Uptime Institute Spending Survey – Data Center Spending for 2025

uptime INSTITUTE

SUMMARY

Two-thirds of enterprise owner/operator respondents to Uptime Institute's Data Center Spending Survey expect an increase in their data center budget for 2025. At the same time, 77% of colocation providers expect an increase in their data center budget for next year.

Among enterprise respondents, power (72%) and IT equipment (67%) are the top areas where they expect to spend more in 2025. For colocation providers, power (79%) and cooling equipment (73%) are the areas where they expect to spend more.

For the second year in a row, the percentage of respondents reporting capital project delays (43%) has declined – a positive sign. Manufacturing/equipment delays remain the number one factor driving cap project delays.
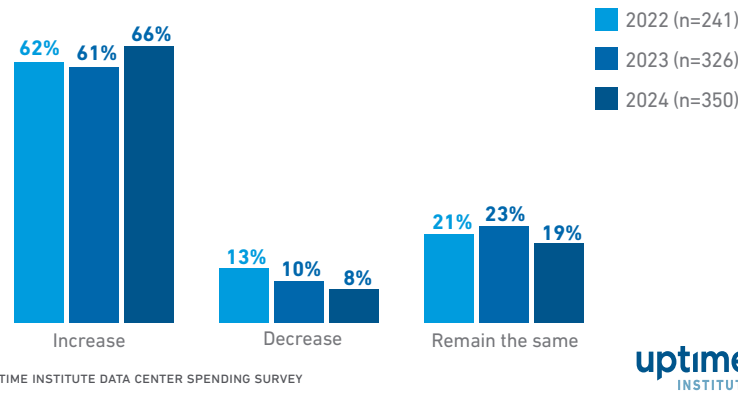
ABOUT THIS SURVEY

Uptime Institute's Data Center Spending Survey was conducted between October 9, 2024 and November 14, 2024 and had a total of 878 data center industry respondents.

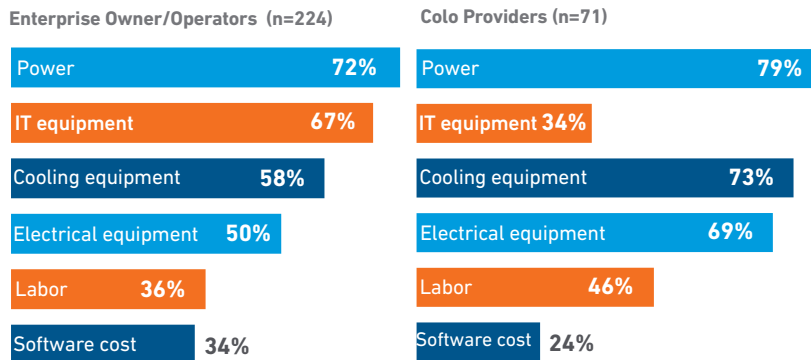This report is based on the results from 453 data center owner/operator respondents.

Company budget – enterprise owner/operators

I. Regarding your company's budget for its own data centers (facilities, power, IT hardware, etc.) – do you think you'll see an increase in your data center budget for next year, a decrease, or will your data center budget remain the same for next year vs. the current year?
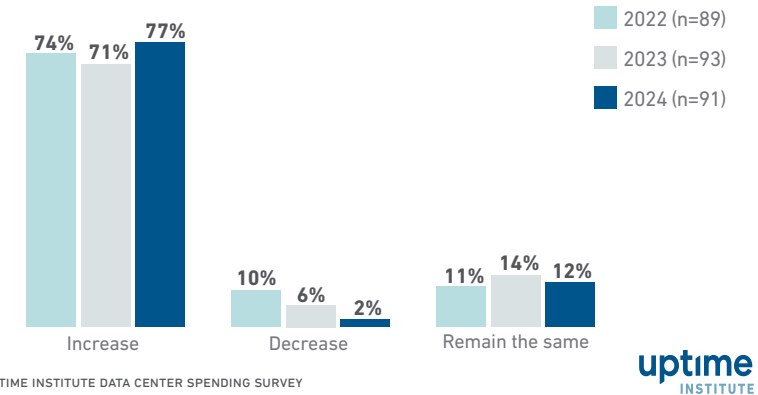

- 2022 (n=241)
- 2023 (n=326)
- 2024 (n=350)

	Increase	Decrease	Remain the same
2022	62%	13%	21%
2023	61%	10%	23%
2024	66%	8%	19%

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Company budget – colo providers

II. Regarding your company's budget for its colocation data centers (facilities, power, IT hardware, etc.) – do you think you'll see an increase for next year, a decrease, or will it remain the same for next year vs. the current year?

