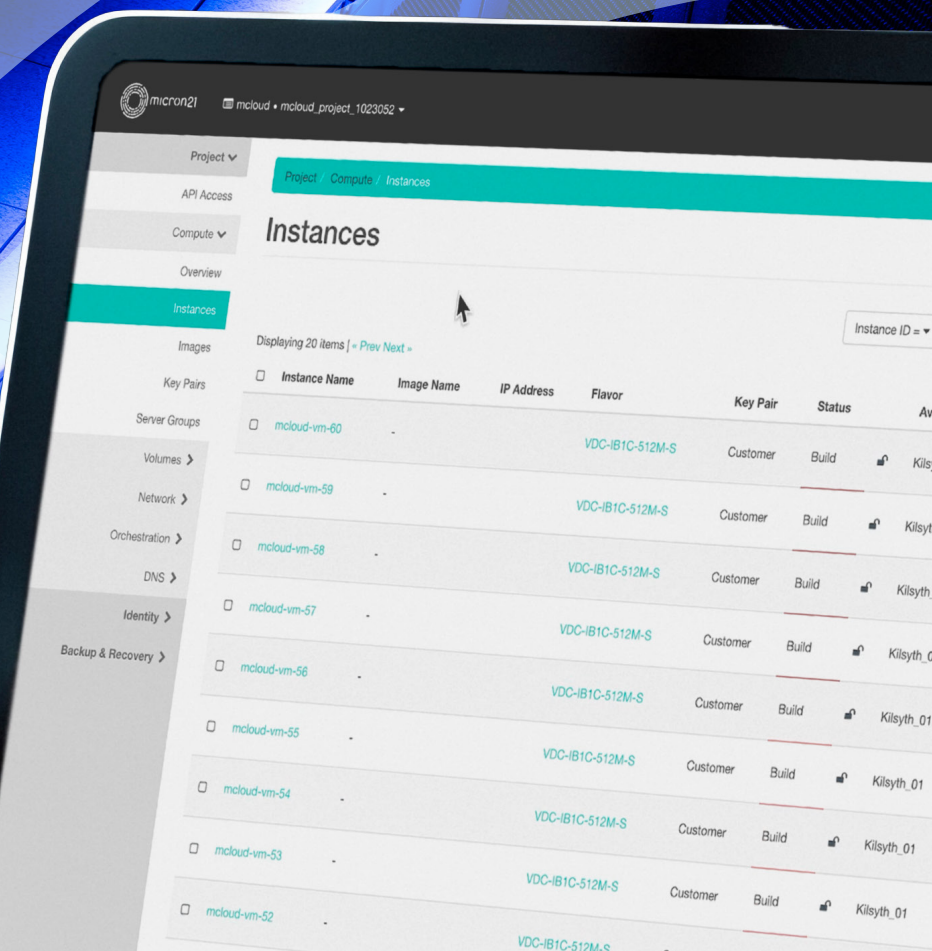




Navigating the Post-VMware Era

Unlocking Scalable and Secure Cloud Solutions with mCloud



Contents

03	Executive Summary Emerging alternative platforms as the virtualisation landscape dramatically shifts.
04	Introduction Navigating the post-VMware era by unlocking secure cloud solutions with mCloud.
05	Challenges Faced by VMware Users <ul style="list-style-type: none">• Cost Pressures & Scalability Limitations• Vendor Lock-In and Licensing Restrictions
07	Industry Trends in Transition Strategies <ul style="list-style-type: none">• Alternatives Being Adopted• Key Decision Factors During Migration
09	mCloud as a Viable Alternative <ul style="list-style-type: none">• Capabilities Comparable to VMware• Unique Advantages of mCloud
12	Actionable Recommendations Well-defined strategies to successfully transition away from VMware with ease.
15	Conclusion Reassessment of virtualisation market and why transitioning today matters.

Executive Summary

Unlocking Secure Cloud Solutions with mCloud

The virtualisation landscape is shifting dramatically, driven by changes linked to VMware's new ownership under Broadcom. While VMware has long been regarded as a leader in IT infrastructure solutions, the post-acquisition adjustments have resulted in challenges such as rising costs, limited scalability, and rigid licensing terms. These issues are prompting many organisations to explore alternative platforms. Industry trends show a growing preference for open-source solutions, hybrid cloud systems, and vendor-agnostic architectures.

