

Point of view

# Navigating VMware changes with NetApp: A strategic approach

Phoebe Goh and Sean Dow, NetApp June 2024 | WP- 7367

# **Abstract**

Following Broadcom's purchase of VMware, current customers find themselves facing a new set of challenges and critical decisions. This perspective delves into the intricacies that have emerged as a result of this business transition, with a particular emphasis on how it affects customers' Total Cost of Ownership (TCO) and their capacity to satisfy both current and future application requirements. We introduce NetApp's strategic solutions designed to not just reduce expenses but also enhance performance, scalability, and data security within this changing virtualization environment.

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# Introduction

The future of virtualization is a critical concern for enterprises. In light of Broadcom's acquisition, the approximately 300,000 VMware vSphere customers are now confronted with a complex series of strategic choices as their contracts come to an end. They must consider whether to renew VMware subscriptions, which may come at a higher cost; transition to alternative platforms, which entails considerations around skillset realignment, integration challenges, migration risks, and the possibility of vendor lock-in; or rearchitect their workloads for cloud-native environments and containerization. The implications of these decisions are significant. It is imperative for customers to devise a comprehensive roadmap that not only addresses their immediate operational requirements but also sets a course for sustained future success. NetApp emerges as a guiding light in this scenario, offering strategic direction and support to ensure customers navigate these changes with minimal disruption to their business continuity.

Customers must craft a forward-looking strategic plan that caters to their immediate requirements while setting the stage for enduring prosperity. As a dependable ally and navigator, NetApp is ready to assist customers in ensuring uninterrupted business performance as they transition to the next generation of virtualization solutions.

# Challenges and risks

#### Scalability challenges

As enterprises expand, the demand for scalable infrastructure intensifies. Without a robust approach, growth becomes constrained, hindering operational efficiency.

Organizations should actively implement solutions that support smooth scaling. Delaying this critical step can lead to constraints and inefficiencies. Approaching growth in an ad hoc or inconsistent manner can introduce business risks, including possible downtime, escalated costs, and heightened management complexity.

As enterprises expand, the demand for scalable infrastructure intensifies. Growth is constrained without a robust and intentional approach to scaling infrastructure. Unplanned events, local and global, can lead to a decline in operational efficiency. The result of inconsistent strategies to address incremental or unexpected growth creates business risks such as downtime, additional costs, and increased management overhead.

Organizations must proactively adopt solutions that facilitate seamless scalability. Solutions should be able to scale both vertically and horizontally to meet the various needs of applications and business units as they grow.

#### **Performance bottlenecks**

Performance fluctuations can significantly hinder business operations, with unpredictable slowdowns affecting both productivity and customer satisfaction. Addressing performance requires a holistic view of the entire infrastructure, beyond just the virtualization layer. The introduction of NetApp's BlueXP, a unified control plane, transforms this challenge by providing comprehensive visibility over the entire data infrastructure. This enhanced oversight facilitates quicker identification and resolution of performance issues, which might otherwise be a tedious, manual process scattered across multiple control planes.

Enterprises need an infrastructure designed for consistent, reliable performance, capable of withstanding surges in demand. Sole dependence on VMware solutions may fall short. BlueXP offers a strategic advantage, ensuring that businesses can manage, monitor, and optimize their data environment seamlessly, thus maintaining high performance standards essential for their success.

## **Data protection complexity**

Integrating data protection, disaster recovery, security, and other essential components is nonnegotiable. Complex and siloed setups introduce vulnerabilities, jeopardizing sensitive information. Any solution that customers decide on must at all costs protect their most valuable asset, their data.

# The total cost of ownership dilemma and budget reallocation

Understanding the intricacies of total cost of ownership (TCO) is pivotal for making informed decisions about resource distribution. By adopting a strategic stance on license management and budget efficiency, organizations can reallocate their financial assets more judiciously, ensuring that every dollar is put to its highest and best use.

#### Navigating the transition to an advanced technological future

The evolution toward a more innovative future is driven by applications that should not be constrained by present technological limitations. As organizations embrace containerization and migrate to advanced platforms, the return on investment (ROI) in virtualization must include its scalability and the seamless adoption of new technologies. This ability is crucial for maintaining a competitive edge in the everevolving tech landscape.

## Addressing the shift to subscription models and the optimization of resources

VMware's shift to a subscription-based model, which now charges licensing by the core, comes with a suite of features that organizations may not currently use but that still contribute to their TCO. To prevent incurring unnecessary costs, it is crucial to maximize feature utilization and to minimize surplus vCPU provisioning. Because there is no option to extend existing support contracts or to maintain a status quo with vSphere in the short term, companies are being nudged toward these subscription offerings.

