

Market Insight Report Reprint

Morpheus Data's latest release targets 'hybrid cloud application orchestration'

January 7 2022

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451 Research

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Introduction

Morpheus Data has introduced v5.4 of its orchestration and management platform, which is focused on simplifying how platform engineering teams can deliver continuous infrastructure automation that enables developer self-service. The company is breaking free from what it sees as the outdated category of cloud management and is now targeting different personas (developers, IT/cloud operations, security, business/finance), with the goal of unifying what are often disconnected teams, tools and technologies within large enterprises. It characterizes its approach as ‘hybrid cloud application orchestration.’

THE TAKE

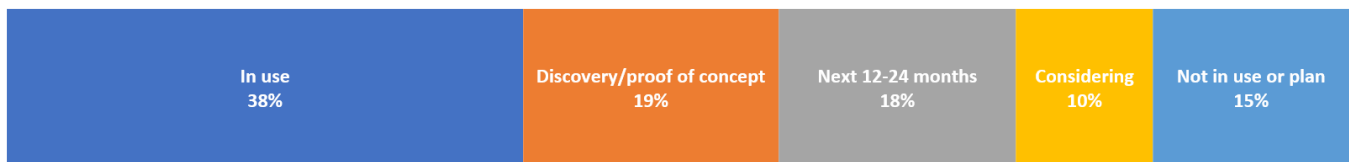
As hybrid becomes the organizing principle of digital-era IT, the on-premises/off-premises IT paradigm is giving way to a more expansive view as organizations seek to build, operate, manage and secure workloads ‘here, there and everywhere.’ Consequently, enterprise needs have moved beyond cloud management, while platform and IT operations teams now face conflicting demands (for container, hybrid cloud and IT services management, as well as infrastructure automation). The argument that providers such as Morpheus make is that homegrown self-service management platforms are brittle and hard to maintain and develop at enterprise scale to meet all of these new demands. In Morpheus’s case, it believes this requirement for unified orchestration to support platform engineering is closer to why it was born in the first place and where its v5.4 release is designed to intersect.

Context

There are now several additional purchasers or influencers who must be enfranchised in addition to IT operations, and new tooling has widened the scope of what platform engineering teams are looking for. This presents a significant, if not existential, governance problem: The IT organization has the task of empowering consumption by business units while not losing visibility of spending and risk exposure.

Nearly 40% of organizations using IaaS/PaaS have already implemented cloud management platforms, according to 451 Research’s VotE: Cloud, Hosting & Managed Services, Organizational Dynamics 2021 survey, and an additional 19% are using CMPs in proof-of-concept deployments.

Use of Cloud Management Platform



Q. Please characterize your organization’s use of cloud management platforms

Base: IaaS/PaaS users, abbreviated fielding (n=294)

Source: 451 Research’s Voice of the Enterprise: Cloud, Hosting & Managed Services, Organizational Dynamics 2021

Technology

IT spending is moving out to business units and to multiple and new stakeholders, which is why Morpheus has a persona-based approach – for IT operations, security teams, developers and finance. The latest Morpheus v5.4 release is a self-service platform designed to simplify consumption of hybrid clouds, containers and infrastructure automation as part of modern application management. It enables customers to orchestrate their platform engineering efforts to:

- Build and manage Kubernetes clusters plus private and public clouds.
- Centralize identity and access management with multi-tenancy and policy enforcement.
- Provision VMs, containers and PaaS into clouds with associated cost management.
- Execute workflows made up of Ansible, Chef, Puppet, PowerShell and other task types.
- Consolidate catalogs, reporting, incidents and CMDB updates with ITSM integration.

It has more than 90 codeless integrations into common IT technologies (ITSM, DNS, IPAM, Load Balancers, Logging, Monitoring, Backup, etc.) and support for over 20 public and private clouds.

Morpheus v5.4 offers expanded manageability options for MSPs and extends cloud support for enterprise customers; simplifies the building, management and consumption of Kubernetes; targets the elimination of automation ‘islands’ (such as Terraform and Ansible) with new integration capabilities; and provides new support for multi-domain ServiceNow, brownfield population of ServiceNow CMDB and internal CMDB.

