

# NetApp expands into entry-level block, fortifies cyber resiliency

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## Introduction

NetApp Inc.'s new ASA A-Series block storage devices are designed for the entry-level and midrange markets, and continue the storage system expansion the vendor initiated a year ago. Its newly rebranded Data Infrastructure Insights monitoring platform was formerly known as Cloud Insights. New ransomware detection and protection capabilities round out the vendor's first major launch for 2025.

## The Take

NetApp's strategy shift toward intelligent data infrastructure is the driver for many of the vendor's recent moves. Although cloud storage continues to be relevant in its lineup, the major product and marketing news has gradually put its on-premises storage systems back in the spotlight. The vendor's decision to sell off its [Spot and CloudCheckr CloudOps portfolio to Flexera](#) is an example of its renewed focus on its core storage products and commitment to intelligent data infrastructure.

The ASA A-Series launch provides the vendor with entry-level and midrange block-only storage platforms, which is an area where NetApp has traditionally not had a low-cost offering, but now represents an opportunity for growth and to take away customers from its top rivals. Ransomware protection and storage management remain top pain points for organizations, and the vendor has made strides here with its ransomware-detection capabilities for block storage and the newly rebranded Data Infrastructure Insights infrastructure monitoring tool.

## Context

NetApp's results for the period ending Oct. 25, 2024, included net revenue of \$1.66 billion, which was a 6% year-over-year increase, with hybrid cloud accounting for \$1.49 billion in revenue and its public cloud segment tallying \$168 million. Although its public cloud storage revenue continues to be far smaller than its on-premises storage sales, the vendor claims its first-party cloud storage services with hyperscalers and public cloud storage services sold through marketplaces grew by 43% year over year. NetApp closed the quarter with net income of \$299 million, up from \$233 million a year ago.

This export was generated for NetApp, Inc. on 7/1/2025.

NetApp has been expanding its portfolio, refreshing nearly the entire ONTAP product line over the past 10 months. With 20 new systems introduced, the company is reinforcing its position in enterprise storage. The revamped systems have had a positive impact on NetApp's financial performance, a clear example of which is the vendor's growing all-flash array annual recurring revenue of \$3.8 billion, which was up 19% year over year, and it has had four consecutive quarters with growth in the 13%-20% range. NetApp claims its Keystone storage-as-a-service had a strong quarterly showing with 55% revenue growth year over year, highlighting the vendor's ability to make storage systems attractive in an operating expense consumption model as opposed to capex storage purchases.

NetApp is pursuing two key market segments with the introduction of its newest ASA A-Series systems. NetApp's commercial segment focuses on smaller businesses through a channel-led approach, aiming to acquire new customers who have not previously purchased from the vendor. In the enterprise segment, NetApp seeks to expand its share of wallet by targeting customers using AFF for file storage but not yet leveraging ONTAP for block workloads. NetApp is looking to position these solutions as ideal both for remote locations and core enterprise needs.

AI continues to be a key market for NetApp, and the vendor claims to have added over 100 AI and data lake modernization wins across multiple geographies and industries. AI inferencing is a market opportunity that could drive the business forward, although that opportunity has not yet become large.

## **ASA A-Series takes aim at entry-level block opportunity**

NetApp is introducing new models in the ASA A-Series — A20, A30 and A50 — targeting entry-level and midrange markets. The focus is on delivering optimized performance flash systems with always-on data efficiency. These systems aim to serve VMware and database workloads effectively. With a starting price of \$25,000, NetApp positions itself as a cost-competitive solution in the market.

The ASA A20, A30 and A50 all have the same 2U base chassis, which can hold up to 24 drives, from which NetApp is offering four different size options: 1.92 TB, 3.84 TB, 7.68 TB and 15.2 TB. From a connectivity perspective, customers have the choice of NVMe over Fibre Channel, NVMe over TCP/IP, FCP and iSCSI as block storage protocol options to connect clients to these storage systems.

