Synergy Research Group has established itself as the leading research firm providing detailed quarterly market size and market share tracking data for the cloud industry. It has a reputation for providing high-quality data and for its flexibility and speed in responding to client requests. Its clients include many of the world’s leading cloud & IT companies.

What is Hyperscale?
- Huge data center networks that are used to support a multitude of external clients
- Operators have several hundreds of thousands of servers – or sometimes millions
- They plan and operate data centers very differently from the norm, increasingly using own-design or open source technology
- Synergy has developed a definition; criteria embraces major IaaS/PaaS/SaaS providers plus some cloud-enabled enterprises

Hyperscale Data Centers
- Synergy has identified 24 hyperscale companies
- They currently operate well over 300 major data centers
- In aggregate they spend many billions of dollars per quarter on data centers
- Hyperscale companies with the broadest data center footprint are Amazon, Microsoft, Google and IBM – each present in all four regions of the world
- Country distribution of data centers reflects the US dominance of cloud and internet technologies
- Other countries feature for a range of different market, regulatory and geographic reasons

Dominance of Cloud Markets
- Hyperscale operators dominate the main cloud markets – IaaS, PaaS, SaaS and hosted cloud
- In public IaaS & PaaS, Amazon AWS maintains a big lead in a high-growth market, while Microsoft, Google & IBM gain market share
- Microsoft is the leader in enterprise SaaS, followed by five other hyperscale companies
- Hyperscale companies also lead the market in search, social networking, mobile apps, e-commerce
Fundamental Changes in Vendor Landscape

- Enterprise spend on IT continues to shift away from on-premise infrastructure and software and towards cloud services
- Hyperscale cloud providers increasingly rely on own-design hardware manufactured for them by ODMs
- This sidelines large parts of the infrastructure market which are then tough for traditional tech vendors to target
- Result is that ODMs in aggregate have aggressively grown their share of the cloud infrastructure market
- Traditional tech vendors are having to re-orient their focus

The Next Five Years

- Worldwide markets for cloud services will continue to grow at impressive rates – IaaS, PaaS, SaaS, Hosted Private Cloud
- This will pull through increased spend on public/hyperscale data center infrastructure; and crimp spend in on-premise IT
- Hyperscale providers will continue to increase their share – of service markets; of overall IT budgets; of spend on data center infrastructure
- Synergy has been tracking these markets in granular detail, quarter by quarter, for over five years. It has also created forecasts for how the markets they develop over the next five years

How can you access Synergy’s hyperscale cloud market data?

Hyperscale market data
Available via a one-off data file (Excel format) or via an annual subscription; includes list of hyperscale companies, hyperscale data center numbers by operator and country, market size and quarterly trends for key cloud and data center markets, and hyperscale share of those markets. More details can be found at Hyperscale Cloud Market Tracker on Synergy’s website.

Associated cloud market research services
Synergy’s standard research service subscriptions include detailed quarterly data on market size and company revenue & market share by segment, by sub-segment, by region, by quarter; plus forecasts and access to analyst for inquiries, press quotes, briefings, etc. Relevant research services include:

- Cloud Infrastructure Services
- Cloud SaaS Services
- Cloud Infrastructure Equipment
- Colocation Market Tracker
- Data Center Infrastructure
- Data Center Infrastructure Services
- UCaaS Market Tracker
- Custom research and data files

Sample Synergy public articles on hyperscale-related topics:
Microsoft, Google and IBM Public Cloud Surge is at Expense of Smaller Providers
Microsoft Leads in Burgeoning SaaS Market; Oracle and Google are on a Charge
Battle Intensifies for Cloud Infrastructure Leadership as Q4 sees Three-Way Tie
2016 Review Shows $148 billion Cloud Market Growing at 25% Annually
Hyperscale Data Center Count Passes the 300 Milestone in December
Amazon Dominates Public IaaS and Ahead in PaaS; IBM Leads in Private Cloud
HPE & Cisco Maintain Lead in Cloud Infrastructure; Dell EMC and ODMs Challenge
Data Center Investments are Dramatically Reshaping the IT Industry

Synergy Research Group
Synergy Research Group helps marketing and strategic decision makers around the world via its syndicated market research and custom projects. For almost 20 years Synergy has been providing unique insights and analytics to marketing, business development, and investment professionals. For more information contact Heather Gallo at hgallo@srgresearch.com.