

Private/Hybrid Cloud – Data Center Services

Managed Services for Midmarket

A research report comparing provider strengths,
challenges and competitive differentiators

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Managed services are moving toward industrialized service delivery models and cost optimization

In the last four quarters, enterprises marginally restricted their spend on cloud technologies and business models to bring innovation and value to their end users. They are benefiting from using cloud computing environments and leveraging cutting-edge technologies like AI, analytics and RPA, which are speeding the rate and pace of technological improvements and UX. Hybrid cloud has become the norm in the last few years, with private cloud having the lion's share. With the growing demand for hybrid cloud solutions, IT infrastructure environments have become more complex and difficult to manage. Enterprises are now more open to outsourcing these operations to service providers that have significant expertise in managing hybrid cloud infrastructure for enterprises in multiple industries. Some of the

key variables influencing outsourcing decisions are the integration and consolidation of data centers, server performance, virtualization, containerization, governance and compliance, downtime and data loss. ISG observed that due to inflation and several economic and political downturns, enterprises were seen spending less or holding or pushing their infrastructure transformation engagements to the next year. They are more cautious and strategic in their outsourcing decisions to manage their costs effectively in this volatile economic scenario. This is corroborated by our ISG Index numbers, present in the Introduction part of the report.

We have also observed that providers have been increasingly trying to make customers aware of the need to standardize infrastructure, as this can enable them to offer better services at a lower cost. Several benefits can be achieved through standardization, such as:

- It enables providers to automate infrastructure operations and reduce the need for manual intervention, which can lead to significant cost savings and improved efficiency.

Multicloud
strategies are
evolving into
polycloud and
hybrid cloud
strategies.



- Standardized infrastructure allows providers to scale their operations more easily and quickly; they can simply replicate the standardized components across different locations and customers.
- Standardization also enhances the reliability and consistency of the infrastructure, which can improve customer satisfaction and reduce the risk of downtime and service disruptions.

By standardizing infrastructure services through infrastructure as code (IaC) and software-defined infrastructure, providers can achieve greater efficiency, scalability and reliability, which can ultimately benefit both providers and enterprise clients.

ISG's Star of Excellence™ program was very well received and has gained significant traction during the last four quarters. This program is based on the voice of the customer concept. Providers are rated on six parameters: service delivery; governance and compliance; collaboration and transparency; innovation and thought leadership; people and culture fit; and business continuity. The score/data comes from a Star of Excellence study that measures CX with providers based on direct client feedback.

ISG found that the average provider CX score for the private/hybrid cloud domain in North America was 79.6 in 2022. Accenture, Cognizant, HCLTech, Microland and PwC were the top five providers with above-average CX scores.

Some of the trends observed in the last year are:

Infrastructure modernization has become inevitable:

Several enterprises in the U.S. have been using their IT infrastructure for several years or even decades, and these infrastructures have reached the end of their life; they are no longer able to keep up with the demands of modern applications and business processes and are more vulnerable to security threats and other risks. As modernizing IT infrastructure requires a significant investment of time, money and resources, as many enterprises see it as a big bet. Service providers offer a thorough assessment of the existing infrastructure, identify the gaps and inefficiencies, and develop a roadmap for how to update or replace these systems. However, the payoff is not immediate, and there may be risks involved, such as disruptions to business operations during the migration process. Overall, infrastructure modernization has

become a critical step for many enterprises to stay competitive and meet the evolving demands of the digital age. While it may be a big bet, the potential rewards are substantial, notably improved operational efficiency and enhanced business outcomes.

Evolution of hybrid cloud to polycloud: As cloud providers, particularly AWS, Microsoft Azure and Google Cloud, continue to distinguish their offerings in 2023, we anticipate businesses to be very deliberate about where they put their workloads. With this polycloud strategy, applications will have access to the best-of-breed services available for their use case, be it an industry-specific cloud solution, a specialized database or an AI and ML service. Businesses will embrace their on-premises and private cloud footprints in their roadmaps as they continue to recognize that not all workloads belong to public cloud, primarily owing to cost, performance and regulatory factors.

Cloud cost optimization is a top priority: Enterprises have changed their 2023 objectives to focus on cost reduction and efficiency because of the likelihood of an upcoming economic downturn. As a result of the rapid

expansion of public cloud usage over the past two years, cloud expenses are one of the greatest areas for cost reduction. To uncover opportunities to optimize and monetize cloud transitions, IT, finance and FinOps teams are visualizing their TCO across their full hybrid cloud footprint (on-premises and private and public clouds). After achieving elementary cost reductions through basic FinOps in 2021 and 2022, organizations are now aiming to rearchitect their applications to make use of more affordable, cloud-native technologies, such as serverless, to further optimize their cloud spend.

