ISG Provider Lens™

Private/Hybrid Cloud – Data Center Solutions

A research report comparing provider strengths, challenges and competitive differentiators

Customized report courtesy of:

Hewlett Packard Enterprise

QUADRANT REPORT | JUNE 2024 | GLOBAL

Table of Contents

Report Author: Shashank Rajmane

Rising demand for resiliency tools and cloud management platforms to manage and secure complex hybrid cloud environments

In the last four quarters amid the prevailing economic uncertainties, enterprises have been actively seeking ways to enhance the efficiency and cost-effectiveness of their IT investments. This has made it increasingly hard for CTOs to justify IT spends. Enterprises are exploring strategies to streamline their IT expenditures, rationalize budgets and maximize returns on technology investments. This entails evaluating existing IT infrastructures, identifying optimization and cost reduction areas and adopting innovative approaches such as hybrid cloud computing, automation and outsourcing to achieve greater operational efficiency and financial resilience. They are also maximizing their investments in cloud resources through various methods such as FinOps by placing responsibility on the IT teams for cloud resource consumption.

As organizations increasingly realize the limitations and complexities of depending solely on public cloud services, they are moving toward implementing private and hybrid cloud infrastructure solutions. This shift is motivated by various factors, such as concerns about data security, compliance obligations, optimizing performance and the desire for greater control over IT resources. By embracing private and hybrid cloud environments, organizations can leverage the advantages of cloud computing while better addressing specific operational, regulatory and security challenges. The hybrid cloud infrastructure offers the necessary flexibility, scalability and agility while maintaining control over data residency, security and expenses.

But, with the hybrid cloud infrastructure comes added complexity. This complexity arises from the need to coordinate and optimize resources across different platforms and ensure seamless communication and data flow between on-premises infrastructure and cloud services. Managing a hybrid cloud environment requires specialized skills and tools to navigate the intricacies of hybrid

Using **AI and ML** technologies has become **table stakes**, leading to **improved efficiencies** and **CX**.

deployment models, such as workload placement, data synchronization and security protocols. IT teams now have to also involve a hybrid cloud management platform that enables them to carefully orchestrate workflows and applications and leverage the strengths of each cloud environment while mitigating potential compatibility issues and performance bottlenecks. This has led to increased demand for hybrid cloud management platforms. Vendors offering these solutions are experiencing heightened interest and investment, driving innovation in this space. They are leveraging AI- and ML-based technologies to improve IT efficiency and deliver a superior user experience.

Enterprises are increasingly prioritizing the establishment of resilient IT infrastructure to safeguard against potential disruptions. To achieve this resilience, they are turning to backup and disaster recovery platforms, contributing to the growth of that market. This expansion is propelled by enterprises' imperative need to maintain operational continuity in the face of escalating cyber threats and stringent compliance requirements.

Backup and disaster recovery platforms serve as crucial pillars in fortifying organizational resilience. They provide mechanisms for creating duplicate copies of critical data and systems, ensuring that in the event of an unforeseen incident, such as a cyberattack or natural disaster, operations can swiftly resume with minimal disruption. This capability is indispensable in today's volatile digital landscape, where enterprises are constantly vulnerable to a myriad of threats that can jeopardize their operations and reputation. Furthermore, compliance regulations mandate having robust backup and disaster recovery strategies and systems to safeguard sensitive data and ensure business continuity. Failure to comply with these regulations can result in severe penalties and reputational damage. Hence, enterprises are investing in advanced backup and disaster recovery solutions to not only mitigate risks but also demonstrate adherence to regulatory requirements.

Some of the trends observed in the last year are presented below.

Several vendors have started leveraging AI and ML to develop cloud management tools that take data from various sources to predict downtime and implement self-healing measures to prevent such situations. AI for IT operations (AIOps) has also become popular. It can monitor various elements of the entire hybrid cloud environment and provide predictive analytics for incident management to aggregate events, reduce noise, auto correlate and identify the probable root cause using ML technology. This has helped enterprises to minimize downtime, enhance system reliability and improve overall user satisfaction.

This is also true in the case of backup and disaster recovery platforms market. Vendors are leveraging automated technologies to bring efficiency and agility to their resiliency solution offerings, by enabling rapid detection, analysis, and response to incidents. AI and ML algorithms are continuously monitoring systems and data, identifying anomalies or potential threats in real time. This proactive approach allows enterprises to preemptively address issues before they escalate into full-blown disruptions, thereby minimizing downtime and mitigating the impact on business operations.

As data privacy regulations tighten globally, cloud infrastructure management as well as backup solutions are evolving to prioritize encryption and privacy features. Due to stringent requirements on organizations, safeguarding sensitive data has become paramount. Backup solutions play a crucial role in ensuring data security and privacy throughout its lifecycle, from creation to recovery. Robust encryption provides a layer of protection against unauthorized access and data breaches, for data both in transit and at rest. Along with this, cloud management platforms (CMPs) and backup solutions are incorporating privacy-enhancing features such as access controls and encryption key management to provide organizations with greater control over their data. These features enable enterprises to define and enforce granular access policies, ensuring that only authorized individuals can access sensitive backup data.

Furthermore, backup strategies are evolving to prioritize rapid recovery and minimal downtime. Providers in both the Hybrid Cloud Management Platforms and Resiliency

Executive Summary

Platforms quadrants are enabling swift restoration capabilities and ensuring consistent database recovery is possible. By minimizing the time required to recover from disruptions, businesses can mitigate revenue loss, maintain productivity and uphold customer satisfaction. Therefore, there's a growing emphasis on implementing these solutions that offer seamless and efficient recovery processes to minimize the impact of downtime on business operations.

