

COVID-19 Pandemic to Drive 2020 EMEA Cloud Infrastructure Market, IDC Reports

Prague, FOR IMMEDIATE RELEASE — Business responses to the COVID-19 pandemic are expected to drive spending on public and private cloud hardware across Europe, the Middle East, and Africa (EMEA) in 2020, according to the Worldwide Quarterly Cloud Infrastructure Tracker from International Data Corporation (IDC).

The Tracker reports that spending on servers, disk storage, and Ethernet switches for cloud hardware will remain robust this year — even as the overall EMEA IT hardware market declines.

IDC expects economic fallout from the pandemic to affect all IT hardware markets. Spending on traditional IT infrastructure is forecast to contract 16.4% year on year. Investments in cloud infrastructure hardware, however, are projected to expand 10.4% in 2020, reaching \$11.6 billion. This segment is expected to claim a larger share of the overall IT hardware market than previously forecast.

"We are already seeing a spike in pandemic-related demand, particularly among telecommunications companies and digital B2C service providers," said IDC's Kamil Gregor, senior research analyst for European enterprise infrastructure. "This stems from European companies asking their employees to work from home and customers of digital services spending more time online. Much spending will be on infrastructure to support cloud-delivered services like unified business communications, including video streaming."

Cloud-related spending's share of total EMEA infrastructure revenue grew by around 2 percentage points year on year in 2019, rising to more than 36%. The 2020 cloud-related

hardware share is expected to reach 43.3% of total market expenditure.

Migration to cloud is still cumbersome in many cases and requires significant investments in time and resources. Many European companies may be tempted to postpone migration when dealing with the impacts of the pandemic-induced economic slowdown. For many organizations, however, migration to cloud will be both a cost-saving measure and an existential decision.

EMEA Cloud IT Infrastructure Value and Share

Deployment Mode	2019	2019	2020	2020	2020
	(\$B)	Share (%)	(\$B)	Share (%)	YoY Growth (%)
Private cloud (on and off premises)	4.6	16.2	5.0	18.6	6.9
Public cloud	5.8	20.4	6.6	24.7	13.2
Traditional IT	8.1	65.2	15.2	56.7	-16.4
Total	28.6	100	26.7	100	-6.6

Taxonomy Notes:

IDC defines cloud services through a checklist of key attributes

that an offering must provide to end users of the service. Public cloud services are shared among unrelated enterprises and consumers, are open to a largely unrestricted universe of potential users, and are designed for a market, not a single enterprise. The public cloud market includes a variety of services designed to extend or, in some cases, replace IT infrastructure deployed in corporate datacenters. Public cloud also includes content services delivered by a group of suppliers IDC calls value added content providers (VACP). Private cloud services are shared within a single enterprise or an extended enterprise, with restrictions on access and level of resource dedication, and are defined/controlled by the enterprise (beyond the control available in public cloud offerings). Private cloud can be onsite or offsite and can be managed by a third party or in house. In private cloud that is managed in house, vendors (cloud service providers) are equivalent to IT departments/shared service departments within the enterprise/group, with the service users being business departments, offices, and employees.

About IDC Trackers

[IDC Tracker](#) products provide accurate and timely market size, vendor share, and forecast data for hundreds of technology markets in more than 100 countries around

the globe. Using proprietary tools and research processes, IDC's Trackers are updated on a semiannual, quarterly, or monthly basis. Tracker results are delivered to clients in user-friendly excel deliverables and online query tools.

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,100 analysts worldwide, IDC offers global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries. IDC's analysis and insights help IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a subsidiary of IDG, the world's leading technology media, research, and events company. To learn more about IDC, please visit www.idc.com. Follow IDC on Twitter at @IDC.

More Information

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Worldwide Quarterly Cloud
Infrastructure Tracker product
sheet:

[https://www.idc.com/tracker/
showproductinfo.jsp?prod_id=961](https://www.idc.com/tracker/showproductinfo.jsp?prod_id=961)

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