Worldwide Enterprise External OEM Storage Systems Market Revenue Grew 1.1% During the Third Quarter of 2019, According to IDC

FRAMINGHAM, Mass., December 5, 2019 – According to the International Data Corporation (IDC) Worldwide Quarterly Enterprise Storage Systems Tracker, global spending on enterprise external OEM storage systems grew 1.1% year over year to $6.6 billion during the third quarter of 2019 (3Q19). Total external OEM storage capacity shipments were up 6.8% year over year to 17.3 exabytes during the quarter. Revenue generated by the group of original design manufacturers (ODMs) selling directly to hyperscale datacenters declined 6.8% year over year in 3Q19 to $5.8 billion. Total market capacity shipments (External OEM + ODM Direct + Server-Based Storage) declined 13.9% to 98.8 exabytes.

"While market growth of any kind is always a welcomed sight, we see mixed results this quarter," said Greg Macatee, research analyst, Infrastructure Platforms and Technologies. "Strong double-digit annual growth of All Flash Array (AFA) sales was required to offset declines in the Hybrid Flash Array (HFA) and HDD-Only markets. Geographic results were also mixed with strong revenue increases in Asia/Pacific offset by declining revenues in the Americas and EMEA markets."

Enterprise External OEM Storage Systems Results, by Company

Dell Technologies was the largest enterprise external OEM storage systems supplier during the quarter, accounting for 31.5% of worldwide revenue. NetApp and HPE/New H3C Group tied* for second with 9.9% and 9.5% of the market, respectively. Huawei, Hitachi, and IBM tied* for the fourth position with revenue shares of 7.0%, 6.2%, and 6.0%, respectively. Despite growing and gaining market share during the third quarter, Pure Storage and Lenovo did not finish among the top 5 companies.

Top 5 Companies, Worldwide Enterprise External OEM Storage Systems Market, Third Quarter of 2019 (Revenues are in US$ millions)					
Company	3Q19 Revenue	3Q19 Market Share	3Q18 Revenue	3Q18 Market Share	3Q19/3Q18 Revenue Growth
1. Dell Technologies[a]	$2,075.8	31.5%	$2,095.1	32.1%	-0.9%
T2. NetApp*	$651.7	9.9%	$808.2	12.4%	-19.4%
T2. HPE/ New H3C Group[b] *	$622.9	9.5%	$662.4	10.2%	-6.0%
T4. Huawei*	$463.5	7.0%	$309.9	4.8%	49.6%
T4. Hitachi*	$407.1	6.2%	$408.8	6.3%	-0.4%
T4. IBM*	$398.4	6.0%	$391.1	6.0%	1.8%
Rest of Market	$1,971.7	29.9%	$1,842.7	28.3%	7.0%
Total	$6,591.1	100.0%	$6,518.2	100.0%	1.1%
Source: IDC Worldwide Quarterly Enterprise Storage Systems Tracker, December 5, 2019.					

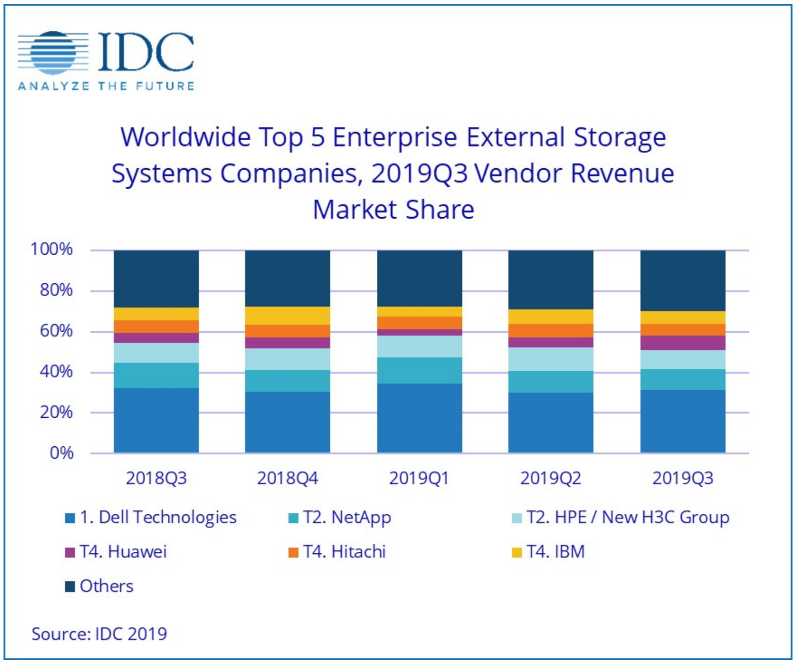
Notes:

