

5 Trends to Dominate the Digital Future of Enterprises in 2019

Equinix predicts 5G, Artificial Intelligence, Blockchain, Data Privacy and Cloud to undergo major architectural changes

REDWOOD CITY, Calif., Nov. 12, 2018 /PRNewswire/ -- Evolving technology and data trends such as 5G, artificial intelligence (AI), blockchain, data privacy and cloud are paving the path for significant IT and network architecture changes in 2019, according to [Equinix, Inc.](#) (Nasdaq: EQIX), the global [interconnection](#) and data center company, which today released its top five predictions for 2019. With an unmatched geographic footprint across 52 global markets and nearly 10,000 customers, Equinix has developed unique insights into the key drivers pushing enterprises to succeed in the digital economy. This special vantage point is enabled through a platform that connects established and emerging ecosystems of enterprises and cloud and network service providers.

Equinix's 2019 predictions include:

1) Paving a Path to the Promise of 5G—*Tomorrow's high-speed wireless networks will accelerate today's network transformation*

Equinix anticipates that 5G will open up endless possibilities of digital transformation, especially in an IoT and AI-connected world. To attain the high radio density required for 5G, operators are looking to optimize costs through the use of open-source commodity networking hardware and virtualization of the wireless networking stack. These efforts will pave the way for an Edge architecture to solve for cloud radio networks that will power several radios through pools of virtualized network software. Equinix anticipates increased investments in 2019 in the revamping of existing cellular building infrastructure and building of new edge infrastructure, as well as innovation in hardware and virtual wireless networking stacks for both performance and cost optimization.

2) Riding the Rise of Distributed Artificial Intelligence Architectures—*Next-gen architectures will break free from centralized locations*

Equinix predicts that the growing use of AI in business and society will increase data usage exponentially. While first-generation AI architectures have historically been centralized, Equinix predicts that in 2019 enterprises will enter the realm of distributed AI architectures, where AI model building and model inferencing will take place at the local edge, physically closer to the origin source of the data. To access more external data sources for accurate predictions, enterprises will turn to secure data transaction marketplaces. They will also strive to leverage AI innovation in multiple public clouds without getting locked into a single cloud, further decentralizing AI architecture.

3) "Un-Blocking" the Chain—*A network of networks will mature blockchain for greater business security and monetization*

Blockchain investments are growing at a CAGR of 73%, with a projected total spending of \$11.7 billion by 2022, according to [IDC](#).^[1] Equinix predicts that:

- Enterprises will start to participate in multiple blockchain networks (e.g., food safety, financial services, global container shipment), thus creating a network of networks—something that allows them to simultaneously interact with multiple blockchain ecosystems.
- Blockchain performance will become a more important requirement within the enterprise space, driven by the need to accommodate more than simple transaction data or as an element in applications where real-time performance and linkage with other data sources matter. Examples of performance-sensitive blockchain applications include track & trace (supply chain), machine-to-machine (IoT) communication/exchange, and cross-border currency settlement, just to name a few.
- Integration will become a huge challenge as enterprises combine their legacy applications with multiple blockchain networks, necessitating the deployment of exchange points for blockchain participants to directly connect and collaborate.

4) Maneuvering the Data Privacy Maze—*Changing data protection laws and heightened privacy concerns will inspire more progressive and distributed security processes*

Many enterprises and SaaS providers are deploying mini-clouds in multiple regions in order to adhere to local data residence and compliance requirements. They are also looking at distributed data management architectures that require global networks and data fabrics in order to coherently manage these distributed mini-clouds.

Equinix predicts that in order to prevent data breaches and retain control over their data, enterprises will consider:

- New data management techniques that operate seamlessly on encrypted data (for example, limited forms of data querying on homomorphically encrypted data).
- New hardware-based virtualization technology that will prevent service providers from surveilling their customer's data.

5) Tapping Interconnection to Tame Cloud Complexity—*Hybrid multicloud environments will increase the relevance of interconnection*

Enterprises are now accessing SaaS, IaaS and PaaS solutions from multiple providers, and Equinix anticipates that 2019 will see the next level of challenges associated with hybrid cloud and multicloud approaches. Equinix believes enterprises will struggle with expanding their security perimeters, as well as integration and management issues as they pursue hybrid multicloud architectures. These predicted trends indicate that enabling capabilities such as security, analytics and data exchange in close proximity to the cloud is a must for seamless cross-border data flow, and the right interconnection partner can help organizations navigate through the complexity of cloud. According to the [Global Interconnection Index](#), a market study published by Equinix, Interconnection Bandwidth between Enterprises and Cloud and IT Providers is projected to grow 98% per annum through 2021, supporting businesses building out new digital services and migrating existing workloads to third-party cloud platforms.

Quotes:

Brian Lillie, Chief Product Officer:

- *"The market is at an inflection point, where the right digital strategies become the differentiator and source of competitive advantage for organizations. And for the first time in history, the technology to fully enable digital business is available to everyone. As a trusted advisor to thousands of customers around the world, we closely track the market trends that will shape the future of digital enterprise, and help bring customer-inspired innovation to life on Platform Equinix."*

Additional Resources

- [5 IT Predictions for Digital Business in 2019](#)- [Blog]

About Equinix

Equinix, Inc. (Nasdaq: EQIX) connects the world's leading businesses to their customers, employees and partners inside the most-interconnected data centers. In 52 markets worldwide, Equinix is where companies come together to realize new opportunities and accelerate their business, IT and cloud strategies. www.equinix.com.

Forward-Looking Statements

This press release contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements. Factors that might cause such differences include, but are not limited to, the challenges of acquiring, operating and constructing IBX data centers and developing, deploying and delivering Equinix services; unanticipated costs or difficulties relating to the integration of companies we have acquired or will acquire into Equinix; a failure to receive significant revenue from customers in recently built out or acquired data centers; failure to complete any financing arrangements contemplated from time to time; competition from existing and new competitors; the ability to generate sufficient cash flow or otherwise obtain funds to repay new or outstanding indebtedness; the loss or decline in business from our key customers; and other risks described from time to time in Equinix filings with the Securities and Exchange Commission. In particular, see recent Equinix quarterly and annual reports filed with the Securities and Exchange Commission, copies of which are available upon request from Equinix. Equinix does not assume any obligation to update the forward-looking information contained in this press release.

[1] Blockchain: Worldwide Technology Market Update and Spending Outlook, September 2018, Doc #US44268418, IDC.



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