







# DATA CENTRE IN THE CLOUD ERA

No doubt that the cloud is here to stay. But according to reports, analysts expect hardware sales for on premise IT systems to rise significantly. Enterprises are moving back to a more traditional data centre. Is the enterprise data centre and by extension, colocation, about to put up a fight against the cloud?

■ BY: DIVSHA BHAT <DIVSHA@GECMEDIAGROUP.COM>

■ PHOTO: SHUTTERSTOCK

**D**espite the rapid growth and adoption of cloud, organizations still need on premise systems. Though cloud-based services have been transforming the businesses, investments in on premise data centre infrastructures are increasing according to IHS Markit. In the past year, we have witnessed expansion of existing data centre facilities with additional space and power in the region. Few examples are Batelco, Ooredoo, ITC, etc. Recently Facebook announced its plans of opening a 11-story data centre in Singapore. In Frankfurt, Etix Everywhere and Data Centre Group have teamed to build a 15MVA facility. Over a month ago, Rajasthan in India launched the country's largest data centre Bhamashah State Data Centre (BCDC).

Globally, data centre is making a huge noise. How is the race going in the Middle East? Let's read.

## RACE IN THE MIDDLE EAST

While the Middle East organizations develop an increasing appetite to run their businesses on cloud platforms, some of the big tech companies have lined up to reveal when and where they will build their data centres. In the Middle East, UAE and the Kingdom of Saudi Arabia are the two of the most important countries who host the

## WHY DATA CENTER IS IMPORTANT

Data center enables an enterprise to leverage state-of-art infrastructure and cutting-edge technology, which supports critical IT needs such as:

Better allocation of resources	Better performance and scalability
Better security	Better availability during h/w failure
Load Balancing	Disaster Recovery





**Energy Savings**



**Resource Optimization**



**Improved Network Uptime**



**Increased Service Level Capabilities**



**Reduced Infrastructure Costs**



**Reduced Carbon Footprints**

Source: go4hosting



**“OUR EXPERIENCE IN THE MIDDLE EAST MARKETS SHOWS US THAT BESIDES THE USE OF DATA CENTRES IN THE ENTERPRISE SECTOR, THERE IS A VERY HIGH DEMAND FOR THE SERVICES BY THE SMB SECTOR,”**

**YASSER ZEINELDIN,**  
CEO, EHDF.

majority of the enterprises in the region and are also supported by the government with regards to adoption of new technologies. They are also centrally-located to access most of the submarine and terrestrial networks in the region. Recently, Oman also made huge investments in submarine infrastructure.

The software maker, Microsoft is all set to open its first data centres in the Middle East (Dubai & Abu Dhabi) in 2019. Amazon Web Services (AWS) announced that it will be building three data centres in Bahrain. Alibaba Cloud is set to open its second data centre in Dubai. SAP has also aimed to expand its presence in the Middle East region by opening a new data centre in Dubai.

## BIGGEST SHIFT IN DATA CENTRE INDUSTRY

Data that was once considered sensitive and not allowed to leave the organization boundaries is now being hosted either locally or with international service providers. The rising cost of



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CTO, INTELLITEK IT SOLUTIONS.

owning large data centres have in turn provided significant boost to the colocation market.

According to ResearchAndMarkets, data centre colocation market is estimated to reach a total market size of \$55.31 billion by the end of 2021.

The enterprise now a days have more options when it comes to taking care of their IT needs and colocation is one of the them. When they collocate their servers, organizations can cut down on their operating expenses, thereby focusing more on the core business. Colocation also provides businesses with multiple layers of security against unauthorized access or natural disasters. The other benefits of colocation services include diverse cooling systems, round the clock monitoring, etc.

Yasser Zeineldin, CEO of eHDF says “The modern data centre has raised flooring which ensures robust performance. Also, the fire suppression systems have improved in the last few years and they are now able to raise an alert with the onset of smoke. Data centre operators of today are also focusing on Dynamic CCU configuration, which is the self-regulation of pumping air where automatic detection is possible. This helps in the uniform distribution of supply & return air, thereby making an efficient cooling system.”

Sunil Kumar, CTO, IntelliTek IT Solutions says “In the past few years, we have noticed a major shift in the data centre. Data centre is comparatively less expensive than cloud and fully automated. Whether your ICT need is for an ‘On Premise’ solution or a ‘Hosted/Cloud’ solution IntelliTek are here to help, allowing you to make an informed choice as to the best fit for your

business requirements.”

## DATA CENTRE SERVICES – TRENDS

The Data Centre Services Market growth within the GCC states is set to expand from USD 1,073 million in 2012 to USD 3,112 million by this year says reports. Faced with the need to reduce operating expenses and increase operational efficiency, organizations in the Middle East are now looking at Managed Services as an alternative to manage and expand their IT infrastructures. Digital disruption is also forcing enterprises to shift their businesses from a centralized system to a distributed network as today's centralized and siloed architectures cannot support a digitized, customer-centric model that is needed for driving new business.

There are also several challenges faced by the service providers. Data centre providers, many of whom were pioneers in building security into their services, are starting to reassess how to deliver secure services as demand increases exponentially. Furthermore, these services are now woven into information and physical supply chains, underpinning public cloud, mobile, smart cities and IoT revolution driving dynamic changes across business and society today.

## FINAL THOUGHTS & LOOKING AHEAD

The data centre shall continue to be a critical part of the business and colocation shall also gain popularity as it poses major advantages. We shall witness new demands and business requirements which will impact the entire data centre model. Colocation is the way to go for businesses that want quality and flexibility. So, regardless of what evolutions occur in the technology sector, IT leaders must evolve as well. ■