Midmarket providers winning more deals:

We have seen several large global system integrators losing clients to many midsize providers. Some of the key reasons are:

- **Cost:** Midsize providers are able to offer more competitive pricing, as they have lower overhead costs and are more agile in adapting to changing market conditions.
- **Innovation:** Midsize providers are more agile and innovative and are able to respond more quickly to emerging technologies and trends. Some also offer more cutting-edge solutions.



- **Personalized services:** Midsize providers give more attention and focus to clients and have more flexibility to tailor their services to the unique needs of their clients, unlike the standardized service offerings provided by large providers.

Overall, the reasons for the shift in business from large to midsize IT infrastructure service providers are likely complex and multifaceted, with a combination of factors at play.

Changing hosting landscape: Within the managed hosting domain, U.S. enterprises continue to give priority to OpEx models for hybrid cloud deployments. However, there are important issues that influence sourcing selections, such as the difficulty in replacing hardware and poor profit margins. The widespread use of VMware technology by service providers in hosting settings is reducing technological distinction at a lower level in hosting environments. Enterprises in several industries are investing in improving security protocols and automated managed backup and recovery services that use cutting-edge computing and AI technologies. As a result,

for applications that require low latency, businesses are turning away from on-premises infrastructure and instead opting for services that are closest to the workload.

Rapid growth in the colocation business: Over the last two years, the colocation business in the U.S. has undergone substantial growth. Providers have made significant investments to increase their regional data center presence, primarily in the Southwest region, which is attracting many technology firms and other establishments from places like California. Colocation providers were seen offering tailored colocation solutions and establishing stronger partnerships with technology vendors and network service providers. This is aimed at improving IT operations, reducing latency and enhancing network performance for businesses of all sizes. U.S.-based colocation providers are increasingly prioritizing environmental, social and governance (ESG) mandates and green initiatives. Few providers are setting targets for sustainability measures and committing to using renewable energy sources to power their colocation facilities. Furthermore, there is a

growing emphasis on ensuring that data center facilities comply with standards such as LEED and Energy Star.

Colocation facilities with near proximity are the preferred choices among enterprises, as they are looking to grow business with an asset-light strategy. This enables them to access modern data centers while achieving greater cost efficiencies. Public cloud providers are also relying on colocation providers to expand their business in existing and new geographic locations. Colocation providers are upgrading their capabilities to offer smooth integration with hyperscalers and edge data centers, enabling them to support emerging applications in AI, IoT, big data and more.

Provider conversations with enterprises are now focusing on delivering business value, while also helping them with infrastructure modernization and management rather than just day-to-day operational management. Providers are also helping enterprises create a roadmap to improve performance and reduce the costs of running workloads.




Provider Positioning

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	Managed Services for Large Accounts	Managed Services for Midmarket	Managed Hosting	Colocation Services
11:11 Systems	Not In	Contender	Contender	Not In
365 Data Centers	Not In	Not In	Not In	Product Challenger
Accenture	Leader	Not In	Not In	Not In
Aspire Systems	Not In	Contender	Not In	Not In
Atos	Product Challenger	Not In	Not In	Not In
Capgemini	Leader	Not In	Not In	Not In
CDNetworks	Not In	Not In	Not In	Contender
CGI	Product Challenger	Not In	Not In	Not In
Codero	Not In	Not In	Contender	Not In
Coforge	Not In	Product Challenger	Not In	Not In
Cogent	Not In	Not In	Not In	Product Challenger




 Provider Positioning

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	Managed Services for Large Accounts	Managed Services for Midmarket	Managed Hosting	Colocation Services
Cognizant	Product Challenger	Not In	Not In	Not In
Colocation America	Not In	Not In	Market Challenger	Contender
Cologix	Not In	Not In	Not In	Product Challenger
Computacenter	Not In	Contender	Not In	Not In
CoreSite	Not In	Not In	Not In	Leader
Coretelligent	Not In	Contender	Not In	Not In
CyrusOne	Not In	Not In	Not In	Leader
Cyxtera	Not In	Not In	Not In	Leader
DataBank	Not In	Not In	Not In	Leader
Digital Realty	Not In	Not In	Not In	Leader
DXC Technology	Leader	Not In	Leader	Not In



