



Prifysgol Cymru
Y Drindod Dewi Sant
University of Wales
Trinity Saint David

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Path B Business Plan for an Existing Company

Student Name: Khushi Rajeshbhai Goraniya

Student id:2527497



**Evaluating AdaniConneX's Market Entry Opportunity in
the UK Data Centre Sector: A Business Development
Proposal for Renewable-Powered Digital Infrastructure**

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1. Introduction

1.1 Problem and Opportunity Statement

The data-centre market in the UK continues to grow as demand for AI (artificial intelligence), cloud and digital services rise. According to official estimates, operational data centres rose from 221 in 2020 to 239 in 2024, and electricity use amounted to 4.5 TWh; this is around 2% of Great Britain's electricity consumption (ONS, 2026). Growth is, however, limited due to network capacity and energy availability. In July 2026, Ofgem stated that, as of then, applications to connect demand for demand-breeding facilities amounted to 125 GW, with data-centre projects making up at least 80 GW (Ofgem, 2026).

1.2 Background and Context

AdaniConneX is a 50-50 joint venture between Adani Enterprises and EdgeConneX, blending infrastructure with renewable energy and data centre prowess. Currently, it's primarily operating in India, where it had 65.4 MW of capacity operating and over 960 MW of capacity tied up as of Q1 FY27 (Adani Enterprises, 2026). UK data centres were named as critical national infrastructure in 2024, and the new requirements are in the areas of cybersecurity and operational resilience (GOV UK, 2026). In this context, the entry of products into the UK represents an important strategic opportunity that cannot be missed and must be evaluated in a systematic manner.

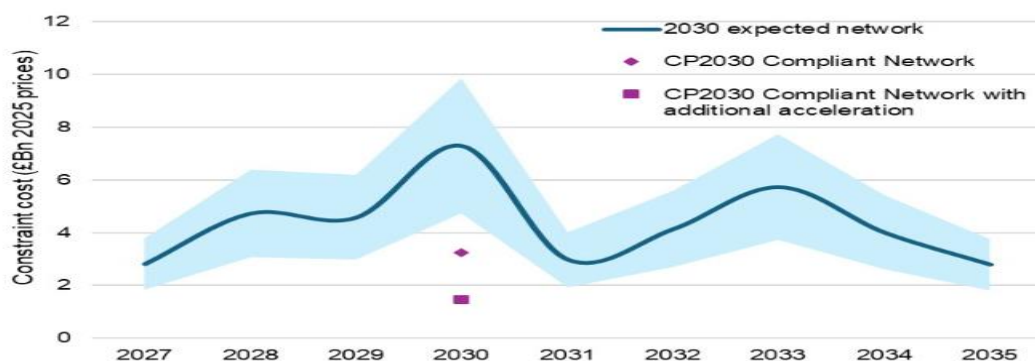


Figure 1: Previous Fluctuation in the UK Data Centre Growth

(Source: GOV UK. 2026)

1.3 Scope

The research is focused on one possible pathway to the UK data-centre marketplace; that of AdaniConneX generating a large green, renewable-powered digital infrastructure. It looks at customer needs and requirements, competition, constraints on energy supply and constraint possible barriers to entry, and market demand.

1.4 Aim and Objectives

The objective is to assess potential market access and select the best business-development strategy for entering the UK market. The research will review the UK demand, evaluate the transferable capability of AdaniConneX, review the competitive, regulatory, technology, economic and environmental landscape, pinpoint opportunities and explore market entry options.

1.5 Research Question

What are the parameters for the feasibility of AdaniConneX entering the UK market, and what business-development strategy would be appropriate for a successful, sustainable, and resilient operation?