Among the emerging alternatives, **mCloud by Micron21** stands out due to its focus on cost efficiency, robust performance, and security-driven design. Built on the open foundations of OpenStack and Ceph, mCloud delivers flexibility and scalability, eliminating vendor lock-in. mCloud is also built on top of Micron21's existing sovereign capabilities as a Tier IV data centre

This whitepaper offers a detailed exploration of challenges faced by VMware users, industry migration trends, and actionable steps for companies seeking next-generation virtualisation solutions.

Introduction

Navigating the Post-VMware Era

VMware has been a dominant player in virtualisation for decades. Its technology has empowered businesses to maximise resource utilisation, optimise IT costs, and scale infrastructure with reliability. As a pioneer in the industry, it led the way on hyperconverged infrastructure (HCI) and empowered budding IT professionals with free versions of its ESXi hypervisor. However, Broadcom's acquisition of VMware has marked a turning point for its customers, with industry feedback highlighting concerns around steep pricing shifts and strategic changes to its licensing and partnership frameworks.

Data from industry insights reveal that organisations are increasingly dissatisfied with VMware's pricing strategies. After the latest round of licencing changes by Broadcom, "customers are experiencing shocking increases in costs ranging from 5-40X their current spending due to the shift from processor to core-based licensing" as noted by Cloud cost analyst firm, Licencing Data Solutions.^[1] More importantly, the future of VMware appears uncertain, pushing enterprises to pre-emptively explore alternatives to ensure operational resilience.

This whitepaper addresses the concerns articulated by current VMware users. It provides analysis on the broader trends in migration strategies, with a detailed focus on mCloud as a promising solution for forward-thinking enterprises.

VMware Challenges

Challenges Faced by VMware Users

Rising operational costs are one of the most immediate challenges confronting VMware users. Broadcom's subscription-based pricing model appears designed to maximise revenue from its enterprise customer base, leaving smaller and medium-sized businesses suffering disproportionate cost increases. Enterprises that previously benefited from perpetual licenses now face recurring payments that significantly inflate their annual IT expenditures.



A recent survey reported that "63% of VMware customers expressed lower satisfaction after the Broadcom acquisition, with 56% actively planning to reduce their VMware usage in the next 12 months" (Forbes, 2025). [2]

Such discontent stems largely from pricing policies that lack scalability and flexibility for businesses with varying workloads. Additionally, many customers now feel trapped in paying for bundled services they don't require. For smaller companies, the combination of high costs and restrictive subscription models creates an unsustainable scenario.

Although VMware platforms have historically delivered dependable performance, they have encountered challenges addressing modern scalability requirements. Advanced workloads such as artificial intelligence (AI) modelling, real-time data analytics, and machine learning require immensely scalable infrastructure with adaptability across public and private environments.

Traditional VMware frameworks that are often focused on legacy on-premise systems, can fall short when accommodating these future-driven workloads. Additionally, organisations with fluctuating infrastructure needs, struggle under VMware because scaling rapidly often involves significant additional costs tied to licensing or hardware limitations.

"Adaptability is no longer optional in IT; it's a survival skill. Businesses require platforms capable of scaling applications from tens of users to millions overnight,"

— Steve McDowell, technology analyst (Forbes, 2025).^[3]

The failure to align with such expectations has caused VMware customers to hunt for platforms that prioritise modular growth while accommodating unpredictable demands.



Vendor lock-in, exacerbated by VMware's proprietary software and policy changes, has become a significant obstacle for businesses seeking innovation or flexibility. The proprietary nature of VMware solutions means businesses often find it difficult to integrate VMware tools with alternative technologies, reducing adaptability within hybrid and multi-cloud frameworks.

Broadcom's decision to impose higher investment thresholds and restrictive partnerships has created additional challenges. Many smaller IT teams find these requirements unmanageable, particularly when licensing becomes a prohibitive bottleneck to transformation. Ultimately, companies are left with limited leeway to adopt best-fit tools, increasing operational rigidity.

Transition Strategies

Industry Trends in Transition Strategies

1. Alternatives Being Adopted

Organisations facing these challenges are gravitating toward more flexible and cost-efficient virtualisation platforms. Major transition trends include the adoption of open-source solutions, cloud-based platforms, and vendor-neutral infrastructures.