With the rising complexity of hybrid cloud environments, enterprises are adopting robust hybrid cloud management tools that can effectively orchestrate workflows, optimize resources and ensure seamless integration across diverse cloud platforms. Also, the growing demand for resiliency solutions stems from these platforms helping to maintain operational resilience and ensuring business continuity amid evolving cyberthreats and regulatory mandates.

Provider Positioning

Page 1 of 4

	Hybrid Cloud Management Platforms	Resiliency Platforms
Abiquo	Contender	Not In
Acronis	Not In	Contender
Appranix	Not In	Product Challenger
Arcserve	Not In	Contender
Axcient	Not In	Product Challenger
BMC Software	Leader	Not In
Centilytics	Product Challenger	Not In
Cisco	Product Challenger	Not In
CloudBolt Software	Rising Star ★	Not In
CloudKeeper	Product Challenger	Not In

Provider Positioning

Page 2 of 4

	Hybrid Cloud Management Platforms	Resiliency Platforms
CloudSphere	Contender	Not In
Cohesity	Not In	Leader
Commvault	Not In	Leader
CoreStack	Product Challenger	Not In
Datto	Not In	Contender
Dell Technologies	Product Challenger	Leader
Druva	Not In	Product Challenger
Flexera	Leader	Not In
HCLSoftware	Leader	Not In
HPE / HPE (Zerto)	Leader	Leader

Provider Positioning

Page 3 of 4

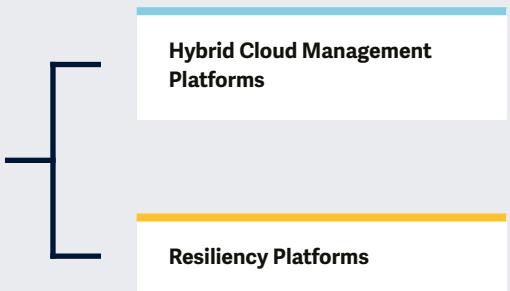
	Hybrid Cloud Management Platforms	Resiliency Platforms
IBM	Product Challenger	Product Challenger
Morpheus Data	Leader	Not In
NAKIVO	Not In	Product Challenger
NetApp	Not In	Market Challenger
Nutanix	Product Challenger	Not In
OpenText (Carbonite) / OpenText (Micro Focus)	Market Challenger	Product Challenger
Redstor	Not In	Contender
Resolve Systems	Contender	Not In
Rubrik	Not In	Leader
Scalr	Contender	Not In

Provider Positioning

Page 4 of 4

	Hybrid Cloud Management Platforms	Resiliency Platforms
SEP	Not In	Contender
ServiceNow	Leader	Not In
UnitedLayer	Product Challenger	Not In
Unitrends	Not In	Product Challenger
Veeam	Not In	Leader
Vembu Technologies	Not In	Contender
Veritas	Not In	Leader
VMware	Leader	Leader

This study focuses on what ISG perceives as the most critical aspects of **private/ hybrid cloud and data center** outsourcing solutions in 2024.



Simplified Illustration Source: ISG 2024

Definition

Building on ISG's comprehensive study of global and regional service providers of data center outsourcing, this research assessment delves into the specific area of private and hybrid cloud software solutions. While the service provider study encompasses a broad spectrum of services, including managed hosting, colocation facilities and managed services, this research study narrows its focus to evaluate software vendors specializing in private and hybrid cloud solutions. The study aims to provide a detailed analysis of technology and software vendors that excel in offering private and hybrid cloud solutions. It will assess their ability to adapt to changing market conditions, manage infrastructure in a hybrid cloud model and ensure constant accessibility.

Hybrid cloud environments have become an integral part of a client's existing IT infrastructure. They are increasingly preferred for their ability to host large data volumes and closely integrate with enterprise operations, either on-premises or in a private cloud setting. Due to the rapidly increasing demand for AI and the associated data training, there is expected to be an even stronger focus on sophisticated data management in the future.

The study will explore how vendors incorporate intuitive cloud management and cognitive platforms, and resiliency platforms as key components in today's data-driven business landscape. We aim to provide valuable insights into the evolving dynamics of the private and hybrid cloud vendor offering landscape that would potentially aid enterprises in making informed decisions for their unique infrastructure needs.

Scope of the Report

This ISG Provider Lens™ quadrant report covers the following two quadrants for solutions: Hybrid Cloud Management Platforms and Resiliency Platforms.

This ISG Provider Lens™ study offers IT decision-makers:

- Transparency on the strengths and weaknesses of relevant software vendors
- A differentiated positioning of providers by segments (quadrants)
- Focus on the regional market

Our study serves as an important decision-making basis for positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their current vendor relationships and potential engagements.

Provider Classifications

The provider position reflects the suitability of providers for a defined market segment (quadrant). Without further additions, the position always applies to all company sizes classes and industries. In case the service requirements from enterprise customers differ and the spectrum of providers operating in the local market is sufficiently wide, a further differentiation of the providers by performance is made according to the target group for products and services. In doing so, ISG either considers the industry requirements or the number of employees, as well as the corporate structures of customers and positions providers according to their focus area. As a result, ISG differentiates them, if necessary, into two client target groups that are defined as follows:

- **Midmarket:** Companies with 100 to 4,999 employees or revenues between$20 million and $999 million with central headquarters in the respective country, usually privately owned.
- **Large Accounts:** Multinational companies with more than 5,000 employees or revenue above $1 billion, with activities worldwide and globally distributed decision-making structures.

The ISG Provider Lens™ quadrants are created using an evaluation matrix containing four segments (Leader, Product & Market Challenger and Contender), and the providers are positioned accordingly. Each ISG Provider Lens™ quadrant may include a service provider(s) which ISG believes has strong potential to move into the Leader quadrant. This type of provider can be classified as a Rising Star.

