

Build vs. Lease Data Center: Which Is The Better Option?



When your company starts to expand and outgrow the resources, the need to provision additional capacity to meet the IT demands increases as well. That's when you begin to think on whether to build a data center or to lease or outsource the ever-rising technical requirements. No organization can afford downtime and thus, they seek for a platform that can keep the business going all the while. There are two options, either to build an own in-house IT environment or lease a space means opting for colocation services.

Both has certain limitations and advantages, but it is not suitable for every business. Let's discuss the benefits of buying data center services vs. building one.

Buying Data Center Services (Colocation)

Colocation services have some edge over building an in-house infrastructure. According to a survey conducted by Uptime Institute in 2015, colocation service providers are increasing swiftly than the enterprise data center because companies are finding it far more reliable and convenient to outsource business workload. Here are a few benefits of colocation:

Smaller upfront cost: No need to invest on constructing new infrastructure. The end-users are simply required to pay rent for the space and other resources provided by the data center provider that saves on the financial expenditure, which would otherwise be spent on building an in-house infrastructure and installing the equipment.

Time-efficient: You can stay completely dedicated to your business rather than dealing with the technical faults. Your servers are managed by highly skilled and experienced professionals that assures high-availability and server efficiency.

Scalability: If need to scale up resources, data center providers can easily do so without causing resource wastage.

Building Data Center

As mentioned, leasing is not an option for every organization and thus, there are several big market players that have built their own data center because of the volume of workload. For example: Google, Facebook, Microsoft, etc. Others might consider constructing their own infrastructure for the following reasons:

1.Need complete access and control over their resources, including security, space, cooling and heating, etc.

2.To efficiently manage critical and expansive data generated on a daily basis.

However, building a data center includes heavy upfront cost as it needs to invest on everything required to architect that perfect, state-of-the-art infrastructure. It also requires immense planning and smart strategies that can provide the right outcome.

Conclusion: Leasing is suitable for companies with smaller budget, and smaller requirements. They can gain complete control over their server and resources, without exceeding their financial limits. Whereas, building infrastructure is tailored for two types of people – one who want to take full charge of managing, monitoring and administrating their hardware equipment as well as the entire environment.

With that said, you can now make the right decisions for your needs.