 Provider Positioning


	Managed Services for Large Accounts	Managed Services for Midmarket	Managed Hosting	Colocation Services
Ensono	Not In	Leader	Leader	Not In
Equinix	Not In	Not In	Not In	Leader
Expedient	Not In	Not In	Not In	Contender
Flexential	Not In	Contender	Product Challenger	Rising Star ★
Fujitsu	Not In	Market Challenger	Product Challenger	Not In
GAVS	Not In	Contender	Not In	Not In
HCLTech	Leader	Not In	Not In	Not In
Hexaware	Contender	Leader	Not In	Not In
Hitachi Vantara	Contender	Not In	Not In	Not In
Hostway	Not In	Not In	Contender	Not In
HPE	Product Challenger	Not In	Not In	Not In



 Provider Positioning


	Managed Services for Large Accounts	Managed Services for Midmarket	Managed Hosting	Colocation Services
IBM	Not In	Not In	Contender	Not In
INAP	Not In	Not In	Contender	Not In
Infosys	Leader	Not In	Not In	Not In
InterVision	Contender	Not In	Contender	Not In
Iron Mountain	Not In	Not In	Not In	Contender
Kyndryl	Leader	Not In	Leader	Not In
Liquid Web	Not In	Not In	Product Challenger	Not In
LTIMindtree	Rising Star ★	Not In	Not In	Not In
Lumen	Not In	Contender	Product Challenger	Product Challenger
Microland	Contender	Rising Star ★	Not In	Not In
Mphasis	Product Challenger	Leader	Not In	Not In



 Provider Positioning

	Managed Services for Large Accounts	Managed Services for Midmarket	Managed Hosting	Colocation Services
Navisite	Not In	Leader	Product Challenger	Product Challenger
NTT DATA	Product Challenger	Not In	Leader	Not In
NTT GDC	Not In	Not In	Not In	Leader
OneNeck	Not In	Contender	Not In	Product Challenger
Orange Business	Not In	Contender	Not In	Not In
Park Place Technologies	Not In	Contender	Not In	Not In
Persistent Systems	Not In	Product Challenger	Not In	Not In
phoenixNAP	Not In	Not In	Not In	Contender
QTS	Not In	Not In	Not In	Leader
Rackspace Technology	Product Challenger	Leader	Leader	Product Challenger
Switch	Not In	Not In	Not In	Contender



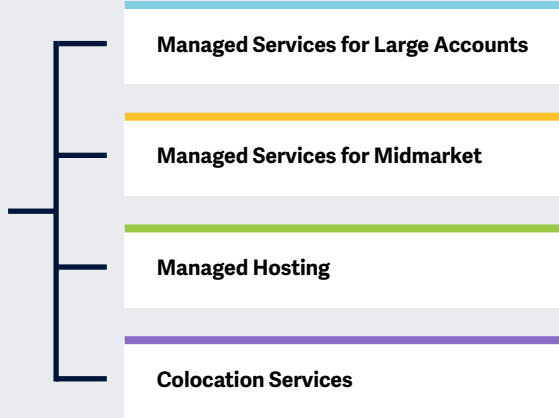
 Provider Positioning

	Managed Services for Large Accounts	Managed Services for Midmarket	Managed Hosting	Colocation Services
TCS	Leader	Not In	Product Challenger	Not In
Tech Mahindra	Product Challenger	Not In	Not In	Not In
TierPoint	Not In	Not In	Contender	Product Challenger
T-Systems	Not In	Product Challenger	Not In	Not In
Unisys	Product Challenger	Leader	Product Challenger	Not In
UnitedLayer	Not In	Product Challenger	Leader	Product Challenger
UST	Not In	Product Challenger	Not In	Not In
Wipro	Leader	Not In	Not In	Not In
Zensar Technologies	Product Challenger	Leader	Not In	Not In
Zones	Not In	Product Challenger	Not In	Not In



This study focuses on what ISG perceives as most critical in 2023 for **Private/Hybrid Cloud and Data Center outsourcing services**.

Simplified Illustration; Source: ISG 2023



Definition

This study assesses service providers of data center outsourcing, including the providers of managed hosting, colocation facilities and managed services. Typical participants use automation tools on highly secure data centers, providing security, operations management and client dashboards.

Data center outsourcing is the practice of transferring the responsibility of managing data center assets to a third-party provider. It includes orchestration; provisioning; integrated monitoring; and managing infrastructure components, including computing, storage, database, middleware and others. The data center may be owned by the enterprise client, service provider or a third-party colocation provider. Integrated monitoring and operations can be delivered from a provider's shared service center located offshore, onshore, nearshore or via a dedicated delivery center such as a remote infrastructure management (RIM) model.

