ISG (Information Services Group) (NASDAQ: III) is a leading global technology research and advisory firm. A trusted business partner to more than 700 clients, including 75 of the top 100 enterprises in the world, 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; technology 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 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.
## Table of Contents

1. **Definition** ................................................................. 4
2. **Quadrants Research** .................................................. 5
3. **Quadrants by Region** .................................................. 11
4. **Archetype Report** ...................................................... 12
5. **Schedule** .................................................................. 13
6. **Partial list of companies being invited for the survey** .......... 14

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Definition

Data center outsourcing is the practice of contracting the responsibility of managing end-to-end data center assets to a third-party provider and includes orchestration provisioning; integrated monitoring; and management of computing, storage, database, middleware resources and other components of the infrastructure — the data center may be owned by the enterprise, service provider or a third-party colocation provider. Integrated monitoring and management services are usually delivered from the provider’s location through an offshore/onshore/nearshore shared service center or dedicated delivery center model, classified as remote infrastructure management (RIM) services.

A private cloud is an extension of the existing computing environment of an enterprise and leverages the investments made in virtual infrastructure and applications. Enterprises with stringent security and governance requirements, large data volumes and tight integration (with other enterprise applications and workflows) needs may prefer on-premises or a private cloud environment characterized by hardware hosted locally at a client facility. IT service providers can also create private clouds with scalable virtual compute, networking and storage resources running in their data centers or over a shared infrastructure and configure it to isolate a private cloud.

A hybrid cloud combines the best of on-premises, private and public cloud. It connects the existing on-premises infrastructure services with a private or public cloud, or both. The goal, while combining services and data from a variety of cloud models, is to create a unified, automated and well-managed computing environment. One of the fundamental advantages of hybrid cloud deployment is the high degree of control offered to the organization; hybrid clouds allow businesses to leverage the capabilities of public cloud platform providers, but without the need to offload their entire data to a third-party data center. This provides greater flexibility while keeping the vital components within the company's firewall.

The ISG Provider Lens™ study offers IT-decision makers:

- A differentiated positioning of providers based on competitive strengths and portfolio attractiveness
- Focus on different markets, including the U.S., Germany, Switzerland, the U.K., Nordics and Brazil

ISG studies serve as an important decision-making basis for positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate current vendor relationships and potential engagements.
In this ISG Provider Lens™ quadrant study, ISG includes the following four quadrants on next-gen private/hybrid cloud - data center services and solutions:

<table>
<thead>
<tr>
<th>Managed Services</th>
<th>Managed Hosting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colocation Services</td>
<td>Hyperconverged Systems</td>
</tr>
<tr>
<td>Hybrid Cloud Management Platforms</td>
<td></td>
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</tbody>
</table>

Source: ISG 2021
Managed Services

This quadrant assesses a provider’s ability to offer ongoing management services for private and hybrid clouds as well as traditional data center infrastructure and platforms that comprise physical and virtual servers, middleware, storage, databases and networking components. The infrastructure may reside in the client’s data center or the service provider’s facilities or even co-located in a third-party facility.

Participating companies usually take over the transition services where they guide clients to optimize their existing IT landscape. Typical projects include large-scale data center consolidation, virtualization, cloud enablement and configuration/implementation of a software-defined data center (SDDC). Transition services also include expanding the facilities, transferring new workloads or creating new private clouds. Managed services are characterized by the transfer of responsibility to a service provider and governed by service level agreements (SLAs) and corresponding penalties any deviation. At a broad level, these services include provisioning, enabling real-time and predictive analysis and monitoring and operational management of a customer’s on-premises, private and hybrid-cloud environments. These activities are aimed at maximizing the performance of workloads in the cloud, reducing costs and ensuring compliance and security. Participants should have the capability to manage traditional as well as cloud-native application release that also include continuous integration and delivery processes.

A primary difference between managed service providers and managed hosting providers is that the former have stronger integrations practices that involve breaking monolithic and traditional applications into individual services or microservices.

