

When In-House Infrastructure Starts Holding You Back



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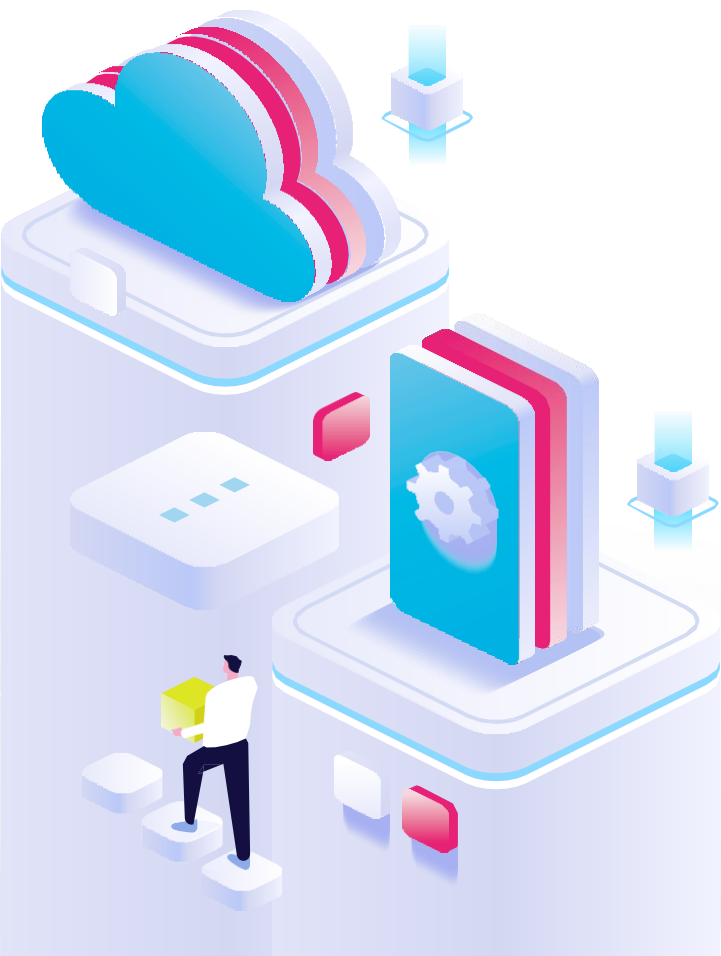
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Unlocking Enterprise Growth:

Why Modernising Digital Infrastructure Matters



For business and IT leaders operating in Southeast Asia, the current wave of digital transformation presents a unique opportunity—and a pressing challenge.



The region's data centre landscape is growing rapidly, driven by surging demand for digital services, cloud adoption, and new regulations that demand both scale and local control. But even as investments in technology accelerate, many businesses find themselves constrained by legacy, in-house data centres—struggling with rising cost, limited scalability, and increasing compliance demands.

Southeast Asia's digital economy is projected to reach USD 1-2 trillion by 2030, underpinned by rapid AI and cloud adoption, expanding computing workloads, and emerging technologies like 5G and big data analytics. This surge in data generation is creating a foundational need for robust storage and processing infrastructure. Major hyperscale cloud providers such as Amazon Web Services, Alibaba Cloud, Microsoft, and Google continue to expand aggressively, driving immense demand for colocation facilities and new data centres across the region.

At the same time, governments across the region—including Thailand, Vietnam, Malaysia, and Indonesia—are tightening data sovereignty and localisation mandates. In Thailand, the Bank of Thailand (BOT) and the Personal Data Protection Act (PDPA 2019) impose strict requirements on financial institutions regarding data security, system availability, and third-party risk management.

These mandates increasingly require sensitive data—especially personal and financial information—to be stored and processed domestically. As a result, digital infrastructure strategy is shifting from reliance on a few regional hubs to a more distributed model supported by localised, high-performance facilities, making data centre compliance-readiness a critical strategic asset.

Supported by favourable government policies – including tax incentives and national digital blueprints such as Thailand's "Thailand 4.0 strategy", Indonesia's "Making Indonesia 4.0", and Malaysia's "MyDIGITAL", Southeast Asia is becoming a hotbed of investment and innovation in digital infrastructure. Under this accelerating transformation, enterprises face growing pressure to modernise

IT infrastructure needs not only to keep pace but also to lead in innovation, customer experience, and operational resilience.

