Hybrid IT for SMBs

HPE addressing SMB and channel partner
Hybrid IT demands

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*Change is a constant in IT – and SMBs are struggling to keep up.* A recent Techaisle survey of more than 1,500 US SMBs (1-99 employees) found that in 83% of SMBs, technology is more important today than it was 3 years ago. More than half of SMBs find that their technology adoption related pain points have increased in the last year. Cloud is supposed to provide SMBs with worry-free access to cutting-edge technology – but 59% of SMBs find cloud technology difficult to understand. SMBs need defined paths that help them to build business agility on top of a complex infrastructure foundation.

One area where support and guidance are most needed is hybrid IT. As per Techaisle’s SMB & Midmarket Cloud adoption study just over 80 percent of SMBs are either currently connecting or planning to connect their on-premise environments (including private cloud) to external public clouds. These firms are responding to a need to enable digital transformation of their business operations: more than 40 percent of SMBs (as per Techaisle’s SMB & Midmarket Digital transformation trends study) are already embracing an advanced ‘holistic’ digital transformation strategy; almost all have some type of digitization, digitalization or digital transformation initiative underway.

Because SMBs can’t support multiple parallel environments, hybrid IT took root earlier in this segment than within enterprise accounts. SMB progress on hybrid has been halting, though: there has been a serious disconnect between what the channel partners offer in terms of hybrid IT solutions to the small businesses and what the small businesses really are asking for. Techaisle has seen evidence of greater vendor focus on supporting the SMB transition to hybrid infrastructure, however. As an example, HPE with its recent SMB-focused product announcements is addressing SMB concerns by simplifying its SMB hybrid technology, supporting easier adoption, enabling hybrid deployments and paving a path for digital transformation.

HPE has released five hybrid cloud solutions leveraging Microsoft Azure services, and purpose-built ProLiant Gen10 servers featuring HPE Silicon Root of Trust capabilities for enhanced security. For the very small businesses, HPE rolled out a small office deployment solution that provides wireless networking in-a-box and includes secure servers as well as Aruba Wi-Fi access points and switches.

**Wireless Networking in a Box for Small Office Deployment**

Lack of investment capital/budget is the single greatest obstacle to rollout of digital transformation: nearly 60% of SMBs surveyed by Techaisle point to lack of investment resources as a digital transformation inhibitor, and as a constraint on technology expansion and modernization overall. Many IT leaders try to focus on IT value – the returns to the business that are derived from IT investments. But payback on digital business can be hard to demonstrate, and there are situations where senior
management is concerned about IT cost in absolute terms. With its recent introductions, it appears that HPE is trying to help small businesses to address this issue.

HPE’s Small Office Deployment solution (Wireless in a box) is ideally suited for on-premise deployment in a very small services business, such as a small retail store, small healthcare office, or professional services or personal care organization – businesses which compete on customer experience and depend on IT running without interruption. From a data perspective, these operations rely on local storage for customer data, and need secure and effective back-ups of line of business applications and data, point of sale systems, electronic health records and similarly valuable information. To address these requirements, HPE stitched together a solution that includes a secure HPE ProLiant Gen 10 server as well as Microsoft Windows Server through Windows Defender and Aruba access points and switches, connecting phones, printers or terminals together and adding Pointnext support services – 9x5 or 24x7. This solution also features Microsoft Remote Desktop Services (RDS) for easy access of Line of Business Applications from the server. The entire HPE offering is available through a predictable monthly subscription option through HPE Financial Services.

The small office deployment solution comes in two configurations. For small offices of up to 25 employees, the HPE solution includes HPE ProLiant ML30 Gen10 server, HPE OfficeConnect OC20 access points that are managed through an OfficeConnect iOS or Android application, OfficeConnect 1920S switch, Windows Server 2016 and Microsoft RDS. By using the OfficeConnect mobile application, businesses can get their network up and running within minutes—and monitor their network remotely, no matter where they are.

For small businesses, ideal for 50 employees, the HPE solution includes an HPE ProLiant DL20 Gen10 Server, Aruba Instant access points that are managed through the cloud with Aruba Central, Aruba 2530 switch, Windows Server 2016 and Microsoft Remote Desktop Services (RDS). Aruba Instant access points and the cloud-based simplicity of Aruba Central allow today’s businesses to simplify operations and spend more time focusing on delivering business value. Zero Touch Provisioning for Aruba Instant access points are truly plug-n-play. Simply connect Instant APs to power and network, setup and configuration is automatic. No hassle. No expertise needed.