Eligibility criteria:

- Ability to offer services for private and hybrid clouds, data center infrastructure (servers, middleware, storage and databases) on their own without relying on partners
- Ability to provide services within a client's premises or remotely and preferably through its shared service centers (RIM)
- Established or emerging basic/standard relationships with one of the major public cloud hyperscale providers such as AWS, Microsoft, Google or IBM
- Experience in large transition projects that include automation, consolidation, virtualization and containerization of data centers and cloud enablement
- Ability to act as an extension of a client’s IT organization and get involved in creating blueprints, architecture frameworks and management processes at the client’s location
- Ability to provide a centralized orchestration/management of hybrid IT infrastructure
- Experience in business continuity planning, particularly managing a client’s hybrid infrastructure remotely during the pandemic
- Appropriate certifications to ensure compliance at local level
Managed Hosting

This quadrant assesses service providers that offer standalone enterprise-grade hosting solutions, using their own or third-party facilities and infrastructure. The providers assessed here are responsible for the day-to-day management and maintenance of data center equipment 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 the responsibility of provisioning the infrastructure to keep applications running with the desired performance and security.

A provider may monitor various IT assets such as legacy systems and private and public clouds via a hybrid cloud management platform. However, managing hybrid clouds has not been assessed for this quadrant. The primary service levels typically considered to measure managed hosting services are various tiers of data centers, multi-layered security, service availability and network (LAN) I/O at peak time.

Eligibility criteria:

- Ability to offer enterprise-grade hosting solutions using the provider’s infrastructure
- Capability to offer active-active and active-passive disaster recovery and backup services
- Technical and financial capability to upgrade its infrastructure, maintaining capacity plans to ensure hosting performance in advance to demand increases.
- Capability to scale and maintain dedicated servers and storage as well as shared cloud resources on the same network and management platform
- Ability to provide at least five layers of physical security in the data center
Colocation Services

This quadrant assesses providers that offer standardized data center operations as colocation services for midmarket and large enterprise clients. The participating companies offer community access points for various hosting providers, system houses, carriers or telecommunication providers and end users. Enterprise clients that opt for colocation services expect a standardized and sophisticated data center setup, many carrier choices, low latency and high bandwidth at affordable prices to deliver rich content or critical, latency-sensitive information to users in and outside major metropolitan areas.

Eligibility criteria:

- Owns facilities that offer standardized data center architecture design for colocation
- Offers high-quality data network equipment, appliances and connectivity
- Guarantees power density to support current and future technologies
- Provides at least five layers of physical security on the premises
- Possesses appropriate certifications such as SSAE 16, HIPAA, ISO 14001, ISO 22301, ISO 27001, ISO 50001, EN 50600, PCI DSS, NIST, FISMA, SOC Type I and II
- Ability to securely manage and maintain all data center equipment and technology stacks
- Amenable to provide SLAs related to hands and feet support and hardware replacement
- Ability to offer facilities with traffic exchange points close to users and clouds
- Ability to offer disaster recovery and backup solutions
- Ability to leverage clean energy sources and solutions to reduce energy consumption — these include zero carbon emission and green data center initiatives
Hyperconverged Systems (SW Vendors)

This quadrant analyzes vendors that offer hyperconverged infrastructure (HCI) with preconfigured software and blueprints designed to scale (up/down) server and storage clusters. An HCI can centrally manage a scalable enterprise cloud, on-premises infrastructure and private clouds built on public cloud virtual machines.

An HCI manages network, disks, memory, CPU and GPU cores, forming clusters or processing nodes. With HCI, clients can dynamically change the configurations of each node, dedicating or reserving resources for optimum application performance, balancing storage capacity and computing power.

Eligibility criteria:

- The solution offers cloud-like flexibility for private data centers
- The software provides a single orchestration layer across an HCI, including public and private clouds
- The system ensures fault-tolerance, enabling high availability
- Storage, compute and network are independently configurable and scalable
- Ability to provide agile professional services on their own or through partners. Professional services should include support to customize implementations
- Adept at managing resiliency and reliability during an outage
- The solution includes encryption and tools to offer high level of security and visibility
Hybrid Cloud Management Platforms

This quadrant analyzes vendors of technology software to build and operate infrastructures, thus offering a robust integrated management platform for on-premises, public, private and hybrid clouds. This platform provides consistency across cloud environments and enables enterprises to achieve cost-effective, automated and standardized application deployments, across multi-cloud environments with robust container’s capability.

