Software-Defined Data Center Market Poised for Growth Amid Rising Cloud and Virtualization Adoption

The SDDC market grows as businesses embrace cloud, virtualization, and scalable IT to boost agility and cost efficiency.

NEWARK, DE, UNITED STATES, August 19, 2025 /EINPresswire.com/ -- The [Software-Defined Data Center Market](#) is set to undergo exponential growth, rising from USD 74.6 billion in 2025 to USD 367.7 billion by 2035, at a compound annual growth rate (CAGR) of 17.3%. This trajectory reflects the accelerating shift among enterprises and manufacturers toward scalable,

Software-Defined Data Center Market

software-driven infrastructure that delivers agility, cost savings, and resilience in the face of complex operational demands.

Transforming Enterprise Infrastructure

The rapid modernization of IT infrastructure is driving the adoption of SDDC as organizations seek to support dynamic workloads, optimize costs, and align with hybrid cloud strategies. By decoupling hardware dependencies and embracing virtualization across compute, storage, and network layers, businesses gain enhanced flexibility and centralized control.

For manufacturers facing rising compliance demands, cybersecurity threats, and operational inefficiencies, SDDC presents a transformative opportunity. By embracing software-first frameworks, they can reduce downtime, automate resource allocation, and accelerate digital transformation without the heavy overhead of traditional hardware-bound systems.

Segmental Insights: Where Growth Is Concentrated

The software segment is projected to hold the largest share in 2025 at 37.3%. This dominance is
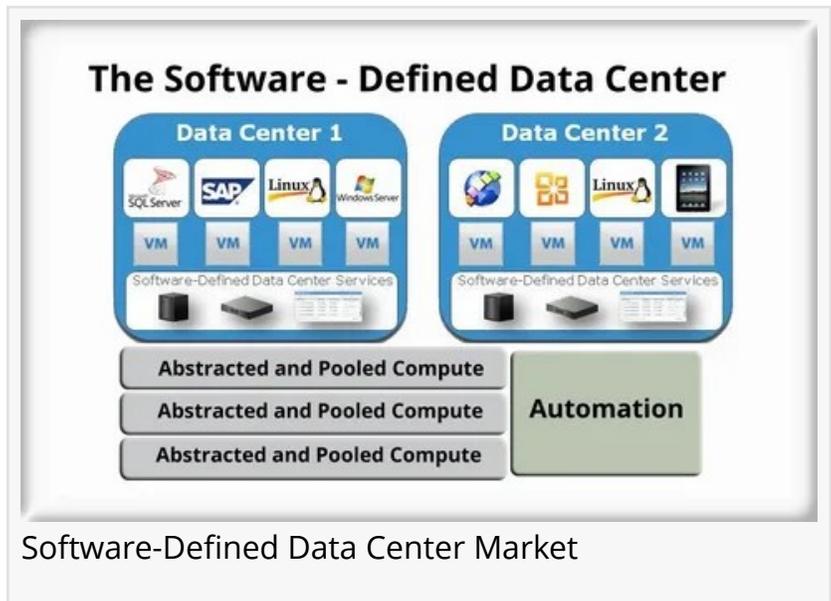
fueled by virtualization platforms enabling policy-driven management, hybrid cloud integration, and AI-powered orchestration. With software driving efficiency and lowering energy consumption, it has become the foundation of next-generation data centers.

Large enterprises are expected to account for nearly 68.5% of market revenues in 2025, reflecting their complex infrastructure needs and global operational scale. These organizations are turning to SDDC to reduce OPEX, enhance compliance, and support advanced workloads such as AI and big data analytics.

Among verticals, the BFSI sector will emerge as the leader with 22.3% share in 2025. Financial institutions, faced with stringent regulatory requirements and cybersecurity challenges, are turning to SDDC for disaster recovery, risk management, and zero-trust security models.

Drivers Accelerating Market Growth

Several key factors are propelling demand for SDDC:

Cost optimization: Enterprises are shifting from CAPEX-heavy models to OPEX-driven frameworks, significantly reducing infrastructure spending.
Operational efficiency: Automated orchestration tools enable real-time analytics, predictive resource allocation, and reduced downtime.
Energy savings: Intelligent power management in SDDC environments helps lower energy consumption during low-demand periods.
Cloud-native adoption: SDDC is pivotal in supporting AI, IoT, and containerized applications, allowing organizations to scale and innovate rapidly.
Security and compliance: Policy-driven architectures enable greater control over data security, a key factor for regulated industries like BFSI and healthcare.
VMware research highlights that SDDC environments reduce OPEX by up to 50% compared to traditional data centers while boosting IT productivity by 67%. This cost-performance balance is proving particularly attractive to manufacturers and enterprises managing global footprints.

Regional Outlook

North America is projected to hold the largest market share during the forecast period, supported by a high concentration of technology leaders such as VMware, IBM, Cisco, and Dell. The U.S., with its vast data center hubs in Northern Virginia, New Jersey, Dallas, and Chicago, will remain the epicenter of adoption.

Meanwhile, Asia-Pacific and Europe are rapidly scaling SDDC investments, with manufacturers leveraging virtualized environments to drive efficiency, reduce costs, and improve compliance readiness.

Competitive Landscape

The SDDC market is highly concentrated, with major players such as IBM, Microsoft, Dell Technologies, Cisco, Oracle, Huawei, Fujitsu, VMware, Scality, and NTT Limited leading the way. Strategic innovation remains central to market competition:

NTT Limited (June 2024) – Launched a globalized network fabric solution powered by advanced SDN to optimize hybrid cloud environments.
Huawei (May 2024) – Introduced CloudFabric 2.0, integrating AI-driven congestion control and autonomous features for advanced data center networks.
VMware (May 2024) – Unveiled Cloud Second Generation, blending the agility of public cloud with enterprise-grade security and management.
These developments underscore how leading companies are shaping the SDDC market with solutions designed to empower enterprises and manufacturers navigating hybrid and multi-cloud strategies.

Future Outlook for Manufacturers

Manufacturers face a dual challenge: maintaining operational efficiency while accelerating digital innovation. With SDDC, they can:

Cut capital and operational costs.
Scale infrastructure on demand.
Enhance cybersecurity with policy-driven, zero-trust models.
Support advanced applications like predictive analytics, IoT, and AI.
By adopting SDDC, manufacturers are positioning themselves to thrive in a digital-first economy while meeting regulatory and sustainability requirements.

Request Software-Defined Data Center Market Draft Report -
https://www.futuremarketinsights.com/reports/sample/rep-gb-15298

For more on their methodology and market coverage, visit
https://www.futuremarketinsights.com/about-us.

Editor's Notes

The software segment will remain dominant due to virtualization and AI-driven orchestration.
Large enterprises and BFSI will drive early adoption, but SMEs are expected to follow as cloud-native strategies expand.
North America leads the market, with Asia-Pacific showing strong momentum.
Manufacturers adopting SDDC gain competitive advantages in cost optimization, compliance, and digital transformation.

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