GreenLake Podcast – Transcript

Hello and welcome to Tech Data's podcast. I'm Ian your host for today and joining me on the panel we have two fantastic tech experts ready to take on our topic of choice. Today we are going to be talking about HPE GreenLake and grilling our guests for all of their information, tricks and tips about consumption IT.

So, let's find out a little more about who they are and what they do. We have Nolan and Giovanni and let's start with you Giovanni. Tell me a bit more about you and your role at Tech Data.

Giovanni – Hi I am Giovanni Longo and I am the Business Unit Manager for HPE Business in Tech Data Italy.

Thank you very much and Nolan how about you?

Nolan – Hi there. I am Nolan Collins. I am the HPE Point Next BDM for Tech Data. Looking at attach, continuity and HPE's latest offer, HPE GreenLake.

Great, thank you very much. So, as we mentioned, today we are going to be talking about GreenLake, the consumption IT solution from HPE. For those listeners who might not be in the know about this solution let's start with a quick overview about what exactly the solution is. Nolan?

Nolan – HPE GreenLake offer public cloud like experience, based on premise at a customer's data centre. It's a solution bundle which consists of technology consumption-based software and services.

The services are Point Next, HPE services and these help set up the HPE GreenLake consumption and maintain an SLI over a chosen period. Usual contract lengths for HPE GreenLake say between 3 and 5 years, and the contract has a very high renewal rate based on feedback from customers and experience, this is into the high 90% and that's all based out of the stats and satisfaction for these types of contracts.

So, HPE GreenLake is a true consumption pay per use hybrid consumption solution which offers on premise security benefit and additional capacity. It bursts the capacity in minutes rather than months dealing with lengthy procurement and deployment cycles. So, HPE GreenLake scopes in detail the start with the customer based on future business and the growth patterns that meet their business. Once this information is determined the customer will have a GreenLake offer based on a unit of measure which could be in server storage or networking. A unit of measure is capped into the customer's choice and can be built by physical server by GB usage or virtual server. The billing mechanism is reported monthly from the end user to re-seller by Tech Data into HPE with the flow down charges coming back down. It's really a true pay per use consumption offer that offer cloud like ability.

That's great, thank you Nolan. So now that we are all on the same page, let's dive a little deeper into HPE GreenLake. And let's start by asking what your most common misconceptions are about this solution. What do people think this solution is and what is it really? Firstly, over to you Giovanni.

Giovanni – HPE GreenLake can help you to provide a hybrid consumption business class solution for your customer. So, we have four main reasons why the customer needs to look to GreenLake. The first one is business agility; we know that IT always has to move faster and often this is blamed for not being able to respond to business demand. We think that your customer, how long does it take

them to say 'I need this to be installed in the working environment and actually doing what it should for the business'. This is the first one of business agility.

The second one is lower cost. IT cost now is always a challenge for our customer, and we are phasing, but again not just about lowering IT cost but it is about being able to align it, to the business as well. So, moving IT from just a cost centre to becoming a service provider, an internal service provider, because GreenLake helps you to sell your services to your customer.

The third one is SimpliVity. IT again, customer got problems with the environment and where the challenge of not having enough resource, so they need our help, they need IT on -premise. The fourth one is greater control. Having greater control is becoming more and more focussed so we speak a lot to customers. Every customer has a journey to the cloud. A couple of years ago a journey to the cloud means the public cloud but actually now to are talking to customers whose life is changing. It's about the hybrid cloud journey. They are starting to realise; they are actually moving 100% to the public cloud. This may not be the correct answer, so we have a solution with GreenLake. When we speak also on greater control is not just speaking about compliance or only security, it's also about control, what in the cloud you have, so we ask much more to your customer, how much data do you have in the cloud. How much the cloud is costing them, because it is very easy to get out of control with those costs.

So summarising it's a unique consumption solution which delivers IT as a service and enables your customer to avoid upfront investment, pay for what they consume, align cost back to the business and respond to an increased business demand in minutes not months.

That is great, thank Giovanni for those thoughts and what about you Nolan, maybe you can run through from your side as well for us.

Nolan – I'd say some of the misconceptions I've heard from customers and re-sellers is that this offer is a HPE only cloud offer so the kit does actually reside on customer site, it's actually their belief that it sits in a HPE datacentre which isn't the case with HPE GreenLake. HPE GreenLake offers beyond premise security as Giovanni mentioned and that is probably the biggest misconception around this solution that I am seeing today.