* IDC declares a statistical tie in the worldwide enterprise external OEM storage systems market when there is a difference of one percent or less in the share of revenues or unit shipments among

[a] Dell Technologies represents the combined revenues for Dell and EMC.

[b] Due to the existing joint venture between HPE and the New H3C Group, IDC will be reporting market share on a global level for HPE as "HPE/New H3C Group" starting from Q2 2016.

Figure 1



Flash-Based Storage Systems Highlights

The total All Flash Array (AFA) market generated $2.57 billion in revenue during the quarter, up 11.3% year over year. The Hybrid Flash Array (HFA) market was worth slightly less than $2.54 billion in revenue, down 1.8% from 3Q18.

Regional External Storage System Highlights

On a geographic basis, Asia/Pacific (excluding Japan) grew the fastest of any region, up 12.5% year over year. Japan grew 2.5%; Europe, the Middle East, and Africa (EMEA) was down 1.0%; and the Americas declined 3.0%. China as a standalone country grew 20.4% year over year in 3Q19.

Taxonomy Notes

IDC defines an Enterprise Storage System as a set of storage elements, including controllers, cables, and (in some instances) host bus adapters, associated with three or more disks. A system may be located outside of or within a server cabinet and the average cost of the disk storage systems does not include infrastructure storage hardware (i.e. switches) and non-bundled storage software.

The information in this quantitative study is based on a branded view of the enterprise storage systems sale. Revenue associated with the products to the end user is attributed to the seller (brand) of the product, not the manufacturer. Original equipment manufacturer (OEM) sales are not included in this study.

IDC's Worldwide Quarterly Enterprise Storage Systems Tracker is a quantitative tool for analyzing the global disk storage market on a quarterly basis. The Tracker includes quarterly shipments and revenues (both customer and factory), Terabytes, $/Gigabyte, Gigabyte/Unit, and Average Selling Value. Each criteria can be segmented by location, installation base, operating system, company, family, model, and region. This Tracker is part of the Worldwide Quarterly Enterprise Infrastructure Tracker, which provides a holistic total addressable market view of the five key enabling infrastructure technologies for the datacenter (servers, external enterprise storage systems, purpose-built appliances: HCI and PBBA, and datacenter switches).

For more information about IDC's Worldwide Enterprise Storage Systems Quarterly Tracker, please contact Lidice Fernandez at 305-351-3051 or lfernandez@idc.com.

About IDC Trackers

IDC Tracker products provide accurate and timely market size, vendor share, and forecasts for hundreds of technology markets from more than 100 countries around the globe. Using proprietary tools and research processes, IDC's Trackers are updated on a semiannual, quarterly, and monthly basis. Tracker results are delivered to clients in user-friendly Excel deliverables and on-line query tools.

Click here to learn about IDC's full suite of data products and how you can leverage them to grow your business.

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 insight helps 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 wholly-owned subsidiary of International Data Group (IDG), the world's leading tech media, data and marketing services company. To learn more about IDC, please visit www.idc.com. Follow IDC on Twitter at @IDC and LinkedIn. Subscribe to the IDC Blog for industry news and insights: http://bit.ly/IDCBlog_Subscribe.

IDC is a subsidiary of IDG, the world's leading technology media, research, and events company. Additional information can be found at www.idc.com. All product and company names may be trademarks or registered trademarks of their respective holders.

For more information contact:

Michael Shirer
press@idc.com
508-935-4200
Sebastian Lagana
slagana@idc.com
508-935-4585
Paul Maguranis
pmaguranis@idc.com
508-988-6711
Greg Macatee
gmacatee@idc.com
508-935-4707