

Data Centres - UK - May 2021

Report Price: £1495 | \$1995 | €1800

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

This report looks at the following areas:

- How COVID-19 has forced the data centre industry to adapt to an even faster-growing online demand.
- Why third-party provision is proving attractive to customers.
- The huge hyperscale investments being made.
- Why the sector is highly investible for venture capitalists.
- Why edge computing will attract huge investment.
- How colocation sits alongside hyperscale development.

The global technology giants use hyperscale data centres. Around 70% of these are leased from third-party operators and this has stimulated major investment and growth. Vantage Data Centers acquired NGD in July 2020 and in March 2021 was granted planning permission to build a two-storey data centre at the Newport subsidiary, a 24,000 sq m facility with 10 data halls to be occupied by a single customer. NGD had already applied to build four three-storey data centres on space behind the existing data centre and permission had been granted for that in September 2020.

COVID-19 has accelerated the development of online activity, and data centres are having to adapt to growth rates far in excess of those anticipated prior to the pandemic. This is generating new opportunities and with companies increasingly adopting a multi-cloud architecture, those opportunities extend to all levels of the colocation sector.

Challenges include the ever stringent requirements to reduce emissions in a sector with a voracious appetite for power. At the same time the sector is increasingly adopting automation itself to address staffing shortages, a further issue impacted by COVID-19 and the impact of social distancing and employee health and safety.

Edge computing provides the next stimulus to development with the internet of things and 5G foremost amid the insatiable growth of data being created.



“Data centres are at the very heart of the evolving IT landscape. COVID-19 has dramatically impacted traditional working practices and organisations of all sizes have been turning to modern IT solutions to keep their operations running, their teams connected and their costs under control.”

– Terry Leggett, Senior Analyst

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

Data Centres - UK - May 2021

Report Price: £1495 | \$1995 | €1800

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Nonetheless, the sector is highly attractive to investors with data centre earnings before interest, taxes, depreciation and amortisation (EBITDA) margins being strong (reported to be at about 43%).

MINTEL

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

OVERVIEW

- **Key issues covered in this Report**
- **COVID-19: market context**
- **Economic and other assumptions**
- **Products covered in this Report**

EXECUTIVE SUMMARY

- **Impact of COVID-19 on data centres**

Figure 1: Short-, medium- and long-term impact of COVID-19 on data centres, prepared on 28 May 2021

- **The market**
- **Market size and forecast**

Figure 2: The UK market for data centres, 2015-25 (prepared on 28 May 2021)

- **The geographic distribution**

Figure 3: Country segmentation of data centres in the UK, 2021

- **Market drivers**
- **A digital economy is a productive economy**

Figure 4: Labour productivity in the UK compared with other major economies, 2010-19

- **Internet growth**

Figure 5: Worldwide internet usage, by region, 2000 and 2020 (millions and %)

- **The cloud**

Figure 6: Market size for cloud computing, 2015-25 (prepared on 5 November 2020)

- **Remote working**
- **eCommerce**

Figure 7: Market size for ecommerce, 2015-25 (prepared on 6 April 2021)

- **Market trends**
- **Hyperscale investment**
- **Edge computing**
- **5G – The catalyst**
- **The environmental challenge**
- **Machine learning and artificial intelligence**
- **Automation**
- **Companies and brands**
- **An aggressive industry**
- **A well-developed industry**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 8: Role of UK in West European colocation data centre sector, 2021

ISSUES AND INSIGHTS

- **How COVID-19 has changed demand**
- **The importance of sustainable development**

Figure 9: Power Utilisation Effectiveness ratings for data centres

THE MARKET – KEY TAKEAWAYS

- **COVID-19 contributes to explosive growth**
- **Major challenges exist**
- **Edge computing opportunities**
- **A classic Pareto sector**

MARKET SIZE AND FORECAST

- **Hyperscale facilities boosted by COVID-19**
Figure 10: Short-, medium- and long-term impact of COVID-19 on data centres, prepared on 28 May 2021
- **The growth in demand extends to all colocation**
Figure 11: The UK market for data centres, 2015–25 (prepared on 28 May 2021)
- **Market drivers and assumptions**
Figure 12: Key drivers affecting MBD’s market forecast, 2015–25 (prepared on 5 March 2021)
- **Forecast methodology**

MARKET TRENDS

- **Hyperscale investment**
- **Edging closer**
- **5G – The catalyst for edge computing**
- **The race to be the greenest**
- **Machine learning and artificial intelligence**
- **Automation**

