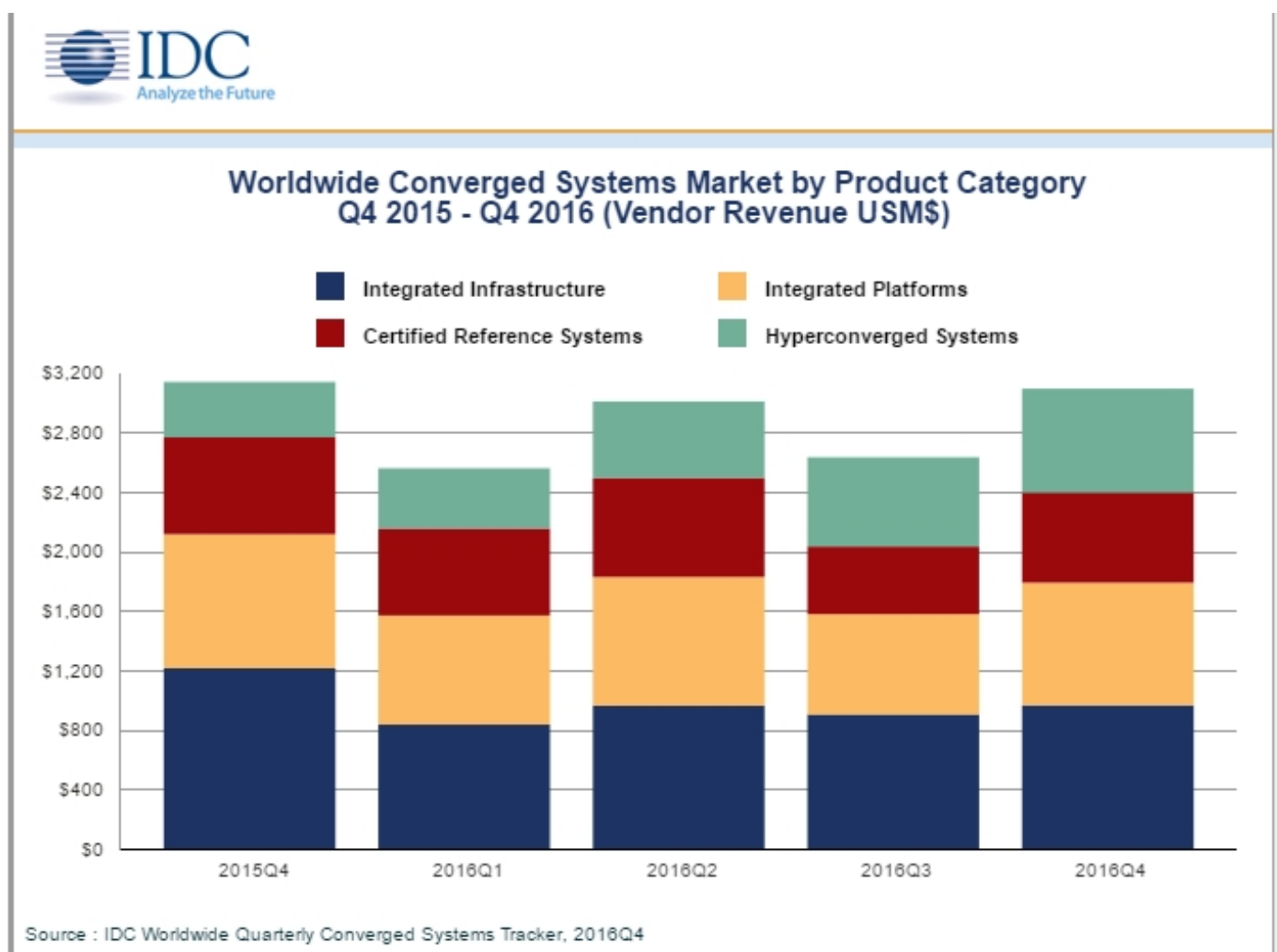


IDC: A "Period of Change" for Converged Systems

Written by Marco Attard
24 March 2017

According to IDC the global converged system market sees Q4 2016 revenues drop by -1.4% Y-o-Y to \$3.09 billion, even as storage capacity is up by 4% Y-o-Y during the quarter, reaching 1.6 exabytes.

Full year 2016 revenues total \$11.3bn, a 5.8% increase over 2015.



"The converged systems market is going through a period of change," the analyst says. "We are seeing strong growth from products with new architectures, increased levels of automation and heavy use of software-defined technologies. This growth has been offset by reduced spending on traditional converged systems and a conscious decision by some vendors to

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terminate some parts of their product portfolio."

IDC divides the converged systems market in 4 segments-- integrated infrastructure, certified reference systems, integrated platforms and hyperconverged systems. Combined integrated infrastructure and certified systems revenues total \$1.57bn in Q4 2016, a -15.7% Y-o-Y decline and 50.8% of the total market. Dell is the largest supplier of the combined market segment, with \$705.1 million in sales and 44.9% market share.

Integrated platform sales are down by -8.6% Y-o-Y in Q4 2016, reaching \$823.5m to make 26.6% of total market revenue. Oracle is top vendor, with revenues of \$406.9m and 49.4% market share. Meanwhile Q4 2016 hyperconverged sales are up by 873% Y-o-Y, totaling \$697.4m and accounting for 22.6% of the market.

On calendar 2016 the hyperconverged system market surpassed \$2.2bn in revenues, a 110% increase from the previous year.

Go [IDC WW Quarterly Converged Systems Tracker Q4 2016](#)