2. Open-Source Platforms

Platforms like OpenStack are leading innovation in the virtualisation sector. OpenStack offers users robust tools for managing cloud-based ecosystems without proprietary lock-in.

OpenStack's growing popularity is rooted in its transparency, cost affordability, and ability to integrate with a variety of supplementary tools.

3. Cloud-Based Systems

Many VMware users are also transitioning to cloud-based services to take advantage of scalability and cost control inherent in non-premise environments. Hybrid cloud deployments allow businesses to seamlessly unify private and public cloud resources while scaling dynamically to match workloads.

4. Multi-Cloud Structures

An increasing number of businesses opt for multi-cloud strategies, leveraging specialized capabilities from different cloud providers.

Gartner projects that "by 2026, 65% of enterprises will mature their use of multi-cloud governance tools, reducing vendor lock-in by 40%" (Gartner, 2025).^[4] By diversifying cloud reliance, businesses can strengthen security while maintaining operational redundancy.

5. Key Decision Factors During Migration

When planning migration strategies, IT teams are guided by the following criteria:

- Ⓐ **Cost Sensitivity:** Does the platform provide modular or pay-as-you-go models?
- Ⓑ **Integration & Openness:** Can the infrastructure integrate seamlessly with current tools or other environments?
- Ⓒ **Securing Legacy Workloads:** Does the platform provide redundancy and layered protection for mission-critical applications?
- Ⓓ **Long-Term Scalability:** Does the vendor continuously evolve to match emerging requirements in cloud-native technology?



Alternative: mCloud

mCloud as a Viable Alternative

mCloud, powered by Micron21's enterprise-grade OpenStack and Ceph integration, has become a standout contender for VMware customers aiming to transition seamlessly to better platforms. Its capabilities match and, in many cases, exceed legacy VMware benchmarks while creatively iterating on affordability, scalability, and innovation.

➔ Scalability Tailored to Your Business

mCloud offers unparalleled scalability to meet the evolving needs of businesses, ensuring that organisations only pay for the resources they actually use. With its public cloud structure, businesses can scale their compute, storage, and memory resources dynamically, based on demand. This flexibility extends to private cloud configurations, where organizations gain access to dedicated infrastructure that can be scaled vertically or horizontally to accommodate growth, seasonal spikes, or new projects. mCloud also enables seamless adjustment to workloads with its hybrid cloud solutions, allowing businesses to leverage public cloud resources as needed while maintaining core operations in a private environment.

➔ Guaranteed High Availability

Built on enterprise-grade OpenStack and Ceph architecture, mCloud ensures consistent uptime for mission-critical workloads. Its multi-layer redundancy combines advanced technologies like real-time geographic replication across three Melbourne-based data centres, ensuring infrastructure remains operational even during unexpected events. Each of the three physical data centres is independently powered and secured, providing a robust foundation with 3N redundancy for critical workloads. Further to this, Micron21 operates Australia's only 100% sovereign Tier IV data centre with a 100% uptime guarantee. Automatic failover mechanisms allow your virtual machines, storage volumes, and network configurations to remain online, minimising downtime risks for your mission-critical applications.

➔ Comprehensive Data Recovery Options

Disaster recovery is integrated into mCloud's design, offering solutions that safeguard against data loss and downtime. mCloud's robust disaster recovery capabilities include automatic replication of virtual machines and data across multiple physical locations, ensuring business continuity in events such as hardware failures, cyberattacks, or natural disasters. Coupled with flexible backup options like scheduled snapshots and geo-replicated storage, mCloud enables organizations to create a tailored disaster recovery plan that meets recovery time objectives (RTOs) and recovery point objectives (RPOs).

➔ Enhanced Security Features

Security is a core priority of mCloud, providing organisations with peace of mind for their data and workloads. The platform features end-to-end encryption for data at rest and in transit, secured with enterprise-grade protocols. Additional layers of security are achieved through advanced firewall protections, distributed denial-of-service (DDoS) mitigation, and multi-factor authentication (MFA) for accessing management portals.

