

IDC: Q1 2019 Server Revenues Up 4.4% Y-o-Y

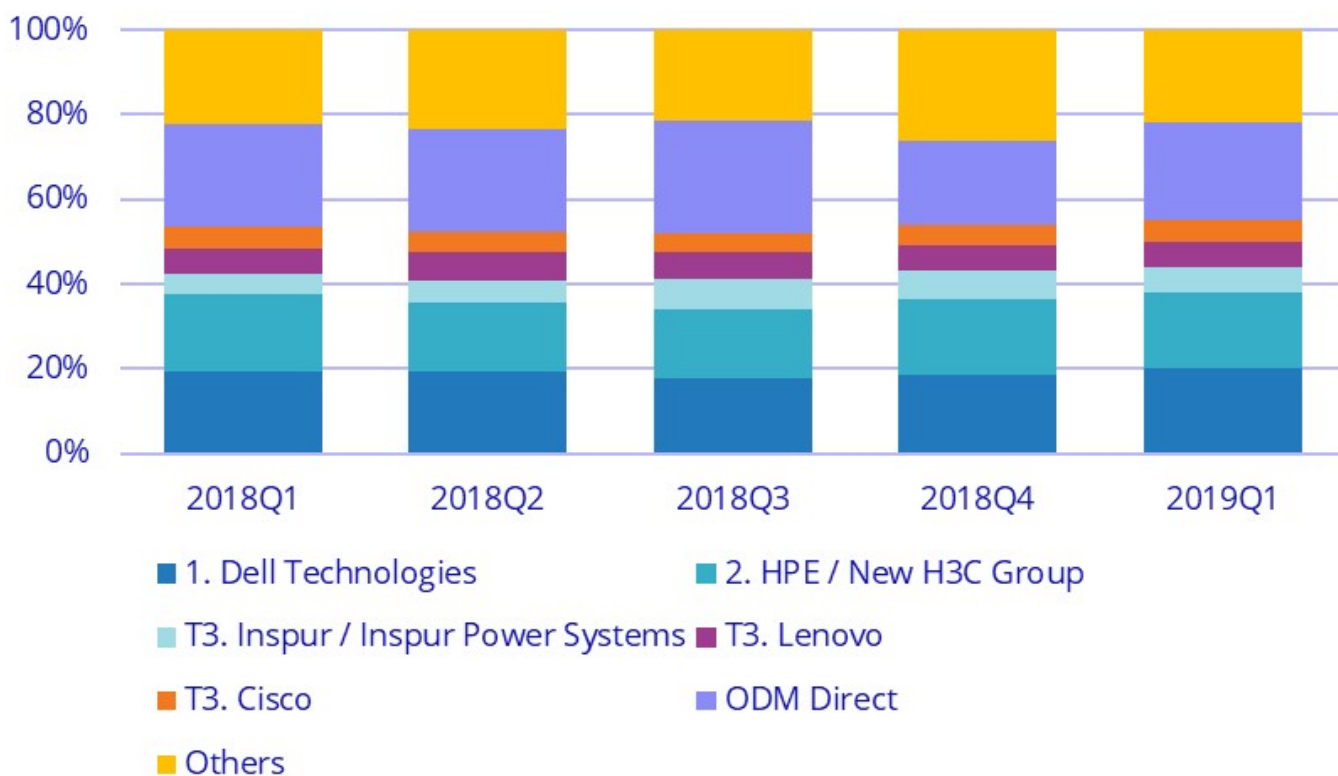
Written by Alice Marshall
06 June 2019

According to IDC global server revenues total \$19.8 billion in Q1 2019, a 4.4% Y-o-Y increase. On the other hand server shipments are down by -5.1% Y-o-Y, reaching "just under" 2.6 million units.

EMEA sees 4.1% Y-o-Y revenue growth.



Worldwide Top 5 Server Companies, 2019Q1 Vendor Revenue Market Share



Source: IDC 2019

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As the analyst puts it, the overall server market sees slowdown in Q1 2019 following 6 consecutive quarters of double-digit revenue growth. It does have some pockets of robust growth, since midrange server revenues are up by 30.2% Y-o-Y to \$2.1bn, while volume server revenues increased by 4.2% Y-o-Y to \$16.7bn. High-end systems are down for a 2nd consecutive quarter, falling by -24.7% Y-o-Y to \$976m.

"Demand from both enterprise buyers and hyperscale companies purchasing through ODMs was less voracious than in previous quarters; coupled with a difficult compare period from a year ago, this impacted the pace of market growth during the first quarter," IDC remarks. "This was most evident in declining unit shipments during the quarter, although Y-o-Y ASP increases supported revenue growth for many vendors. As long as demand for richly configured servers supports further ASP growth, the market will offset slight declines in unit volume."

Dell leads the Q1 2019 server market with 20.2% revenue share. HPE/New H3C Group follow with 17.8% revenue share, and tied for 3rd place are Inspur/Inspur Power Systems, Lenovo and Cisco, with respective server revenue share at 6.2%, 5.7% and 5.3%. The ODM Direct group of vendors accounts for 23% of total market revenue.

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