Given that these systems are targeted at smaller businesses and remote workloads of larger organizations, ease of use and proactive management capabilities are important in this segment. The ASA A-Series has tools that can provision storage in 60 seconds and protect with a single click. The systems have built-in business continuity tools, such as SnapMirror active sync replication to protect data and accelerate recovery operations after outages.

In the hybrid flash segment of the market, the new FAS50 gives customers an additional low-cost storage option for those that feel all-flash storage is still too expensive for use cases such as data tiering, backup and air-gapped cyber vaulting. NetApp claims the new FAS50 is up to 50% faster than the FAS8300 while consuming 33% less rack space.

NetApp also announced new products for its EF Series of systems that do not run ONTAP. EF-Series EF300C and EF600C now have new capacity flash storage options for 30-TB and 60-TB quad-level cell flash media to provide customers with lower-cost storage options. The new EG-Series units can provide throughput of up to 44 GB per second for high-bandwidth applications, and the vendor claims the new high-capacity flash allows customers to store up to 1.5 PB of data in a single 2U storage array.

## Ransomware protection, cloud storage and capacity flash

Ransomware protection and recovery continue to be key challenges for customers, and in this wave, NetApp announced an upcoming capability for adding AI-powered Autonomous Ransomware Protection for Block. The new feature will be available later this year, and the vendor claims customers will have a nondisruptive upgrade path from their version of ONTAP to the AI-powered Ransomware Protection for Block feature. NetApp also announced a new ransomware-readiness feature for BlueXP that simulates attack scenarios and recovery drills, designed to make it easier for customers to schedule and run drills.

Cost optimization remains a priority, and for its Azure NetApp Files offering, the vendor announced a new reduced minimum volume size of 50 GiB. The Amazon FSx for NetApp ONTAP adds a new AWS CloudFormation package that enables a number of advanced ONTAP operations, including SnapMirror creation (including ClusterPeer and SMV Peer), iSCSI LUN and group creation, CIFS share creation, snapshot and snapshot policy creation, and advanced volume creation.

The newly rebranded Data Infrastructure Insights continues to provide SAN analysis, anomaly detection and change management. It also includes VMware-specific additions such as vSAN support to streamline storage management.

## Competition

Rivals such as Dell Technologies Inc., Hewlett Packard Enterprise Co., IBM Corp. and Pure Storage Inc. have had products in the entry-level and midrange block storage markets for many years now, in contrast to NetApp, which was best known for its enterprise-grade network-attached storage systems and unified storage systems. NetApp believes its new products can help it expand into the lower end of the market. The storage and data protection markets have been consolidating, with Lenovo Group Ltd.'s recent acquisition of Infinidat and the merger between Cohesity and Veritas being key examples of the competitive landscape shift. NetApp's focus on intelligent data infrastructure should allow it to concentrate its efforts on competing with other storage and infrastructure players, while keeping its products relevant for new and emerging market opportunities.

In the AI markets, NetApp will continue to compete against the previously mentioned vendors, in addition to players such as DDN, VAST Data, WekaIO and others that sell advanced storage platforms with high performance and scalability that have gained traction with AI customers.

Public cloud storage services from players such as AWS, Microsoft Corp. (Azure), Google (GCP) and Wasabi Storage are also impacting on-premises storage budgets. In our [Voice of the Enterprise: Storage, Budgets & Optimization 2025 study](#), 43% claimed the use of public cloud storage services was cutting into on-premises storage budgets. NetApp does have multiple competitive offerings available across different cloud environments.

### SWOT Analysis

Strengths	Weaknesses
NetApp continues to be a major player both for on-premises storage systems and for cloud storage. The vendor's revenue and profitability has improved recently.	NetApp is still better known for unstructured data storage. Its new entry level ASA A-Series block storage systems will need to displace entrenched competitors to grab the attention of prospects who might not consider NetApp for their use cases.
Opportunities	Threats
The vendor's all-flash array revenue continues to	Cloud storage continues to cut into on-premises storage array sales.

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rise, and its revamped storage systems continue to expand its customer base.

Although NetApp works with the major hyperscaler players on first-party cloud storage services, its on-premises storage revenue is far higher than what its public cloud storage services generate.

*Source: 451 Research.*