



Hitachi Vantara doubles down on a data architecture that bridges OT and IT

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Excerpt for Hitachi

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Hitachi Vantara’s annual analyst event theme was “conversations for the data-driven.” This theme plays well to the firm’s core data-centric storage, data management, and data orchestration strengths. To unlock his firm’s potential, CEO Gajen Kandiah sees substantial opportunities in areas where hybrid cloud and operational technology align across industries with parent company Hitachi’s industry solutions.

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IT, OT, and innovation coming together under the ‘OneHitachi’ banner.

– Gajen Kandiah, CEO Hitachi Vantara

In the keynote, Mr. Kandiah stressed Hitachi Vantara’s ongoing strategy would have three crucial components to best benefit its clients:

- Hitachi remains 100% committed to its core business and sees it as a differentiated lever for growth on-premises and in the cloud for it and its customers.
- Hitachi believes that dynamic infrastructure and choice are core to industry cloud, and using infrastructure, storage, and hybrid cloud technologies is essential to building consumable architectures across OT and IT.

- A “OneHitachi” mindset is key to its growth as it provides unique opportunities to leverage Hitachi’s industrial and operational technologies with Vantara’s software, storage, and services capabilities.

Building on storage and data is crucial to being a data-driven across hybrid and multi-cloud architectures

With decades of experience in storage, data management, and infrastructure, Hitachi Vantara’s message has often been muddled with the growing adoption of cloud-based data centers. However, as many firms continue to leverage on-premises computing, data management, and security, Hitachi Vantara is working hard to promote its solution as the best of both worlds.

In this slide presented at the event, Hitachi’s team continues to promote that technology innovation starts with having a reliable, robust infrastructure. Exhibit 1 represents its vision of how its solution stack aligns well to meet the challenges firms face in delivering technology innovation.

Exhibit 1: Hitachi Vantara outlines how its solutions meet the challenges of today’s technology innovation drivers

The Opportunity: Modern Intelligent Hybrid infrastructure

Technology Innovation	Meet the Challenge	Hitachi Vantara Solutions
Data intelligence, automated indexing and tagging of data	Intelligent data management enabled by data awareness	6 Data Management
Simplified & flexible consumption models from converted to XaaS	Simplified solution stacks with traditional Capex or flexible pay per use Opex models	5 SimplifiedConsumption
Intelligent analytics and automation of infrastructure	Enable ease of use and self driving	4 AIOps – intelligence Management
Software defined storage & hybrid cloud architectures	Infrastructure agility and flexibility for right workload in right location	2 SW Defined 3 Hybrid/ Multi-Cloud
Modernize core infrastructure	Reliable, performance, and scalable infrastructure platform with simplified lifecycle management	1 Infrastructure

Source: Hitachi Vantara Global Analyst Event, 2022

The main challenge HFS sees in Hitachi Vantara's messaging is its inconsistency when responding to a customer request to connect its data infrastructure messaging to customer business needs. While Hitachi Vantara is positioned to connect needs across data centers, devices, and the cloud from a technology enablement perspective, the interpretation of "What to do with that data?" too often requires the services of a competing firm or the customer to connect all the dots. This is where Hitachi needs to be promoted their application reliability story, see Exhibit 2, more effectively.

The BIG opportunity is bringing expertise in operational technology, IT, and industry

Hitachi Vantara's customer stories of how insights have been unlocked from devices—from trains to HVAC controls—are where the data-driven discussions got exciting. Discussions with customers indicate it's abundantly clear that unlocking the value of data-driven decisions comes from collecting, analyzing, and promoting insights from data created by humans and machines. Using real-time tools to monitor, report, and resolve this data provided customers with clear revenue-based outcomes and revealed where the Hitachi Vantara solutions might have the most significant impact.

By bringing together OT and IT and focusing on Hitachi's priority industries, including manufacturing, financial, transportation, energy and resources, mining and agriculture, and infrastructure, Hitachi Vantara can bring its data and infrastructure technology story in-line with the equipment and operational technology of these industries to rely upon.

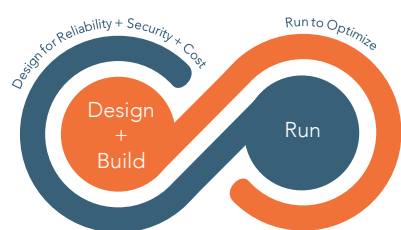
Hitachi Vantara can fix its software and digital design stories to make the engine hum

Adding software to the mix was often too lightly touched upon. The vendor's investment in its Lumada software is an essential part of the operationalization and contextualization of data. While Hitachi Vantara presented this as its Intelligent DataOps solution, it may shine in the modernization of a firm's data fabric. Properly positioned, this solution should be a key part of bridging the data journey from a storage array to cloud solutions like Snowflake and then back into visualization tools for line-of-business benefits. Further, the awkward integration of Globallogic, a digital design and experience firm, can come across as competing for the customer's attention versus being a value add.

