Gartner forecasts the global x86 server virtualisation market will reach $5.6 billion in 2016-- a 5.7% increase, even if the analyst points out new software licenses are down for the first time since the market became mainstream.

Maintenance revenue is now chief growth driver, an indication of a rapidly maturing software market segment. Further pointing out such maturity are "many" organisations with a server virtualisation penetration rate exceeding 75%.

VMware still dominates the market, with Microsoft following as a mainstream contender in enterprise use. The market also sees a number of niche players, such as Citrix, Oracle and Red Hat, in addition to an "explosion" of vendors in the domestic China market.

Server virtualisation remains the most common infrastructure platform for x86 OS workloads in on-premises data centres, but Gartner points out new computing styles and approaches-- including OS container-based virtualisation and cloud computing-- will be "increasingly significant" for the market.

Such trends vary according organisation size. For instance, organisations with larger IT budgets retain steady server virtualisation use, while smaller organisations are dropping usage through to at least 2017, causing an overall decline in new spending for on-premises server virtualisation. In addition, organisations are increasing the use of "physicalisation," or running servers without virtualisation software.

Gartner says 20% of these organisations expect to have around 30% of x86 server OSs virtualisated by 2017-- twice the amount reported for 2015.

New options also come in the shape of software-defined infrastructure (SDI) and hyperconverged integrated systems (HCIS), putting pressure on best-of-breed virtualisation vendors to add more out-of-the-box functionality and provide a better experience and faster time-to-value.

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