

MARKET NOTE

Hitachi Vantara Expands Partnership with Cisco to Offer New Services for Converged Infrastructure in Hybrid Clouds

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EXECUTIVE SNAPSHOT

FIGURE 1

Executive Snapshot: New Hitachi-Cisco Offering Has the Potential to Disrupt the Market for as-a-Service Infrastructure in Hybrid Cloud Environments

Hitachi Vantara and Cisco Systems expanded their long-standing partnership with the introduction of Hitachi EverFlex with Cisco Powered Hybrid Cloud, a suite of services for converged infrastructure, in hybrid cloud and on-premises environments. The offering combines Hitachi storage and Cisco servers and networking hardware and adds software for hybrid cloud observability, automation, predictive analytics, and unified management. The comprehensive set of services extends beyond what either vendor could offer individually and carries the potential to shake up the competitive landscape for as-a-service infrastructure.

Key Takeaways

- The new Hitachi EverFlex with Cisco Powered Hybrid Cloud offers a suite of services for converged infrastructure in hybrid cloud and on-premises environments, with flexible options for deployment types, sizes, and levels of service and an all-inclusive, consumption-based, and pay-per-use pricing model.
- The joint offering combines Hitachi's storage with Cisco's servers and network switches and includes software for hybrid cloud observability, automation, predictive analytics, and single-pane-of-glass management across on-premises and public cloud environments. Partners can add services for infrastructure deployment at their own sites, the client's datacenters, or colocation facilities.
- Hitachi EverFlex with Cisco Powered Hybrid Cloud has the potential to have a substantial impact on the market for as-a-service infrastructure and enhance the vendors' portfolio at a time when enterprise buyers are seeking managed services from strategic technology partners to augment their internal IT capabilities and address digital business initiatives.

Source: IDC, 2024

IN THIS MARKET NOTE

On January 31, 2024, Hitachi Vantara expanded its long-standing partnership with Cisco Systems with the introduction of a suite of services for converged infrastructure in hybrid cloud and on-premises environments. The new Hitachi EverFlex with Cisco Powered Hybrid Cloud offers flexible options for deployment types, sizes, and levels of services, with an all-inclusive, consumption-based, and pay-per-use pricing model and buyback options for customers that want to acquire the assets at the end of the contract term. Partners will have an opportunity to add services for deployment at their own sites, the client's datacenters, or colocation facilities.

The Hitachi EverFlex with Cisco Powered Hybrid Cloud hardware combines Hitachi's block, file, and/or object storage with Cisco's X-Series and C-Series servers and MDS Fabric and Nexus switches. The joint offering's software brings together tools and technologies for hybrid cloud observability, automation, predictive analytics, and single-pane-of-glass management. The control plane extends across on-premises and public cloud environments and features a self-service portal with a configurable dashboard to accommodate a wide range of users, including infrastructure managers and CIOs. The new offering's software components include Hitachi's Infrastructure Orchestration as a Service (HIOaaS) and Ops Center and Cisco's Intersight and Nexus Dashboard. The offering can also integrate with third-party software.

Preconfigured and standard Hitachi EverFlex with Cisco Powered Hybrid Cloud options will include:

- Infrastructure orchestration as a service
- Compute as a service (with options for containers, virtual machines, and bare metal as a service)
- Storage as a service
- Data protection as a service
- Network as a service

Hitachi and Cisco will support the joint offering with managed services, professional services, learning services, cloud and advisory consulting services, total cost of ownership (TCO) assessments, network services, and application refactoring to move workloads to the cloud. Customers will have a single point of contact, but Hitachi and Cisco will oversee varying aspects. Hitachi Vantara will take responsibility for initial and on-demand deployment, the unified orchestration console, and managing the hardware, software, and automation to the desired service-level agreement (SLA). Cisco will be responsible for level 3 (L3) back-end support, deal-specific architecture support, and installation of partner-provided Cisco hardware.

IDC'S POINT OF VIEW

IDC research shows that IT buyers are increasingly demanding operationally friendly consumption and management options when selecting infrastructure providers. In the past, some of the most important selection criteria included product and service security and resilience, seamless data and workflow integration, sustainability, automated remote support and life-cycle management, and unified management control planes. While those capabilities remain critically important, IDC finds that more than 65% of IT decision-makers want strategic vendors and partners to take administrative and

operational responsibility for infrastructure so their IT staffs can focus on business outcomes such as improved customer satisfaction and increased levels of operational efficiency.

Pairing two major industry players, the new Hitachi EverFlex with Cisco Powered Hybrid Cloud has the potential to shake up the growing market for dedicated infrastructure offered as a service, and with operationally friendly consumption options. Hitachi has offered managed services for more than 10 years and launched its branded EverFlex storage-as-a-service (STaaS) option in April 2020 to let customers scale infrastructure on demand with a pay-as-you-go pricing model and SLA guarantees. IDC's tracker data for storage hardware as a service shows that Hitachi trails market leaders Dell Technologies, Hewlett Packard Enterprise (HPE), and Pure Storage by a significant margin.

