

As capacity demands surge, operators rethink cloud strategies

UII DATA REPORT 195 | FEBRUARY 2026



SUMMARY

Growing workload demand continued to drive capacity growth in 2025 for both enterprise and colocation companies. Although colocation growth remained strong overall, more colocation operators reported reaching a plateau than in 2024.

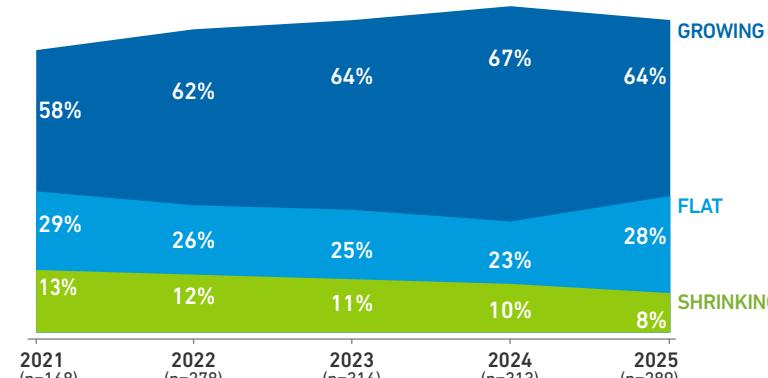
Fewer enterprise operators report migration to cloud services and levels of repatriation remain steady. As owners and operators gain more insight into capacity planning for hybrid environments, more can focus on fine-tuning workload placement. Results from the Uptime Institute Service Providers and Capacity Survey 2025 offer an insight into current trends in capacity growth and the adoption of hybrid strategies.

ABOUT THIS SURVEY

The Uptime Institute Service Providers and Capacity Survey 2025 was conducted online from October 2025 to December 2025, and had 872 respondents. This report highlights some of the findings.

Growth of enterprise-owned capacity remains steady

Is the overall megawatt capacity of your enterprise-owned data centers growing, flat or shrinking?

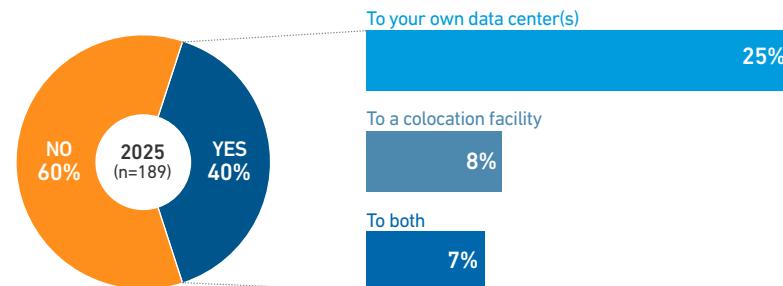


UPTIME INSTITUTE SERVICE PROVIDERS AND CAPACITY SURVEY 2025



A quarter of enterprise operators moved cloud apps back on-prem

In the past 12 months, has your organization moved any of its production applications away from public cloud to either your own data center(s) or a colocation facility?

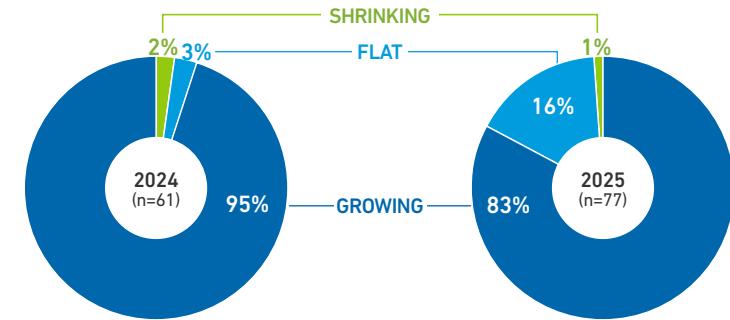


UPTIME INSTITUTE SERVICE PROVIDERS AND CAPACITY SURVEY 2025



Rise in colo operators reporting no increase in capacity growth in 2025

Would you describe the overall megawatt capacity of your colocation facilities as growing, flat or shrinking?