Exhibit 2: Hitachi Application Reliability Services for automating cloud operations

Scale Horizontally: Automate Cloud Operations

Engineering Led Operations with HARC.



Microsoft Azure

Google Cloud

aws

IBM

Oracle

VMware

Across Business Units and Functions

Design for Reliability (SRE)

Fault-awareness and fault-tolerance through FMEA Zero downtime deployment

Design for Security (DevSecOps)

Security and compliance controls
Security posture

Design for Cost (FinOps)

Design for optimal consumption
Operating with control

Resiliency and Reliability at the Core. Extend DevOps through Operations.

Observability Robotics

Centralized dashboard – single Pane of glass
AI driven automation RCA and suspect identification Automated Remediation

Incident Response

Automated Incident identification and routing
Reduced hops to get to Direct Responsible Individual (DRI)

Hitachi Application Reliability Services

Reduced TCO

Reduce total cost of Ownership Up to 35%

Consistency

15%+ reduction in Failure Change rate

Speed to Value

~25% reduction in MTTD and MTTR

Agility

Integrated Delivery, 360-degree Observability

Reliable RunOps Application Availability across product portfolio

Hitachi Vantara | Delivered Services

HARC - SRE Led RunOps Managed Services

24x7 RunOps for Customer, supporting Platform, CloudOps, Tools and micro-services architecture-based applications hosted on Microsoft Azure

> 99% Availability consistently across all Production Environments (20 Products, 15+ Tools)

Observability coverage improved to catch > 90% issues proactively

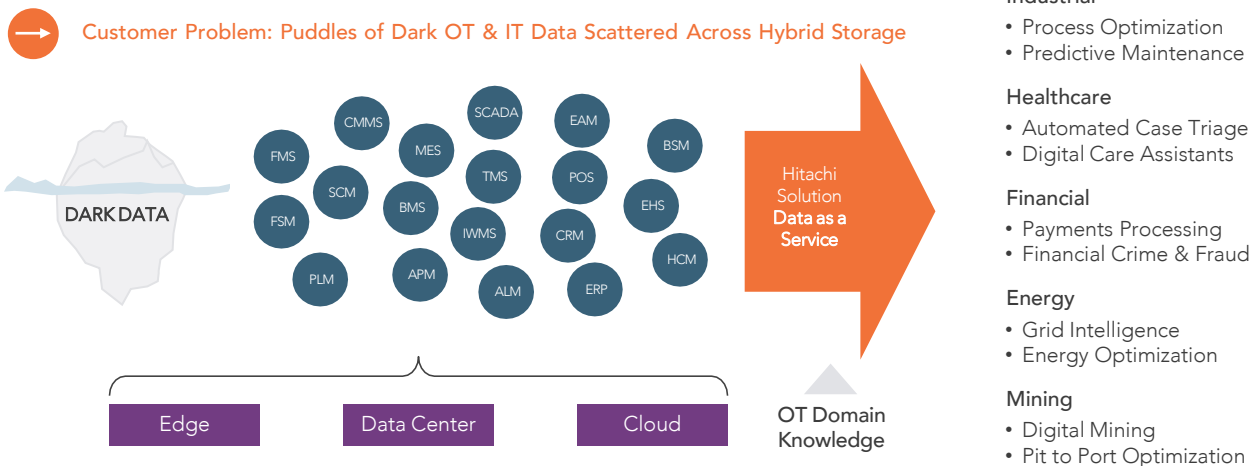
Toil Reduction through automation

Source: Hitachi Vantara Global Analyst Event, 2022

Exhibit 3: Hitachi Vantara's view of data created by IT and OT becoming an "as-a-Service" asset for their customers

"Data as a Service"

Transformation Dark OT & IT Data Into Customer Value



Source: Hitachi Vantara Global Analyst Event, 2022

The Bottom Line: Don't disregard Hitachi by labeling it as a storage and data management firm. Rather, if you are revisiting your cloud strategy based on your need to better harness data created across both operational technology and information technologies, Hitachi Vantara might just be worth a phone call.

Your technology team likely knows Hitachi Vantara as a firm that stores, manages, and optimizes data. This strength may have been a bit of an anchor weight when considering it as part of your cloud strategy, as the assumption was that hyperscalers could take care of this for you. Yet, over the past decade, it has invested in software, application, and data tools, experts and expertise tools that make Hitachi Vantara an interesting consideration for data and application modernization, but you may have to give the company a nudge here or there to maximize the engagement.

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Joel looks after HFS Research's software and applications services.

As firms adopt a cloud-native operating model, software-as-a-service (SaaS) is the primary way of getting things done. His research delves into how companies, service providers, and software vendors architect and deliver code via the cloud. Joel's research covers the latest trends in developing code on microservices architectures while using containers and Kubernetes to adopt and integrate SaaS solutions into complex business workflows. Topics Joel is passionate about include edge computing, the role of 5G in cloud services delivery, governance and compliance, low-code, and go-to-market strategies for software and services.



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