A private cloud is an extension of a client's computing environment that leverages the investments made in virtual infrastructure and applications. Enterprises with stringent security

and governance requirements, large data volumes and close integration of enterprise applications and workflows needs may prefer an on-premises or a private cloud environment and may choose to host in their facility. As businesses are becoming software and data driven, they need an infrastructure base that can adapt to the changing market conditions, be managed based on a hybrid model, and be always accessible. Currently, most data center outsourcing engagements have elements of private/hybrid cloud and intuitive cloud management cognitive platform enablement.

A hybrid cloud connects the existing on-premises infrastructure services with a private cloud, a public cloud, or many multicloud arrangements. An enterprise can also leverage colocation and hosting providers, and not necessarily own a data center, to have a hybrid cloud setup. Globally, there is a massive surge in demand for a multicloud environment from the enterprise community as enterprises adopt hybrid and multicloud strategies to migrate and manage their workloads with improved agility, reduced operating costs and high application performance and availability.



There has been a rapid increase in the use of proprietary platforms and tools by service providers and enterprises for automating cloud operations, thereby increasing the adoption of AI and machine learning (ML) technologies. One of the fundamental advantages of a hybrid cloud deployment is the high degree of control offered to the organization; hybrid clouds allow enterprises to leverage the capabilities of public cloud platforms without the need to offload their entire data to a third-party data center. Although still evolving, edge computing is another technology that enterprises of all sizes are adopting for various existing and new use cases, such as software-defined solutions, IoT processing, hybrid cloud connectivity, firewall and network security, branch and micro data centers, internet-enabled devices and asset tracking. Edge is also being used to address the latency challenges in the present, highly distributed environments by removing network barriers and bringing processing to the edge.

ISG reports consistent demand for infrastructure services as enterprises are becoming more vigilant toward spending on large and complex cloud implementations. The demand for managed services, especially infrastructure and workloads management services, also is growing slowly. According to the ISG 1Q 2023 ISG Index™ figures, the global market grew by 1 percent in combined market ACV to reach its current value of \$24.1 billion for the first three months. Managed services ACV increased by 1 percent year-over-year and reached \$9.8 billion, while the XaaS ACV decreased by 13 percent to reach \$14.3 billion. IaaS spending declined 16 percent to reach \$10.4 billion, while the SaaS market declined by 4 percent to reach \$3.9 billion during the same period.



Scope of the Report

In this ISG Provider Lens™ quadrant report, ISG covers the following four quadrants for services/solutions: Managed Services for Large Accounts, Managed Services for Midmarket, Managed Hosting and Colocation Services.

This ISG Provider Lens™ study offers IT decision makers the following:

- Transparency on the strengths and weaknesses of relevant providers
- A differentiated positioning of providers by segments (quadrants)
- Focus on the regional market

Our study serves as the basis for important decision-making in terms of positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their existing vendor relationships and potential engagements.

Provider Classifications

The provider position reflects the suitability of IT providers for a defined market segment (quadrant). Without further additions, the position always applies to all company sizes classes and industries. In case the IT service requirements from enterprise customers differ and the spectrum of IT providers operating in the local market is sufficiently wide, a further differentiation of the IT providers by performance is made according to the target group for products and services. In doing so, ISG either considers the industry requirements or the number of employees, as well as the corporate structures of customers and positions IT providers according to their focus area. As a result, ISG differentiates them, if necessary, into two client target groups that are defined as follows:

- **Midmarket:** Companies with 100 to 4,999 employees or revenues between \$20 million and \$999 million with central headquarters in the respective country, usually privately owned.

- **Large Accounts:** Multinational companies with more than 5,000 employees or revenue above \$1 billion, with activities worldwide and globally distributed decision-making structures.

The ISG Provider Lens™ quadrants are created using an evaluation matrix containing four segments (Leader, Product Challenger, Market Challenger and Contender), and the providers are positioned accordingly. Each ISG Provider Lens™ quadrant may include service providers that ISG believes have strong potential to move into the Leader quadrant. This type of provider can be classified as a Rising Star.

- **Number of providers in each quadrant:** ISG rates and positions the most relevant providers according to the scope of the report for each quadrant and limits the maximum of providers per quadrant to 25 (exceptions are possible).





Provider Classifications: Quadrant Key

Product Challengers offer a product and service portfolio that reflect excellent service and technology stacks. These providers and vendors deliver an unmatched broad and deep range of capabilities. They show evidence of investing to enhance their market presence and competitive strengths.

Contenders offer services and products meeting the evaluation criteria that qualifies them to be included in the IPL quadrant. These promising service providers or vendors show evidence of rapidly investing in products/ services and a follow sensible market approach with a goal of becoming a Product or Market Challenger within 12 to 18 months.

