Malaysia Data Center Storage - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2024 - 2029)

https://marketpublishers.com/r/M78B526933F6EN.html

Date: July 2024
Pages: 90
Price: US$ 4,750.00 (Single User License)
ID: M78B526933F6EN

Abstracts

The Malaysia Data Center Storage Market size is estimated at USD 0.8 billion in 2024, and is expected to reach USD 1.43 billion by 2029, growing at a CAGR of 12.38% during the forecast period (2024-2029).

The increasing demand for cloud computing among SMEs, government regulations for local data security, and growing investment by domestic players are some of the major factors driving the demand for data centers in the country, leading to a growing need for data center storage equipment.

Key Highlights

Under Construction IT Load Capacity: The upcoming IT load capacity of the Malaysia data center market is expected to reach 1,300 MW by 2029.

Under Construction Raised Floor Space: The country's construction of raised floor area is expected to increase by more than 7.5 million sq. ft by 2029.

Planned Racks: The country's total number of racks to be installed is expected to reach 380K units by 2029. Cyberjaya-Kuala Lumpur is expected to house the maximum number of racks by 2029.

Planned Submarine Cables: There are close to 25 submarine cable systems connecting Malaysia, and many are under construction. One such submarine cable that is estimated to start service in 2025 is SeaMeWe-6, which stretches over 19,200 Kilometers with landing points from Morib, Malaysia.

Malaysia Data Center Storage Market Trends

IT & Telecommunication Segment to Hold Major Share in the Market

According to the Malaysian Communications and Multimedia Commission, as of 2021, there were 3.42 million fiber subscriptions in Malaysia, reflecting a growth compared to the previous year. In 2020, fixed broadband subscriptions also saw an increase, rising to approximately 3.36 million from 2.95 million in the preceding year.

The surge in digital services and technologies has led to businesses generating and processing larger volumes of data. In response to this heightened workload, data centers are required to expand their storage infrastructure, which may involve incorporating flash storage and additional drives into existing facilities or constructing new data centers. The rise in the number of data centers directly correlates with the escalating demand for storage devices in IT infrastructure as the computing needs continue to grow.

The Jendela initiative, a Malaysian government program, aims to establish full-fiber networks for homes, businesses, and government buildings, covering 98% of the population by the end of 2025. Additionally, it strives to provide 100% 4G coverage with minimum speeds of 100 Mbps. Factors such as household growth and new investments by Maxis, TIME dotCom, and YTL are anticipated to contribute to an increase in fixed-broadband subscribers. The country is currently witnessing rapid growth in its IT infrastructure, driven by a growing preference for the Internet and an increased consumption and generation of data among digital users. This surge in data usage not only amplifies the demand for data centers but also intensifies the need for storage devices within these centers, consequently bolstering the market.

The demand for new data centers is soaring, particularly with the need for hyperscale facilities by major internet providers such as Amazon Web Services (AWS), Microsoft, Google Cloud, and Alibaba Cloud to support their cloud services. This trend is expected to stimulate the domestic data center storage market and boost overall market revenue.

Ericsson stands at the forefront of 5G services in Malaysia, collaborating closely with Digital Nasional Berhad to establish a world-class 5G network for the country. 5G is poised to act as a catalyst for Malaysia's digital transformation and serve as the platform for IR4.0. The government has identified the pioneer spectrum bands for 5G roll-out in Malaysia as 700MHz, 3.5GHz, and 26/28GHz. Furthermore, the continued

rise in smartphone usage, coupled with the increasing adoption of 5G networks, higher data traffic, and growing e-commerce, including mobile phones and computer games, solidify the dominance of the telecommunications sector. This sector's growth will have a positive impact on the expansion of data centers in the country, leading to an increased need for data storage and, consequently, driving the demand for data center storage equipment and elevating the market value is expected to reach 380K units by 2029. Cyberjaya-Kuala Lumpur is expected to house the maximum number of racks by 2029.

