

REPORT REPRINT

Machine learning-driven Zenoss Cloud now live

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Headquartered in Austin, Texas, Zenoss is a 13-year-old company with about \$45m in capital investment and 250 employees. The firm has announced general availability for its flagship software platform, which combines a deep level of data collection and machine learning activity as a service on top of an IaaS platform for enterprises.

Zenoss says its software and platform services are designed for scale, and to materially improve the efficiency and output of complex, multi-homed IT infrastructure organizations with novel techniques. The firm says it has around 450 customers right now, and offices in the US and the UK. It says the company is currently profitable and focused on expansion with partners, as well as direct sales.

THE 451 TAKE

Zenoss is important as a leader in what the next wave of IT change looks like: industrialization and standardization. The competitors noted below are taking different tacks to achieving the same goal of simplifying the process of motion in IT from day to day, but all of them exemplify the trend. Zenoss' data collection and automated actions are ways to standardize responses to the flood of largely homogeneous edge data, just as standardizing screw gauges and part sizes were to factories in previous generations. The Fords and GMs of the cloud world (AWS, Google, EBay, IBM and Microsoft) have already built their factories, but firms like Zenoss are attempting to bring that same kind of practice to enterprises that aren't built on IT specifically. We've managed to make infrastructure more or less fungible in terms of hardware; now the game is in making the process of operations in the same mold.

CONTEXT

We have already examined Zenoss' platform and strategy. In general, the GA release of Zenoss cloud is a validation of its central claim to fame: semi-autonomous data analysis and action. Zenoss calls its platform 'intelligent IT operations management,' designed to reduce outages and catch problems before they occur. To do that, Zenoss collects and analyzes data points from many of its customers in real time, and uses tools built on Google Cloud Platform (GCP) services to analyze and send instructions to individual customer environments based on circumstance.

This can include things like redirecting traffic because of load or detecting equipment failure and initiating repair, to analyzing business intelligence in endpoint data stores. It says the service and software can be overlaid across modern and legacy systems, and that the company collects more than 50 billion metrics per day in its GCP-based service, into what it terms an 'operations data bus' – where autonomous data collection and analysis form the basis for actions taken by the system to ensure uptime and performance. Zenoss Cloud is not software to install; it is a service hosted by the company.

Zenoss has a strong partner play, and cites some of the largest service providers extant, like Wipro, Accenture and Rackspace. This is important because enterprises are increasingly reliant on their managed service providers and systems integrators to be the conduit to IT modernization, so Zenoss is wise to target these players.

Competition

Zenoss is in a grey area in competition. Other software firms like Datadog or New Relic make claims to ML and actionable insights, and the Big Five monitoring and management firms like CA Technologies, BMC and IBM are also there. But few integrate the machine learning and reaction concept directly into the infrastructure platform, and provide that as a product. That's because operating a 'cloud' at industrial scale has been the province of one-offs, like Azure, AWS and Google.

In this case, Zenoss is competing with a select category of IT services providers that are looking to industrialize IT, and break down the unique characteristics of running a large-scale IaaS. Some examples include Ten-Four and Sea Street Technologies, both firms that use machine learning and automated response just as Zenoss does.

SWOT ANALYSIS

STRENGTHS

It is pursuing a forward-looking and correct strategy to address the upcoming challenges in managing infrastructure. It is also funded and profitable.

WEAKNESSES

Zenoss is a relatively small firm, with its appeal constrained (for now) to the largest possible customers to prove value.

OPPORTUNITIES

It has the potential to become a leading technology platform embedded in the course of the new industrial IT economy.

THREATS

The company faces public clouds and competition from ISVs that can demonstrate similar value and similar return.