



Nutanix Multicloud Roadmap and Its Relevance to European Buyers

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IDC's Quick Take

Enterprise infrastructure software provider Nutanix hit milestone product developments to automate on-premise in 2017. In 2018, it will start delivering on external cloud portability, a key for European multicloud needs.

Event Highlights

On February 6, 2018, enterprise infrastructure software provider Nutanix held one of its [.Next roadshow events](#) in Frankfurt, Germany. Senior marketing executives from the company, including new hire Ben Gibson (chief marketing officer) and Satyam Vaghani (VP technology), laid out the product strategy in front of German-speaking partners and end customers. The vendor has moved up from talking about hyperconverged systems and now centers its vision around the concept of Enterprise Cloud OS.

Many existing and future products were discussed in keynotes and breakout sessions, including management tools from the Calm and Prism families, machine-learning features (X-FIT), and multicloud stacks from the Xi family.

IDC's Point of View

According to Nutanix, Enterprise Cloud OS is a product vision spanning on-premise datacenters (where Nutanix's hyperconverged solutions are rooted) to external clouds to nascent edge computing environments. As part of that vision, Nutanix briefly pitted multicloud as the end-state enterprises should be aiming for, where a single software stack allows portability of data across all of those environments.

IDC believes the expanded strategy is a good move for the EMEA business, in particular as far as the Global 2000 accounts that Nutanix focuses on are concerned. We are seeing skyrocketing appetite for multicloud solutions in the region, as a result of the ["mad run" to build next-generation applications on external clouds over the past five years](#). IDC predicts that by 2020, 40% of European enterprises will have established mechanisms to operate their multicloud environments.

IDC holds a similar view to Nutanix in so far as multicloud goes. We define multicloud infrastructure as a desired end-state where two or more concurrent services of the same class (e.g., two different IaaS services) are available to the end user in a managed fashion. Multicloud strategies are initiated to:

- Reduce locking by ensuring data portability
- Achieve savings through a single view on costs of various cloud resources
- Hit compliance levels around GDPR and other regulations by correctly logging and mapping data access

Multicloud stacks consist of five layers of technology, from hardware and datacenter facility all the way up to deployment automation and governance tools. Nutanix has a strength in the middle of the stack,

moving from a deep foundation on virtualization and aggregation software technologies and now cracking into multicloud operations tools.

Product Relevance On- and Off-Premise

Nutanix clearly has product development at full speed in many areas, with several strong features launched around the on-premise infrastructure core (e.g., network virtualization capabilities and "one-click-application" with Calm App Automation). We predict that 10% of the 200 largest European IT buyers will test machine-learning-enabled infrastructure operations in 2018 and 25% will use those tools in production by 2020. Nutanix had a strong and sensible message in this area, we felt. Within Prism Pro, dynamic, ever-improving algorithms (X-FIT) are available to move beyond management-by-threshold. Use cases include capacity planning using "lanes" of capacity, anomaly detection (avoiding false alarms), and virtual machine rightsizing and monitoring (e.g., detecting "Zombie" VMs).

The off-premise portion of the portfolio enters hot development now. The vendor does not currently offer cloud governance tools such as external cloud cost comparison, compliance tracking, or service-level management tools. Judging by the roadmap shared to date, it has instead focused on building a deep stack that will allow portability and ultimately "live migration" of virtual machines and data across external and internal clouds.

To deliver that, Nutanix has been building out [Nutanix Xi Cloud Services](#), a mirror software stack that can run on Nutanix-powered clouds on- and off-premise and potentially in third-party cloud platforms such as Google Cloud Platform — bridging the technology and operational gaps between them. The vendor does not expect availability of Nutanix Xi Cloud Services on AWS or Microsoft Azure in the first release, but plans to cover those environments in a second stage.

The immediate use case that Nutanix is targeting with Xi Cloud Services is disaster recovery into external clouds. Other use cases (such as portability across clouds and cloud repatriation) are also possible, but IDC expects them to take longer to materialize.

Direct competitors in this space are VMware (especially in the VMware Cloud on AWS services), Microsoft (Azure and Azure Stack), and NetApp. In the data protection space, Cohesity, Datrium, Rubrik, and others will also provide competition.

We believe Nutanix Xi Cloud Services will be the cornerstone of Nutanix's business in EMEA, quicker than anyone (including Nutanix) expects. We maintain that adoption of strategic multicloud will be faster than the global trend in the Western Europe region. Data compliance requirements and especially the need to multisource external cloud platforms is stronger in large enterprises in Europe than in other developing regions.

Conclusion

Multicloud strategies require a strong on-premise core through infrastructure aggregation and automation of manual tasks. We believe Nutanix is a provider with unique solutions in the EMEA space in making on-premise "cloud like." Features and products like Calm and X-FIT are available to EMEA customers already and are linked to real customer needs.

In 2018, European buyers should consider connectivity and interoperability with external clouds a key requirement for any infrastructure platform they buy. Nutanix's vision is boldly aligned with this — and

it has the proven track of delivering products quickly. Features such as Xi Cloud Services for disaster recovery will be available in early access in mid-2018 in EMEA. This is concomitant to primary competitors' activities.

Signs of hyperscale partnerships, [especially with Google](#), are very promising and must be rapidly operationalized in the region. The compatibility of Xi Cloud Services with other large cloud platform providers will be equally important midterm. Sales motions and targeted personas will also partly change compared with selling on-premise stacks. If all of those moving parts are rapidly sorted, Nutanix has the potential to become a major multicloud enabler in the region in 2018.

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