

The New Telco Data Centre - Pricing for the New Telecoms Data Centre – 2014 to 2019

Published: 30 June 2014

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A list of companies mentioned in the New Telco Data Centre: 2014 to 2019 report

A list of the 57 Telecoms Providers mentioned in the New Telco Data Centre: Pricing for the New Telecoms Data Centre - 2014 to 2019 report are shown in Figure 1 below

Figure 1: A list of Telecoms Providers mentioned in the report

Telecoms Provider	Country
AT&T	USA
Bell Canada	Canada
Belgacom	Belgium
Bharti Airtel	India
BT Global Services	UK
CAT IDC	Thailand
CenturyLink	USA
China Telecom	China
Chunghwa Telecom	Taiwan
Cogent Communications	USA
COLT Telecom	Luxembourg
Eircom	Ireland
Etisalat	UAE
Globe Telecom	Philippines
GTS (CE Colo)	Germany
Iliad Group	France
Interoute	UK
ITC	Saudi Arabia
KDDI	Japan
KPN	Netherlands
KT Corp	South Korea
Level (3)	USA
MegaFon	Russia
MTS (MobileTeleSystems)	Russia
Mobily	Saudi Arabia
NTT Communications	Japan
Ooredoo	Qatar
Orange Business Services (OBS)	France
PacNet	Singapore
PCCW-HKT	Hong Kong
PLDT	Philippines
Portugal Telecom (PT)	Portugal
PT Indosat	Indonesia
PT Luxembourg (EBRC)	Luxembourg
Reliance Infocomm	India
Rogers Communications	Canada
Rostelecom	Russia
SFR Business	France
SingTel	Singapore
Softbank Telecom	Japan
STC	Saudi Arabia
Swisscom	Switzerland
T-Systems	Germany
TATA Communications	India
Telecom Indonesia	Indonesia
Telecom Italia (TI)	Italy
TeleDenmark (TDC)	Denmark
Telefonica	Spain
Telekom Austria (A1)	Austria
Telekom Malaysia	Malaysia

TeliaSonera	Sweden
Telstra	Australia
Telus	Canada
tw Telecom	USA
Verizon-Terremark	USA
Vimpelcom	Russia
Vodafone Group	UK
Wind Telecom	Italy
XO Communications	USA

Source: TCL

Methodology: The New Telco Data Centre: Pricing for the New Telecoms Data Centre: 2014 to 2019

The New Telco Data Centre report was written over the 3 month period from March to the end of June 2014.

The report is based on a survey of 57 Telecoms Providers with Data Centre facilities based across 33 countries worldwide. The Telecoms Providers included in the survey meet the following criteria:

- Build, own & operate their own Telco Data Centre facilities
- Provide a wide range of services from their own Data Centre facilities
- Have made recent new Data Centre investments

Those Telecoms Providers who only rent their Data Centre facilities from other third party providers have been excluded in the survey. But in practice many Telecoms Providers who build their own Data Centre facilities in their domestic market rent Data Centre capacity from third party Carrier Neutral Data Carriers when in overseas markets.

In the report in total there are 57 Telecoms Providers worldwide surveyed. They have more than 1,600 identified Data Centre facilities worldwide (in 33 countries), although some of the facilities listed are rented from third party Data Centres.

It should be noted that not all of the facilities listed are high specification Data Centres, the large Telecoms Provider typically still has a mix of colocation and dedicated specialist Data Centre real estate in their portfolio.

The pricing data used in the report is based on the report writer's existing unique Data Centre pricing database, which provides housing and colocation space and pricing from Data Centre providers from all over the world and is updated on a regular basis: typically every quarter. Key Data Centre trends of capacity & pricing worldwide is tracked on a continuous basis.

