

REGION FOCUS: WORLDWIDE

Executive Summary:

The Business Value of Nutanix Cloud Platform



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As enterprises evolve through digital transformation, they are modernizing their information technology (IT) infrastructure to improve performance, agility, availability, and ease of use and lower costs. For many enterprises, this means moving to software-defined infrastructure that has the flexibility to support bare metal, virtualized, and container-based environments that they will have to support during the digital transformation journey.

And the software-defined infrastructures that enterprises are deploying is dominated by hyperconverged infrastructure (HCI). HCI virtualizes compute, storage, and networking resources, allowing them to be configured through software; run on cost-effective commodity hardware that can be on premises, hosted, in public cloud, or at the edge; and scaled with ease by just adding nodes into a cluster.

Digitally transforming enterprises are less focused, though, on what type of storage architectures they should deploy and more focused on how to address the business requirements needed to keep their companies on a successful, profitable growth path. Software-defined infrastructures like HCI just happen to be particularly good at meeting these requirements in a very cost-effective manner.

Software-defined infrastructures like HCI are widely used for infrastructure modernization. During technology refresh, more than 70% of enterprises have moved workloads from legacy storage area network (SAN) and network attached storage (NAS) systems to HCI, and 56% of them are running mission-critical workloads on it. There is no doubt that HCI platforms can effectively replace legacy hardware-defined approaches for many workloads, and IDC's tracking of vendor shipments indicates that HCI is clearly cannibalizing and impacting the growth of more traditional external storage systems revenue.

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Business Value Highlights

- ↑ **356%** five-year ROI
- ↑ **12 months** to payback
- ↓ **43%** reduced total cost of operations
- ↑ **53%** more efficient IT management
- ↓ **36%** reduced infrastructure cost
- ↑ **33%** more efficient help desk operations
- ↑ **25%** more efficient data protection teams
- ↓ **97%** reduction in unplanned downtime
- ↑ **\$7.6M** in revenue gained or protected annually
- ↓ **57,500kg** annual reduction in CO₂ due to reduced number of physical servers required
- ↑ **16%** more productive application developers

Nutanix is a cloud platform provider that enables customers to modernize their datacenters, unify all their clouds, and run any business-critical and other applications at any scale on software-defined infrastructure. The company's flagship infrastructure offering, Nutanix Cloud Platform (NCP), is based on HCI architecture and includes the proven storage management features necessary to run mixed enterprise workloads (including those that are mission critical). With over 22,000 customers large and small across the world in many vertical markets, many enterprises have moved workloads from legacy SAN and NAS environments to NCP for increased agility and availability, improved ease of use, and better economics.

IDC conducted research that explores the value and benefits for organizations of using NCP, with a particular focus on operational costs, IT agility, and business operations.

Through a series of in-depth customer interviews and a methodology for determining business value, IDC's analysis found that these companies realized significant value from the Nutanix offering with annual average benefits per organization of \$5.9 million by:

- Providing an agile, scalable, cost-effective, and high-performing IT platform that served to streamline IT management while unifying compute and storage operations
- Improving the overall productivity of IT infrastructure, help desk, and data protection teams
- Translating these IT agility and operations benefits into better applications development, improved business results, and higher end-user productivity
- Minimizing the effects of unplanned downtime, thereby contributing to greater productivity for business-critical applications and databases

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