

# Shared data centres: access to the widest choice and optimal pricing



14 Jul 2015

There is no doubt that, in a data-driven world, the data centre is a critical and central component of the technology infrastructure of any organisation. However, when it comes to provisioning and obtaining access to the data centre itself and a variety of attached services, there is a growing trend away from owning and maintaining this infrastructure in-house.

#### Weighing the pros and cons

Hosted data centres, particularly shared data centres that also offer a carrier-neutral colocation hub, are becoming an increasingly popular option. Shared data centres often bring together various different providers from across the country. This enables organisations that also make use of this data centre to access to their services and provide a range of essential technology solutions and services on a monthly, as needed basis, among other benefits.



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The decision to outsource and the selection of an appropriate partner is often challenging and requires organisations to ask themselves a number of questions. Before a service, solution or technology is outsourced, the pros and cons must be carefully weighed and the benefits quantified so that ultimately the organisation can make the best decision for their business.

## A significant capital investment

Data centres, while they have become essential, also represent a significant capital investment. The infrastructure itself is costly to procure, and also requires specialist operational skills in a variety of areas including physical and network security, security of the electricity supply, heating and cooling and more. In addition, this infrastructure needs to be managed, maintained and serviced, generators for failover power supply must be serviced, maintained and supplied with diesel and many more aspects. The operational logistics around managing a data centre are onerous and expensive, in addition to the large initial capital outlay. As a result, hosted and shared data centres are becoming increasingly sought-after in South Africa.

### Benefits to business

By providing hosted and shared services, organisations can leverage reduced CAPEX expenditure, as well as greater flexibility and shorter commitment times as all services are "pay as you use". In addition, by opting for these services, organisations can reduce the requirement to maintain their own extensive IT and application teams.

Aside from a reduction in capital expense as well as on-going skills retention and maintenance, these data centres also offer a number of other benefits to business, providing access to a wide range of services and solutions that may not have been possible to procure in-house. These include rack hosting, server hosting, storage, archiving, Disaster Recovery (DR), virtualisation and Cloud services.

## Widest choice and the lowest prices

Harnessing the unique benefits of a shared data centre, businesses are also often able to take advantage of greater flexibility to switch service providers. Neutral shared data centres bring together many different suppliers and service providers, including pure connectivity, last mile, content providers and service providers. By locating in the same data centre, businesses have access to all of these different services. South Africa has many market players and a spirit of

healthy competition in the cloud space, and prices, as a result, are constantly decreasing.

Shared data centres thus provide businesses with access to the widest choice and the lowest prices without locking them into the services of a single vendor or provider. As the cloud is a developing IT service, there are many new innovations and services being developed on a regular basis, and businesses have access to this innovation through a neutral shared data centre.

## The question of outsourcing

Outsourcing in a shared data centre offers numerous benefits, however, it is not a viable solution for the majority of businesses to simply outsource everything. When it comes to deciding on the level of outsourcing to select, and when to make use of which service, there are many factors to take into account, depending on what technology is core to the business. For example: Where is the breakeven point between owning or outsourcing a service? Do you have critical mass for the service? How much flexibility is required? What is part of your own product and services offering? What elements have to remain under your own control and what elements can be outsourced to third party providers? Is the outsource solution provider able to meet your specifications?

In addition, organisations need to consider the legislative requirements around data storage, compliance of the data centre with relevant standards, physical security, provision of the required uptime, electronic security, service levels and uptime, connection possibilities, power and cooling infrastructure as well as physical location. A shared data centre provider should offer stability and have the relevant national or global experience, adequate 24/7 operations and support, documentary proof of redundant systems, and importantly no single point of failure that can adversely affect service levels.

Selecting the right outsource partner and shared data centre, and choosing the appropriate services and solutions to push into the cloud, are essential in leveraging the advantages of the shared data centre. While this may not be a viable solution for all areas of every business, there are significant benefits to be realised, and partnering with the right provider will help businesses to harness these benefits and make the most of outsourced cloud-based services and solutions.

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