2. Literature Review

2.1 International Market Entry

International market-entry research involves studying the methods used by firms and the different methods they choose to enter foreign markets. Zakery and Saremi (2055) and Gianotti and Galli (2021), describe internationalisation theories, such as the transaction cost, institutional, eclectic and Uppsala perspectives, and conclude that there exist both firm-specific resources and capabilities that affect foreign-market entry and external market conditions. This view is important for AdaniConneX, since the transfer of existing Data Centre capabilities to the UK would rely on an institutionally, regulatory and competitively different geography.

2.2 Resource-Based View

The Resource-Based View (RBV) theory assumes that firms can gain a competitive edge through their valuable and hard-to-imitate organisational resources and capabilities (Kero and Bogale, 2023). The RBV approach emerged as a well-developed point of view in international business literature, such as market entry and strategic alliances literature (Xiao *et al.* 2021). There is an obvious relevance to the proposition, which combines Adani's knowledge and expertise in infrastructure and renewable energy and energy management with EdgeConneX's international knowledge of data centres, in the context of AdaniConneX. According to AdaniConneX itself, this is the sustainable digital-infrastructure model. This can then be used to analyse any transferable abilities in relation to RBV and how these might be able to contribute to differentiation.

2.3 PESTLE Framework

PESTLE is a framework for examining the political, economic, social, technological, legal and environmental factors that could affect business decisions (Buye, 2021 and Dewasiri *et al.* 2026). It is relevant to the proposed research, as there are several aspects of energy policy, planning, sustainability, regulation and energy technology demand that impact UK data centre development. The UK critical national infrastructure classification has been established in 2024, and the regulations relating to cybersecurity and operational resilience are emerging (Majeed and Majeed, 2026).

2.4 Porter's Five Forces

Porter's Five Forces is used to determine the attractiveness of an industry by analysing competitive forces, power of buyers, power of suppliers, threat from new entrants, and threat from substitutes (Isabelle *et al.* 2020). It can be used to analyse competitive dynamics in the UK data centre market. Recently, however, the framework has been criticised for its inapplicability to highly digitalised sectors due to its potential to change the competitive dynamics (Bruijl, 2026).

2.5 Framework Selection and Synthesis

The four perspectives are compatible. International market-entry theory's strategic lens is used for foreign expansion, RBV considers the transferable capabilities of AdaniConneX, and the PESTLE profile focuses on the UK macro-environment, followed by Porter's Five Forces, which is a tool used to evaluate industry-level competitive pressures. The frameworks will subsequently be connected to identify market-entry conditions, capability–market fit and potential strategic options. Such a holistic approach does not view the frameworks as standalone descriptive tools and enables evidence-based assessment of the UK opportunity.

3. Methodology

3.1 Overall Approach

This implies that a secondary qualitative research design will be employed to examine the possibility of AdaniConneX venturing into the data centre industry in the United Kingdom. The method is exploratory and can be used for investigating a business opportunity with available market, industry and organisational evidence rather than by acquiring primary data (Zahoor *et al.* 2023). It will provide assistance to analyse markets and the market environment, strategic capabilities and barriers to market internationalisation.

3.2 Rationale for Secondary Qualitative Method

Secondary research is suitable since there is a strong focus on the UK data-centre sector that allows the investigation to be carried out by analysing data from government bodies, industry organisations, academic research and company publications. Patterns with regard to the demand, sustainability, infrastructure, regulations, competition and market conditions for entry will be revealed in the qualitative interpretation.

3.3 Data Sources

Peer-reviewed journal articles on international market entry and strategic capabilities and data-centre sustainability will be used as a source of data from three fronts: industry reports; Adani Enterprises/AdaniConneX publications, comprising annual report, results announcements and corporate information. The UK government and regulatory publications, such as ONS, Ofgem and GOV data will deliver authoritative information on market, energy and regulatory conditions.

3.4 Analytical Approach

Thematic analysis will be used to analyse the collected material. Like Braun and Clarke, the researcher will be exposed to the data, derive primary codes, identify and explore themes, and establish a thematic framework (Ahmed *et al.* 2025; Naeem *et al.* 2025). Theme interpretation will be through the lens of International Market Entry, RBV, PESTLE and Porter's Five Forces to understand how AdaniConneX does well in external dimensions and what its response dynamics are. Cross-referencing among sources will enhance interpretation.