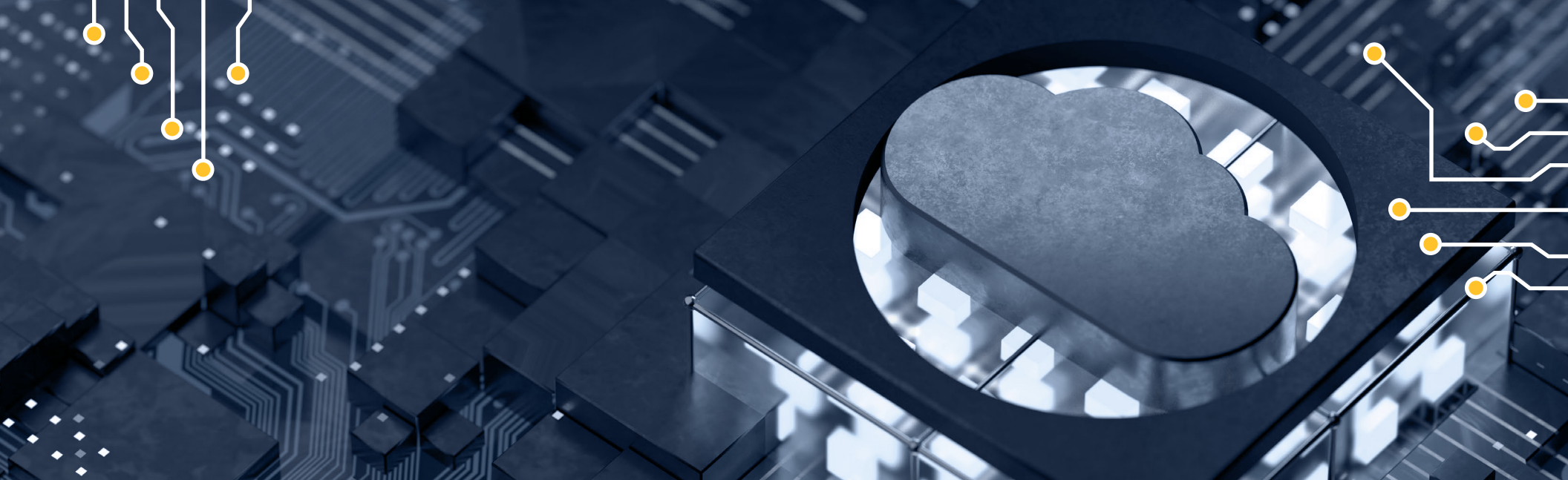
Leaders have a comprehensive product and service offering, a strong market presence and established competitive position. The product portfolios and competitive strategies of Leaders are strongly positioned to win business in the markets covered by the study. The Leaders also represent innovative strength and competitive stability.

Market Challengers have a strong presence in the market and offer a significant edge over other vendors and providers based on competitive strength. Often, Market Challengers are the established and well-known vendors in the regions or vertical markets covered in the study.

★ **Rising Stars** have promising portfolios or the market experience to become a Leader, including the required roadmap and adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market in the studied region. These vendors and service providers give evidence of significant progress toward their goals in the last 12 months. ISG expects Rising Stars to reach the Leader quadrant within the next 12 to 24 months if they continue their delivery of above-average market impact and strength of innovation.

Not in means the service provider or vendor was not included in this quadrant. Among the possible reasons for this designation: ISG could not obtain enough information to position the company; the company does not provide the relevant service or solution as defined for each quadrant of a study; or the company did not meet the eligibility criteria for the study quadrant. Omission from the quadrant does not imply that the service provider or vendor does not offer or plan to offer this service or solution.





Managed Services for Midmarket

Managed Services for Midmarket

Who Should Read This Section

This report is relevant to midsize enterprises across all industries in the U.S. for evaluating the providers of private/hybrid cloud and data center managed services.

In this quadrant, ISG defines the current market positioning of managed service providers in the U.S. and how they address the key challenges faced by midsize enterprises with their hybrid cloud model. These providers are adept at managing data center infrastructure on behalf of enterprise clients, enabling them to focus on other tasks.

Many midsize enterprises in the U.S. are prioritizing the optimization of their cloud expenses by using an integrated platform solution. The primary objective is to cut costs, as most of these enterprises are first- or second-generation outsourcing clients. They are seeking service providers that collaborate with technology vendors and engage in a co-innovation model with a shared go-to-market strategy.

In addition, enterprises are looking for service providers offering agile and adaptable SLAs and possess extensive expertise in delivering automation and edge solutions to midsize clients.