Hybrid cloud management platforms can be offered as-a-service or licensed for use and serve as the basis for an SDDC, fabric-based computing (cluster management) and serverless infrastructures, thus improving on compliance and standardization.

Eligibility criteria:
- Ability to provide a platform to build and operate cloud infrastructures for managed on-premises, public, private and hybrid clouds
- The solution includes cost control and dashboards for chargeback and showback mechanisms
- Ability to provide single pane of glass and self-service capabilities to various stakeholders
- Enables provisioning based on catalog services to deploy a technology stack; ideally providing a “one click deploy”, using automated workflows
- Capability to generate multiple reports that can be used by the leadership team with a single pane of glass view
- Capability to provide a secure environment for a client’s data flow in the cloud management platform (CMP)
- Capability to buy the solution by clients through a licensing model, rather than as a bundled services deal
- Ability to provide integration of third-party tools through APIs
### Quadrants by Region

<table>
<thead>
<tr>
<th>Quadrants</th>
<th>Global</th>
<th>Brazil</th>
<th>Germany</th>
<th>Nordics</th>
<th>Switzerland</th>
<th>U.K.</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managed Services</td>
<td>Overview</td>
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<td>✓</td>
<td>✓</td>
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<tr>
<td>Colocation Services</td>
<td>Overview</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Hyperconverged Systems</td>
<td>Overview</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Hybrid Cloud Management Platforms</td>
<td>Overview</td>
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<td>✓</td>
<td>✓</td>
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<td>✓</td>
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</tr>
</tbody>
</table>
In this report, we identify and classify the typical buyers of data center outsourcing services (managed and transformation services) that look for transformational capabilities. We have identified the following four major buyer segments:

- **Traditional outsourcers:** Buyers that focus primarily on cost reduction and seek outsourcing/staff augmentation assistance for basic monitoring activities
- **Managed services:** Buyers that look for a broader suite of managed services with some elements of transformation
- **Transformational:** Buyers that have already achieved a high level of virtualization/standardization and are looking to further transform their infrastructure
- **Pioneering:** Buyers that aspire to achieve high levels of automation, orchestration and implementation of a software-defined infrastructure to boost developer productivity
Schedule

The research phase falls in the period between **January and April 2021**, during which survey, evaluation, analysis and validation will take place. The results will be presented to the media in **June 2021**.

<table>
<thead>
<tr>
<th>Milestones</th>
<th>Beginning</th>
<th>End</th>
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<tbody>
<tr>
<td>Launch</td>
<td>January 11, 2021</td>
<td>February 8, 2021</td>
</tr>
<tr>
<td>Survey phase</td>
<td>January 11, 2021</td>
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<td>Sneak previews</td>
<td>May 2021</td>
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<td>Press release</td>
<td>July 2021</td>
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Please refer to this [link](#) to view/download the ISG Provider Lens™ 2021 research agenda.

**Research Production Disclaimer:**

ISG collects data for the purposes of writing research and creating provider/vendor profiles. The profiles and supporting data are used by ISG advisors to make recommendations and inform their clients of the experience and qualifications of any applicable provider/vendor for outsourcing the work identified by clients. This data is collected as part of the ISG FutureSource process and the Candidate Provider Qualification (CPQ) process. ISG may choose to only utilize this collected data pertaining to certain countries or regions for the education and purposes of its advisors and not produce ISG Provider Lens™ reports. These decisions will be made based on the level and completeness of the information received directly from providers/vendors and the availability of experienced analysts for those countries or regions. Submitted information may also be used for individual research projects or for briefing notes that will be written by the lead analysts.
Partial list of companies being invited for the survey

Are you on the list or do you see your company as a relevant provider that is missing in the list? Then feel free to contact us to ensure your active participation in the research phase.