3.5 Ethics and limits

Ethical risk is minimal due to secondary data used being public and a lack of human subjects (World Health Organization, 2021 and Fiesler *et al.* 2024). However, source bias and commercial interests, as well as the fact of different reporting and fast-changing market conditions, will be taken into account. Evidence will be checked against, where possible, other sources and conclusions to differentiate between what was found and what the researcher says.

4. Initial Market Opportunity Analysis

4.1 Market Size and Structure

The UK offers a large and growing data-centre market. It is believed that Great Britain's total colocation data centre capacity was about 1.6 GW during the autumn of 2024, of which London accounted for 1,048 MW, significantly more than the South East, which had 128 MW, and Wales, which had 154 MW (GOV UK, 2024). The data centre sector in the UK is expected to continue its expansion path, with the number of data centres rising from 221 in 2020 to 239 in 2024, and the UK's electricity consumption increasing to 4.5 TWh, which is approximately 2% of the total electricity demand for Great Britain (ONS, 2026). CBRE predicts that the volume of new supply to London will reach 180 MW in 2026 and expects extremely high demand from hyperscalers and neocloud providers, especially for AI workloads (CBRE, 2026).

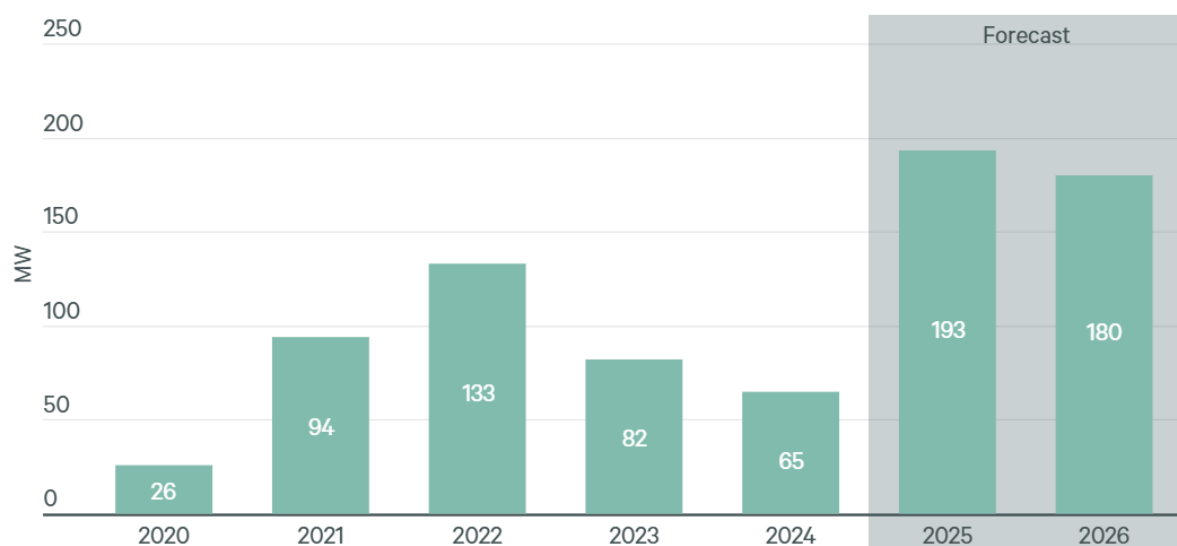


Figure 2: London New Supply Forecast

(Source: CBRE, 2026)

NUTS1 (ITL1) Region	IT power (MW)
North East	17
North West	52
Yorkshire and the Humber	16
East Midlands	9
West Midlands	15
East	44
London	1,048
South East	128
South West	53
Wales	154
Scotland	30
Total IT power: 1.6 gigawatts (GW)	

