Virtual Instruments Acquires Xangati: The Birth of a Hybrid Cloud Monitoring Powerhouse

Xangati Acquisition Elevates Virtual Instruments into a Comprehensive Hybrid Cloud Performance and Availability Management Solution

On November 16, 2016 Virtual Instruments announced the acquisition of Xangati, a performance control and service assurance analytics vendor for Hybrid Cloud environments. With this strategic move, Virtual Instruments catapulted itself ahead of the pack of application-centric hybrid infrastructure monitoring vendors. Combining its uniquely comprehensive storage monitoring capabilities for SAN and NAS with Xangati’s network and virtual server analytics capabilities now enables Virtual Instruments to move out of the niche of monitoring large high-end storage environments and toward the mainstream Hybrid Cloud performance monitoring and management market.

The Parts of the Puzzle Explained

Len Rosenthal, Chief Marketing Officer at Virtual instruments, summed up the overarching strategic goal of this acquisition: “Creating a world where applications and infrastructure perform better together” (see figure 1). Here is how the story rapidly came together over the previous few quarters:

First, There was VirtualWisdom

The VirtualWisdom appliance could be regarded as the gold standard for real-time SAN performance monitoring, enabling customers to trace the I/O impact of each interaction of the end user with an application. Due to its focus on fibre channel SAN technology and gaps in IP network and deep virtualization monitoring, VirtualWisdom remained a storage-centric high-end solution for the large enterprise and service provider market.

Then Came the Load DynamiX Acquisition

On March 29, 2016 Virtual Instruments announced the acquisition of Load DynamiX. The Load DynamiX performance validation appliance first captures and then simulates application workloads. This enables customers to answer the one key question when it comes to determining where to place an application: will the selected infrastructure -e.g. OpenStack, AWS, Azure, ESXi on UCS, CEPH, EMC XtremIO storage- deliver the expected performance in a reliable and consistent manner for our unique application workloads? Load DynamiX is available as a hardware appliance or as a virtual appliance that can be used to test application performance on Amazon Web Services, IBM Softlayer, all flash storage arrays, and software-defined storage architectures.

Figure 1 - Challenge Addressed through the Xangati Acquisition
Then Came IP-based Storage Support
In September of 2016, VirtualWisdom started supporting NAS-based storage, with iSCSI to follow in early 2017, infrastructure, dramatically broadening its total addressable market (while the fibre channel SAN market shows zero growth today, the IP-based storage market is growing by an approximate annual 20%). iSCSI support will make VirtualWisdom interesting for the mid-enterprise market.

Finally, the Xangati Acquisition Completes the Story
Xangati is known for its application-centric virtualization performance management and VDI monitoring, root cause analysis, auto remediation, and predictive analytics solutions. The addition of these capabilities turns Virtual Instruments from a “one trick pony” into a complete infrastructure monitoring platform for virtualized and hybrid data centers, including virtual desktop environments. The Xangati analytics capabilities provide real-time contention and streaming analysis and help administrators proactively identify bottlenecks before application impact occurs.

EMA Rating: Vendor to Watch

Business Impact
The Xangati acquisition will enable Virtual Instruments to provide a single pane of glass to manage application workloads within their infrastructure context. This can enable customers to detect resource contention at its initial stage, before application latency occurs. But in case of an application slowdown, the Xangati acquisition provides Virtual Instruments with the tools for an instant root cause analysis across all infrastructure components, followed by a semi-automatic issue resolution. When evaluating whether a workload should be hosted on OpenStack, AWS, Azure, Softlayer, or internally on an all flash array, the ability to run a POC based on an exact blueprint of the actual workload characteristics enables customers to reliably predict SLA compliance and receive an idea of the expected public cloud usage cost - performance trade-off.

Strategic Fit & Market Impact
The Xangati acquisition turns Virtual Instruments from a niche player for high-end SAN monitoring into a true competitor in the application-aware infrastructure performance market, targeting enterprises of any size. Their solutions are a natural complement to application performance monitoring (APM) solutions. EMA expects Virtual Instruments to aggressively target their existing base of over 400 (mostly Fortune 1000) customers with the comprehensive new offering.

Solution Maturity and Integration
VirtualWisdom, Load DynamiX, and Xangati all are mature solutions. Now, Virtual Instruments needs to integrate these three solutions into a one software platform with a single pane of glass that combines application-centric infrastructure monitoring with proactive root cause analytics and workload simulation.

Support of Relevant Technologies
The Xangati acquisition will enable Virtual Instruments to offer predictive analytics for all of today’s popular infrastructure technologies: bare metal, ESXi, HyperV, OpenStack, AWS, Azure, and Softlayer. We deduct one star as this support is owed to the solution’s flexibility, but out-of-the-box does not consider the individual technologies’ specific characteristics.
Gaps and Future Vision
While Virtual Instruments offers a comprehensive performance and availability monitoring solution for the hybrid data center, in the future we expect the addition of cost, policy, security, and compliance monitoring. This could happen through the integration with third-party tools or through further acquisitions. In addition, EMA believes that the Virtual Instruments solution would benefit from cross-customer big data analytics, where industry averages in terms of performance, utilization or configuration are compared to the collected customer specific data.

EMA Conclusion
The Xangati acquisition, combined with a clear vision toward an end point of offering the best-in-class application-centric infrastructure monitoring, analytics, and issue remediation solution, makes Virtual Instruments an EMA Vendor to Watch.