



Freedonia Focus Reports
US Collection

Data Processing & Hosting: United States

February 2019



BROCHURE
CLICK TO ORDER
FULL REPORT

www.freedoniafocusreports.com

Table of Contents

1. Highlights	3
2. Market Environment	4
Historical Trends	4
Key Economic Indicators	5
Environmental & Regulatory Factors	6
3. Segmentation & Forecasts	7
Services	7
Data Processing & Hosting	9
IT Design & Development	10
IT Technical Support	11
IT Technical Consulting	11
Information & Document Transformation	12
Other Sources	14
Markets	15
Business	16
Government	17
Household	19
4. Industry Structure	21
Industry Characteristics	21
Market Leaders	23
Amazon	23
IBM	24
Microsoft	24
5. About This Report	25
Scope	25
Sources	25
Industry Codes	26
Freedonia Methodology	26
Resources	28

List of Tables & Figures

Figure 1 Key Trends in US Data Processing & Hosting Revenues, 2017 – 2022	3
Figure 2 US Data Processing & Hosting Revenue Trends, 2007 – 2017	4
Table 1 Key Indicators for US Data Processing & Hosting Revenue, 2007 – 2022 (US\$ bil)	5
Figure 3 US Data Processing & Hosting Revenues by Source, 2007 – 2022 (US\$ mil)	7
Table 2 US Data Processing & Hosting Revenues by Source, 2007 – 2022 (US\$ mil)	7
Figure 4 US Data Processing & Hosting Revenues by Source Performance Index, 2007 – 2022 (2007=100)	8
Figure 5 US Data Processing & Hosting Revenues by Source, 2007 – 2022 (%)	14
Figure 6 US Data Processing & Hosting Revenues by Market, 2007 – 2022 (US\$ mil)	15
Table 3 US Data Processing & Hosting Revenues by Market, 2007 – 2022 (US\$ mil)	15
Figure 7 US Data Processing & Hosting Revenues by Market Performance Index, 2007 – 2022 (2007=100)	16
Figure 8 US Business Revenues w/ Personal Consumption Expenditures, 2007 – 2022	17
Figure 9 US Government Revenues w/ Government Consumption Expenditures, 2007 – 2022	18
Figure 10 US Household Revenues w/ Households, 2007 – 2022	19
Figure 11 US Data Processing & Hosting Revenues by Market, 2007 – 2022 (%)	20
Figure 12 US Data Processing & Hosting Firms & Establishments, 2007 – 2017	22
Table 4 US Data Processing & Hosting Firms & Establishments, 2007 – 2017	22
Table 5 Leading Participants in the US Data Processing & Hosting Market by Service	23
Table 6 NAICS & SIC Codes Related to Data Processing & Hosting	26

About This Report

Scope

This report forecasts to 2022 US data processing and hosting service revenues in nominal US dollars. Total revenues are segmented by source in terms of:

- data processing and hosting
- IT design and development
- IT technical support
- IT technical consulting
- information and document transformation
- other sources such as software publishing and reselling of computer hardware and software

Total revenues are also segmented by market as follows:

- business
- government
- household

To illustrate historical trends, total revenue and the various segments are provided in annual series from 2007 to 2017.

Data processing and hosting services are also referred to as cloud computing and storage services. Cloud data centers operated for captive use are excluded from the scope of this report. US 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 data processing and storage services but are primarily engaged in a different activity are excluded from this report. Revenues from payroll and financial transaction processing services are also excluded from this report.

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 secondary, macroeconomic, and demographic sources, such as:

- firms participating in the industry, and their suppliers and customers

About This Report

- government/public agencies
- intergovernmental and 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

Table 6 | NAICS & SIC Codes Related to Data Processing & Hosting

NAICS/SCIAN 2007		SIC	
North American Industry Classification System		Standard Industrial Classification	
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

Source: US Census Bureau

Freedonia Methodology

The Freedonia Group, a subsidiary of MarketResearch.com, has been in business for more than 30 years and in that time has developed a comprehensive approach to data analysis that takes into account the variety of industries covered and the evolving needs of our customers.

Every industry presents different challenges in market sizing and forecasting, and this requires flexibility in methodology and approach. Freedonia methodology integrates a variety of quantitative and qualitative techniques to present the best overall picture of a market's current position as well as its future outlook: When published data are available, we make sure they are correct and representative of reality. We understand that published data often have flaws either in scope or quality, and adjustments are made accordingly. Where no data are available, we use various methodologies to develop market sizing (both top-down and bottom-up) and then triangulate those results to come up with the most accurate data series possible. Regardless of approach, we also talk to industry participants to verify both historical perspective and future growth opportunities.

Methods used in the preparation of Freedonia market research include, but are not limited to, the following activities: comprehensive data mining and evaluation, primary research, consensus forecasting and analysis, ratio analysis using key indicators, regression analysis,

About This Report

end use growth indices and intensity factors, purchase power parity adjustments for global data, consumer and end user surveys, market share and corporate sales analysis, product lifespan analysis, product or market life cycle analysis, graphical data modeling, long-term historical trend analysis, bottom-up and top-down demand modeling, and comparative market size ranking.

Freedonia 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.

Copyright & Licensing

The full report is protected by copyright laws of the United States of America and international treaties. The entire contents of the publication are copyrighted by The Freedonia Group.

Resources

The Freedonia Group

Freedonia Industry Studies

Global Security Services

Smart Home Security Market in the US

Freedonia Focus Reports

Communication Services: United States

Computers & Peripherals: United States

E-Commerce: United States

Electronic Components: United States

Global Electronic Medical Records

IT Services: United States

Online Grocery Shopping: United States

Software: United States

Telecommunication Services: United States

Freedonia Custom Research

Trade Publications

CloudTech

CompTIAWorld

CRN

The Data Center Journal

Data Center Knowledge

InformationWeek

ITWorld

Agencies & Associations

AFCOM

BSA – The Software Alliance

CompTIA

The Green Grid

i2Coalition

Software & Information Industry Association

United States Census Bureau

United States General Services Administration