Virtual Instruments becomes Virtana as it assembles building blocks for comprehensive monitoring

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After making a number of acquisitions over the past few years, and further developing internally built capabilities, Virtana is talking about its hybrid monitoring and automation vision. It has continued to build out features employing machine-learning technologies, and is developing its automation techniques.
Introduction
Following the acquisition of Metricly to fill out its cloud monitoring capabilities, Virtual Instruments is introducing a new company name: Virtana. It has continued to build out features employing machine-learning technologies, and is also further developing its automation techniques.

451 TAKE
Virtana has pulled together the technologies required to offer products that deliver deep and granular insight into on-premises workloads, techniques for managing workloads for cost and performance, and now cloud monitoring. Its emphasis on enabling users to tune infrastructure around the needs of applications, while complying with enterprise policies, stands out among infrastructure monitoring vendors. Its acquisition of more capable cloud monitoring via Metricly could help it expand its reach, which has been squarely at large on-premises installations. With a reputation as a storage monitoring vendor, the recent name change may help educate the market on its broader utility.

Context
Virtana has its roots in the combination of Load Dynamix and Virtual Instruments in 2016. While Virtual Instruments was best known for its ability to collect detailed performance data about storage systems, Load Dynamix simulated the performance of infrastructure under application load. The vision behind combining the companies was to offer teams responsible for infrastructure a better understanding of the application layer so they can make improved decisions about optimizing infrastructure.

In 2016, Virtual Instruments acquired the small vendor Xangati, largely for the team to gain experience in monitoring compute and virtualization. Most recently, in August, Virtana acquired Metricly, gaining a SaaS back end as well as stronger capabilities in monitoring cloud environments. Combining all of these technologies and teams offers Virtana building blocks for delivering a comprehensive infrastructure and cloud monitoring and management tool.

Among its large enterprise users, Virtana’s biggest customer segment is cloud service providers, and includes Salesforce, ADP, PayPal, IBM Cloud, T-Systems, AT&T, Sprint and T-Mobile. Healthcare enterprises make up the fastest growing segment for Virtana, accounting for 25% of revenue last year. Other customers include Lloyd’s Bank, Geico, Nationwide, Cigna and Mayo Clinic.

After the combination with Load Dynamix, Virtana invested in building out its sales force, but because new deals can take about nine months to close, the company started feeling the uptick last year. It reports that new deals accounted for around 20% of total bookings last year, and that growth over the past few years has been around 25%.
Products
Virtana’s product suite now includes:

- **VirtualWisdom** – Virtana’s core infrastructure monitoring product that offers monitoring and management for on-premises deployments.
- **CloudWisdom** – Virtana’s public cloud monitoring SaaS offering that is the rebranded Metricly service.
- **WorkloadWisdom** – Previously Load Dynamix, this product simulates workloads to test infrastructure performance.
- **Cloud Migration Readiness** – This professional services offering uses VirtualWisdom to understand the characteristics of on-premises workloads, and makes recommendations about moving the workloads to public clouds. The service currently employs a third-party tool to model the cloud workloads, but going forward will use insight collected from CloudWisdom, the Metricly service.

Product integration plan
Virtana has some integration plans for the service it acquired with Metricly. The idea is that enterprises with hybrid environments – which we anticipate will be the bulk of businesses for the foreseeable future – will use the on-premises-deployed VirtualWisdom to monitor their on-premises workloads, and the SaaS CloudWisdom service to monitor their public cloud workloads. Virtana plans to develop a centralized dashboard where these customers can get unified visibility into their hybrid environments. It also plans to unify the data collection piece for the two products.

We understand Virtana’s reasons for the dual deployment model, but think it should be certain to invest in ensuring that management and use of the combined products is as easy and seamless as possible.

Technology
Over the past couple of years, Virtana has been adding more machine learning-driven capabilities to VirtualWisdom that are beginning to enable important optimization and automation capabilities. Automation is becoming increasingly important in IT operations, and monitoring vendors play an important role here since they are in the position to accurately analyze operations data in order to drive automation. VirtualWisdom performs anomaly detection on all metrics it ingests, establishing behavioral and seasonal baselines. Users can view insight about how the algorithms generate recommendations in order to gain comfort with the accuracy.

VirtualWisdom uses a number of methods to understand topology, including ingesting insight via an integration with AppDynamics, to help inform its insights. Users can visualize anomalies and other problems on the topology map in order to walk back to the origins of an incident.

A capability called Workload Drift Analyzer, introduced earlier this year, determines if changes to application behavior are related to infrastructure problems. VirtualWisdom has also added a workload infrastructure-balancing capability that identifies opportunities to better balance compute, network or storage layers for improved performance or optimization. It offers predictive capacity management, doing long- and short-term forecasting for any node of infrastructure that it monitors, including hosts, switches and storage arrays.

For users that integrate with a CMDB, VirtualWisdom can make recommendations based on how important the app is to the business. Top-tier applications, for instance, can be assured more redundancy than less important apps.
This kind of insight, along with the detailed performance data that VirtualWisdom collects and analyzes, are what Virtana thinks will allow it to offer the kind of automation that enterprises want, and potentially allow it to steal market share from Turbonomic. Virtana is careful to emphasize that it’s targeting straightforward automation, rather than orchestration or very complex automations. But it believes that the insight it has into infrastructure performance and its ability to follow enterprise policy will give it advantages over Turbonomic. It reports that some customers are planning to switch from Turbonomic to VirtualWisdom for automation. In addition to the intelligence it offers, Virtana incentivizes customers in another way: customers don’t have to pay extra for its automation capabilities.

Compared to other infrastructure monitoring vendors in the market, we think Virtana has an advantage in its development of management and automation capabilities. We hear a mix of perspectives from monitoring vendors in terms of their approach to automation, with many preferring to integrate with third-party automation tools.

**Competition**

With its sweet spot in very large on-premises environments, Virtana competes with other vendors in infrastructure monitoring with similar targets. They include LogicMonitor, ScienceLogic and Zenoss, as well as some of the legacy vendors including Broadcom. With the acquisition of Metricly, Virtana may begin to appeal to businesses that are also looking for stronger cloud monitoring, and as such, it may begin to compete with a host of other vendors including Datadog, Wavefront and SignalFx.

Although many of the core infrastructure vendors have made major investments in their AI/ML enhanced infrastructure management platforms (i.e., Hewlett Packard Enterprise Infosight), it is noteworthy that many of these players are also Virtana customers. Why? Although these integrated platforms from the core infrastructure vendors can deliver a large volume of metrics and insights about their client’s infrastructure issues, the granularity at which they gather information is closer to an hourly cadence – which is far too slow for truly mission-critical level workloads.

Virtana claims these vendors are using its tools to make sure they monitor and troubleshoot these environments so they can meet the mission-critical SLA requirements of their customers. WorkloadWisdom customers in this category include IBM, Dell, HPE, Oracle, Cisco and Pure Storage.
SWOT Analysis

**STRENGTHS**
Virtana’s VirtualWisdom offers deep and granular insight as well as optimization tools into the very large infrastructure environments operated by some of the biggest cloud services vendors.

**WEAKNESSES**
Virtana’s sweet spot of businesses with large on-premises environments is relatively small, although its acquisition of Metricly should help it appeal to a larger market.

**OPPORTUNITIES**
Automation is a hot topic in monitoring these days, and Virtana already offers capable tools that are informed by its machine learning-driven capabilities.

**THREATS**
Infrastructure monitoring is a crowded market, making it difficult for lesser known vendors like Virtana to stand out.