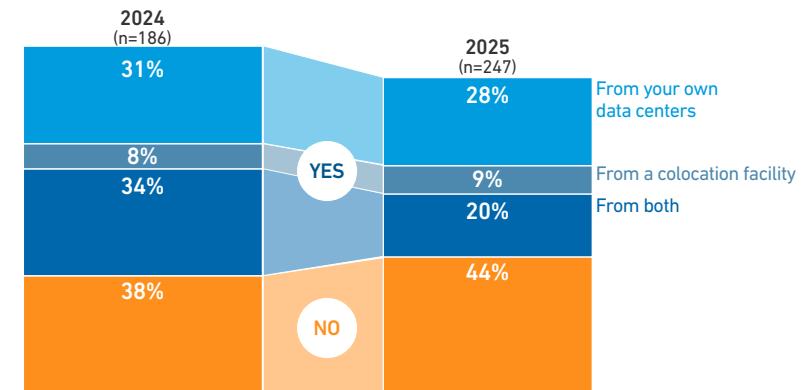


UPTIME INSTITUTE SERVICE PROVIDERS AND CAPACITY SURVEY 2025



Enterprise operators less likely to move apps to public cloud in 2025

Has your organization moved any of its production applications from your own data centers or a colocation facility to public cloud in the past 12 months?

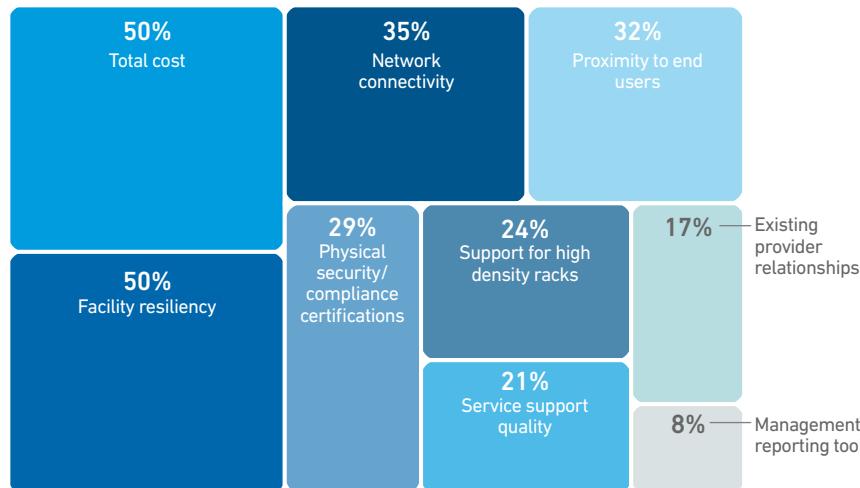


UPTIME INSTITUTE SERVICE PROVIDERS AND CAPACITY SURVEY 2025



Cost and resiliency are top drivers for use of colocation facilities

Which of the following characteristics are most influencing your decision to use a colocation facility?
Choose no more than three. (n=119)



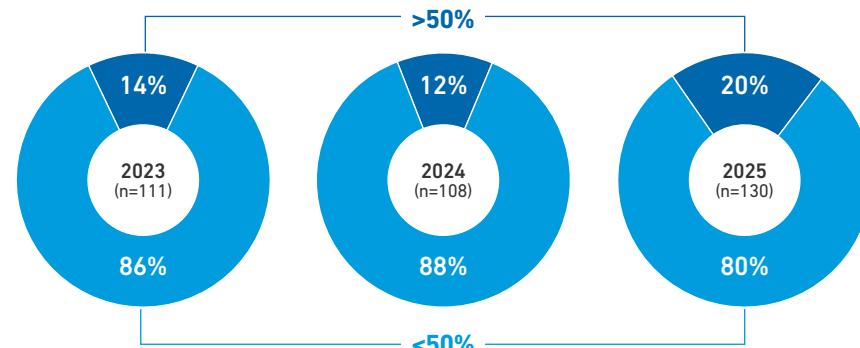
("Other" responses not included.)

UPTIME INSTITUTE SERVICE PROVIDERS AND CAPACITY SURVEY 2025

uptime
INTELLIGENCE

A fifth of operators predict extensive expansions

How much more megawatt capacity do you estimate will be added to existing facilities?