- 2022 (n=89)
- 2023 (n=93)
- 2024 (n=91)

	Increase	Decrease	Remain the same
2022	74%	10%	11%
2023	71%	6%	14%
2024	77%	2%	12%

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Spending more in 2025 – enterprise owner/ops vs colo providers

III. Thinking about your organization's data centers, which of the following will you be spending more on in 2025 compared to the current year? Choose all that apply.
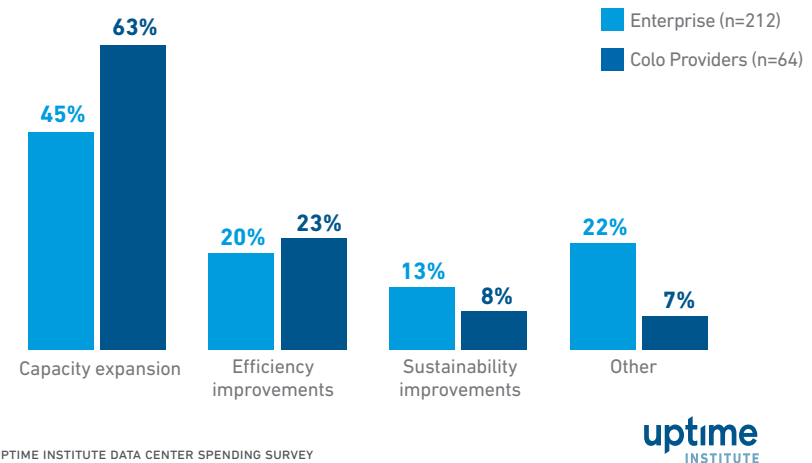
Enterprise Owner/Operators (n=224)

Category	%
Power	72%
IT equipment	67%
Cooling equipment	58%
Electrical equipment	50%
Labor	36%
Software cost	34%

Colo Providers (n=71)

Category	%
Power	79%
IT equipment	34%
Cooling equipment	73%
Electrical equipment	69%
Labor	46%
Software cost	24%

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Biggest overall driver of planned spending increase

IV. Which of these is the biggest overall driver of your planned spending increase?

- Enterprise (n=212)
- Colo Providers (n=64)

	Capacity expansion	Efficiency improvements	Sustainability improvements	Other
Enterprise	45%	20%	13%	22%
Colo Providers	63%	23%	8%	7%

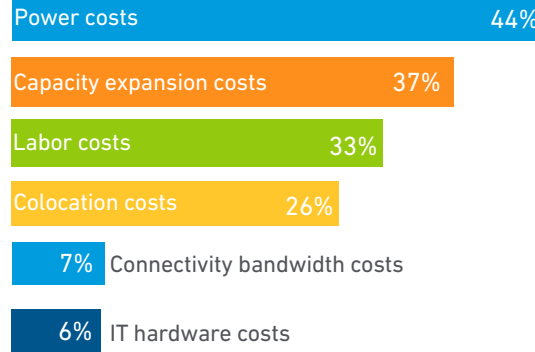UPTIME INSTITUTE DATA CENTER SPENDING SURVEY

Data center expenses - greatest increases

V. Regarding your organization's data center expenses, in which areas has your organization experienced the greatest unit cost increases over the past 12 months? Choose no more than two.

