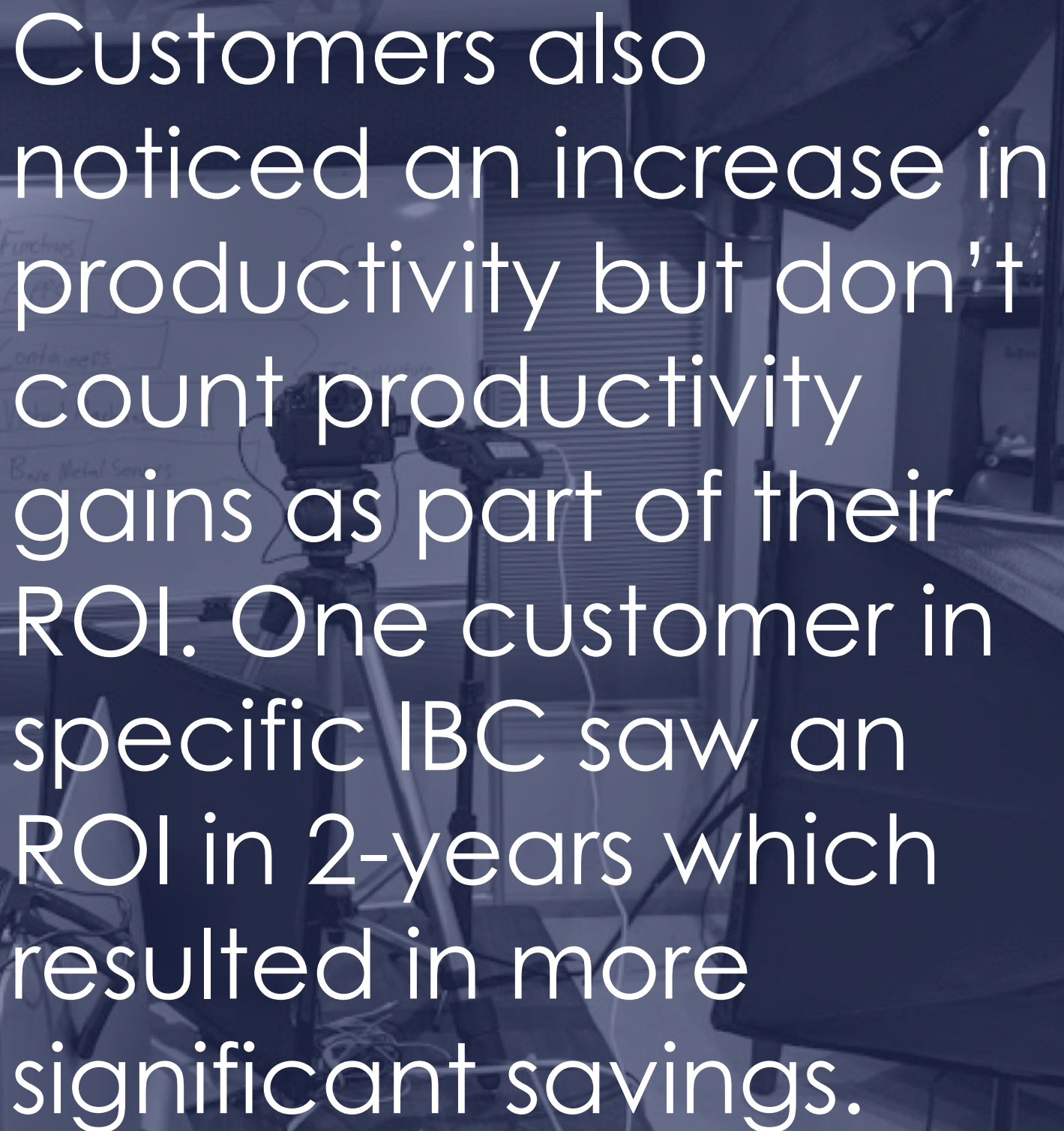


Company



Nutanix Next Analyst Report

Is Nutanix an Enterprise
Cloud Company?



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Introduction

I had the opportunity to co-host [SiliconAngle's theCube](#) during Nutanix .NEXT 2018 (Nextconf). Nutanix is the thought leader in hyper-convergence. With revenues targets of \$3B, the company quickly became a force in enterprise technology. One of the past critiques involved the company's inability to win significant billings with Fortune 500's. During .NEXT, Nutanix announced a deal to replace OpenStack in an organization with 21,000 OpenStack nodes. I assume the unnamed company to be PayPal. So, Nutanix is pushing its way into the large enterprise. One of our most popular videos discusses why I don't believe Nutanix a Cloud company. So, is Nutanix now an Enterprise Cloud company? It's time to revisit the topic.



Is Nutanix a Cloud Company?

Nutanix' Split Persona

Let me first start out by saying, every Nutanix customer I spoke with loved their Nutanix implementation and had a great fondness for the company. Existing customers used the phrases, "humble team" and "not entitled to the sale" in describing their relationship. Capturing a company's true character in only 280-characters is difficult. Outside of a brief visit to the Nutanix offices a few years ago, my only previous interaction with the company has been social media and the local sales team when I worked for a large enterprise. Some of Nutanix' representatives on social media have a reputation for being aggressive in defending the company after perceived negative commentary about the company or product.

However, I nor my community matter much when it comes to the outcomes business enjoy in deploying Nutanix solutions. I spoke with customer after customer that shared how Nutanix software-based appliances reduced their overall enterprise storage spend by 20% or more. Customers also noticed an increase in productivity but don't count productivity gains as part of their ROI. [One customer](#) in specific IBC saw an ROI in 2-years which resulted in more significant savings.