MARKET SEGMENTATION

- **Data centre use**
Figure 13: Industry segmentation of data centre usage, core data centres in Europe, 2020 (by number of cabinets)
Figure 14: Industry segmentation of data centre usage, edge data centres in Europe, 2020 (by number of cabinets)
- **Geographic segmentation**
Figure 15: Country segmentation of data centres in the UK, 2021

What's included

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world’s leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

Report Price: £1495 | \$1995 | €1800

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

- England**
Figure 16: Regional segmentation of data centres in England, 2021
Figure 17: City concentration of data centres in England, 2021
- Scotland**
Figure 18: Data centre locations in Scotland, 2021
- Wales**
Figure 19: Data centre locations in Wales, 2021
- Northern Ireland**

MARKET DRIVERS

- Digitisation**
- The key to productivity**
Figure 20: Labour productivity in the UK compared with other major economies, 2010-19
- The COVID-19 impact**
Figure 21: UK labour productivity, output per hour and per worker, Q1 2017-Q3 2020
- Internet growth**
Figure 22: Worldwide internet usage, by region, 2000 and 2020 (millions and %)
Figure 23: Proportion of UK businesses with internet access in the UK, by size of company, 2014-19 (%)
Figure 24: Residential fixed-line broadband coverage across the UK, by nation, March 2020
Figure 25: Proportion of employees using computers and the internet for their business, by size of company, 2019
Figure 26: Segmentation of employees with work internet access, by size of company, 2019 (million by number of employees)
- Website use by companies**
Figure 27: Proportion of UK businesses with websites, by size of business, 2019
Figure 28: Proportion of companies with various capabilities on their websites, by size of business, 2019
- Impact of COVID-19 – Remote working**
Figure 29: Number of people mainly working from home, 2015-19
- COVID-19 boosts consumer ecommerce**
Figure 30: Market size for ecommerce, 2015-25 (prepared on 6 April 2021)
Figure 31: Segmentation of ecommerce market, by end-use market, 2015-25 (prepared on 6 April 2021)

What's included

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 32: Segmentation of ecommerce market, by channel, 2015-25 (prepared on 6 April 2021)

Figure 33: Segmentation of all ecommerce sales, by business sector, 2020

- **Cloud computing boosted by COVID-19**
Figure 34: Market size for cloud computing, 2015-25 (prepared on 5 November 2020)
- **Edge computing**

COMPANIES AND BRANDS – KEY TAKEAWAYS

- **COVID-19 accelerates digital development**
- **Hyperscale grabs the headlines**
- **Hyperscale feeds the remaining colocation market**
- **A competitive space**

INDUSTRY STRUCTURE

- **The traditional definition**
- **Fragmented by type**
- **Hyperscale data centres**
- **Colocation data centres**
- **Wholesale colocation data centres**
- **Enterprise data centres**
- **Telecom data centres**
- **Edge data centres**
- **A fragmented industry**

Figure 35: Role of UK in West European colocation data centre sector, 2021

Figure 36: Development of UK colocation data centres, 2016-21

- **The competitive landscape**

COMPETITIVE STRATEGIES

- **Hyperscale investment**
- **Other colocation development**
- **Green developments**
- **Edge computing**
- **Third-party funding**

COMPANY PROFILES

- **Equinix**
- **Activity**
- **Performance**

Figure 37: Equinix global revenues, 2016-20

What's included

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 38: Financial development of Equinix (UK), 2015-19 (£ million)

- **Strategy**
- **iomart Group**
- **Activity**
- **Performance**

Figure 39: Financial development of iomart Group, 2016-20 (£ million)

- **Strategy**
- **Next Generation Data/Vantage Data Centers**
- **Activity**
- **Performance**

Figure 40: Financial development of Next Generation Data, 2015-19 (£ million)

- **Strategy**
- **Pulsant Group**
- **Activity**
- **Performance**

Figure 41: Financial development of Pulsant Group Holdings, 2015-19 (£ million)

- **Strategy**
- **ST Telemedia Global Data Centres**
- **Activity**
- **Performance**
- **Strategy**
- **Telehouse International Corporation of Europe**
- **Activity**
- **Performance**

Figure 42: Financial development of Telehouse International Corporation of Europe, 2016-20 (£ million)

- **Strategy**

APPENDIX – DATA SOURCES, ABBREVIATIONS AND SUPPORTING INFORMATION

- **Abbreviations**

What's included

- Executive Summary
- Full Report PDF
- Infographic Overview
- Powerpoint Presentation
- Interactive Databook
- Previous editions

Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100



About Mintel

Mintel is the **expert in what consumers want and why**. As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster

Our purpose is to help businesses and people grow. To find out how we do that, visit **[mintel.com](https://www.mintel.com)**.