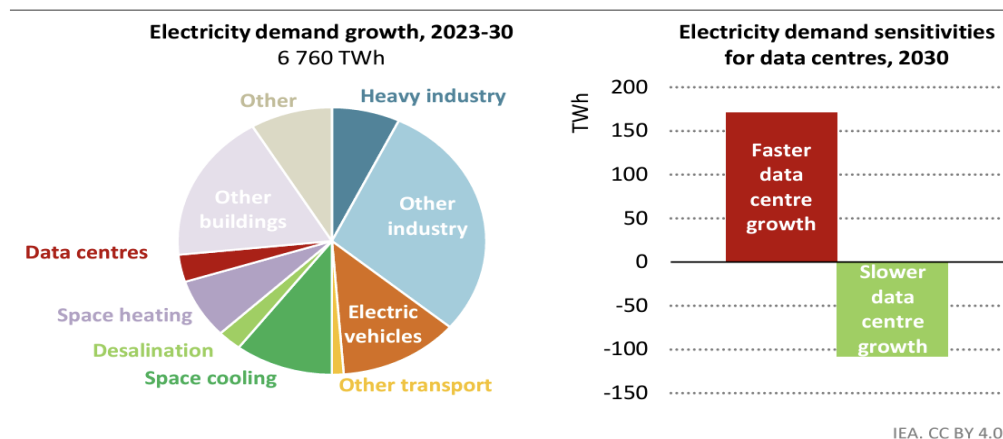
Figure 3: Data Centre Capacity Stats in the UK

(Source: GOV UK, 2024)

4.2 PESTLE Analysis

- **Political:** Data centres are classified as Critical National Infrastructure (CNI) by the UK government in 2024. Government policy thus provides opportunities for strategic Data Centre developments in locations while also setting the bar high on resilience and demand for contributing to the nation's infrastructure (GOV UK, 2024; GOV UK, 2025).
- **Economic:** Provision of electricity is a significant economic hurdle to data centre development opportunities in the UK. Ofgem said the demand-connection applications jumped from 41 GW to 125 GW within a year, with data-centre projects also contributing to the growth of at least 80 GW. It is a sign of high demand for grid space and may also result in high investment in the network by new players in the market (Ofgem, 2026).

Figure 4.11 ▶ Electricity demand growth by end-use in the STEPS, 2023-2030, and data centre sensitivity cases



Data centres account for a small share of global electricity demand growth to 2030, and plausible high and low sensitivities do not change the outlook fundamentally

Note: Other includes electricity demand from agriculture. Electricity demand does not include any own use for generation, nor transmission or distribution losses.

Figure 4: Electricity Growth Demand for Data Centers in the UK

(Source: Datacenterdynamic, 2024)

- **Social:** A rise in cloud computing, digital services and Artificial Intelligence is driving even more need for robust data infrastructure. UK demand is being led by hyperscalers and emerging neocloud providers, with AI workloads demanding higher power densities, according to CBRE (CBRE, 2026).
- **Technological:** AI transforming data-centre design & capacity needs. As AI workloads grow in size, CBRE finds new developments are increasingly having to comply with increasing power density and floor loading requirements. As a result, the operator's infrastructure of advanced cooling, high-density systems, connectivity and facility scaling would play a major part in the evaluation of the operator's entry into the UK (CBRE, 2026).
- **Legal:** The Government of the United Kingdom (UK) is implementing measures to incorporate eligible data centres into the Network and Information Systems (NIS) Directive, which mandates safeguarding and countermeasures for such data centres and their cybersecurity threats (GOV UK, 2026).
- **Environmental:** Power consumption in the data centre has many elements, and efficiency and a source of renewable energy are gaining importance. Current policy is

encouraging strategically located AI data centres where advantageous to lighten constraints to electricity systems, and government research recognises the link between growth in data centres and electricity consumption in the UK (GOV UK, 2026).