- **Number of providers in each quadrant:** ISG rates and positions the most relevant providers according to the scope of the report for each quadrant and limits the maximum of providers per quadrant to 25 (exceptionsare possible).

Provider Classifications: Quadrant Key

Product Challengers offer a product and service portfolio that reflect excellent service and technology stacks. These providers and vendors deliver an unmatched broad and deep range of capabilities. They show evidence of investing to enhance their market presence and competitive strengths.

Leaders have a comprehensive product and service offering, a strong market presence and established competitive position. The product portfolios and competitive strategies of Leaders are strongly positioned to win business in the markets covered by the study. The Leaders also represent innovative strength and competitive stability.

Contenders offer services and products meeting the evaluation criteria that qualifies them to be included in the IPL quadrant. These promising service providers or vendors show evidence of rapidly investing in products/ services and a follow sensible market approach with a goal of becoming a Product or Market Challenger within 12 to 18 months.

Market Challengers have a strong presence in the market and offer a significant edge over other vendors and providers based on competitive strength. Often, Market Challengers are the established and well-known vendors in the regions or vertical markets covered in the study.

★ **Rising Stars** have promising portfolios or the market experience to become a Leader, including the required roadmap and adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market in the studied region. These vendors and service providers give evidence of significant progress toward their goals in the last 12 months. ISG expects Rising Stars to reach the Leader quadrant within the next 12 to 24 months if they continue their delivery of above-average market impact and strength of innovation.

Not in means the service provider or vendor was not included in this quadrant. Among the possible reasons for this designation: ISG could not obtain enough information to position the company; the company does not provide the relevant service or solution as defined for each quadrant of a study; or the company did not meet the eligibility criteria for the study quadrant. Omission from the quadrant does not imply that the service provider or vendor does not offer or plan to offer this service or solution.

Hybrid Cloud Management Platforms

Who Should Read This Section

This report is relevant to enterprises of all sizes globally that are evaluating hybrid cloud management platform vendors.

In this quadrant, ISG lays out the current market positioning of hybrid cloud management platform vendors and how they address the key challenges enterprises face globally.

Enterprises are increasingly integrating AI and ML technologies to enhance IT service management, predict IT operations issues and optimize service delivery. There is a significant shift towards adopting platforms that offer unified management across hybrid and multicloud environments. In 2024, one of the main challenges observed was enterprises facing difficulties managing complex multicloud and hybrid environments efficiently while ensuring security and compliance.

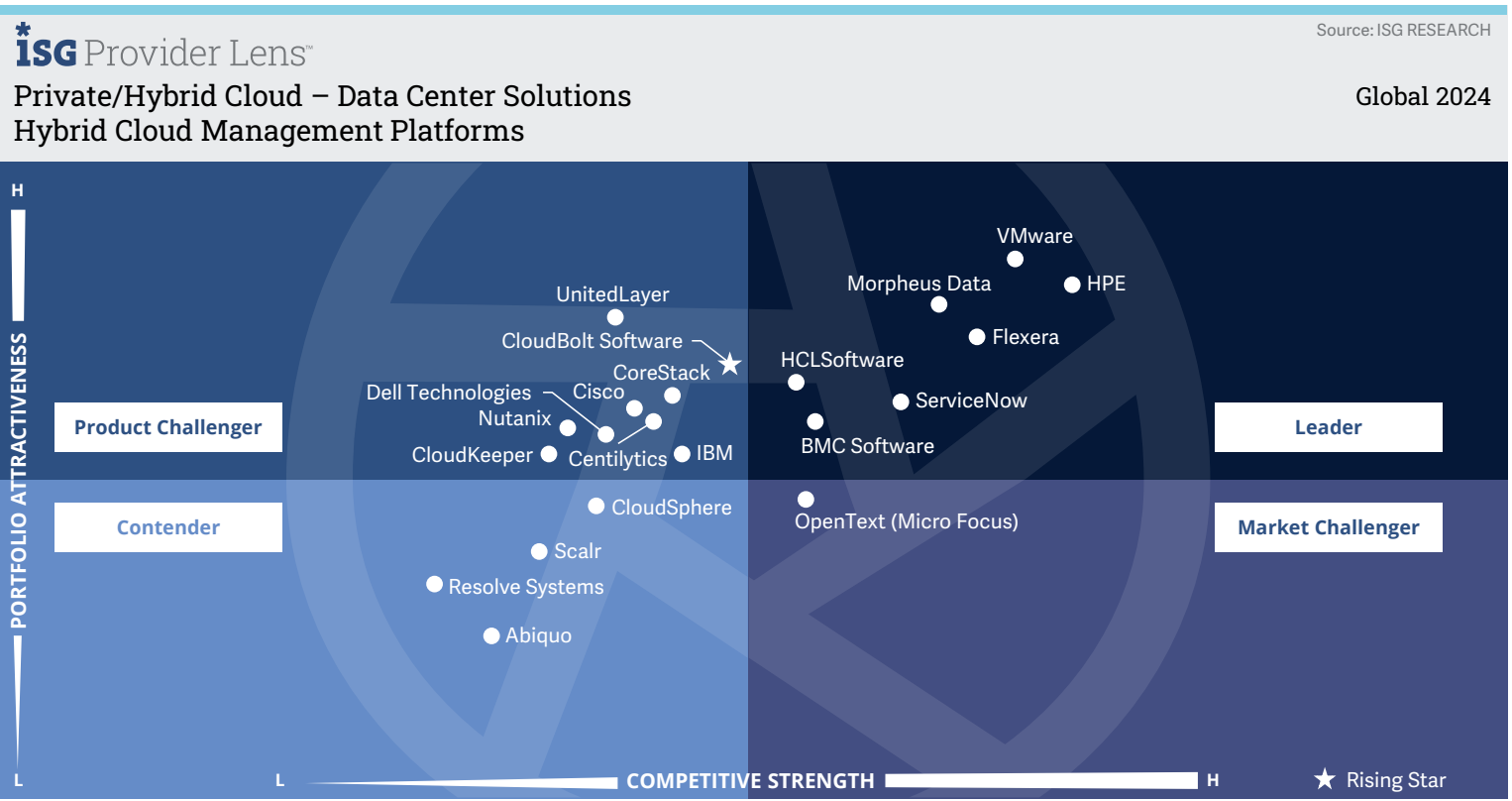
ISG observed that vendors this year have made significant progress in integrating advanced technologies like AI and ML into their solutions to automate and enhance IT operations. A few vendors, such as HPE and VMware, have continued to lead with innovations in unified cloud management and proactive IT operations management. Vendors like HPE have introduced flexible consumption models, significantly reducing capital expenditure (CapEx) and speeding up IT projects.