➔ Versatile Cloud Options (Public, Private & Hybrid)

mCloud accommodates diverse operational needs through its availability in public, private, and hybrid cloud configurations:

- **Public Cloud:**

Provides on-demand access to resources for businesses requiring cost-effective scaling. Users benefit from hourly billing or committed monthly resource models, all managed from an intuitive dashboard. Resources can be deployed in one of three secure availability zones, ensuring redundancy and geographical diversity.

- **Private Cloud:**

Designed for organizations needing dedicated hardware for regulatory compliance, security, or resource isolation. mCloud's private cloud offers complete customization, allowing businesses to define their infrastructure's technical specifications with options for integration into CAPEX or OPEX models.

- **Hybrid Cloud:**

Combines the best of both worlds, with the ability to scale into public cloud environments while maintaining sensitive operations on private hardware. This hybrid model is ideal for businesses needing flexible failover strategies as well as expansive, yet economical, resource scaling.

➔ Advanced Storage Solutions

Storage versatility is another defining feature of mCloud. Offering three distinct tiers of fully redundant Ceph-based storage options, businesses can choose solutions according to performance and budgetary requirements:

- 1. High-Performance NVMe Storage:** Ideal for intense I/O operations, delivering low-latency storage with high throughput.
- 2. Balanced 10K SAS Storage:** Perfect for applications that require stable performance without the extreme speed of NVMe.
- 3. Cost-Effective Bulk Storage:** Optimised for long-term, low-performance data retention, using enterprise-grade SAS drives.

All storage tiers utilize real-time 3N replication to ensure that data is secured across multiple independent clusters, preserving integrity even during unexpected failures. For industries with specific compliance needs, mCloud also offers encrypted storage options for additional data protection.

➔ Global DDoS Protection

mCloud is powered by Micron21's renowned global DDoS mitigation platform. This ensures continuous protection across layer 3 to layer 7 attacks, all backed by real-time monitoring from scrubbing centres located globally, including Amsterdam, Singapore, and the US. The platform's ability to filter malicious traffic without impacting service performance sets it apart, delivering ultra-low latency and high security for data traffic.

➔ Unified Management and Insights via mCloud Portal

Users benefit from a seamless management experience through mCloud Portal, a centralized platform combining OpenStack APIs and an easy-to-use dashboard. The portal simplifies everyday operations such as instance provisioning, resource scaling, and monitoring of active workloads. Features like automated scaling policies, workload orchestration, real-time network insights, and live support further enhance operational efficiency while reducing administrative overhead.

Recommendations

Actionable Recommendations

Transitioning away from VMware requires careful planning and a well-defined strategy to minimise disruption and ensure a seamless shift to a new virtualisation platform. Below are detailed recommendations to guide companies through this process.

1. Assess the Current IT Environment

Before initiating any migration, it is essential to understand the current state of your IT infrastructure. Conduct an inventory to identify critical workloads, applications, and dependencies. This will help determine which elements require reconfiguration, replication, or specialized resources during the migration.

Practical Example → An organisation running legacy ERP software on VMware may need to confirm compatibility with the target platform before migrating. Consider segmenting workloads based on priority, starting with low-risk systems to test the migration process. A systematic audit can also help identify inefficiencies inherent in your current setup. For instance, are there underutilized resources inflating costs? Platforms like mCloud, which allow dynamic scaling, can help address such inefficiencies during and after migration.

2. Build a Comprehensive Migration Plan

Migration isn't one-size-fits-all. A detailed migration road map prevents downtime, data loss, or performance degradation during the transition. Collaborate with vendors to create a step-by-step plan tailored to your organisation's needs, including timeline estimations, resource allocation, and predefined fall-back contingencies in case of setbacks.

Leveraging Migration Support Tools → mCloud offers built-in migration tools and professional support teams to make transitions smoother. Its ability to conduct phased migrations ensures minimal disruption to operations. With a dedicated local team, Micron21 excels in comparison.

3. Prioritise Security from the Start

Security is one of the top considerations in virtualisation migration. Ensuring that data remains secure both during and after migration is paramount, especially in industries like healthcare or financial services that rely on sensitive data.

Security Certifications & Compliance → Ensure that the chosen platform adheres to Australian compliance standards especially with regards to Personally Identifiable Information (PII) and adherence to the Australian Signal Directorate's "Essential Eight" for cybersecurity. Hosting and cloud providers, at a minimum, should be certified for ISO 27001. mCloud is hosted by Micron21 with certifications for ISO 27001/27002, 27017 and 27018. Additionally, Micron21's DDoS migration platform is IRAP assessed for government workloads.