If your current infrastructure is holding back business ambitions, exploring colocation and hybrid IT solutions is a strategic imperative. These deployment models provide the agility and resilience needed to thrive in a fast-evolving digital landscape.

Five Strategic Principles for Future-Ready Digital Infrastructure

Success today relies on strategic, forward-looking choices. For enterprises re-evaluating infrastructure, five core principles stand out:



Align digital infrastructure strategy with business objectives

Enable rapid market readiness, comply with local data sovereignty regulations, ensure high system uptime, and support innovation and service delivery excellence.



Evaluate total cost of ownership

Beyond initial expenditure, consider ongoing operational expenses, hardware refresh cycles and downtime risks. Colocation allows cost sharing, avoiding large capital outlays and unpredictable maintenance costs.



Understand computing workload requirements

Map data types, volumes, and security needs to identify optimal hosting environment—whether on-premises, colocation, or hybrid cloud.



Tap into ecosystem partnerships

Partner with carrier-neutral colocation providers connected to cloud platforms and managed service experts for rapid deployment and optimal performance.



Plan for emerging technologies

Build infrastructure that can evolve with AI, cloud-native applications and real-time digital services, avoiding costly late-stage upgrades.



Market to Watch:

Thailand's Rapid Growth



*Bangkok is rapidly emerging as
one of Southeast Asia's most
dynamic data centre markets.*

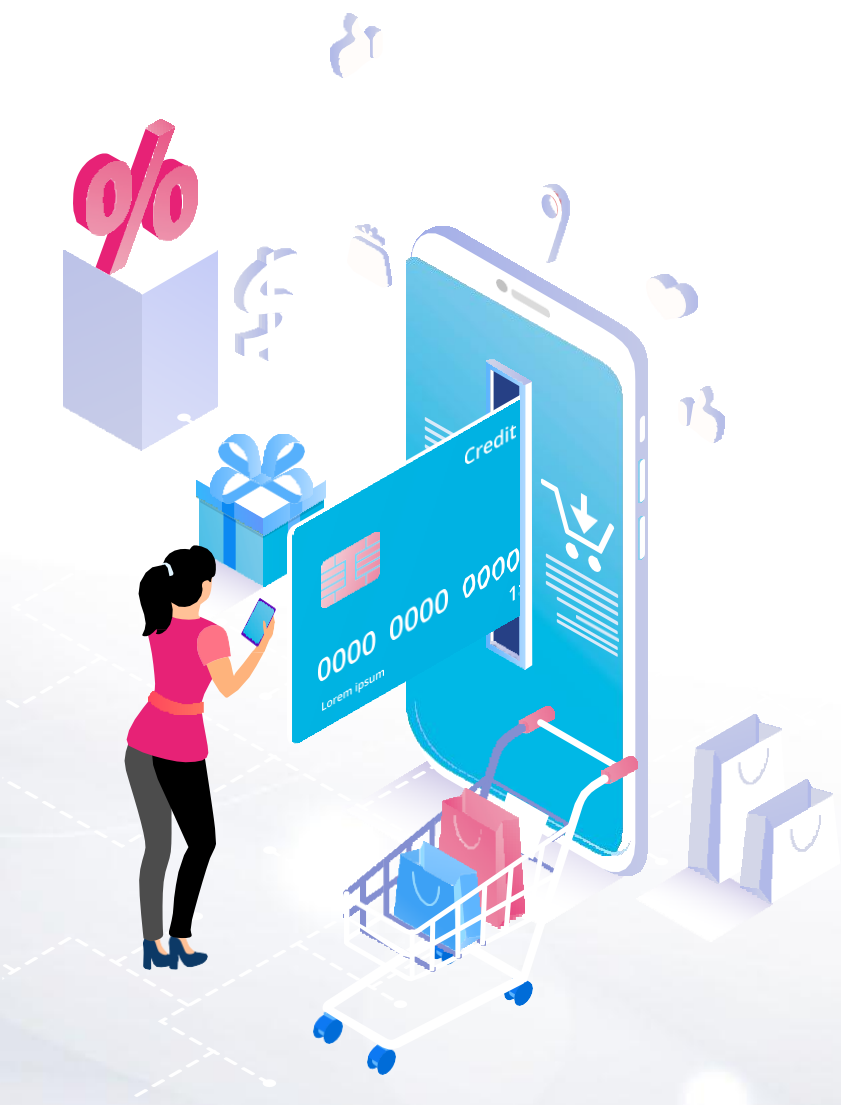
Major data centre clusters have formed in Bangkok—serving cloud, banking, and content needs—and in the Eastern Economic Corridor (Chachoengsao, Chonburi, Rayong) for AI- and cloud-focused projects. Its strategic strengths, including ample land availability, reliable utilities infrastructure, and its strategic connection of East and West Thailand, are attracting a growing number of global operators and hyperscalers.