The future outlook indicates a stronger emphasis on AI-driven operations to reduce manual processes and anticipate IT issues before they become critical. Vendors offering hybrid cloud platforms will need to focus on expanding their security, compliance and cost management capabilities to meet the evolving needs of enterprises.

IT and Infrastructure leaders should read this report to understand the strengths and weaknesses of hybrid cloud management platform vendors and how their approaches to the market can impact enterprises' hybrid cloud strategies. The report also explains some features enterprises should consider while selecting the right vendor.

Software development and technology leaders should read this report to understand the positioning of hybrid cloud management vendors and how their offerings can impact the ongoing development of software products within an enterprise.

Sourcing, procurement and vendor management professionals should read this report to understand the current landscape of hybrid cloud management vendors globally.



This quadrant assesses vendors offering an integrated **management platform** for **on-premises, public, private** and **hybrid clouds**, ensuring consistency and enabling **cost-effective, automated** and **standardized** deployments across multicloud settings.

Shashank Rajmane

Definition

This quadrant assesses software vendors providing a robust integrated management platform to build and manage on-premises, public, private and hybrid cloud infrastructures. These platforms ensure consistency across cloud environments and enable enterprises to deploy applications in a cost-effective, automated and standardized manner across multiple cloud environments, including robust container capabilities.

Hybrid cloud management platforms can be offered as a service or through licensing. They can be leveraged to form the foundation for software-defined data centers (SDDC), fabric-based computing (cluster management) and serverless infrastructures. They play a crucial role in enhancing compliance and standardization, making them essential for businesses looking to optimize their cloud infrastructure management. These platforms are assessed for their ability to provide comprehensive, efficient and secure cloud management solutions. Overall, a cloud management platform should integrate with existing IT setup, visualize costs, automate manual tasks, be accessible through the internet, support hybrid multicloud environments, predict outages by leveraging AI and ML technologies and offer self-service capabilities while keeping all assets secure.

Eligibility Criteria

1. Ability to provide a platform to **build and operate** managed on-premises, public, private and hybrid cloud infrastructures
2. Offers a solution that includes **cost control and dashboards** for chargeback and showback mechanisms
3. Provides a **single pane of glass and self-service capabilities** to various stakeholders
4. Enables provisioning based on catalog services for the deployment of the technology stack, providing a **one-click deploy option** using automated workflows
5. Ability to generate multiple reports that can be used by the leadership team with a single-pane-of-glass view
6. Ability to provide a **secure environment** for a client's data flow in the cloud management platform
7. Ability to offer the solution through a **licensing model** rather than as a bundled services deal
8. Ability to provide **integration of third-party tools** through APIs

Observations

The hybrid cloud management market is evolving rapidly, driven by the need for advanced technological integration, cost efficiency and operational simplicity. Globally, as enterprises continue to navigate the complexities of managing hybrid IT environments, the demand for solutions that offer intelligent, integrated and user-friendly management tools continues to grow. The global market is poised to further grow significantly with a continued focus on integrating advanced technologies such as AI and ML.

Here are the key observations identified this year:

- Globally, enterprises are witnessing significant adoption of AI and ML technologies across various HCM platforms. These technologies are being used for predictive analytics, enhanced automation and smarter IT operations management, reflecting a shift towards more intelligent and proactive management of IT environments.
- Enterprises are emphasizing on leveraging FinOps principles and engaging in cost management activities to optimize cloud spending and enhance financial governance in cloud investments.
- Vendors are focusing on providing solutions that offer unified management of private, public and edge cloud environments. This is critical for enterprises seeking to reduce operational complexity and ensure consistent governance across hybrid IT landscapes.

From the 38 companies assessed for this study, 21 have qualified to be rated for this quadrant, with seven being Leaders and a Rising Star.

BMC Software

BMC Software has invested in integrating advanced AI and ML technologies within its BMC Helix ITSM platform. It continues to evolve its offerings, notably through its Helix suite, which includes the AIOps platform and Helix Discovery for advanced IT asset management.

Flexera

Flexera delivers hybrid cloud management through its Flexera One platform, which has robust tools for deep analytics and reporting. It provides clients with critical visibility and control over their IT assets and leverages FinOps frameworks for cloud transitions.

HCLSoftware

HCLSoftware's DRYiCE MyCloud continues optimizing multicloud management by integrating automated operations with compliance focus, improving enterprise agility and cost efficiency by leveraging FinOps frameworks.