In preparing the report the report writer has also been able to draw upon previous research from a range of other published reports and subscription services including the following:

- TCL Data Centre Price Tracker Subscription Service
- TCL Data Centre Pricing in Europe report
- TCL Pricing the Cloud report
- TCL Premium Data Centre Pricing report
- TCL Data Centre Pricing France
- TCL Data Centre Pricing Germany
- TCL Data Centre Pricing Netherlands
- TCL Data Centre Pricing UK

The New Telco Data Centre report is also based on pricing information received directly from the Telecom Providers with Data Centre facilities.

This report is also based on a mixture of face to face or telephone interviews with the key 57 Telecoms Providers worldwide (listed in the previous table). It also is based on a Copyright Tariff Consultancy Ltd 2014. To purchase this report or ask any questions please contact Caroline Hitchins on +(44) 7544 121900 or email caroline@datacentre.me

questionnaire - which has been sent to the 57 listed Telecoms Providers - which is used to generate the basis of the report writer's forecast for New Telco Data Centre service pricing and capacity.

In the report referral is made to the classification of Data Centre tiers used by the US-based UpTime Institute, with Data Centre facilities graded by four tiers from Tier I to Tier IV: based on the ability of the Data Centre provider to offer a resilient service based on duplication of critical systems, including power, cooling and back up services.

For reference, the definition of the UpTime Institute Data Centre tier classification is shown in the Summary Box below –

Summary Box: The Uptime Institute Data Centre Tier Classification

The Uptime Institute Data Centre Tier Classification

The US-based Uptime Institute has created a standard classification of Data Centre resilience which is as follows:

Tier 1: Single path Power & Cooling distribution; no redundant components:	99.671% availability
Tier 2: Single path Power & Cooling distribution; redundant components:	99.749% availability
Tier 3: Multiple path Power & Cooling distribution but one path active; redundant components:	99.982% availability
Tier 4: Multiple path Power & Cooling distribution with active paths; redundant components:	99.995% availability

Data Centre pricing provided in the report

Where Telecoms Provider Data Centre facility or product pricing is provided, the report writer converts the local currency provided into USD at the exchange rate used in Appendix 1. The pricing given excludes VAT or sales tax. Pricing is provided direct from the Telecoms Provider and is based on standard list pricing for rack space or colocation space.

For some sensitive products (particularly IP Transit and Managed Services) Telecoms Providers are reluctant to publish pricing, so the pricing shown in the report is anonymised. For IT outsourcing services pricing is also difficult to calculate as there is a high degree of customization.

Data Centre space provided in the report

Where a forecast for Telecoms Provider Data Centre space is provided, the forecast is based on technical space or raised floor space used for colocation or equipment, not the gross space available.

Other product pricing provided in the report

The report writer has provided product pricing for services that are provided by the Telecoms Provider using New Telco Data Centre facilities (including Hosting, Cloud & Managed Services). The price information has been sourced direct from the Telecoms Provider and is based on standard list pricing and excludes any volume discounts that may be available.

Executive Summary

The **New Telco Data Centre Pricing for the New Telecoms Data Centre 2014 to 2019** report analyses the market for Telecommunications Data Centres (Carrier Based Data Centres) which are facilities that are owned by a Telecoms Provider.

The use of Data Centre facilities by the Telco has changed over time, from being a supplementary service to house telecoms equipment and provide cross connects to becoming a core service, which enables new revenue streams, including Hosting, Cloud & Managed Services. As the Telecoms Data Centre role has changed from being a pure colocation and housing facility to the provision of value added services, the term New Telco Data Centre can be used.

The New Telco Data Centre Pricing for the New Telecoms Data Centre 2014 to 2019 report is based on a survey of 57 Telecoms Providers with established Data Centre facilities. The survey of 57 Telecom Providers have over 1,620 Data Centre facilities worldwide, with many telecoms providers having multiple facilities.