However, the new Cisco-powered Hitachi EverFlex gives the vendors a chance to vault into the thick of the competition with Dell APEX and HPE GreenLake for full-stack infrastructure as a service (IaaS) at a time when increasing numbers of enterprise buyers are seeking managed services from strategic technology partners to augment the capabilities of internal IT staff. The new Cisco-Hitachi offering introduces a comprehensive set of services that goes well beyond what either company could offer on its own and extends the vendors' relevance at a critical juncture when enterprise buyers are weighing the strategic providers that can best meet their needs for next-generation infrastructure. Enterprises have been increasingly considering alternatives to traditional infrastructure that can afford them greater agility as they pursue digital business initiatives with analytics, artificial intelligence (AI), and cloud-native applications that often span on-premises and public cloud sites. Cisco-powered Hitachi EverFlex is designed to help organizations accelerate their hybrid cloud deployments, enhance security, and ensure compliance with requirements such as the General Data Protection Regulation (GDPR) and Health Insurance Portability and Accountability Act (HIPAA).

IDC's Future of Digital Infrastructure program found that in 2023, 72% of the organizations experiencing the highest levels of improvement in business outcomes had implemented intelligent automation using unified full-stack observability and analytics to drive consistent infrastructure operations. In addition, 79% of these leading organizations agreed that as-a-service and consumption-based models are critical enablers of their digital infrastructure strategy.

The new Cisco-powered Hitachi EverFlex offering's emphasis on the integration of automation and predictive analytics will enable enterprises to optimize the management, cost, and operational effectiveness of their hybrid cloud and datacenter computing, storage, and networking resources with the backing from two industry leaders. The ability to manage complex, hybrid cloud environments with unified, policy-driven automation and analytics is a fundamental building block for highly effective digital infrastructure strategies.

Finally, the Cisco-powered Hitachi as-a-service hybrid cloud infrastructure offering brings to mind the Virtual Computing Environment (VCE) joint venture that paired Cisco and EMC, with investments from Intel and EMC's VMware subsidiary, on converged infrastructure from 2011 to 2016. VCE once commanded more than 50% of the converged infrastructure market before dissolving after Dell's acquisition of EMC. With the coupling of a major storage vendor and leading server/networking supplier, Hitachi EverFlex with Cisco Powered Hybrid Cloud services have the potential to generate substantial interest among their large customer bases. Opportunities for workload-specific optimizations and additional services from their respective partner communities further raise the long-term stakes. Hitachi and Cisco would be well served by creating a brand that – like VCE, Dell APEX, and HPE GreenLake – could be the industry's next leading converged system stack delivered as a dedicated cloud infrastructure as a service (DCIaaS). As with any joint offering, it will be dependent on

Hitachi and Cisco to clearly communicate their respective lines of responsibility to the customer and to consider, even at this early stage, how they will foster a robust third-party ecosystem around the platform as leading DCIaaS providers have already begun to do today.

LEARN MORE

Related Research

- *Key Priorities and Trends in Public Cloud IaaS for Organizations in 2024* (IDC #US51436823, December 2023)
- *Market Analysis Perspective: Worldwide Enterprise Storage Systems, 2023* (IDC #US51266623, September 2023)
- *Market Analysis Perspective: Worldwide Dedicated Cloud Infrastructure and Dedicated Cloud Infrastructure as a Service, 2023* (IDC #US51222923, September 2023)
- *Cisco Customer Digital Infrastructure Priorities, 2023* (IDC #US51178323, September 2023)
- *Worldwide Public Cloud Infrastructure as a Service Forecast, 2023-2027* (IDC #US51019723, July 2023)
- *HPE Discover 2023: Showcasing as-a-Service Transformation* (IDC #US51017323, July 2023)
- *Hewlett Packard Enterprise Introduces New HPE GreenLake File, Block, and Data Protection Storage Services; Partners with VAST Data* (IDC #ICUS50573123, April 2023)
- *Storage as a Service Offers Significant Opportunity for Vendors of On-Premises Infrastructure to Build Revenue and Improve Systems to Better Address Customer Needs* (IDC #US50532023, March 2023)

Synopsis

This IDC Market Note discusses the importance of the new Hitachi EverFlex with Cisco-Powered Hybrid Cloud offering that has the potential to disrupt the market for as-a-service infrastructure. Hitachi Vantara and Cisco Systems expanded their long-standing partnership on January 31, 2024, with the introduction of the Cisco-powered Hitachi EverFlex suite of services for converged infrastructure in hybrid cloud and on-premises environments. The joint offering combines Hitachi's storage with Cisco's servers and network switches and adds software for hybrid cloud observability, automation, predictive analytics, and unified management. Hitachi EverFlex with Cisco-Powered Hybrid Cloud has the potential to have a substantial impact on the market for as-a-service infrastructure and heighten the vendors' relevance at a time when enterprise buyers are seeking managed services from strategic technology partners to address digital business initiatives.

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