This year, service providers made substantial investments in their marketing activities, along with improving their service offerings, such as application modernization, cost optimization and legacy infrastructure management, to expand their customer base across various industries and retain their current clients.



IT and infrastructure leaders should read this report to analyze the modernization and service capabilities of managed service providers and the market advancements influencing hybrid cloud strategies.



Software development and technology leaders should read this report to understand providers' positioning, their offerings and their influence on ongoing infrastructure transformation initiatives.

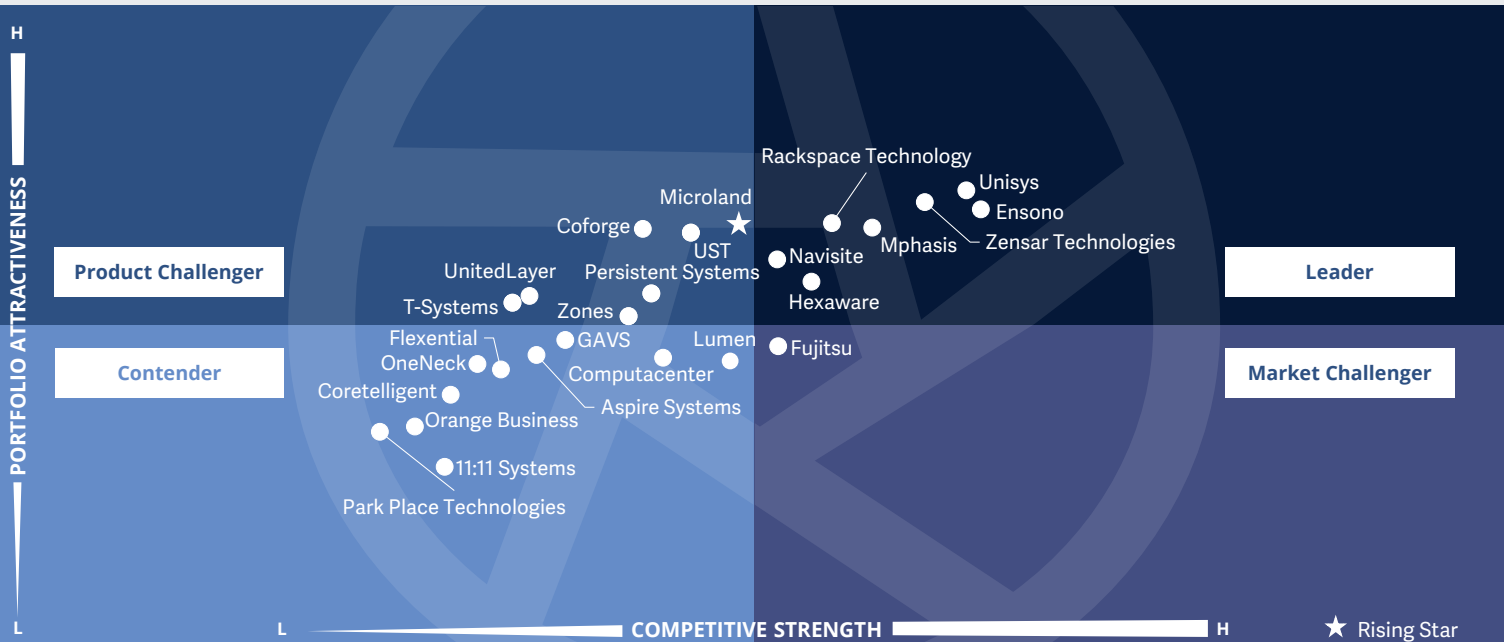


Sourcing, procurement and vendor management professionals should read this report to better understand the current landscape and partner ecosystem of managed service providers in the U.S.



**Private/Hybrid Cloud – Data Center Services
Managed Services for Midmarket**

U.S. 2023



This quadrant assesses service providers that offer **management services** for **private and hybrid clouds** and **traditional data center** infrastructure for midmarket. Providers typically offer **transition services** and guide clients to optimize their existing IT landscapes.

Shashank Rajmane



Managed Services for Midmarket

Definition

This quadrant assesses a provider's ability to offer ongoing management services for private and hybrid clouds and traditional data center infrastructure and platforms to midmarket and large enterprise clients. The infrastructure and platforms comprise physical and virtual servers, middleware, storage, databases and networking components. The infrastructure may reside at a client's data center, in a multicloud environment, in the service provider's facilities or even be co-located in a third-party facility.

Such providers typically offer transition services, guiding clients to optimize their existing IT landscapes. Common projects include large-scale data center consolidation, virtualization, cloud enablement and configuration and implementation of a software-defined data center (SDDC). Transition services can also include expanding existing facilities, transferring new workloads or creating new private/hybrid clouds.

