

# How Local Zones Can Boost Competitiveness

Enhancing Business Growth and Expansion





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# 01

## Executive Summary

As the global exchange of data intensifies, cloud systems must evolve to support high-performance applications effectively. This white paper discusses the significant role of edge computing, particularly through OVHcloud's Local Zones, in providing businesses with a competitive edge and deploying at scale. Readers will explore how local zones enable faster and more cost-effective expansion into new markets and enhance user experiences, positioning companies for success.

### WHAT IS EDGE COMPUTING?


Edge computing complements cloud computing by situating additional servers in strategic locations, minimizing the distance data must travel. This setup can optimize performance for various applications and meet specific regulatory requirements.

Edge computing not only shortens latency gaps but also reduces the risk of disruptions, lowering latency variation and making the system more robust.

However, the power of edge computing to reduce latency often comes at a considerable cost. Introducing your own edge system requires new hardware, software, and network infrastructure. Each of these involves complex and expensive setup processes, as well as the extra expenses involved in maintaining and managing the infrastructure. This helps explain why some analyses suggest that edge computing can cost 35% more than standard cloud computing.

Because of these expenses, some business segments have been hesitant to adopt edge computing. Studies have shown that IT executives express a strong intention to utilize edge computing across a range of functions, but most have still not yet reached full-scale implementation of the model.

These IT executives are not yet aware that OVHcloud Local Zones makes edge computing as simple and cost-effective as using existing cloud infrastructure.



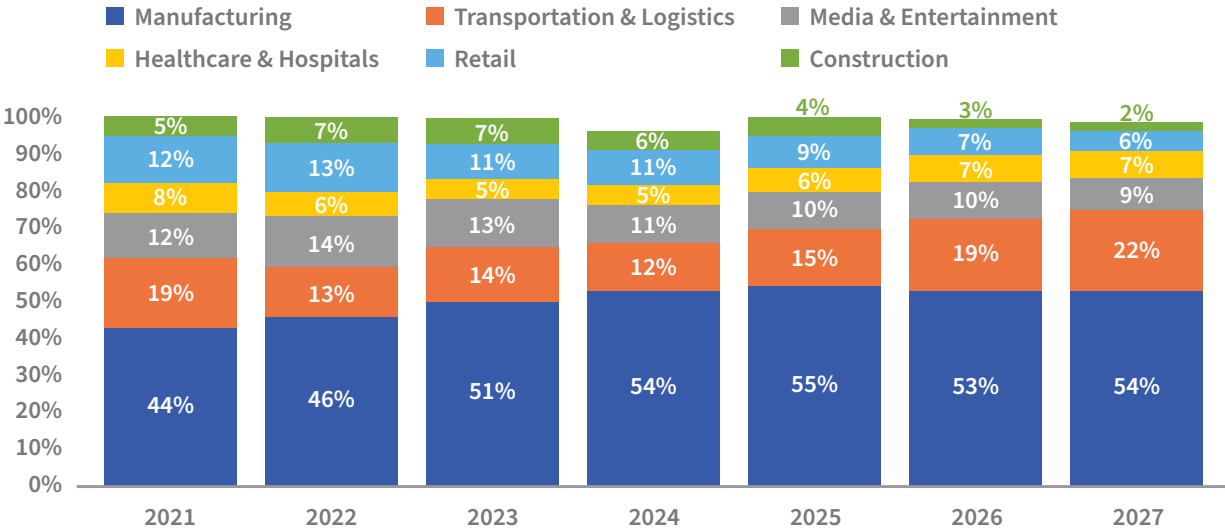
# 02

## Introduction

### EDGE COMPUTING: A CATALYST FOR BUSINESS GROWTH

Data is crucial for modern businesses, where optimizing application performance is increasingly vital. The limited capacity of centralized data centers has prompted the rise of edge computing, a sector expected to reach \$29.9 billion by 2027. Industries ranging from manufacturing to retail are adopting edge computing to leverage autonomous robotics and real-time analytics, demonstrating its broad applicability and importance for digital transformation.

While the strongest segment is clearly manufacturing--driven in large part by a growing adoption of autonomous robotics and real-time supply chain and inventory analytics--the data demonstrates that a broad range of industries will embrace edge computing. And as S&P Global noted in its recent report, “most enterprises have digital use cases that can benefit from the use of edge computing.”



Source: 451 Research's Edge Infrastructure as a service Market Monitor: Market Forecast

# 03

## The Solution

### LEVERAGING LOCAL ZONES FOR COMPETITIVE ADVANTAGE

Local Zones represent an extension of OVHcloud's strategic data center approach. By establishing more data centers in major cities, Local Zones provide businesses with the infrastructure to host services locally, ensuring lower costs and improved application performance.

### Why Edge Computing Is Indispensable

Edge computing brings processing power closer to the data source, enhancing response times and reducing bandwidth usage.

This adjustment is critical for maintaining compliance with data residency and sovereignty laws, making it an essential strategy for international businesses.