HCI vs. Cloud

Talking with customers, most if not all of the productivity and economic gain was a result of collapsing the traditional silos of virtualization and storage. Several Microsoft customers shared their experience switching to the Nutanix' hypervisor AHV after having less than desirable results with Microsoft Hyper-V. Nutanix isn't unique in saving customers money and increasing productivity. During Dell Technologies World, Dell VP Chad Dunn [shared](#) that 62% of the customer meetings at the show were about Dell's hyperconverged solution VxRail/VxRACK. That's over 200 customer meetings.

62% of the customer meetings at Dell Technologies World revolved around HCI

HCI proves an enabling technology for reducing cost and overhead in delivering enterprise IT. It's easy to see why the company compares the solution to enterprise cloud platforms. When I asked a reference customer her thoughts on Nutanix as an enterprise cloud company, the response - It didn't matter. Her

internal customers viewed IT as the Cloud. Nutanix made her job easier and therefore it's a cloud company in that sense.

The cloudarotti is a term used to describe cloud computing purists. A purist view of the cloud involves cloud-native capabilities and interactions. It's easy to point to AWS and Azure as the representative interpretations of cloud services and consumption. Attributes include API-level interaction for developers, Platform as a Service (PaaS) offerings, Object and Block storage offerings as part of an IaaS platform, and pay for use consumption. It's the purist' definition of cloud that I've held Nutanix to in the past.

From a simple comparison, does Nutanix look like any of the cloud providers in the solutions the company provides? I not only consider AWS, Azure, and Google as cloud companies but SaaS companies such as Salesforce and Workday as well. It's that standard I use to compare Nutanix' Enterprise Cloud label.

Understanding the Nutanix Cloud Platform

Nutanix' cloud features fall into two categories, services, and private cloud. The first thought of Nutanix' cloud capability is the private cloud. The capability begins with Prism and enhanced via CALM. I interviewed CALM's and Prism's marketing and development teams. They had a hard time succinctly describing the relationship of CALM to private cloud. At the risk of oversimplifying my impression - CALM is the API-driven interface for orchestration and accessing Nutanix cloud services. Prism is the foundational software for the private data center infrastructure.



CALM & Prism platforms

Based on my interviews, I interpreted CALM as the platform that brings together virtualization, compute, storage and micro-segmentation. It also provides the portal for purchasing services and 3rd party appliance software. CALM is very much in the early stages of maturity. However, I'd technically call it Nutanix cloud control plane powering their automation engine.

I view Prism as the private infrastructure provider to CALM. Prism is the storage, network, and virtualization platform that powers the Nutanix software platform. It is the traditional HCI stack Nutanix recently decoupled from their OEM appliance.

Nutanix announced several cloud services. Beam was the first announcement. Beam allows for optimization of workloads across hybrid-cloud. Nutanix competes with solutions such as Turbonomics and CloudGenera. Today, the solution doesn't support Nutanix' private cloud (CALM) for cost analysis.

Nutanix' 2nd cloud service is Xi. Xi was announced last year as a DR option. Xi is Nutanix software running inside an hyperscaler cloud. VMware Cloud on AWS is a fair comparison in concept.

The first partner is Google's Compute Engine platform. Nutanix leverages Google's previously announced nested virtualization solution. If this sounds familiar, it's because Scale Computing [announced](#) a similar solution during TFD15. According to Nutanix, the plan is to host production workloads once the

solution goes generally available. Count me as a skeptic on using nested virtualization as production. I find it a perfectly acceptable solution for DR. According to Google's [documentation](#) on nested virtualization, customers should expect a 10% performance impact. Customers should wait for more information before planning to host production workloads in any nested virtualization solution.

AWS offers a bare metal cloud solution. Nutanix expects the ability to deploy their software within the AWS data center using bare metal servers. Bare metal Cloud isn't unreasonable as Ian Sanders was able to get Nutanix CE [running](#) within Oracle's Cloud Infrastructure.

The last service Nutanix announce - Era. Era is Nutanix' vision of the database PaaS layer. Having a PaaS is required for a minimum viable Cloud offering. Today, I understand Era as a series of automation tools to present new database to cloud consumers. The solution also features data management features to allow simplified database administration work. Nutanix targets Oracle DB as part of the initial release.

Is Nutanix an Enterprise Cloud Company?

The question remains, is Nutanix an enterprise cloud company? My response is similar to the earlier referenced customer. It doesn't matter. I'm personally beyond the question. There's been too much cloud washing to claw back the definition to a simple foundation. Nutanix' has a vision for enterprise cloud. There are other vendors further along on that journey. Even some customers who are very happy with Nutanix as an HCI company have moved on beyond Nutanix' plans for cloud-native Kubernetes support which Nutanix expects in an upcoming release.

Like other HCI providers, Nutanix is proven to reduce cost and overhead if you are a Tier 1 storage customer. If adopted to replace all of your 3-tier infrastructures HCI reduces operational overhead freeing resources to create and support cloud-native infrastructure.

If your goal is to build a cloud-native infrastructure with API-driven access, then Nutanix doesn't have a complete end-to-end solution. If your goal is to simplify your existing application delivery and support, then take a listen to Nutanix' story.

The CTO Advisor

The CTO Advisor is a IT Strategy and Content Marketing firm focused on enterprise IT Infrastructure. Keith Townsend is the Principal Advisor bring over 20-years of industry experience alongside a talented group of contributors.

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