Enterprise Owner/Operators (n=308)

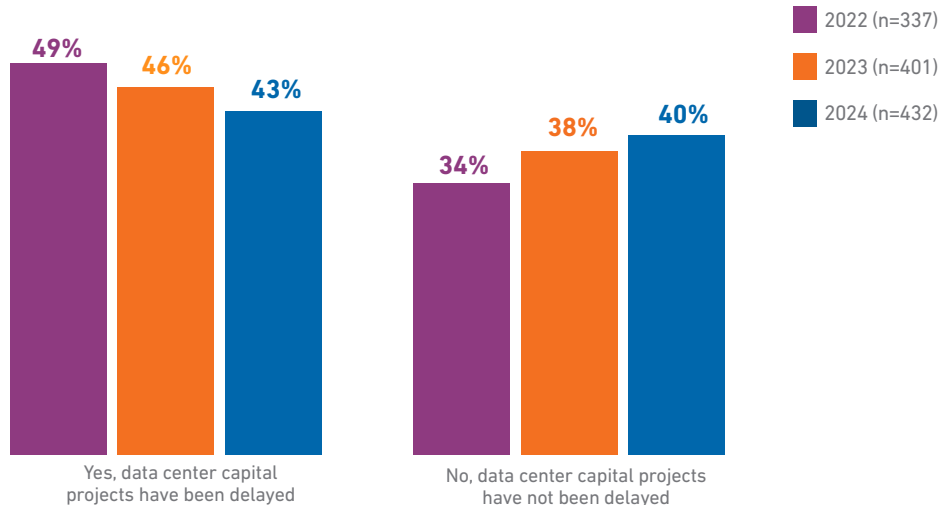|	
Power costs	42%
IT hardware costs	36%
Labor costs	32%
Capacity expansion costs	26%
Public cloud costs	12%
Colocation costs	12%
Connectivity bandwidth costs	9%

Colo Providers (n=81)

Power costs	44%
Capacity expansion costs	37%
Labor costs	33%
Colocation costs	26%
Connectivity bandwidth costs	7%
IT hardware costs	6%

Annual costs for largest facility

VI. Approximately what percentage of the annual costs of your largest facility are associated with each of the following areas? (n=118)

- Power 17%
- Maintenance services (e.g., parts, costs, 3rd party services) 17%
- Labor 16%
- Space (capital repayments, rent, property taxes, etc.) 16%
- Bandwidth 16%
- Other 15%

Capital project delays

VII. Focusing on your data center capital projects, over the past 12 months have any of your organization's capital projects been delayed?
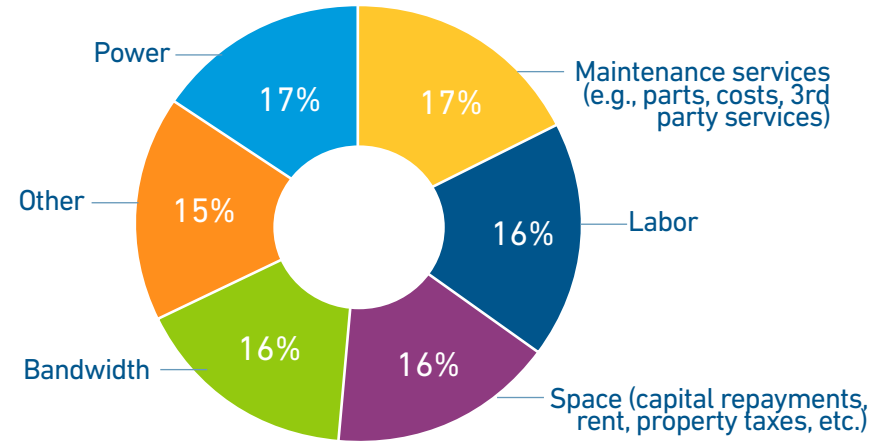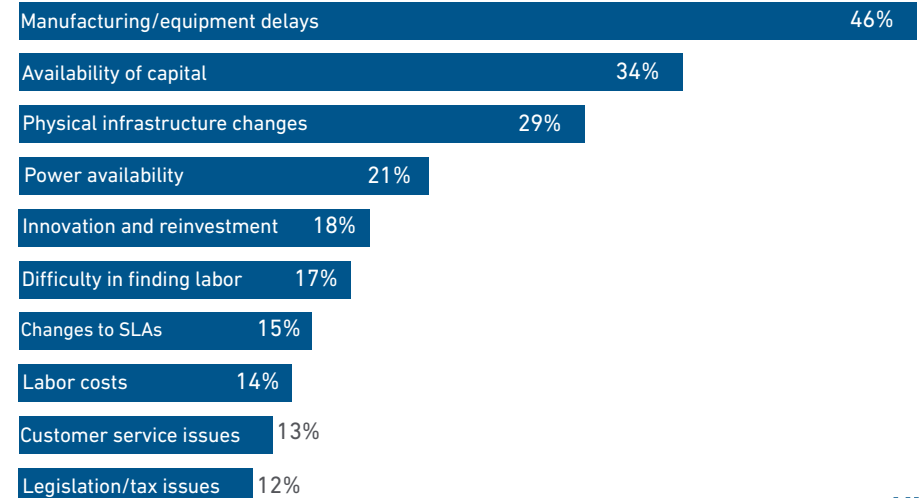
Legend:
- 2022 (n=337)
- 2023 (n=401)
- 2024 (n=432)