Being able to address all of these needs in a single unified orchestration plane, Morpheus believes, enables it to increase sales engagement in enterprise accounts. Accelerating the commodification of Kubernetes allows the enterprise to focus on applications and consumption, replace VMware vRealize Automation during 8.x upgrade cycles and displace other first-generation cloud management platforms, provide a cheaper approach to Ansible Tower and Terraform Cloud, and replace ServiceNow ITOM as an integration into ServiceNow ITSM.

In v5.4 it has enhanced integrations with VMware, AWS, Azure and Google. It also provides a plug-in framework for developing plug-in modules within Morpheus (such as UI extensions, custom reports and cloud provider), deeper integration with ServiceNow and a new service catalog user interface. Lastly, v5.4 features simplified utilization and automation of Terraform, with native management of IaaS instances provisioned by Terraform and linkage to automation, as well as use of Terraform to provision instances, applications and clusters in Morpheus.

A new Morpheus Distributed Worker capability is designed to expand its opportunity with MSPs inside customers’ on-premises environments by extending the Morpheus control plane into tenant datacenters to enable private, hosted, edge and public cloud brokering; eliminating the need for VPN and other network issues related to southbound connection; providing support for on-premises VMware, Nutanix, SCVMM, OpenStack and Xen Server; and enabling the MSP control plane to run on dedicated MSP infrastructure or hyperscale installation.

Business model

Morpheus’ technology was originally an internal management mechanism at private equity firm Bertram Capital. The tool was productized and spun into a wholly owned entity, Morpheus Data. The 75-person company has recently taken on \$15m in additional funding, which will be used to drive revenue growth – it plans to hire 50 additional staff by the end of Q1. We believe it is on track to deliver \$30m in annual revenue. Morpheus manages some 600,000 workloads globally at about 200 enterprise customers, plus it serves dozens of large MSPs that use Morpheus to deliver services to their tenants.

Business is about 50% US, 40% EMEA and 10% emerging markets (APAC and LATAM). Channel partners account for over 95% of revenue and include CDW, SVA, WWT, Trace3, SHI and Technogent. Systems integrators and OEMs are also a core route to market, including Hewlett Packard Enterprise, Dell Technologies, Lumen, Deloitte and Wipro. With VMware vRealize Automation 7 going into end-of-support mode next year, Morpheus believes the cost and complexity of upgrading to vRA 8.x presents a significant opportunity to replace VMware in enterprise accounts.

Competition

VMware Tanzu, Red Hat OpenShift and Rancher (SUSE) are the major container management vendors in the market. VMware vRealize Automation is VMware's CMP offering. Other multi-cloud and hybrid cloud management vendors include Flexera RightScale, CloudZero, CloudTamer, Apptio FittedCloud, Scalr, CloudBolt, HyperGrid, NetApp CloudCheckr, DivvyCloud, Snow Software, IBM Turbonomic, Trianz, Abiquo, Platform9, InContinuum, Densify, CloudSphere, Vega Cloud and Virtana.

SWOT Analysis

<p>STRENGTHS</p> <p>The investment Morpheus has received to accelerate growth comes as the consolidation of cloud management companies continues apace. Service providers and vendors in this sector see this kind of tooling as helping them to win the ultimate prize – hosting the management plane that enables visibility and control of distributed applications across heterogeneous environments.</p>	<p>WEAKNESSES</p> <p>Key questions include whether there is room in this sector for a long-term, independent, growing and profitable business, or this capability ends up being incorporated into broader management frameworks. Another is whether Morpheus can establish itself as the principal alternative modern cloud and container platform in the market to VMware Tanzu/vRealize and Red Hat OpenShift/Cloudforms.</p>
<p>OPPORTUNITIES</p> <p>Morpheus Data is breaking free from what it sees as the outdated category of cloud management and is now targeting different personas (developers, IT/cloud operations, security, business/finance), with the goal of unifying what are often disconnected teams, tools and technologies within large enterprises. It characterizes its approach as 'hybrid cloud application orchestration,' and will likely resonate with customers seeking to build, operate, manage and secure workloads 'here, there and everywhere.'</p>	<p>THREATS</p> <p>The market remains very fragmented, with customers facing a massive amount of vendor options for cloud management and automation across the spectrum of operations and development. Cloud has introduced massive organizational dysfunction, and there are now many different personas accessing services. Tool vendors don't have control over the organizational will and change-management processes of their customers, which is often the key to delivering successful cloud transformation and governance projects.</p>

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