Great, thanks Nolan. So, now let's move on to talk about where GreenLake sits as a solution in today's society. We've heard a lot about tech as a service but what exactly does that mean? I am going to throw this over to you first Nolan, please.

Nolan – So freeing up capital expenditure is a massive benefit to customers today either with the investment going back and innovating the business, allowing it to grow faster. Some customer prefer not to have asset depreciation sitting on company books, therefore moving in to an OpEx model helps with this and tech as a service and HPE GreenLake can offer solutions for the customers around finance packages. Tech as a service is an offer from Tech Data which allows customers to precure in this OpEx way. Customers can add traditional hardware such as HPE server or pixel networking, add mobile phones and laptops, pcs and screens, bundled into one financial agreement over a chosen term. Customers can add more devices or infrastructure into their tech as a service agreement over the term. This model is paid on a monthly basis subscription whereas the GreenLake model is a lease type of offer financial transaction.

HPE GreenLake is a very different offer and works like a finance lease so the customer doesn't own the equipment. This means that the asset doesn't sit on the customers books and doesn't

depreciate over time, but with the HPE GreenLake offer, the customer gets true consumption based set of tools and it's very different to the finance package under tech as a service.

However, tech as a service is a fully integrated finance package from Tech Data that is recognised within the industry and CRN has given it some awards in 2019 so it is very well recognised and it's also part of the Tech Data InTouch platform which offers the customer procurements from being online anywhere at home or in the office via the InTouch platform.

Thanks Nolan. Now let's move over to Giovanni. Giovanni maybe you could answer what the difference is between consumption IT and traditional infrastructure?

Giovanni – When we talk about traditional IT, IT processes purchase their equipment upfront before installing and maintaining overtime wasting sometimes money to overprovision the infrastructure. Also, in IT traditional you have limited capex budget availability and partners have uncertain revenue in short and long term. And the risk is being stuck with inefficient legacy equipment in the future so this means also that upgrades are completed as and when they are needed, and so sometimes there is no user agreement like in GreenLake. Also, it is the partners responsibility to recycle and make use of and get rid of any assets.

In consumption IT you have a pay as you go solution which adjusts based on the usage for a fair and transparent costs so you pay what you use. Also, as you know, IT resources that are scalable in line with the needs of the business with a simple pay as use basis. Also, you have long-term predictable revenue streams for 4 or 5 years and customers are tied into the solution. They have more opportunities for a long-term revenue and also quick increase in capacity meaning a shorter cycle for upgrades. This is the main difference between IT traditional and consumption IT.

Thanks, Giovanni and maybe now I can throw this question at you both, could you tell me what the main benefits are for a business?

Giovanni – First of all if I could add something to the previous question, it's simple, GreenLake is simple, flexible, it's scalable and also secure and controllable as we spoke about before. The user can scale down when required and only they pay for what they are using and also GreenLake is solving the issue of maintaining complex IT infrastructure because they are today time consuming and cost too much for the companies.

Also, with GreenLake, businesses can finally manage IT on their own terms. They can scale their capacity up and down when they require, they only pay for what they use for a flexible, fair and transparent cost.

Great, thanks Giovanni and have you got anything to add on that question Nolan?

Nolan – The main benefits for the business is agility and the pay per use economics within the single pane of glass. It's very good for types of customers that would be starting up and they need cashflow, so moving that capital expenditure which investment for a large piece of infrastructure or part of a datacentre can be quite absorbing for a customer especially in this economic climate, so moving that capex model into OpEx can really be a benefit overtime.

Thanks Nolan. Now let's move on to talk about competitors and what it is about HPE GreenLake that sets it apart from the other solutions that are out there in the market. Nolan – can you answer this for me?

Nolan – So yes that's an interesting one, so personally I don't think there is too much competition to HPE GreenLake in the market as it's an on-premise consumption model based in the hybrid area.

The true hybrid approach offers vendor partnership with full cloud providers such as AWS, Microsoft azure and Google which is managed as a separate core within this single pane of glass set of software tools and this is called consumption analytics.