With the announcement of these small business offerings, HPE is also addressing the needs of smaller channel partners, typically MSPs and resellers who serve the small business community. MSPs can earn margins from selling products and generate long-term services revenue from managing the small business’ infrastructure. A reseller can deploy the solution, integrate with other solutions such as POS and manage and maintain the solution.
Business-Essential Hybrid Cloud Services Made Easy by HPE and Microsoft

Inexorably, the market is shifting from one defined by discrete purchase-and-deploy deals aligned with refresh cycles to one where businesses take a ‘hybrid IT’ approach that blends a limited number of on-premise assets with a growing range of on-demand services. Techaisle research shows that SMB customers are clearly choosing to move from turnkey systems to hybrid environments that can align with evolving needs. Techaisle's research has found that SMBs look to a combination of external services and efficient technologies to reduce IT-related costs. Key service-focused solutions include cloud and managed services, while cost-efficient technologies include virtualization and converged infrastructure. By extending cost savings initiatives to these areas – and avoiding the potential pitfalls associated with each approach – SMB IT managers can deliver ongoing cost savings while maintaining IT service delivery capability.

This is the market demand that HPE is addressing with its set of five hybrid cloud solutions. Designed to build upon the core features of the HPE ProLiant Gen10 servers with Microsoft Azure services, these hybrid cloud offers provide a path to SMBs to enhance productivity, improve IT service delivery and increase profits. The offering includes:

- Hybrid File and Backup
- Hybrid Web Hosting
- Hybrid Virtualization
- Hybrid Development and Test
- Hybrid Database

These solutions have been offered for on-premise deployments in the past, but integration with Microsoft Azure as the cloud component the solution is now available are a core element of hybrid cloud deployments. The solution announcement is timed to take advantage of transitions and migrations to Windows Server 2016 or Windows Server 2019 from HPE’s current installed base of Windows Server 2003/R2 and Windows Server 2008/R2.

Techaisle SMB cloud adoption research shows that 65% of small businesses and 83% of midmarket firms that are currently using cloud are considering Microsoft Azure as their platform of choice. The HPE offerings both simplify use of Azure and present buyers with alternative easy-to-manage hybrid approaches. For example, SMBs now have the option of running databases on-prem as well as on-cloud for high availability purposes or peak season demand while providing for business continuity needs by using file backup through Azure or through a trusted channel partner's own private cloud. SMBs can also run virtualized applications on-prem for mission critical and on Azure or private cloud for non-mission critical applications.
Techaisle Take

Market

Integration is an enormous challenge for SMBs. Techaisle’s SMB & midmarket orchestration, automation and integration trends study found that 81% of small businesses and 95% of midmarket firms are integrating cloud-based and on-premise systems – connecting devices through the cloud to on-premise systems, integrating cloud-based business applications and data with in-house applications, and using other combinations of local and remote resources. These initiatives can be complex and expensive: the research shows that cost overruns, complexity and a shortage of IT skills on staff are the ‘big three’ integration obstacles for SMBs.

Offering

In response to both the demand and challenges, channel partners are demanding development, staging and test environments from their vendor partners. The partners are focused on developing opportunities to deliver more services, and are often customizing ERP and CRM applications on their own data centers before deploying on their SMB customers’ on-prem or cloud platforms. HPE’s solution is designed to make it easy for the partners to build on this activity.

Challenges

Use of multiple IT service delivery platforms – various forms of cloud, plus on-premise, colo-based and hosted infrastructure – increases the complexity associated with connecting, balancing and optimizing systems, and as a result, creates demand for automation and orchestration tools, to ensure that these processes aren’t bottlenecked by requirements for operator intervention. As a next step, HPE must develop and deploy tools that extend support for orchestrating and managing hybrid workloads. Today, 54% of SMBs react to capacity alerts and 38% report that they use manual processes to move workloads in accordance with set plans. In the hybrid future, tools-drive strategies will need to replace these manual hybrid support procedures – and suppliers like HPE will have to reduce complexity by integrating these tools into office-in-a-box and hybrid local/cloud solutions.
About Techaisle

Techaisle is a global SMB IT Market Research and Industry Analyst organization. Techaisle was founded on the premise that Go-to-Market strategies require insightful research, flexible data, and deeper analysis. Understanding the value of data consistency across markets to inform strategic planning, Techaisle has remained holistic in its approach to Insights and provides globally consistent SMB and Channels analysis across geographies. To achieve its objectives, Techaisle conducts surveys with SMBs and channels to understand market trends, opportunities, buying behavior, purchase intent, and IT priorities. Besides covering emerging technologies such as SMB cloud computing, managed services, mobility, social media usage, virtualization, business intelligence, big data, collaboration, networking, its channel research coverage provides in-depth understanding of resellers and channel partners globally. Techaisle’s insights are built on a strong data-driven foundation and its analysts are conversant with both primary research and industry knowledge, which is a rare combination. Techaisle offers its clients: Syndicated Research, Custom Primary Research, Consulting Engagement, Competitive Intelligence, Segmentation and Predictive Analytics services. For more information, visit www.techaisle.com

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