Planned Submarine Cables: There are close to 25 submarine cable systems connecting Malaysia, and many are under construction. One such submarine cable that is estimated to start service in 2025 is SeaMeWe-6, which stretches over 19,200 Kilometers with landing points from Morib, Malaysia.

Hybrid Storage Expected To Hold Significant Share

Malaysia's emergence as a regional hub for businesses is fueling increased investments in cloud systems, leading to a growing demand for local data centers. The introduction of the government's hybrid cloud service, MyGovCloud, integrates private cloud services from PDSA with public cloud services from a cloud service provider (CSP). Additionally, the combination of on-premises and cloud storage solutions is expanding the market share for data center hybrid storage, leveraging the strengths of both environments and providing flexibility in data storage and management.

To address data integrity and legal compliance, enterprises can tailor their storage strategies using hybrid solutions, contributing to the rising need for data storage in the country. The COVID-19 pandemic underscored the significance of cloud computing in the digital journey, enabling businesses to optimize logistics, marketing, ordering, and shipment capabilities. As businesses grow, data centers are evolving to meet the increasing connectivity demands across industries and the expanding use of the internet. The adoption of hybrid infrastructure and cloud capabilities, driven by the need for flexibility, scalability, and remote work capabilities, is on the rise. With the surge in data traffic, the importance of storage for businesses is growing, subsequently enhancing the market value of hybrid storage solutions.

The proliferation of cloud storage and audio conferencing services has prompted companies to embrace remote work. Notably, major provider Amazon Web Services

(AWS) entered into a Cloud Framework Agreement (CFA) with the Malaysian government and local IT provider Radmik Solutions Sdn Bhd. This collaboration aims to accelerate cloud adoption in the public sector, saving costs, enhancing digital skills, and fostering innovation. This trend has led to the emergence of data centers utilizing hybrid storage, incorporating a combination of hard drives and SSDs. Hybrid storage optimally utilizes the fast access capabilities of SSDs for frequently accessed data, coupled with the greater storage capacity of hard drives.

Service providers are deploying advanced storage solutions to ensure data availability and access in hybrid clouds. Examples include HPE GreenLake, which introduced platform upgrades and new cloud services in 2022. Large enterprises with substantial data storage capacities are adopting such product portfolios, driving the demand for hybrid storage in the country. The continuous evolution of storage technologies and the integration of hybrid solutions are expected to play a pivotal role in shaping Malaysia's data infrastructure landscape.

Malaysia Data Center Storage Industry Overview

The Malaysia data center storage market exhibits a moderate level of fragmentation, with major players dominating the majority of the market share. Notable contributors include Dell Inc., Hewlett Packard Enterprise, NetApp Inc., Huawei Technologies Co. Ltd., and Kingston Technology Company Inc. These key players employ strategic collaborative initiatives to enhance their market share and boost overall profitability.

In September 2023, Pure Storage appointed Westcon-Comstor as its latest distributor in Australia, expanding on its existing agreements in New Zealand, Singapore, Indonesia, Malaysia, China, Hong Kong, and the Philippines. This partnership aims to expedite the adoption of FlashStack, a software-defined hybrid cloud infrastructure developed by Pure and Cisco. FlashStack seamlessly integrates compute, network, and storage components, offering a comprehensive solution to businesses.

In July 2023, Huawei Technologies Co. Ltd. data storage product "Huawei OceanStor Dorado All-Flash Storage" to get a DEKRA Certificate for ISO14067 carbon footprint compliance as well as much-valued DEKRA Seal Certificate.

Additional Benefits:

The market estimate (ME) sheet in Excel format

3 months of analyst support

Contents

I would like to order

Product name: Malaysia Data Center Storage - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2024 - 2029)

Product link: https://marketpublishers.com/r/M78B526933F6EN.html

Price: US$ 4,750.00 (Single User License / Electronic Delivery)

If you want to order Corporate License or Hard Copy, please, contact our Customer Service:
info@marketpublishers.com

Payment

To pay by Credit Card (Visa, MasterCard, American Express, PayPal), please, click button on product page https://marketpublishers.com/r/M78B526933F6EN.html