Yes, data center capital projects have been delayed: 49% / 46% / 43%

No, data center capital projects have not been delayed: 34% / 38% / 40%

Factors driving data center capital project delays

VIII. Which of these factors – if any – have been driving data center capital project delays? Choose all that apply. (n=175)
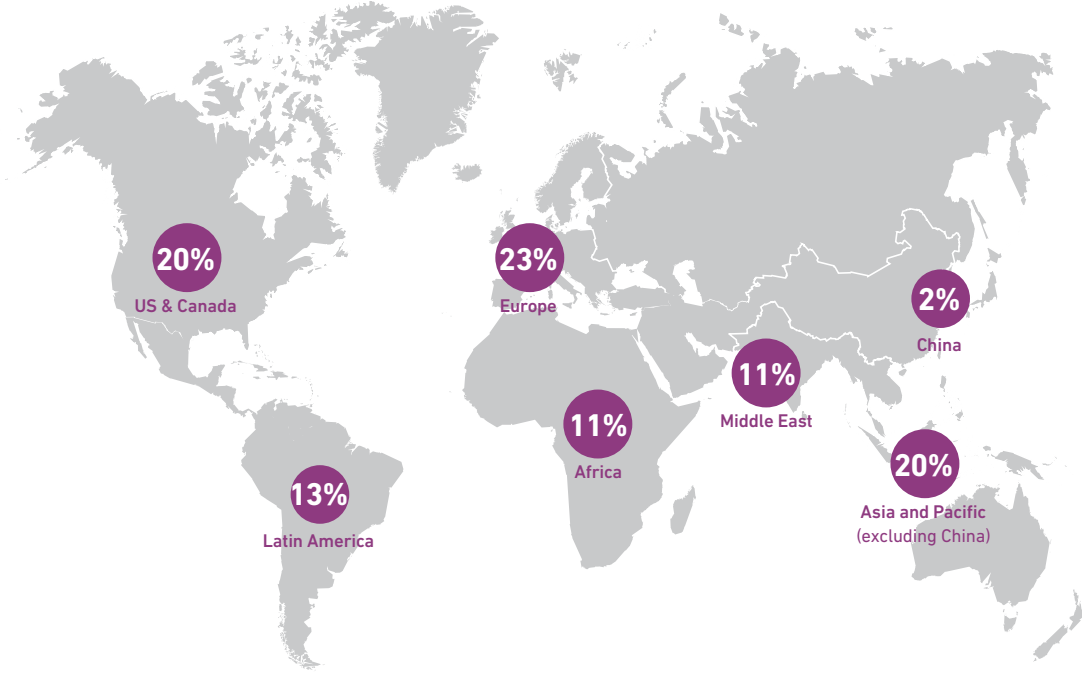
Manufacturing/equipment delays	46%
Availability of capital	34%
Physical infrastructure changes	29%
Power availability	21%
Innovation and reinvestment	18%
Difficulty in finding labor	17%
Changes to SLAs	15%
Labor costs	14%
Customer service issues	13%
Legislation/tax issues	12%

Owner/Operator Respondent Demographics

Respondents' location (n=453)

