



Hosted, Outsourced, and Cloud Data Centers - Strategies and Considerations for Co-Location Tenants

Hosted and Outsourced Facility Definitions

Hosted data centers, both outsourced/managed and collocation varieties, provide a unique benefit for some customers through capital savings, employee savings and in some cases an extension of in-house expertise. Traditionally, these facilities have been thought of as more SME (Small to Medium Enterprise) customers. However, many Global 500 companies have primary, secondary or ancillary data centers in outsourced locations. Likewise, collocation data centers are becoming increasingly popular for application hosting such as web hosting and SaaS (Software as a Service), Infrastructure as a Service (IaaS), Platform as a Service (PaaS) in Cloud computing. These models allow multiple customers to share redundant telecommunications services and facilities while their equipment is colocated in a space provided by their service provider. In house bandwidth may be freed up at a company's primary site for other corporate applications.