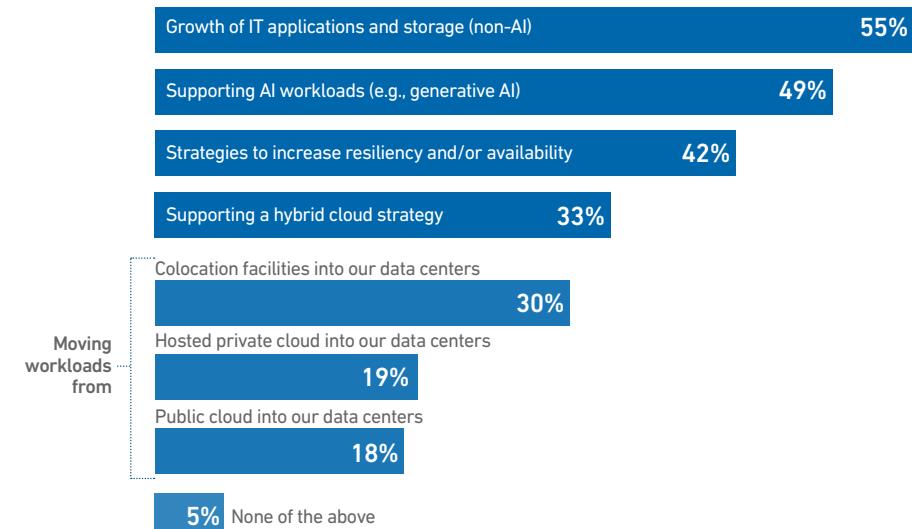


UPTIME INSTITUTE SERVICE PROVIDERS AND CAPACITY SURVEY 2025

uptime
INTELLIGENCE

Non-AI workload growth drives most enterprise data center demand

Which of the following factors (if any) are increasing your overall data center capacity? Choose all that apply. (n=177)

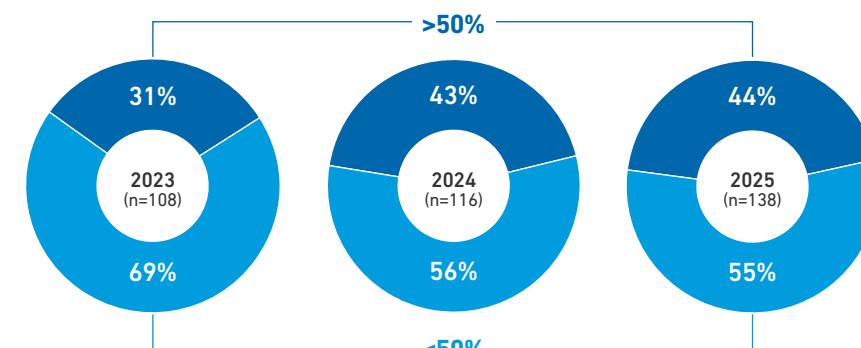


UPTIME INSTITUTE SERVICE PROVIDERS AND CAPACITY SURVEY 2025

uptime
INTELLIGENCE

Most still say capacity gains from new builds will not exceed 50%

How much more megawatt capacity will be added by building new facilities?