20%
US & Canada

23%
Europe

2%
China

11%
Middle East

11%
Africa

13%
Latin America

20%
Asia and Pacific
(excluding China)

Verticals (n=327)

Colocation / multi-tenant data centers
26%

Telecommunications
13%

Technology
10%

Financial
10%

Design and Engineering
7%

Government
6%

Software and/or Cloud Services
6%

Utilities/Energy
4%

Retail/Wholesale/Distribution
3%

Data Center Equipment Supplier
3%

Healthcare / Pharmaceutical
3%

Other
10%

Digital infrastructure environment (n=453)

50%
Enterprise data center
owner / operator

21%
Colocation provider

9%
Data center design or
engineering firm

7%
Cloud / hosting provider

5%
Vendor / product supplier

8%
Other
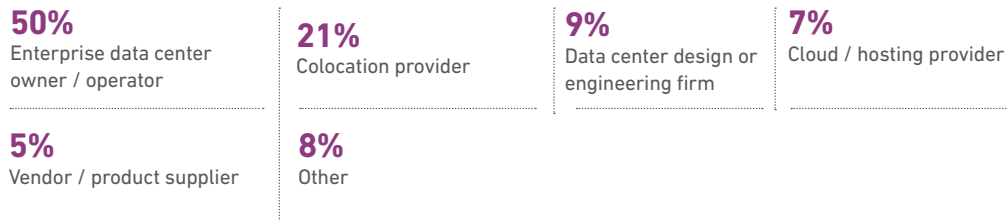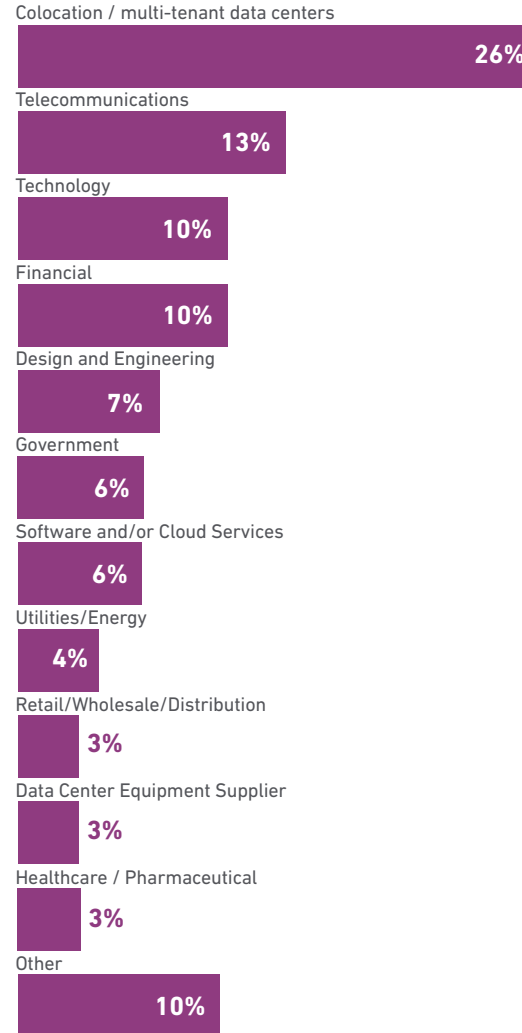
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About Uptime Institute

Uptime Institute is the Global Digital
Infrastructure Authority. Its Tier
Standard is the IT industry's most
trusted and adopted global standard
for the proper design, construction,
and operation of data centers – the
backbone of the digital economy.

For over 25 years, the company has
served as the standard for data center
reliability, sustainability, and efficiency,
providing customers assurance that
their digital infrastructure can perform
at a level that is consistent with their
business needs across a wide array of
operating conditions.

With its data center Tier Standard &
Certifications, Management & Operations
reviews, broad range of related risk
and performance assessments, and
accredited educational curriculum
completed by over 10,000 data center
professionals, Uptime Institute has
helped thousands of companies, in over
100 countries to optimize critical IT
assets while managing costs, resources,
and efficiency.

Uptime Institute is headquartered in
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