Hewlett Packard Enterprise

HPE has enhanced its incident management capabilities, including environment profiling, multichannel access to expert support and prioritized incident handling, thereby ensuring rapid response and issue resolution.

Morpheus Data

Morpheus Data has improved its positioning in hybrid cloud management by providing support for scaling application deployment and management across both private and public cloud environments through its advanced infrastructure as code (IaC) and automation systems.

servicenow

ServiceNow has integrated AI-driven proactive IT operations seamlessly across various environments. This integration optimizes efficiency by using AI to anticipate and resolve issues before they impact operations, unlocking new levels of efficiency and performance.

VMware

VMware remains a leader in hybrid cloud management with the VMware Cloud Foundation and Aria management platforms, enhancing security and compliance. It faced challenges after acquiring Broadcom, indicating a need for flexible pricing strategies to fulfill client needs.

CloudBolt

CloudBolt (Rising Star) leads with a FinOps-first strategy, integrating AI for cost optimization and user-friendly interfaces to enhance non-technical user accessibility. This ensures efficient multicloud management and financial efficacy.

Leader

"HPE's GreenLake solution adds value to enterprises' IT assets through its advanced capabilities for managing an entire IT ecosystem. Clients benefit from improved operational continuity and customer satisfaction, thus maintaining high service levels."

Shashank Rajmane

HPE

Overview

HPE is headquartered in Texas, U.S. It has more than 62,000 employees across over 110 offices in 53 countries. In FY23 the company generated $29.1 billion in revenue, with Compute as its largest segment. It uses its HPE GreenLake cloud solution, which has a range of capabilities that enables organizations to operate in a more sustainable, cost-effective and efficient manner. Through the utilization of advanced analytics and monitoring tools, organizations can access valuable insights into their hybrid cloud resource utilization along with environmental impact, enabling them to make informed decisions aimed at reducing their overall costs and carbon footprint.

Strengths

Flexible consumption model: HPE GreenLake cloud offers a flexible, as-a-service consumption model that blends the security and performance of on-premises IT with the economic advantages of cloud-based services. Clients using HPE GreenLake cloud get significant benefits, with potential CapEx savings of up to 30 percent by eliminating overprovisioning and reducing time-to-market for IT projects by as much as 65 percent. This model allows clients to pay only for what they use, ensuring operational cost savings and budget flexibility.

Scalable capacity and support: HPE GreenLake cloud offers dynamic capacity management, using predictive analytics to deploy buffer capacity ahead of actual demand, and only bills upon usage. This approach allows organizations to consume resources efficiently and match capacity with demand more accurately than traditional provisioning methods. Businesses can achieve significant cost savings by avoiding overprovisioning while being prepared for unexpected demand.

Customized and outcome-based offerings: HPE GreenLake cloud's modular solution blocks are designed to provide tailored outcomes, from optimizing performance to managing the IT lifecycle, thereby enabling businesses to focus on strategic objectives. These solution blocks support specific business goals and ensure IT deployments align with and drive core business strategies.

Caution

Some HPE GreenLake cloud users mentioned that the initial setup could be complex and found compatibility issues when connecting HPE GreenLake with preexisting hybrid cloud infrastructure. Nevertheless, the complexity is attributed to the custom requirements of each enterprise, which is effectively tackled by the HPE Hybrid Cloud Advisory and Professional Services teams.

Resiliency Platforms

Who Should Read This Section

This report is relevant to enterprises of all sizes globally evaluating resiliency vendors. In this quadrant, ISG lays out the current market positioning of resiliency vendors, addressing enterprise challenges around disaster recovery strategy.

Many enterprises are integrating resiliency and redundancy solutions into their IT frameworks to maintain operational continuity amid cyberthreats and regulatory demands. Vendors like Veritas, Cohesity and Veeam stood out for their enhanced data management and disaster recovery across multicloud and hybrid environments.

Enterprises face challenges such as managing complex data landscapes, complying with strict regulations and mitigating cyberthreats. The global market continues to see an increased demand for solutions that streamline data recovery, reduce ownership costs and enhance security.

Enterprises look to vendors that offer agile, secure and compliant solutions that can seamlessly integrate into their existing IT infrastructure. They should also offer comprehensive support and managed services to address these challenges by supplementing the enterprise's capabilities with expert oversight and operational management.

Vendors have made notable technological innovations by introducing features such as advanced cyberthreat protection, AI-driven anomaly detection and automated DR processes, minimizing downtime and operational disruptions. In the future, enterprises' focus is likely to shift to solutions that offer more predictive capabilities and use AI and ML capabilities to foresee potential disruptions and automate recovery processes.

IT and Infrastructure leaders should read this report to understand the strengths and weaknesses of resiliency vendors and how their approach to the market can impact enterprises' hybrid cloud strategies. The report also explains some features enterprises should consider while selecting the right vendor.

Software development and technology leaders should read this report to understand the positioning of resiliency vendors and how their offerings can impact the ongoing development of software products within an enterprise.