4. Opt for a Vendor-Neutral and Scalable Platform

Vendor lock-in is a major stumbling block for agility. This is not just an issue for Hypervisor solutions, but also a challenge for Big Cloud (a colloquial reference to AWS, Microsoft Azure and Google Cloud Platform). Reliance on bespoke tools and services, while it may increase short term interoperability of systems, diminishes the transportability of a platform, making it extremely difficult to achieve future reductions in the total cost of ownership (TCO). Open solutions such as mCloud deliver significant advantages by allowing businesses to adopt a mix of technologies rather than getting locked into a single ecosystem.

5. Budget for Long-Term Savings, Not Just Immediate Costs

While transitioning from VMware may involve initial investment, the long-term savings in environments like mCloud often outweigh short-term costs. Work with cross-departmental stakeholders to project cost models over two to five years, encompassing licensing fees, infrastructure maintenance, and scalability.

Thought leaders continually emphasise, “Organisations spending on open-source cloud migrations see not only monetary savings but also operational flexibility, which is harder to quantify but invaluable strategically” (Gartner, 2025).^[4]

6. Enable Employee Training and Change Management

Even the best platforms can falter if employees are not trained to use them. Create a well-defined change management strategy to educate staff about new tools, workflows, and support mechanisms. This ensures widespread adoption and maximises productivity gains achieved from the migration.

Training Tools → Take advantage of platforms such as mCloud’s user-friendly dashboards, which allow both tech-savvy specialists and general IT staff to monitor and manage workloads intuitively. Offer workshops and hands-on labs to ensure every member of the IT team is proficient in managing the new infrastructure.



7. Partner with Experienced Providers

Migration is not just a technological upgrade — it’s a collaborative effort. Partnering with an experienced cloud services provider like Micron21 ensures you will have access to both technical expertise and strategic migration support. Their extensive background in managed services, with tailored solutions for both public and private cloud setups, guarantees smoother transitions backed by reliable post-migration support.

Conclusion

The Broadcom acquisition of VMware has catalysed widespread reassessment within the virtualisation market. Faced with soaring costs, outdated scalability models, and restrictive policies, organisations no longer view VMware as the “gold standard” of IT infrastructure solutions. Instead, a wave of experimentation, innovation, and exploration is driving businesses toward platforms that align with their operational and financial goals.

Among these alternatives, **mCloud** stands out as an exemplary model of flexibility, scalability, and cost-efficiency. With its foundation on open-source principles and a commitment to eliminating vendor lock-in, mCloud empowers enterprises to reclaim control over their IT environments. Its emphasis on security, performance optimisation, and dynamic scalability uniquely positions it to meet modern challenges head-on.

Why Transitioning Today Matters

For many organisations, the question is not whether to move away from VMware but rather when and how. Prolonging the decision can lead to sunk costs and diminishing returns, as legacy systems continue to demand higher maintenance and licensing fees. Early adoption of agile platforms like mCloud enables organisations to future-proof their IT infrastructure against evolving demands in artificial intelligence, edge computing, and real-time analytics. This timing becomes even more critical against the backdrop of accelerating technological change.

- [1] Licensing Data Solutions (2025). Retrieved from <https://www.licensingdatasolutions.com/blog/vmware-s-drastic-switch-from-processor-to-core-licensing-2025-potential-for-a-5x-40x-surge-in-your-vmware-software-spend>
- [2] Forbes (2025). Life After VMware. Retrieved from <https://www.forbes.com/sites/stevemcdowell/2025/02/06/life-after-vmware-which-alternative-is-right-for-you/>
- [3] McDowell, S. (2025). "Adaptability is no longer optional in IT." Forbes.
- [4] Gartner (2025). Multi-Cloud Governance Insights. Gartner Research Reports.

Contact Us

Micron21 Homepage:

<https://www.micron21.com>

mCloud Homepage:

<https://www.micron21.com/mcloud>

mCloud Free Trial:

<https://www.micron21.com/mcloudfreetrial>

Email Address:

sales@micron21.com

Phone:

1300 769 972

Address:

2/7 Eastspur Court, Kilsyth South, Victoria 3137, Australia

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micron21