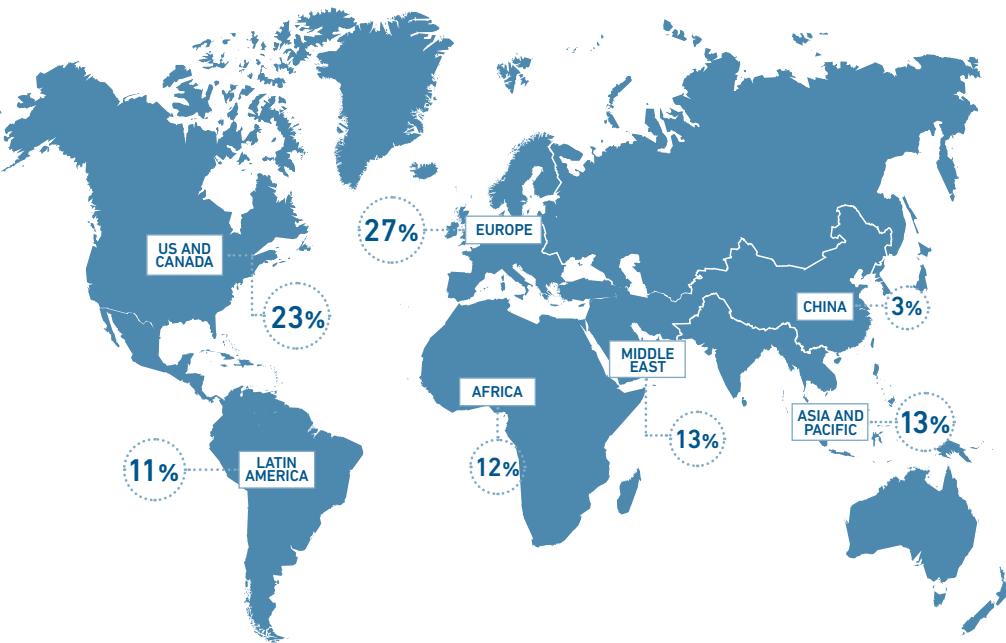


UPTIME INSTITUTE SERVICE PROVIDERS AND CAPACITY SURVEY 2025

uptime
INTELLIGENCE

Demographics: The Uptime Institute Service Providers and Capacity Survey 2025

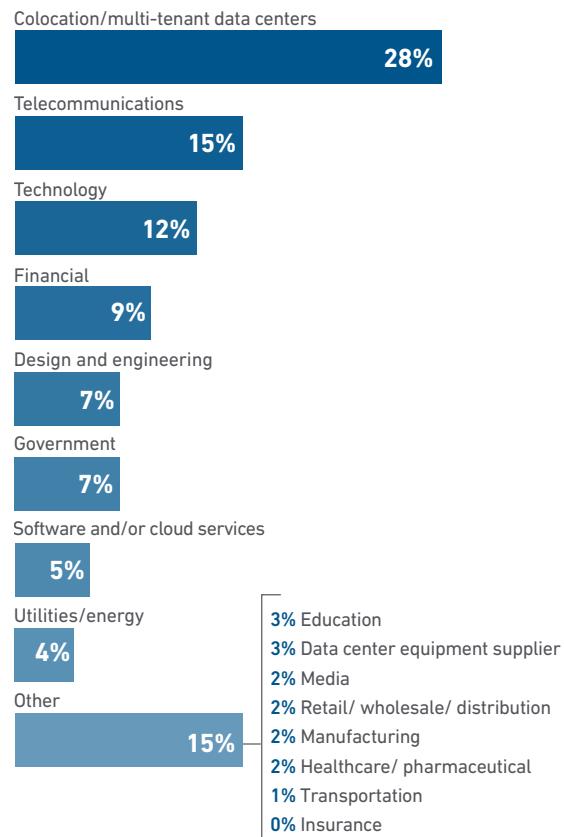
Company location (n=464)



Job description (n=315)



Verticals (n=313)



Author

Rose Weinschenk, Research Associate,
rweinschenk@uptimeinstitute.com

About Uptime Institute

Uptime Institute is the Global Digital Infrastructure Authority. With over 4,000 awards issued in over 122 countries around the globe, and over 1,100 currently active projects in 80+ countries, Uptime has helped tens of thousands of companies optimize critical IT assets while managing costs, resources, and efficiency. For over 30 years, the company has established industry-leading benchmarks for data center performance, resilience, sustainability, and efficiency, which provide customers assurance that their digital infrastructure can perform across a wide array of operating conditions at a level consistent with their individual business needs. Uptime's Tier Standard is the IT industry's most trusted and adopted global standard for the design, construction, and operation of data centers. Offerings include the organization's Tier Standard and Certifications, Management & Operations reviews and assessments including SCIRA-FSI financial sector risk assessment, the Sustainability Assessment, and a broad range of additional risk management, performance, availability, and related offerings. Uptime Education training programs have been successfully completed by over 100,000 data center professionals, such as the much-valued ATD (Accredited Tier Designer) and AOS (Accredited Operations Specialist). The Uptime Education curriculum has been expanded by the acquisition of CNet Training Ltd. In 2023.

Uptime Institute is headquartered in New York, NY, with offices in London, Sao Paulo, Dubai, Riyadh, and Singapore, and full-time Uptime professionals based in over thirty-four countries around the world. For more information, visit www.uptimeinstitute.com

All general queries:

Uptime Institute
405 Lexington Avenue,
9th Floor, New York,
NY 10174, USA
+1 212 505 3030
info@uptimeinstitute.com