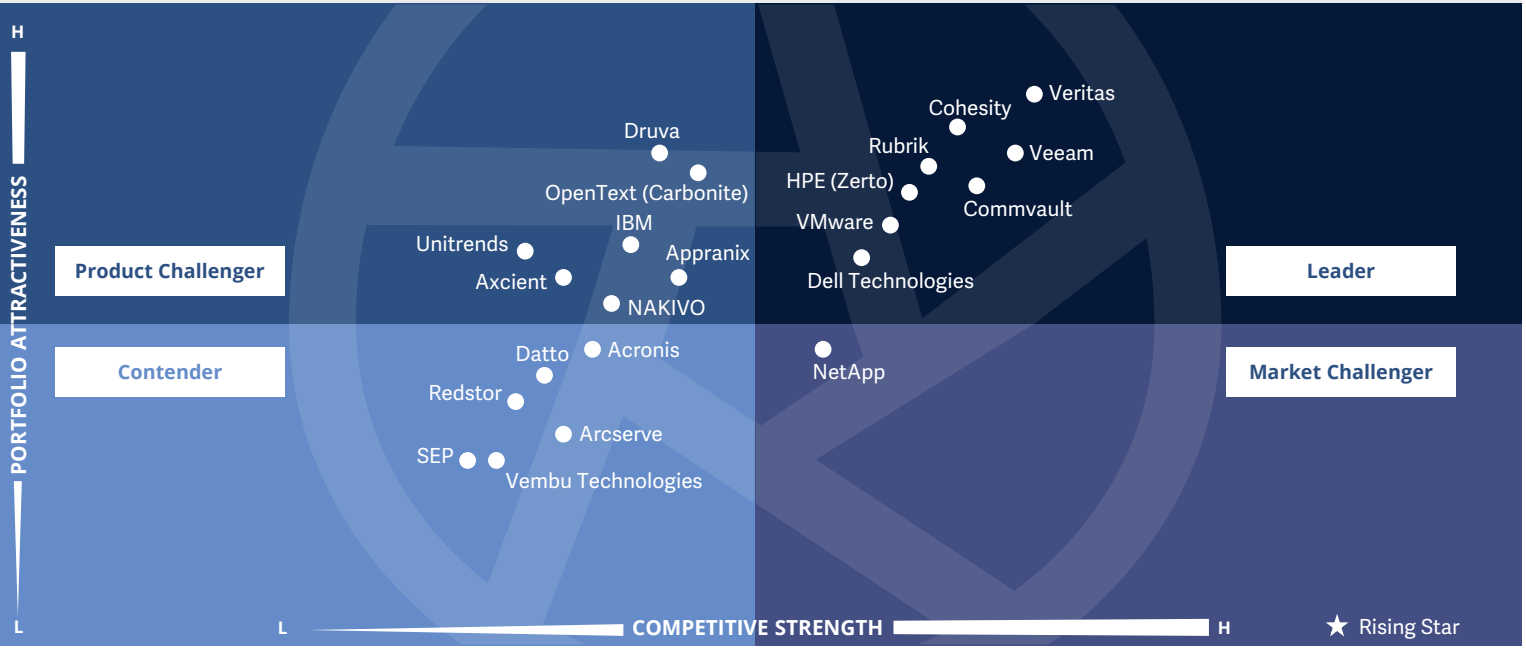
Sourcing, procurement and vendor management professionals should read this report to understand the current global landscape of resiliency vendors.

ISG Provider Lens™

Source: ISG RESEARCH

Private/Hybrid Cloud – Data Center Solutions Resiliency Platforms

Global 2024



This quadrant assesses software vendors offering a robust **resiliency platform** for **backup and disaster recovery** strategies on **on-premises, public, private** and **hybrid cloud** environments. These platforms are vital for ensuring **business continuity**.

Shashank Rajmane

Definition

This quadrant assesses independent solution vendors offering platforms or solutions for a resiliency and redundancy strategy with backup and disaster recovery within on-premises, private, public and hybrid cloud environments. Resiliency platforms in IT enable infrastructure teams to concentrate on creating and maintaining robustness in data and systems. These platforms are vital for ensuring business continuity, as they swiftly restore data and operations amid disruptions to regular business functions. Such disturbances may include subpar application performance at the primary deployment site, service interruptions, or any form of system slowdown or downtime. The solutions are available in two delivery models to cater to diverse organizational needs. The models include the conventional software distribution and the more contemporary SaaS model.

The resiliency platforms offer features such as data backup and recovery, system failover, alternate site operations, emergency response, communication and training on recovery procedures. Other key features include business continuity and disaster recovery strategy, planning, implementation and continuous testing. Some optional elements of a robust disaster recovery solution include automation and orchestration of processes, risk assessment, business impact analytics, reporting, ensuring compliance, and recovery time and training for forecasted and unforecasted events. These vendors cover the entire lifecycle of backup and recovery.

Eligibility Criteria

1. Offers a unified platform for **backup and disaster recovery** for on-premises or on private, public, hybrid, edge cloud and SaaS environments
2. Offers comprehensive **monitoring tools with real-time visibility** into disaster recovery environments
3. Demonstrates reporting capabilities to **track performance metrics** and identify trends
4. Ability to manage data and systems and offer both manual and automated recovery capabilities
5. Ability to align **various policies for backup and retention** per the organization's r**ecovery point-and-time** objectives
6. Ability to implement best practices (including solutions test and refresh) designed to **prevent any outages or downtime** and to suit changing situations
7. Offers solution that can integrate **with other infrastructure management**, resiliency and backup platforms
8. Ability to implement **robust failover** and **failback procedures**

Observations

The global market for resiliency solutions is experiencing growth driven by enterprises' needs to ensure operational continuity amidst increasing cyberthreats and compliance requirements. These solutions emphasize robust data protection and efficient recovery mechanisms essential for sustaining business operations during disruptions. The integration of AI and ML technologies is also notable as it enhances disaster recovery and threat detection capabilities. Looking ahead in time, the market for resiliency solutions will likely see sustained interest due to the essential nature of secure, agile IT frameworks that integrate smoothly with existing infrastructures, thereby fostering enhanced operational efficiency and security.

