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Global converged systems revenues are up by 19.3% Y-o-Y to reach $3.75 billion in Q1 2019, IDC reports, with hyperconverged infrastructure as primary growth driver as customers continue looking for reduced operating complexity and ease of deployment.

According to the analyst, hyperconverged systems include Disaggregated HCI (hyperconverged infrastructure). An example of such systems is the NetApp HCI solution offering non-linear scaling of the hyperconverged cluster, making it easier to scale compute and storage resources independent of each other while offering critical functions such as quality of services. In disaggregated HCI solution the storage nodes might not have a hypervisor, since they do not run VMs or applications.

Top 3 Companies, Worldwide Hyperconverged Systems Based on Owner of HCI Software, Q1 2019 ($M)

Company	1Q19 Revenue	1Q19 Market Share	1Q18 Revenue	1Q18 Market Share	1Q19/1Q18 Revenue Growth
1. VMware	$750.7	41.1%	$451.4	36.3%	66.3%
2. Nutanix	$526.5	28.9%	$400.7	32.2%	31.4%
3. HPE	$83.5	4.6%	$61.3	4.9%	36.2%
Rest of Market	$463.8	25.4%	$330.6	26.6%	40.3%
Total	**$1,824.5**	**100.0%**	**$1,244.0**	**100.0%**	**46.7%**

Source: IDC Worldwide Quarterly Converged Systems Tracker, June 25, 2019

IDC splits the converged systems market in 3 segments-- certified reference systems & integrated infrastructure, integrated platforms and hyperconverged systems. The certified reference systems & integrated infrastructure market sees Q1 2019 revenues worth $1.4bn, a 9% Y-o-Y increase and 36.6% of total converged system revenue. Integrate platform revenues are down by -13.3% Y-o-Y to $556m, 14.8% of total converged systems market revenues. Hyperconverged systems sales are up by 46.7% Y-o-Y to $1.8bn, making 48.6% of the total market.

The analyst ranks vendors in two ways, by hyperconverged solution brand or by the owner of the software providing core hyperconverged capabilities. In terms of branding, Dell is top vendor with $586.7m in revenue and 32.2% share. Nutanix follows with $255.7m in branded revenue, 14% of the total Q1 2019 HCI market. HPE is 3rd, with $83.5m in revenue and 4.6% market share.

In terms of software ownership, systems running on VMware software represent $750.7m in Q1 2019 revenue, or 41.1% of the total. Nutanix-based systems represent $526.5m, or 28.9% of the total. Both amounts represent sales of all HCI software and hardware, regardless of branding.

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