## Liberating budgets for emerging VMware expenses

The transition to VMware's subscription model necessitates a reallocation of budgets to accommodate new costs. This change is compounded by the requirement for non-VMware but mandatory components, such as integrations, data protection, and security solutions. Although these elements are essential, they add complexity and expense to the TCO, making it imperative for organizations to scrutinize their investments and make sure that they are both cost effective and conducive to future growth and technological adoption.

# How NetApp can help

In response to the recent acquisition of VMware by Broadcom and the ensuing concerns over contract renewals and price increases, NetApp stands firm in its commitment to support customers through these uncertain times. NetApp is committed to delivering solutions that ease the transition and also provide significant cost savings and flexibility. By focusing on intelligent data management and infrastructure efficiency, NetApp helps customers overcome these challenges without financial strain. NetApp is dedicated to helping businesses navigate today's challenges while preparing for tomorrow's technological demands.

#### Rightsizing and cost optimization

NetApp® Cloud Insights empowers businesses to rightsize their virtualized environments, ensuring cost-effective flash storage performance with its <u>Storage Efficiency Guarantee</u>. This approach helps avoid the costs associated with HCI storage, which can require up to 4X more capacity and significantly increase

VMware license costs. To make informed decisions, you must know your current state before planning your future.

## Data management and security

NetApp offloads critical data management tasks from the vCPU layer to enterprise storage, including replication, backup, recovery, and protection, helping to optimize IT resources. Our <a href="Ransomware">Ransomware</a> <a href="Recovery Guarantee">Recovery Guarantee</a> enhances security, safeguarding against the threat of cyberattacks and providing peace of mind that your data is protected. As the only storage vendor certified by the NSA, NetApp is the leader in cyber resilience.

#### Flexible hybrid data management platform

The NetApp platform supports a range of hypervisors, including vSphere, across both on-premises and cloud environments. This flexibility means that enterprises can maintain an open and adaptable infrastructure for their current and future needs.

## **Enterprise-grade data management capabilities**

With NetApp, organizations have access to enterprise-grade data management capabilities such as SnapMirror® and SnapCenter®, available on premises and in the cloud, providing a consistent and reliable data management experience across different environments.

#### Workload migration and technology adoption

NetApp Professional Services and partners facilitate the migration of workloads to the cloud or alternative hypervisors. Businesses can leverage new technologies and features while avoiding lock-in and minimizing skills gaps, for a smooth transition and integration of new technologies.

## **Future-proof architecture**

NetApp offers an open, optimized, and intelligent data infrastructure that supports virtual machines, containers, and cloud strategies. Our unique partnerships and integrations with the most important hyperscalers such as Google Cloud, Microsoft Azure, and Amazon Web Services allows businesses to adapt to evolving requirements without undergoing a complete transformation.

#### Simplified data movement and unified experience

NetApp simplifies data movement and supports new technologies, providing the same enterprise data management features used for vSphere. This unified approach optimizes virtual machine and container workloads with the same tools and user experience, streamlining operations and ensuring a future-proof enterprise architecture.

# **Proof points and customer stories**

- A North American life sciences company realized \$5 million in annual savings by using NetApp Cloud Insights to analyze compute instances, identifying the optimal cloud tier and storage capacity.
- <u>Todd Energy</u> achieved a 40% reduction in energy consumption and rack space through a hybrid backup and disaster recovery solution, enabling swift integration with other systems without the need to adopt a new hypervisor product.

# Conclusion

In a landscape marked by change, NetApp equips VMware customers with the tools and guidance to navigate with confidence. Our strategic solutions help businesses to remain agile, secure, and cost effective, ready to face the future of virtualization.

# **About NetApp**

NetApp is the intelligent data infrastructure company, combining unified data storage, integrated data services, and CloudOps solutions to turn a world of disruption into opportunity for every customer. NetApp creates silo-free infrastructure, harnessing observability and AI to enable the industry's best data management. As the only enterprise-grade storage service natively embedded in the world's biggest clouds, our data storage delivers seamless flexibility. In addition, our data services create a data advantage through superior cyber resilience, governance, and application agility. Our CloudOps solutions provide continuous optimization of performance and efficiency through observability and AI. No matter the data type, workload, or environment, with NetApp you can transform your data infrastructure to realize your business possibilities.

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