Key observations include:

- In enterprise IT infrastructure, resiliency solutions are becoming as crucial as traditional on-premises and public cloud setups, providing scalable, secure and cost-effective options for critical data management and protection.
- The increasing adoption of resiliency solutions is motivated by their effectiveness in simplifying data recovery, optimizing costs and enhancing security protocols.
- Platforms that offer integrated resiliency services across diverse cloud environments are gaining traction, reflecting a shift toward more versatile and comprehensive disaster recovery solutions.
- There is a growing emphasis on incorporating automated technologies into resiliency strategies, transforming traditional approaches to disaster recovery and enabling businesses to respond more swiftly and effectively to disruptions.

From the 38 companies assessed for this study, 22 have qualified to be rated for this quadrant, with eight being Leaders.

Cohesity

Cohesity boosts enterprise resilience with streamlined data management across multicloud environments, with robust security, simplified recovery operations and strict compliance, reducing downtime and securing data across diverse platforms.

Commvault

Commvault has improved its data resiliency solution with advanced, deception-based cybersecurity and robust recovery capabilities. Its integration of air-gapped, immutable storage and its Cleanroom Recovery service minimizes risk and downtime.

Dell Technologies

Dell Technologies has advanced its leadership in data resilience with its APEX cybersecurity solution, which innovates with automated ransomware recovery, proactive anomaly detection for secure data restoration and continuous system integrity across hybrid environments.

Hewlett Packard Enterprise

HPE (Zerto) has improved its resiliency solutions with Zerto's continuous data protection technology, enabling rapid, near-synchronous data replication and streamlined disaster recovery across hybrid and multicloud environments. It also supports complex multiVM and Kubernetes setups.

Rubrik

Rubrik enhances resiliency solutions with application-specific Zero Trust Data Security™ and immutable backups, ensuring superior data protection. Its focus on advanced threat detection and streamlined data management caters to complex enterprise needs.

Veeam

Veeam boosts its data protection solutions with advanced AI-driven threat detection and precision recovery. AI integration in the Veeam Data Platform detects threats early and adjusts recovery objectives, optimizing resiliency across multicloud environments.

Veritas

Veritas helps develop robust cyber resiliency strategies for its clients and supports multicloud and Kubernetes clusters. Through Veritas NetBackup, the company integrates AI-driven security measures and streamlined data handling across various cloud platforms.

VMware

VMware has improved its virtualization and cloud infrastructure solutions with secure data management across hybrid environments. Features like VMware Live Cyber Recovery and vSphere Hybrid Linked Mode enable advanced isolated testing and hybrid cloud management.

Leader

"HPE (Zerto) offers strong cyber backup and disaster recovery capabilities that have helped enterprises of all sizes worldwide. The resiliency solution is economically attractive and empowers enterprises to gain significant recovery capabilities."

Shashank Rajmane

HPE (Zerto)

Overview

HPE is headquartered in Texas, U.S. It has more than 62,000 employees across over 110 offices in 53 countries. In FY23 the company generated $29.1 billion in revenue, with Compute as its largest segment. It utilizes its HPE GreenLake cloud to offer disaster recovery services by integrating Zerto's technological capabilities. Zerto provides real-time, near-synchronous data replication, minimizing data loss and disruption impacts. Its solution ensures high availability and rapid recovery across hybrid and multicloud environments, supporting diverse platforms such as VMware and Microsoft Azure.

Strengths

Continuous data protection (CDP): Zerto's CDP technology employs real-time, near-synchronous data replication, minimizing disruption from data loss. It provides continuous replication without impacting production systems, eliminating the need for traditional backups. Organizations benefit from drastically reduced recovery point objectives (RPOs), which enable seamless operational continuity after incidents.

Multicloud mobility: HPE facilitates frictionless data and application mobility across multiple cloud environments, including hybrid setups. Through Zerto, HPE ensures migration, protection and recovery of workloads across diverse cloud platforms, including VMware, Microsoft Azure, AWS VMware on public cloud and over 350 MSP partner clouds without binding clients to a single provider. This capability aids in cost optimization and boosts organizational agility in adapting to market shifts.

Lower RPOs and RTOs: Zerto achieves some of the industry's lowest recovery time objectives (RTOs) and RPOs, reaching data recovery moments before disruption. Through Zerto's continuous data protection capability, HPE delivers significantly faster recovery than traditional periodic backups. This enables enterprises to quickly resume operations after an incident with minimal data loss, reducing the potential for significant financial and reputational damage.

Caution

Some small and medium enterprise customers of Zerto mentioned that the solution is expensive, especially when they need to scale up. The company can develop a lite version of the resiliency platform along with offering flexible licensing models.

Star of Excellence

A program, designed by ISG, to collect client feedback about providers' success in demonstrating the highest standards of client service excellence and customer centricity.

Source: ISG Star of Excellence™ research program, Insights till June 2024

In the ISG Star of Excellence™ research on enterprise customer experience (CX), clients have given feedback about their experience with service providers for their **Private/Hybrid Cloud – Data Center Services** services.

Based on the direct feedback of enterprise clients, below are the key highlights:

Client Business Role

▲ **Most satisfied**
Human Resources

▼ **Least satisfied**
Shared Services Operations

Region

▲ **Most satisfied**
Australia/New Zealand

▼ **Least satisfied**
Africa

Industry

▲ **Most satisfied**
Public sector

▼ **Least satisfied**
Healthcare

Industry Average CX Score

▲ Highest CX: 96.8
▼ Lowest CX: 60.6

CX Score: 100 most satisfied, 0 least satisfied
Total responses (N) = 467

Most Important CX Pillar

Execution and Delivery

Service Delivery Models	Avg % of Work Done
Onsite	56.0%
Nearshore	20.8%
Offshore	23.2%

Appendix

Methodology & Team

The ISG Provider Lens 2024 – Private/Hybrid Cloud – Data Center Solutions study analyzes the relevant software vendors/service providers in the global market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

Study Sponsor:
Heiko Henkes

Lead Author:
Shashank Rajmane

Editors:
Padma Kalyani Mohapatra and John Burnell

Research Analyst:
Yatharth Bharti

Data Analysts:
Sachitha Kamath and Lakshmi Kavya Bandaru

Consultant Advisors:
Anay Nawathe and Rob Brindley

Project Manager:
Manikanta Shankaran

Information Services Group Inc. is solely responsible for the content of this report. Unless otherwise cited, all content, including illustrations, research, conclusions, assertions and positions contained in this report were developed by, and are the sole property of Information Services Group Inc.

