

**The Battle for the Hypervisor**

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In the virtual world, there are a few things that are taken at face value today. First, is that virtualization is a major initiative inside companies from large to small and second, is that the hypervisor [is rapidly becoming a commodity](#).

As more and more server virtualization solutions enter the market, it is also increasingly clear that there are two camps: Those that believe the hypervisor belongs in the OS (Microsoft, Novell, Red Hat) and those that believe it should be a standalone software layer (VMware, Virtual Iron, and XenSource). The battle being waged right now between these two camps is for the hearts, minds, and interface to the underlying hardware.

As IDC talks with virtualization customers and vendors, it is also becoming clear that the claims of commoditization of the hypervisor are grossly overplayed. In fact, I would even go as far as saying the hypervisor will be a clear differentiator in the virtualization space for the foreseeable future.

Why? Simply put, stability.

A simple analogy can be seen in the RISC market. Customers of RISC-based hardware have long suffered with lower performance relative to x86. But these same customers continue to deploy their most mission-critical applications on RISC hardware. Why? The perception (right or wrong) is that RISC is a more stable platform and will cause few service interruptions.

I'd argue the same mentality is emerging in the virtualization market among the customer base. As users consolidate multiple applications onto a platform, their concerns around the stability of the underlying platform will carry the day. As a virtualized platform is only as stable as the hypervisor, those that innovate and create more stable hypervisors will have an advantage.

While the focus in the vendor community has been on performance (i.e., should a customer choose a paravirtualized or native virtualized path), I would suggest the efforts and energy applied to wringing out a few extra performance percentage points would be better placed in demonstrating the underlying platform stability and reliability.

While the claims of commoditization may be technically accurate from a revenue perspective (we agree the bulk of the revenue will be derived from managing virtual machines), they are way overblown when one looks at how all virtualization companies will compete and differentiate. Companies need to successfully lay down hypervisor footprints before they can sell the management software.

At the end of the day, few customers will want to put multiple eggs in a weak or untested basket — no matter how sleek (fast) the basket. The whole point of IT is to improve productivity while removing risk. Exposure to more service disruptions does not help on either charge. The stability metric will be a primary filter for success within and between the OS virtualization and hypervisor camps.

In the end, the hypervisor does and will continue to matter.

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