

## EMEA External Enterprise Storage Market Sank 5% in 2019Q4, but AFA and HCI Proved Resilient

LONDON, April 9, 2020 — EMEA external storage systems market value in 2019Q4 was down 5.4% year on year in dollars and 2.5% in euros, according to International Data Corporation's (IDC) EMEA Quarterly Disk Storage Systems Tracker.

The market closed 2019 down 2% in dollar terms for the full year and up 3.1% in euros. This comes after stellar growth in 2018 — 16% year on year in dollars and 11.5% in euros. But the quarter saw marked differences across subregions, with Western Europe down 8.9% year on year and CEMA up 4.2% (both in dollars).

On a bright note, for the first time the all-flash-array (AFA) segment was the largest array type by spending in 2019Q4, taking more than 44% of value shipments, with hybrid flash arrays (HFAs) representing roughly 37% of shipment value.

For the full 2019, AFA represented just over 40% of total value shipped in the region, up from roughly 37% in 2018.

The bright spots in the storage market — AFA and HCI (hyperconverged infrastructure) — have been increasingly adopted in the region as a way to modernize the datacenter, enhance its cloud-like capabilities, and guarantee high availability and performance for critical workloads.

"As the COVID-19 crisis intensifies in the region, IDC expects investments to concentrate on guaranteeing business continuity for highly critical workloads in the short term and, in the medium term, in accelerating digital transformation initiatives and the shift toward Opex-based payment methods for hardware infrastructure," said Silvia Cosso, research manager, Storage Systems, IDC Western Europe. "In this context, AFA, HCI, and software-defined-storage [SDS]

are expected to gain increased traction in the region as a way to modernize the datacenter and enhance its cloud-like capabilities while guaranteeing high performance for critical workloads."

For IDC's European coverage of COVID-19, click [here](#).

### Western Europe

Western European market value declined again, by almost 9% in dollars (-6% in euros), a decrease that needs to be put into the context of a very positive 2018.

All-flash arrays jumped to more than 46% of total value shipped in the subregion in the last quarter of 2019, bringing the 2019 total to over 41%.

Storage spending in the region has been impacted by a further drop in the U.K. and a negative performance in Germany, where datacenter renovation plans appear to have slowed due to uncertain macroeconomic conditions in the second half of the year.

### Central and Eastern Europe, the Middle East, and Africa

The single-digit growth of the storage market value in Central and Eastern Europe, the Middle East, and Africa (CEMA) in 2019Q4 confirmed the positive trend throughout the year and was

triggered by enterprises spending their remaining annual budgets. This contributed to 4.7% YoY growth in dollar terms for the full 2019.

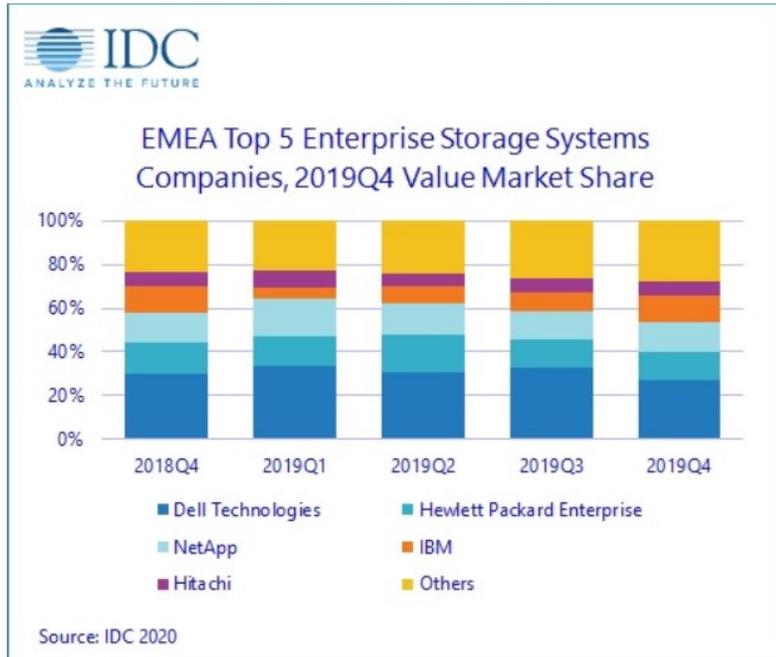
Overall growth in CEMA was impacted by the spending of large business in finance and central government in the bigger countries, featuring some million-dollar projects to enhance datacenters.

AFA recorded double-digit growth in both the CEE and MEA subregions and for the first time became the leading market segment in Q4. Penetration in MEA, however, was higher and on a par with Western Europe, surpassing a 40% share of the total market for the quarter and the year.

"The acceleration of digitized economies and the investment in mobility, video surveillance, and smart cities in the Middle East are leading to a proliferation of particularly all-flash HCI solutions to support the respective workloads," said Marina Kostova, research manager, Storage Systems, IDC CEMA. "In the context of the world health crisis and the worsening business climate, the trend toward more optimized and cost-effective infrastructure spending in CEMA will speed up and the deployments will shift faster to the cloud, with HCI still expected to record growth

relative to the declining total market in 2020."

Figure 1



Top 5 Vendors, EMEA External Enterprise Storage Systems Value (\$M)					
Company	2018Q4	2018Q4 Market Shares	2019Q4	2019Q4 Market Shares	YoY Growth
Dell EMC	\$700.29	29.54%	\$602.25	25.87%	-13.95%
Hewlett Packard Enterprise	\$346.91	14.64%	\$299.93	13.38%	-13.52%
NetApp	\$331.23	13.98%	\$298.53	13.32%	-9.87%
IBM	\$279.12	11.78%	\$274.82	11.26%	-4.52%
Hitachi	\$156.69	6.60%	\$150.62	6.27%	-3.75%
Others	\$556.23	23.47%	\$615.28	28.45%	10.60%
Total	\$2,370.02	100%	\$2,241.09	100%	-4.2%

IDC's Worldwide Quarterly Disk Storage Systems Tracker

enhances clients' ability to quickly and effectively respond to today's dynamic storage market. Understanding which global markets and segments are growing and knowing the quarterly adoption curve for new products have become business-critical needs for disk storage vendors, supply chain partners, and the Wall Street financial community.

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