In the Summary Box below, the key indicators for the Telco Data Centre shown in the report are provided, with the main data shown below forecast as of the end of 2014 –

Summary: The Key Indicators for the New Telco Data Centre Pricing for the New Telecoms Data Centre 2014 to 2019

- **57 Telecoms Providers surveyed**
- **1,624 Data Centre facilities as of the end of 2014 included**
- **2.9 million square metres of raised floor space forecast as of the end of 2014**
- **CAGR (Compound Annual Growth Rate) in Data Centre space forecast of 5.6 per cent from 2014 to 2019**
- **Data Centre revenues of USD \$3.088 billion forecast per annum as of the end of 2014**
- **CAGR (Compound Annual Growth Rate) in Data Centre revenue forecast of 28 per cent from 2014 to 2019**

Source: TCL

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The 10 Key Headlines from the New Telco Data Centre Pricing 2014 to 2019 report

The 10 key headlines from the **New Telco Data Centre** Pricing 2014 to 2019 report are as follows:

1. **New Investment led by the Telecoms Incumbent** - There is now significant new investment in Data Centre facilities being made typically by the incumbent telecoms operator. The Data Centre is seen as being a valuable asset allowing the Telco to offer its own value added managed services including hosting, cloud, application or IT outsourcing services.

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Section ONE: Introduction

In this section, the report writer sets the scene for the key drivers responsible for the growth in New Telecoms Data Centre facilities worldwide.

By using the term The New Telco Data Centre the report writer is highlighting the emergence of new high specification Telco Data Centre space which can be used to house equipment, provide network or colocation connectivity but can also offer managed hosting services, cloud services and on demand application and IT services.

The New Telecoms Data Centre is being asked to cater for a series of needs, power and provide a high degree of redundancy to support the entry of the telecoms provider into the provision of cloud and applications management for its enterprise customers.

The New Telco Data Centre is able to cater for a wide range of services, which distinguishes it from previous Telco Data Centres, which were built to cater for a relatively narrow range of services such as colocation, equipment housing and connectivity and had a lower specification.

In this section the report writer provides a definition of the New Telco Data Centre and analyses the landscape, the main drivers, trends and the key services that are being provided from the facilities.

The types of New Telco Data Centre that are emerging are also examined, and the changes in the provision of the facility and the service mix being offered.

Finally, the business models that are being created to support the emergence of the New Telco Data Centre are considered.

A number of Telecoms Providers are using their New Data Centre facilities to focus on four particular customer segments including the following types of facility:

1. Tele housing Data Centre facilities: Which are used to provide telecoms equipment housing & connectivity, typically for wholesale telecoms providers, and also the Telecoms Provider's own network equipment.
2. Colocation Data Centre facilities: Which are used to provide IP connectivity & housing services.
3. Networked IT services facilities: Which are used to provide IP connectivity, network services with selective enterprise IT outsourcing, with dedicated facilities offered for enterprises.
4. Hosting & Cloud facilities: Which are used to provide virtualized service platforms from the Telecoms Data Centre for private, public & hybrid cloud computing services offered to the enterprise, together with dedicated or shared hosting services.

A definition of the New Telco Data Centre

The report writer provides a definition of the New Telco Data Centre used for the purposes of this report below:

“The New Telco Data Centre is defined as being a facility that can provide multiple services and uses with different grades of service and power. Multiple halls: or modular zones: are being constructed to cater for the provision of network equipment, hosting, colocation & housing and managed services. The Data Centre can cater for both the Telco’s own services and third party enterprise users. And for enterprise users different grades of power and SLA can be provided to meet different price points or requirements”.

The New Telco Data Centre typically varies from previous Telco facilities by offering a fuller range of services - as a flexible Data Centre facility.

With multiple data halls the new Data Centre facilities has the advantage of offering separate grades of service or zones, which can be dedicated for a specific customer, product offering a specific tier of service.

The Telecoms Provider by using the New Telco Data Centre is becoming a flexible Data Centre provider - which can cater for a wider range of customer requirements from the one facility.

Etc.

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