Thailand's data centre market was valued at USD 1.45 billion in 2025 and is projected to grow to USD 6.29 billion by 2031, with a development pipeline exceeding 2.87 GW of planned and under-construction capacity as of September 2025. These multi-billion-dollar commitments—from players such as AWS, Google, and Microsoft—underscore Thailand's rise as a hyperscale-ready digital hub.

With a population of roughly 71 million and over 91% internet penetration, Thailand offers a vast and connected market for digital services. The country's digital economy is booming—outpacing overall GDP growth and fuelling strong demand for data centre capacity.

In 2025, Thailand's digital economy contributed USD 56 billion—a 16% YoY increase—fuelled by growth in e-commerce, fintech, cloud services, AI/Industry 4.0, and digital exports. Supported by reliable power grids and streamlined permitting, Thailand continues to attract foreign investment in its technology infrastructure. Based on current trends, the digital economy is projected to reach USD 90–160 billion by 2030.

This growth offers vast opportunities for enterprises to leverage scalable colocation facilities and cloud platforms, meeting evolving compliance, performance and sustainability demands. By aligning infrastructure with national priorities, businesses can confidently navigate the digital economy and secure competitive advantage.



Riding the Policy Momentum: Aligning with National Digital Priorities

Thailand's digital infrastructure growth is supported by strong policy support and national initiatives:



Thailand's digital-economy agenda under Thailand 4.0 and the 13th National Economic and Social Development Plan (NESDP) positions data centres and AI as priority sectors for national transformation.



The Board of Investment (BOI) offers strong incentives for digital-infrastructure projects, including data centres and cloud services. Energy-efficient facilities (PUE ≤ 1.3 , ≥ 2 MW IT load, colocation/DR services) can receive up to eight years of corporate income tax exemption, along with import-duty exemptions and additional BOI facilitation.



In the first half of 2025, the BOI recorded THB 1.06 trillion (USD 32.5 billion) in investment-promotion applications—a 139% YoY increase—driven by proactive digital policies. The digital sector led this growth, with data-centre investments reaching THB 521.2 billion across 28 projects, including major hyperscaler expansions (AWS, Google, TikTok) responding to Thailand's strong investment climate and rising cloud demand.

In Thailand's rapidly evolving digital policy landscape, aligning infrastructure decisions with national priorities is essential to ensure long-term compliance and strategic relevance. Choosing a colocation partner aligned with both national agendas and regional best practices will be vital for long-term competitiveness. Facilities equipped with advanced cooling, renewable energy sources, and robust disaster recovery protocols position IT teams to meet performance and ESG goals.



Reducing the Compliance Burden: Infrastructure Challenges in Thailand's BFSI Sector

Thai financial institutions continue to struggle with technological and organisational transformation. Many still rely on legacy infrastructure, which limits scalability and slows the adoption of modern digital services. Limited technological capability, combined with a shortage of skilled talent, places constraints on innovation and product development. To remain competitive in a fast-evolving financial landscape, institutions must modernise their technology stacks—potentially through full cloud migration—and enhance internal agility to match tech-driven players that can deliver new services rapidly and efficiently.

In response to these challenges, trusted colocation providers offer a clear alternative. With built-in industry certifications, enterprise-grade resilience and sustainability frameworks, they ease the compliance burden, reduce operational complexity and offer better cost management. This allows BFSI IT teams to focus on delivering value and innovation, while confidently meeting evolving regulations.