*um (OBS)
365 Data Centers
3stepIT
3U
Abilis IT
Abiquo
Abraxas
Accenture
Acadalis Informatik Datacenter Zug
acora
ACP
Adacor
Advanced
Advania
AIXIT
All for One Group
Alpine DC
Anexia
Anexio
Artmotion
Arvato Systems
Ascenty
Aspectra
Aspire Technology Solutions
Asseco

AT&T
ATEA
Atos
Auxis
Avectris
Axians
Baden Cloud
Bancadati
Basefarm (OBS)
Bechtle
Bedag Informatik
Begasoft
Bell Techlogix
BitbyBit
BitHawk
BrainServe
BT
BTC
CANCOM
Capgemini
Cegeka
Cema
CentralServer
Centre de données Romand
Centron
CenturyLink (Lumen)
CGI
Cisco
Cisilion
CKW
Claranet
Cloud&Heat
CloudBolt
Cloudreach
CMIT Solutions
Cocus AG
Codero
Coforge
Cogent
Cognizant
ColoBale
Colocation America
ColocationIX
Cologix
Colozüri.ch
Colt DCS
Columbus
Compasso
Comport
Computacenter
Conapto
CONET
Controlware
Core Technology
Coreix
Coresite
Coretek
Coretelligent
CorpFlex
Corsicatech
CWCS
CyrusOne
Cyxtera
DARZ
Data Hub
Data Intensity
Datacenter Leipzig
DatacenterOne
DATAGROUP
Datasource
Datawire
Dedalus Prime
Dell EMC
Deutsche Telekom
Devoteam I Alegri
DigiPlex
Digital Realty
Dokom21
dunkel
DXC
Econis
Ecotel
einfochips
Embratel
Embriq AS
EMC HostCo
Ensono
ePlus
Equinix
euNetworks
EVEO
EveryWare
EWL Luzern
Expedient
Fibernet
Ficolo
fifteenfourtyseven
First Colo
Flexential
Fujitsu
GAVS
Giant Swarm
GIB Solutions
Glesys AB
Global Switch
Grapin
Green Datacenter
Green Mountain
green.ch
GridScale
GTT
Hasroot
HCL
Hetzner
Hexaware
Hitachi Vantara
HostDime
Hostserver
Hosttech
Hostway
HPE
HTBASE
HTC (Ciber)
Huawei
Huayun Data Group
HYDRO66
HyperGrid
HYVE
IBM
IDE Group
IGN
iland
Immedion
INAP (Internap)
INAP (SingleHop)
Infomaniak
Infosys
InternetX
InterVision
Interxion
iomart
IP-Only
Ironmountain
IT Backbone
ITENOS
Itris One
iver
iVision
IWB
JMC Software AG
Kamp
Keppel
KMD
Lake
Lansol
Ldex Group
Lenovo
Leuchter IT
Levanits
Liquid Web
Littlefish
LocawebCorp
Logicalis
LTI
lume
Maincubes
Mandic
Materna
Matrix
Maxta
Maxtra
MEDIAM
MicroFocus
Microland
Microsoft
Mightcare Solutions GmbH (ex Wusys)
Millgate
Mindtree
Mivitec
Moresi
Morpheus Data
Mphasis
msg services
MTF
myLoc
Navisite
NetApp
Sopra Steria | Total Computer Networks
Stackit | Trivadis
StarWind | T-Systems
Steadfast | Turnkey
Stefanini | UKFast
StorMagic | UMB
Stratoscale | Unisys
Structured | UnitedLayer
Sungard AS | Uptime IT
Swcomms | UST Global
Swisscolocation | Veber
Swisscom | VIRTUS
Switch | Visolit
Syntax Systems | VMware
System Clinch | Vodafone
Systematic | Volico
TCS | Volta
Tech Mahindra | VSHN
Telehouse | Wipro
TelemaxX | Witcom
Telium | Wowrack
Telstra | Xfiber
ti&m | Zayo
TierPoint | Zensar
TietoEVRY | Timico
Timico | TIVIT
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