Managed services are characterized by the transfer of responsibilities to a service provider and are governed by service level agreements (SLAs) with penalties for any deviation. At a broad level, these services include provisioning; enabling real-time and predictive analysis; and monitoring and managing operations of a customer's on-premises, private and hybrid cloud environments. These activities are aimed at maximizing workload performance in the cloud, reducing costs and ensuring compliance and security. Providers should have the capability to manage traditional and cloud-native application releases, including continuous integration and delivery processes.

Eligibility Criteria

1. Ability to offer **services for private and hybrid clouds and data center infrastructure** (servers, middleware, storage and databases) **on their own** without depending on partners
2. Ability to provide services within a client's premises or remotely and preferably through its **shared service centers** (RIM)
3. Demonstrate experience in **large transition** projects that include **automation, consolidation, virtualization and containerization** of data centers and cloud enablement
4. Ability to act as an **extension of clients' IT organization** and get involved in creating blueprints, architecture frameworks and management processes at the client's location
5. Ability to provide services for a **centralized orchestration/**management of hybrid IT infrastructure
6. Showcase **appropriate certifications** to ensure security and compliance at the local level



Managed Services for Midmarket

Observations

Most of the small and midsize enterprises are either first- or second-generation outsourcing clients, where they have limited experience in working with a third-party provider. Enterprises here are mostly looking for experts that can help them reduce infrastructure costs and operational risks, improve CX and manage infrastructure with minimal downtime. Midmarket enterprises here are also searching for service providers with substantial experience in automating infrastructure and leveraging edge solutions and have flexible and agile SLAs.

Service providers are helping midmarket enterprise clients plan their hybrid cloud strategies and enabling them with reduced deployment cost, disaster recovery and the use of modern computing technologies, such as serverless, database as a service, hyperconvergence, IaC, DevOps and containers. We also observed midsize service providers increase their service offerings this year, including by adding application modernization, cost optimization and legacy infrastructure

management, to attract new clients from a variety of industries and retain their existing ones.

From the 65 companies assessed for this study, 25 have qualified for this quadrant, with seven being Leaders and one Rising Star.

Ensono

Ensono is investing in creating new platforms with advanced software-defined networking, zero-trust security and disaster recovery capabilities. Ensono's recent acquisition of AndPlus has resulted in expanding its cloud and data engineering capabilities.



Hexaware has prioritized strengthening its hybrid cloud managed services through its Tensai™ platform, which offers modernized ecosystems with seamless cloud offerings, such as SDDC and FinOps.

Mphasis

Mphasis is continuing to enhance the transformation journey for midmarket clients by adopting a cloud-first and automation-driven approach. Its InfraGenie™ platform is accelerating complete service integration and management across hybrid cloud environments.

Navisite

Navisite has developed a comprehensive hybrid cloud portfolio with a clear focus on the midmarket. It is investing in partnering with hyperscalers such as AWS, Microsoft and Google to deliver true hybrid cloud and dedicated private cloud managed services.

Rackspace Technology

Rackspace Technology is investing in delivering substantially automated and SDDC-enabled cloud deployments in the U.S. The company is maintaining top-tier partnerships with hyperscalers to co-develop solutions that offer extended support for managing hybrid clouds.



Unisys is investing immensely to enhance its hybrid cloud and multicloud migration, modernization and management capabilities, including managed security and AI-led automation across the IT operation lifecycle.

Zensar Technologies

Zensar Technologies differentiates itself by providing industry-specific hybrid cloud services with zero-touch capabilities. It also offers hybrid multicloud solutions, including advisory, migration and security, catering specifically to midmarket clients in the U.S.

Microland

Microland has been named Rising Star this year in the midmarket quadrant, due to its increased investments in automation and industry-level offerings, along with a strong cost-saving-focused hybrid cloud solution.



Unisys



“Unisys offers a comprehensive portfolio of traditional and hybrid cloud managed services to help clients with transformation engagements that are cost-effective, secure and efficient by leveraging proprietary solutions such as CloudForte®.”

Shashank Rajmane

Overview

Unisys is headquartered in Pennsylvania, U.S. and operates in 28 countries. It has more than 16,200 employees across 71 global offices. In FY22 the company generated \$2.0 billion in revenue, with Enterprise Computing Solutions as its largest segment. In the U.S., it has improved its infrastructure security offerings with advanced-technology-enabled services. Unisys has gained significant experience in delivering enhanced managed services with centralized management control via a single management platform coupled with AI-led operations. It has a strong presence in the verticals such as financial services and the public sector.

