451 Research: Nearly 80% of enterprises will increase spending on converged infrastructure in 2016

New survey reveals over 32% of enterprises plan a major server and storage refresh in 2016; biggest gainers will be EMC/VCE and Cisco

NEW YORK – February 4, 2016 – Upcoming refresh projects are driving 2016 enterprise investments in servers and converged infrastructure, according to the latest 451 Research's Voice of the Enterprise: Servers and Converged Infrastructure study. Among enterprises in the study, 60% plan to increase spending on servers, and 79% plan to spend more on converged infrastructure in 2016. Spending on hyperconverged infrastructure will be particularly strong in 2016 with 86% of respondents planning to increase spend and over 32% planning a major server and storage refresh project.

According to the latest Voice of the Enterprise: Servers and Converged Infrastructure study, which surveyed over 780 enterprises in North America and Europe, vendors will not benefit equally from spending allocations in 2016. Cisco is expected to gain the most with 70% of its customers planning to increase spending allocations on its server portfolio. HP, IBM and Oracle had more customers planning to cut spending, than those planning to spend more.

Budgets are strong for the majority of converged infrastructure vendors. The newly formed EMC Converged Platforms Division, formerly VCE, leads in budget increases: 78% of its customers plan to increase budgets in 2016 with 32% in the 'above $2m' spending bracket.

"We see a sea change in the industry with Dell's acquisition of EMC/VCE, and Nutanix filing for IPO," said Nikolay Yamakawa, Senior Analyst at 451 Research. "These shifts are putting a spotlight on converged infrastructure and providing IT buyers with more options."

Converged infrastructure vendors most commonly get into enterprise environments through a technology refresh project, especially a server refresh. Decision-making authority on converged infrastructure is most often shared by general infrastructure staff and server staff. But the ultimate decision to adopt rests with CTO/CIO, while management is most often delegated to cross-functional groups.

"To ensure success, vendors need to communicate with all converged infrastructure stakeholders in a target organization and provide training early in the process to help with customer onboarding," added Yamakawa.

Webinar
Learn more about the Voice of the Enterprise: Servers and Converged Infrastructure research findings in our 'Voice of the Enterprise: Servers and Converged Infrastructure Budgets and Spending Outlook in 2016' webinar. Register now.

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