Sustainable Digital Transformation Starts with Infrastructure

Environmental, social, and governance (ESG) criteria have become key factors in digital infrastructure decision-making. Nearly half (48%) of businesses in Thailand now have a sustainable IT strategy in place and are actively implementing it, with data centres expected to play a crucial role as sustainability pressures intensify. Regulatory requirements and stakeholder expectations drive colocation and cloud operators to ramp up investments in energy efficiency, renewable energy and water conservation.

Sustainability is no longer a regulatory box to tick — it directly impacts resilience, cost efficiency and brand reputation. Partnering with providers committed to decarbonisation and resource optimisation helps organisations reduce carbon footprint without compromising on scalability or security, future-proofing their business as sustainability becomes a competitive requirement.

Warning Signs:

When In-House Hosting Starts to Hold You Back



Barriers to Progress

Despite new technologies and policy momentum, many Thai organisations still rely on infrastructure decisions made years ago. Common red flags include:



Rising costs from maintenance, hardware replacements, and unexpected outages.



Increased downtime risks due to ageing hardware, threatening business continuity.



Scaling limitations caused by physical space, power constraints, and procurement delays.



Security gaps, where on-premises data centres lack advanced access controls and disaster recovery capabilities.



Business continuity challenges from single points of failure and costly redundancy needs.



Talent shortages as IT teams spend more time maintaining legacy systems than driving innovation.



Integration delays as legacy environments struggle to connect with modern digital platforms.

If these challenges resonate, it's time to explore more strategic digital infrastructure alternatives.

Why Colocation?

Four Key Advantages for Modern Enterprises



Where Flexibility Meets Performance

Progressive organisations recognise colocation as the strategic middle ground, blending in-house control with cloud agility:



Agility

Rapid scaling, flexible resource allocation and multi-cloud connectivity support swift business responses.



Resilience

Enterprise-grade uptime, redundancy and disaster recovery capabilities safeguard reputation and revenue.



Cost efficiency

By leveraging shared critical infrastructure, colocation reduces the need for large upfront capital expenditures and provides a predictable operating expense model that scales with business demand.



Competitive Advantage

Freed from infrastructure constraints, IT teams can focus on growth initiatives aligned with evolving ESG goals and enabling next-generation technology adoption.



What To Seek In A Modern Infrastructure Partner



Unlocking Growth in An Expanding Digital Economy

For enterprises in Thailand, selecting the right data centre partner is critical to unlocking growth in an expanding digital economy. The choice extends beyond space and power – ST Telemedia Global Data Centres (STT GDC) provides the differentiation and competitive advantage that enables enterprises to thrive in this evolving landscape.



Global expertise combined with local market knowledge

- ✓ Our presence spans over 100 state-of-the-art data centres across 12 countries in Asia Pacific and Europe.
- ✓ Trusted worldwide by cloud providers, enterprises, and network carriers for future-ready, secure and scalable facilities.



Location and connectivity

- ✓ STT Bangkok 1 (Hua Mak) provides a carrier-neutral, hyperscale-ready facility, while STT Bangkok 3 (Wireless Road) delivers high-density, low-latency CBD connectivity.
- ✓ As carrier- and cloud-neutral facilities, we offer diverse connectivity options, faster response times, and lower latency – enabling enterprises to meet performance and customer experience expectations.



Operational Excellence

- ✓ With a proven track record to replicate and scale across our global data centre platform, we help customers navigate and grow in dynamic and complex environments.
- ✓ Every facility operates according to strict industry benchmarks for uptime, energy efficiency and security, providing a consistent standard of excellence.



Committed to responsible operations

- ✓ We design and operate scalable, resilient, and efficient data centres while protecting the environment, with a focus on energy efficiency and renewable energy.
- ✓ Our sustainability roadmap targets carbon-neutral operations by 2030. Today, >78% of our global electricity consumption is already powered by renewable energy sources.

Ready To Take the Next Step?

Modernising IT infrastructure goes beyond technical upgrades — it's a strategic move to lead in innovation, resilience, and growth. Our next report will explore the strengths and trade-offs of on-premises, cloud and colocation deployment models.

Contact STT GDC to:



Discuss ways to modernise your IT environment



Explore tailored solutions that align with your business goals



Experience our facilities through a personalised tour and see how we're supporting future-ready infrastructure strategies

Contact Us

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