## POWERFUL BENEFITS OF LOCAL ZONES

### 1. Enhanced User Experience

Local Zones support applications requiring high responsiveness, such as online gaming and live streaming, by improving speed and reliability, thereby enhancing consumer satisfaction and competitive positioning.

### 2. Accelerated Cloud Transformation

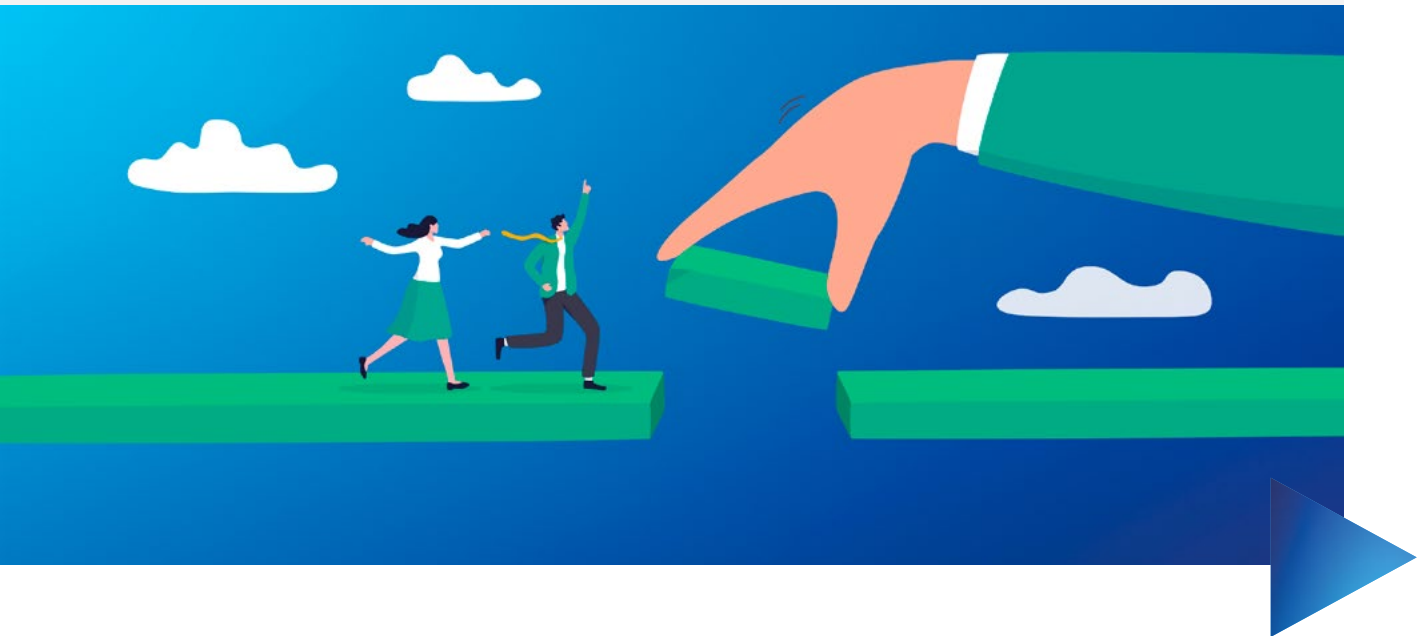
By moving data storage closer to users, Local Zones can facilitate the migration of complex applications to the cloud, ensuring efficient data handling even at high volumes.

### 3. Market Expansion

Local Zones simplify the expansion into new regions by maintaining low-latency performance across diverse geographical locations, thus minimizing traditional logistical challenges and fostering growth.

### 4. Large VPN Deployment

As VPN usage increases globally, Local Zones provide the necessary infrastructure to support vast networks, enhancing online privacy and security for users.





# 04

## Conclusion


### THINK GLOBAL, ACT LOCAL: GAIN AN EDGE WITH LOCAL ZONES

Every company delivering applications faces the challenge of optimizing performance to outpace competitors. Local Zones offer a practical solution by minimizing the distance between data sources and end users, enabling faster and more reliable data transfer. By adopting Local Zones, businesses can not only meet performance expectations but also exceed them, securing a measurable competitive advantage in their respective markets.

### DISCUSSION AND FURTHER INFORMATION

To learn more about how OVHcloud's Local Zones can help you enhance your competitive edge and expand your business reach, consider booking a meeting with our specialists.

#### References:

1. S&P Global 451 Research: Edge Infrastructure as a Service Market Forecast report
  2. Various industry analyses and reports on the economics and benefits of edge computing
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OVHcloud US is a subsidiary of OVHcloud, a global player and Europe's leading cloud provider operating more than 400,000 servers within 43 data centers across four continents. For over 20 years, the company has relied on an integrated model that provides complete control of its value chain, from the design of its servers to the construction and management of its data centers, including the orchestration of its fiber-optic network. This unique approach allows it to independently cover all the uses of its 1.6 million customers in more than 140 countries. OVHcloud now offers latest generation solutions combining performance, price predictability, and total sovereignty over their data to support their growth in complete freedom.

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