

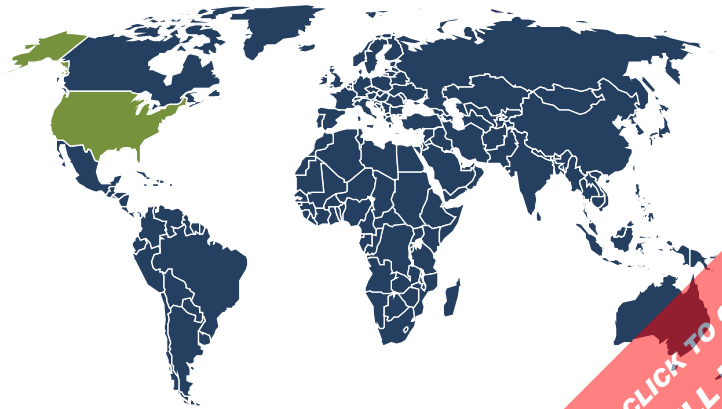
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## Data

# Processing & Hosting: United States

October 2016



### Highlights

#### Market Environment

Historical Trends | Key Economic Indicators | Environmental and Regulatory Factors

#### Segmentation and Forecasts

Services | Markets

#### Industry Structure

Industry Composition and Characteristics | Additional Companies Cited

#### Resources

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## ABOUT THIS REPORT

### Scope & Method

This report forecasts US data processing and hosting (DP&H) service revenues in US dollars to 2020. Total revenues are segmented by source in terms of:

- data processing, information technology (IT) provisioning, and hosting
- IT technical consulting
- IT design and development
- IT technical support
- information and document transformation
- other sources such as software publishing and reselling services for computer hardware and software.

US DP&H service providers' revenue includes income from all domestic locations primarily engaged in providing infrastructure for hosting or data processing services. Thus, receipts from other activities performed by these locations are included in total revenue. Receipts from establishments that may provide such services but are primarily engaged in a different activity are excluded from this report. Revenues from payroll and financial transaction processing services are also not included in this report.

Total revenues are also segmented by market as follows:

- businesses
- households and individuals
- governments.

To illustrate historical trends, total revenues and the various segments are provided in annual series from 2005 to 2015.

This report quantifies trends in various measures of growth and volatility. Growth (or decline) expressed as an average annual growth rate (AAGR) is the least squares growth rate, which takes into account all available datapoints over a period. The volatility of datapoints around a least squares growth trend over time is expressed via the coefficient of determination, or  $r^2$ . The most stable data series relative to the trend carries an  $r^2$  value of 1.0; the most volatile – 0.0. Growth calculated as a compound annual growth rate (CAGR) employs, by definition, only the first and last datapoints over a period. The CAGR is used to describe forecast growth, defined as the expected trend beginning in the base year and ending in the forecast year. Readers are encouraged to consider historical volatility when assessing particular annual values along the forecast trend, including in the forecast year.

Key macroeconomic indicators are also provided with quantified trends. Other various

topics, including profiles of pertinent leading suppliers, are covered in this report. A full outline of report items by page is available in the [Table of Contents](#).

## Sources

*Data Processing & Hosting: United States* (FF95031) represents the synthesis and analysis of data from various primary, secondary, macroeconomic, and demographic sources including:

- firms participating in the industry, and their suppliers and customers
- government/public agencies
- national, regional, and international non-governmental organizations
- trade associations and their publications
- the business and trade press
- indicator forecasts by The Freedonia Group
- the findings of other reports and studies by The Freedonia Group.

Specific sources and additional resources are listed in the [Resources](#) section of this publication for reference and to facilitate further research.

## Industry Codes

The topic of this report is related to the following industry codes:

NAICS/SCIAN 2007		SIC	
North American Industry Classification System		Standard Industry Codes	
518210	Data Processing, Hosting, and Related Services	7374	Computer Processing and Data Preparation and Processing Services
		7379	Computer Related Services, NEC
		7389	Business Services, NEC

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## RESOURCES

### The Freedonia Group

[www.freedoniagroup.com](http://www.freedoniagroup.com)

#### Related Industry Studies

*3321 Electronic Security Products*, October 2015

[see study contents](#)

*3260 Insulated Wire & Cable*, May 2015

[see study contents](#)

*3228 World Security Equipment*, March 2015

[see study contents](#)

#### Related Focus Reports

*Communication Services: United States*

[see report contents](#)

*Computers & Peripherals: United States*

[see report contents](#)

*Electronic Components: United States*

[see report contents](#)

*Electronic Security Products: United States*

[see report contents](#)

*Insulated Wire & Cable: United States*

[see report contents](#)

*Internet Content & Search: United States*

[see report contents](#)

*Semiconductors: United States*

[see report contents](#)

*Software: United States*

[see report contents](#)

#### Freedonia Custom Research

[see capabilities](#)

### Trade Publications

*CloudTech*

[www.cloudcomputing-news.net](http://www.cloudcomputing-news.net)

*Computerworld*

[www.computerworld.com](http://www.computerworld.com)

*CRN*

[www.crn.com](http://www.crn.com)

*The Data Center Journal*

[www.datacenterjournal.com](http://www.datacenterjournal.com)

*Data Center Knowledge*

[www.datacenterknowledge.com](http://www.datacenterknowledge.com)

*InformationWeek*

[www.informationweek.com](http://www.informationweek.com)

*ITWorld*

[www.itworld.com](http://www.itworld.com)

### Agencies & Associations

AFCOM

[www.afcom.com](http://www.afcom.com)

BSA – The Software Alliance

[www.bsa.org](http://www.bsa.org)

CompTIA

[www.comptia.org](http://www.comptia.org)

The Green Grid

[www.thegreengrid.org](http://www.thegreengrid.org)

Internet Infrastructure Coalition

[www.i2coalition.com](http://www.i2coalition.com)

The Software & Information Industry Association

[www.siiia.net](http://www.siiia.net)

United States Census Bureau

[www.census.gov](http://www.census.gov)

United States General Services Administration

[www.gsa.gov](http://www.gsa.gov)

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