4.3 Competitive and Capability Analysis

The market centres are located near London and represent over 80% of the UK's data-centre supply, with a number of sites being adjacent to London which offer more power availability (CBRE, 2026). Competition comes therefore from "established operators, hyperscalers and specialist providers that will have existing connectivity, customer relations and infrastructure. Rivalry, supplier/business power, barriers to entry, customer power, and substitutes will be judged using Porter's 5 Forces. This will be backstopped by RBV which will look at the possibility of AdaniConneX exporting useful skills to the UK. The team, AdaniConneX, merges Adani's infrastructure expertise and renewable energy capabilities with EdgeConneX's data-centre expertise, and both the operational capacity and footprint of AdaniConneX lie in India.

4.4 Segmentation, Demand Signals and Opportunity

Potential customers are hyperscalers, neocloud providers and enterprises and organisations that need secure, resilient, scalable computing infrastructure. The growth of hyperscalers' demand for larger campuses and higher numbers of AI workloads has led to a greater demand for power density, CBRE reports (CBRE, 2026). Hyperscale cloud, AI and enterprise customers drive solid demand, and the lack of truly deliverable capacity is a significant constraint (Lakkarasu, 2025; Sankar *et al.* 2023). The opportunity is about capacity and about capacities that are scalable, reliable, connected, and sustainable. In addition, regional growth could help to ease reliance on the dense concentration in London, should alternative sites be able to provide the required power, fibre connectivity and acceptable latency. "Stronger pivoting towards location strategy, as the adjacent markets are being addressed where secure, scalable power is available," says CBRE (CBRE, 2026). A seamless fusion of renewable-energy features with data-centre technology could set one way for differentiation of AdaniConneX. However, early signs of feasibility will be location, grid connection, scale and capital investment requirements, customer pre-commitment and regulatory considerations (Olcay Andreoli, 2024). The entire BDP should therefore examine entry modes and locations as they assess the various strategic frameworks before deciding on the most commercially viable approach, if one is available.

This indicates that it is necessary to combine power, location, connectivity and resilience with customer demand at scale to provide advantage from using renewable energy.

5. Limitations

The findings have some shortcomings. The first disadvantage of using secondary sources is that the findings rely on the availability of the publications, their quality, and their assumptions. The methodologies of commercial industry reports can be proprietary, or data may be exclusive and difficult to independently confirm. Secondly, the public cannot see the AdaniConneX's closed costs, customer contracts, pricing, or plans for potential investments in the UK. Thirdly, the fast-paced data centre industry can be unsettling to read because of the impact of AI demand, not having enough electricity and regulation. Fourth, the amount of information about the competitors may vary, which can make the results less comparable. These will be overcome through source triangulation, the prioritisation of authoritative publications and careful interpretation. The research will not simply provide a commercial success forecast but a UK opportunity for a feasibility study based on evidence.

6. Timeline

Research Activity	W1, W2	W3, W4	W5, W6	W7, W8	W8, W10	W11, W12	W13, W14	W15, W16
Literature search and review								
Framework development								
Secondary data collection								
UK market analysis								
Thematic analysis								
Strategic/framework analysis								
Proposal development								
Editing, referencing and final review								

Table 1: Gantt Chart

(Source: Self-developed)

7. Conclusion

This is a research foundation of studying and assessing the possible entry of AdaniConneX in the data-centre market in the UK. The current market data suggests a rising market driven by AI, cloud computing and rising demand for digital infrastructure, with electricity availability, grid capacity, regulation, and sustainability also presenting major hurdles to entry. AdaniConneX is a combination of data-centre, infrastructure, and renewable energy, which gives a relevant basis for investigating potential capability-market fit. While there are data and commercial-information limitations, there is some circumstantial evidence available that may inductively give a good approximation to a preliminary assessment. The research will thus enable the development of an evidence-based and detailed Business Development Proposal to be submitted for possible entry into the UK market.

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