



Option 4: Managed Service Provider Model

An MSP provides **VMware-based infrastructure as a service**, either in their data center or deployed on-premises. They handle licensing, hardware refresh cycles, support, and day-to-day management while you **consume resources on a subscription basis**.

Pros



- Converts unpredictable CapEx to stable OpEx
- MSP absorbs VMware licensing complexity and cost fluctuations
- Includes hardware, licensing, and support in single contract
- Reduces internal IT management burden

Cons



- Dependency on MSP's service quality and financial stability
- May have higher total cost than self-managed alternatives
- Exit complexity if you need to change providers or bring services in-house

Best For

Organizations that are highly integrated with the VMware ecosystem, have critical workloads that would be risky to migrate, or have **sufficient negotiating leverage** (enterprise customers, strategic accounts) to secure favorable terms.

