ISG says. For example, peak traffic on the SwissIX network node in Zürich, which connects about 230 customers, reached 840 Gbit/s in 2021 and continues to rise. The trend in Switzerland is toward large data centers of more than 1 megawatt, as developing smaller centers is no longer profitable, the report says.

This growth has led to data centers accounting for approximately 3.6 percent of electricity consumption in Switzerland, ISG says. To minimize carbon footprints, operators are investing in modern cooling methods and hardware interoperability to increase the power density of data center space.

The report also examines other trends in colocation, managed hosting and managed services, including increasing automation, growing need for low-latency services and evolving needs of midmarket enterprises.

The 2022 ISG Provider Lens™ Next-Gen Private/Hybrid Cloud — Data Center Services & Solutions report for Switzerland evaluates the capabilities of 81 providers across five quadrants: Managed Services for Large Accounts, Managed Services for Midmarket, Managed Hosting for Large Accounts, Managed Hosting for Midmarket and Colocation Services.

The report names Swisscom as a Leader in all five quadrants. It names EveryWare as a Leader in three quadrants. Atos, Aveniq (Avectris), Bechtle, ELCA, Kyndryl, MTF, ti&m and T-Systems are named as Leaders in two quadrants each. Accenture, Axians, BitHawk, Equinix, Green, Interxion (Digital Realty), Netcloud, NTS Workspace, NTT Global Data Centers, Safe Host, Trivadis (Accenture) and UMB are named as Leaders in one quadrant each.

In addition, hosttech is named as a Rising Star — a company with a “promising portfolio” and “high future potential” by ISG’s definition — in one quadrant.

Customized versions of the report are available from [BitHawk](#), [ELCA](#), [Green](#), [JMC Software](#) and [Swisscom](#).

The 2022 ISG Provider Lens™ Next-Gen Private/Hybrid Cloud — Data Center Services & Solutions report for Switzerland is available to subscribers or for one-time purchase on this [webpage](#).

About ISG Provider Lens™ Research

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 globally, across Europe, as well as in the U.S., Canada, Brazil, the U.K., France, Benelux, Germany, Switzerland, the Nordics, Australia and Singapore/Malaysia, with additional markets to be added in the future. For more information about ISG Provider Lens research, please visit this [webpage](#).

A companion research series, the ISG Provider Lens Archetype reports, offer a first-of-its-kind evaluation of providers from the perspective of specific buyer types.

About ISG

ISG (Information Services Group) (Nasdaq: [III](#)) is a leading global technology research and advisory firm. A trusted business partner to more than 800 clients, including more than 75 of the world's top 100 enterprises, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; strategy and operations design; change management; market intelligence and technology research and analysis. Founded in 2006, and based in Stamford, Conn., ISG employs more than 1,300 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. For more information, visit www.isg-one.com.

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