The research and analysis presented in this report includes research from the ISG Provider Lens program, ongoing ISG Research programs, interviews with ISG advisors, briefings with services providers and analysis of publicly available market information from multiple sources. The data collected for this report represents information that ISG believes to be current as of May 2024, for providers who actively participated as well as for providers who did not. ISG recognizes that many mergers and acquisitions have taken place since that time, but those changes are not reflected in this report.

All revenue references are in U.S. dollars ($US) unless noted.

The study was divided into the following steps:

1. Definition of Private/Hybrid Cloud – Data Center Solutions market
2. Use of questionnaire-based surveys of service providers/ vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities & use cases
4. Leverage ISG's internal databases & advisor knowledge & experience (wherever applicable)
5. Use of Star of Excellence CX-Data
6. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
7. Use of the following key evaluation criteria:
   * Strategy & vision
   * Tech Innovation
   * Brand awareness and presence in the market
   * Sales and partner landscape
   * Breadth and depth of portfolio of services offered
   * CX and Recommendation

Author

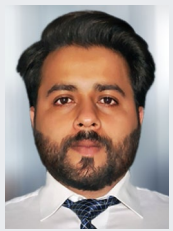
Shashank Rajmane

Manager and Principal Analyst

Shashank Rajmane has more than a decade of extensive experience in research and works as a Principal Analyst at ISG. He leads the efforts for ISG Provider Lens™ studies — Public Cloud Services & Solutions and Private/Hybrid Cloud & Data Center Outsourcing Services. He also authors the U.S. and Global reports. Apart from these, Shashank has been part of many consulting engagements and helping ISG's enterprise clients with their cloud strategy, along with selecting the right service providers/ vendors based on their IT-related buying requirements.

He has authored several white papers, thought leadership articles, briefing notes, blogs and service provider intelligence reports, especially in the next-generation hybrid cloud and infrastructure services domain. Shashank has also delivered several workshops, webinars and podcasts and has been quoted in IT journals.

Enterprise Context and Overview Analyst



Yatharth Bharti

Senior Research Analyst

Yatharth is a Senior Research Analyst at ISG. He is responsible for supporting and co-authoring Provider Lens™ studies on Public Cloud and Private Hybrid Cloud Data Centre Solutions and Services. Yatharth supports the Lead Analysts in the research process on multiple regions and authors the global summary report, and focal points. He also collaborates with the Lead Analysts in the process of rating the providers and building insights around the market trends and drivers. Yatharth has over 5 years of experience with a strong background in research, data analysis, and business analysis.

In his previous role, Yatharth oversaw custom research and analysis projects to support businesses in better decision-making. Specializing across various industries with Everest Group, Yatharth provided valuable insights and recommendations and led in-depth analyses of enterprises and their operations to provide tailored insights to the clients.

Study Sponsor

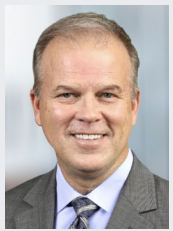
Heiko Henkes

Managing Director, ISG Provider Lens™

Heiko Henkes serves as Director and Principal Analyst at ISG, overseeing the Global ISG Provider Lens™ (IPL) Program for all IT Outsourcing (ITO) studies alongside his pivotal role in the global IPL division as a strategic program manager and thought leader for IPL lead analysts.

Henkes heads Star of Excellence, ISG's global customer experience initiative, steering program design and its integration with IPL and ISG's sourcing practice. His expertise lies in guiding companies through IT-based business model transformations, leveraging his deep understanding of continuous transformation, IT competencies, sustainable business strategies and change management in a cloud-AI-driven business landscape. Henkes is known for his contributions as a keynote speaker on digital innovation, sharing insights on using technology for business growth and transformation.

IPL Product Owner



Jan Erik Aase

Partner and Global Head – ISG Provider Lens™

Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor.

Now as a research director, principal analyst and global head of ISG Provider Lens™, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.

ISG Provider Lens™

The ISG Provider Lens™ Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider Lens™ research, please visit this webpage.

ISG Research™

ISG Research™ provides subscription research, advisory consulting and executive event services focused on market trends and disruptive technologies driving change in business computing. ISG Research™ delivers guidance that helps businesses accelerate growth and create more value.

ISG offers research specifically about providers to state and local governments (including counties, cities) as well as higher education institutions. Visit: Public Sector.

For more information about ISG Research™ subscriptions, please email contact@isg-one.com, call +1.203.454.3900, or visit research.isg-one.com.

ISG

ISG (Information Services Group) (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to more than 900 clients, including more than 75 of the world's top 100 enterprises, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including AI and automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; strategy and operations design; change management; market intelligence and technology research and analysis.

Founded in 2006, and based in Stamford, Conn., ISG employs 1,600 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data.

For more information, visit isg-one.com.

ISG Provider Lens™

JUNE, 2024

REPORT: PRIVATE/HYBRID CLOUD – DATA CENTER SOLUTIONS