From here you can measure your AWS, Google, Azure platform subscriptions via company login credentials to really give a true definition of cost when you're moving into that public cloud environment but bringing it with the on-premise security that HPE delivers. With HPE GreenLake service you are assigned a Utility Delivery Manager, they help set-up the consumption analytic software and this single pane of glass that I have mentioned. They help navigate the tools, so they make sure the data has been fed correctly and answer questions over the life cycle of your term. Consumption analytics portal map the customer trends and often drill down into per server per machine or GB per unit to measure. The unit of measure can be named and tagged within a particular business, offering drilled down into different departments within the business i.e. you could set up your HR department or your finance department and tag that to show how much capacity has been used within each business. This becomes a real strong sort of talking point for the UDM which is the Utility Delivery Manager that helps customers on the GreenLake journey. HPE GreenLake offers predictability on spend as well, with the public cloud people are moving into that journey but not really getting to grips with the cost implied and being charged over time so with HPE GreenLake you have got that single pane of glass where you have got the hybrid model but you can see the cost spend so really gives back that predictability on spend for the cloud journey so that is one of the key areas there.

Thanks Nolan, that's great. I'm sure a lot of the people listening to this Podcast are eager to hear your sales tricks and tips. Let's talk about how exactly someone can identify a potential customer. What is your expert advice for finding potential customers and how will partners know that GreenLake is the right solution for a business? Giovanni?

Giovanni – GreenLake is for partners finding a new solution and HPE GreenLake when it comes there are a whole host of benefits for all kinds of customers. From businesses with fluctuating data and capacity needs to those expecting growth in the near future. This is a consumption-based solution on offer, it allows to have flexibility, scalability and simplicity without the cost of having to purchase equipment upfront.

We have some questions to address to customers to understand if GreenLake is the right offering. The first one is 'Does your organisation overpay for IT capacity that you sometimes don't need to use?' HPE GreenLake is a consumption IT model entirely scalable meaning that you can use as much as you like each month while you are paying only for what you use. This saves you money in the long run and gives you the flexibility to scale up as your organisation grows. This means that you can save between 20-30% of cashflow by not over-provisioning.

The second one is 'Does your organisation tend to purchase expensive IT equipment upfront?' When you choose GreenLake you need to understand that all the hardware is pay as you use so you don't need to worry about the risk of expensive capital. Plus with HPE Point Next you can choose the right infrastructure for your business as well as receiving software expert from HPE Tech Data.

Another question could be 'Does moving your critical workload to the cloud make you worry about security?' You need to invest in HPE GreenLake, you get the best of both worlds. IT systems will still reside on premise and give you full control and security with simplicity of a consistent cloud like experience that offers both flexibility and scalability for all workloads. Another questions could also be 'Do you worry about moving to a new IT solution?' HPE GreenLake in this case is designed to

have minimal disruption when it comes to implementation and also HPE Point Next enterprise grade works as part of your IT team to answer any questions, and make your transition as smooth as possible.

The last question could be 'Are you suffering from lack of IT resource or do you find that your IT staff are spending a lot of time maintaining your current infrastructure?' To relieve the stress of the IT teams HPE GreenLake offers access to HPE Point Next experts who manage and maintain your solution for you. This means that this frees up IT teams to focus on delivering business outcomes and innovating your business.

Thanks, Giovanni and how about you Nolan?

Nolan – So customers that are growing but suffering with long sales and procurement cycles for additional capacity are often key for HPE GreenLake opportunity because obviously what they can do once they have got this solution is burst into capacity within minutes rather than having the issues of sign off via various financial directors or the long sales procurement cycles constrained with parts, all those elements that really do slow down a business when they are trying to meet the demands.

Also resellers who may want to offer an MSP type of service for infrastructure HPE GreenLake will offer that type of service for those type of clients. They can deploy the capacity for their customers and act like an MSP with that service for an end user which is obviously key.

I don't think HPE GreenLake should really be sort of shoe horned into one particular customer set because there is a huge amount of HPE data out there and case studies that show the broad spectrum of case studies or client out there, So there's people in manufacturing and car industry, retail, online and in shop based environments. There are marketing types of agencies that case studies have been written on and pharmaceutical as well. It's very broad – the end user, the client base.

Thanks very much Nolan. Sadly that is all we have got time for today and I would just like to take a moment to thank each of today's guests, Giovanni and Nolan for coming in on the Podcast to share their wisdom. I'm sure you'll agree it has been really great to get to know GreenLake more in-depth.

If you've got anymore burning questions you'd like to know about HPE GreenLake make sure to visit Tech Data's HPE GreenLake portal where you'll find lots more useful information and training resources on this solution.

Thanks for listening and hope to see you again next time.