Strengths

DevOps-oriented approach: Unisys emphasizes a DevOps-oriented strategy toward infrastructure operations. At the core of this strategy is the concept of programmable infrastructure that enables infrastructure automation and orchestration for workload optimization to support CI/CD environments. The company has implemented several private cloud environments with self-service functionality for clients on VMware and public cloud solutions.

Infrastructure management expertise:

Unisys has decades of experience in providing robust managed services, especially for traditional, virtual, hybrid cloud and legacy mainframe infrastructure systems. It leverages its Unisys ClearPath

solution to offer a modernization roadmap that gives a short- and long-term view of migrating mainframes to cloud environments. It has helped several U.S.-based enterprises modernize their legacy infrastructure.

Managed security expertise: Unisys offers one of the most robust managed security services for securely managing on-premises and hybrid cloud environments. It leverages its award-winning Unisys Stealth security solution to secure infrastructure and govern data movement, along with enabling the encryption of data assets. The company has been extremely successful in protecting its U.S. clients from several cyberattacks, especially ransomware.

Caution

In the U.S., Unisys has fewer hyperscale-certified staff when compared to its peers. It needs to improve its number of public-cloud-certified personnel to cater to clients' large global hybrid cloud transformation engagements. Also, clients look for FTEs based out of the U.S., especially organizations from highly regulated industries.





Appendix

The ISG Provider Lens™ 2023 – Private/Hybrid Cloud – Data Center Services report analyzes the relevant software vendors/service providers in the U.S. market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research™ methodology.

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The research and analysis presented in this report includes research from the ISG Provider Lens™ program, ongoing ISG Research programs, interviews with ISG advisors, briefings with services providers and analysis of publicly available market information from multiple sources. The data collected for this report represents information that ISG believes to be current as of April 2023, for providers who actively participated as well as for providers who did not. ISG recognizes that many mergers and acquisitions have taken place since that time, but those changes are not reflected in this report.

All revenue references are in U.S. dollars (\$US) unless noted.

The study was divided into the following steps:

1. Definition of Private/Hybrid Cloud – Data Center Services market
2. Use of questionnaire-based surveys of service providers/ vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities & use cases
4. Leverage ISG’s internal databases & advisor knowledge & experience (wherever applicable)
5. Use of Star of Excellence CX-Data
6. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
7. Use of the following key evaluation criteria:
 - * Strategy & vision
 - * Tech Innovation
 - * Brand awareness and presence in the market
 - * Sales and partner landscape
 - * Breadth and depth of portfolio of services offered
 - * CX and Recommendation



Author & Editor Biographies

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Shashank Rajmane
Principal Analyst

Shashank Rajmane has more than a decade of extensive research experience and has led the ISG Provider Lens™ studies — Public Cloud Services & Solutions, and Private/Hybrid Cloud & Data Center Outsourcing Services. He leads the efforts for the U.S. geography along with global geography reports. Apart from authoring these reports, Shashank has been part of many consulting engagements and helps ISG's enterprise clients select the right service providers and vendors based on their IT buying requirements.

He is also responsible for authoring white papers, thought leadership papers, briefing notes, blogs and service provider intelligence reports, especially in the next-generation cloud and infrastructure services domain. He has also authored several research papers on best practices for choosing cloud vendors and cloud management platforms, along with writing several white papers on the cloud industry.

Enterprise Context and Overview Analyst



Chandra Shekhar Sharma
Research Specialist

Chandra Shekhar Sharma is a Research Specialist at ISG and is responsible for supporting ISG Provider Lens™ studies on Private Hybrid Cloud and Public Cloud Data Center Solution and Services. He supports the lead analysts of multiple regions in the research process and authors the global summary report. Shekhar is responsible for delivering enterprise' perspective for IPL and collaborates with analyst, advisors, and enterprise clients on various ad-hoc research requests. He comes with more than eight years of research and consulting experience into IT industry. Prior to this role,

he has been associated with several custom market and procurement research firms, in which he has delivered actionable insights and recommendations around market sizing and forecasting, industry-level trends and drivers, procurement best practices, sourcing models and strategy, competitive benchmarking, market share analysis and vendor landscapes for industry verticals such as IT hardware, IT services, transportation and warehousing.





IPL Product Owner

Jan Erik Aase
Partner and Global Head – ISG Provider Lens™

Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor.

Now as a research director, principal analyst and global head of ISG Provider Lens™, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.



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JUNE, 2023

REPORT: PRIVATE/HYBRID CLOUD – DATA CENTER SERVICES