

VMware (Broadcom) vs. Nutanix vs. Proxmox: What Virtualization Costs Now

Unvarnished Reviews · Independent Report · unvarnishedreviews.com · Free · No subscription

Explosive finding: Advisory firms report VMware renewal quotes running 2 to 5 times prior spend since Broadcom's takeover, with individual increases reported from 150% up to 1,200%. A 288-core mid-size estate costs \$302,400 over three years at VCF list, the identical estate on Proxmox subscriptions runs about \$28,900.

This report synthesizes vendor-published pricing, licensing advisories including Redress Compliance, Atonement Licensing, Palisade Compliance, VendorBenchmark, and Red River, and independent pricing-tracking sources. Pricing data reflects vendor pricing pages and published licensing analysis current as of July 2026. Research Notes available on request at editorial@unvarnishedreviews.com.

Unvarnished Reviews Research

The Verdict Up Front

Broadcom says the new VMware is "simplified." The simplification consolidated 8,000+ SKUs into two subscription bundles, eliminated perpetual licenses entirely, and produced renewal quotes that advisory firms report running 2 to 5 times prior spend, with individual increases reported from 150% up to 1,200%. Whether you should stay depends almost entirely on one question: are you consuming the full stack you are being asked to pay for?

What Changed

Broadcom eliminated perpetual VMware licenses in 2024 and collapsed the portfolio into two subscription products, priced per physical core, per year:

- **VMware Cloud Foundation (VCF)**, the full stack (vSphere, vSAN, NSX, Aria). 2026 list: approximately \$350 per core per year. Realized enterprise pricing after disciplined negotiation: roughly \$185-\$275 per core (Atonement Licensing benchmarks).
- **VMware vSphere Foundation (VVF)**, hypervisor plus management, no NSX or full vSAN. 2026 list: approximately \$135-\$190 per core per year.

Three structural traps sit under the per-core rate. First, a 16-core minimum per CPU, run 8-core processors and you pay for 16 anyway. Second, a 72-core minimum order since April 2025, which drags even modest shops into enterprise-scale pricing. Third, vSphere Standard subscription was discontinued with no renewal path, expiring Standard customers must move up to VVF or VCF, or move out. Every core on every host running VMware must be licensed, including dev and test.

You also pay for the bundle whether you deploy it or not: NSX, previously ~\$1,200 per CPU per year standalone, now lives inside VCF's \$350/core whether your networking runs on it or on Cisco.

The Challengers

Nutanix: The Commercial Exit, Priced Behind a Curtain

Nutanix does not publish list prices, and that opacity is our first finding. Community-reported figures for NCI cluster around \$300 per core per year before discounts; reseller listings show NCI Pro with Production Support at \$648.99 per core, with the billing term ambiguous in the listing. We flag this spread rather than resolve it: when a vendor makes you ask, your leverage starts lower. The AHV hypervisor is included at no extra charge.

Advisory firms tracking genuine negotiations report a more complete picture than the published spread alone suggests. VendorBenchmark's dataset of 220+ enterprise Nutanix negotiations, current as of Q1 2026, reports an average discount of 32% off Nutanix's starting price, and a steeper 40%-48% specifically on VMware-displacement deals, the exact scenario most readers of this report are in. That discount pattern is not random: advisory firms report Nutanix treats a customer holding a costed Broadcom renewal quote as its highest-priority sale, and prices accordingly. A customer negotiating without that leverage should not expect the same number.

At scale, the same firm reports a 3,000-core environment running \$210,000 to \$390,000 per year in software before discount, falling to \$95,000 to \$230,000 per year with VMware-displacement pricing applied. A separate independent TCO comparison, run on a 1,280-core private cloud estate, found a three-year cost of roughly \$3.10 million on Nutanix Cloud Platform against roughly \$4.46 million on VMware Cloud Foundation, a 30% gap. Advisory-firm benchmarking at larger scale reports the same shape widening toward 50% as the VCF comparison price rises. Three independently sourced estimates, a community core-rate figure, an enterprise negotiation database, and an independent TCO comparison, converging on the same range is the strongest signal available that these numbers are directionally right, even without a Nutanix-confirmed price sheet to check them against.

None of this is free money. Redress Compliance, across 30-40 VMware renewal and exit evaluations, reports migration labor as the number teams underestimate by 30%-50%, and that figure held up independently in VendorBenchmark's negotiation data as well. Nutanix sits between the two extremes on this page: a commercial platform with commercial support, priced like one, genuinely cheaper than VCF on the evidence available, but not a walk-up rate, and not free of the operational cost of a migration most teams price too low.

Proxmox: Open Source With a Per-Socket Price Tag

Proxmox VE is open source (AGPLv3), free to run in production at full feature scope, with optional per-socket subscriptions for the stable enterprise repository and support. Published 2026 net prices per occupied CPU socket per year: Community €120 (~\$130), Basic €370 (~\$400), Standard €550 (~\$600), Premium €1,100 (~\$1,200). Sockets, not cores. A 64-core socket costs the same as an 8-core socket. The catch nobody prices in: **Proxmox Backup Server is licensed separately, per backup server**, Standard runs €2,240 (~\$2,450) per year per PBS instance, which on a small cluster can exceed the hypervisor subscription itself.

The lower price tag is not free of operational cost, and the evidence on where that cost shows up is consistent across independent sources. Community and technical reports describe clustering and shared storage as genuinely more involved to set up than on a mature commercial stack, requiring working Linux administration knowledge that a VMware-trained team may not already have. Gartner Peer Insights reviewers describe initial deployment and cluster setup as more complex, and some operations, particularly clustering and storage configuration, as less straightforward than on the leading commercial alternative, alongside genuinely positive reports on day-to-day stability once a cluster is running. Independent technical analysis reports that performance and reliability concerns become more pronounced beyond a few dozen nodes, and that managing large clusters with multiple petabytes of data can require manual configuration that more automated commercial platforms handle natively.

The support model is the other meaningful difference. Proxmox relies primarily on community support and documentation rather than a vendor SLA, which multiple reviewers report as sufficient for teams with solid Linux skills and adequate documentation, but a genuine gap for organizations that need a formal support escalation path or regulatory sign-off on vendor accountability. Migrations away from Proxmox, where they happen, are reported as driven by organizational scale and governance requirements, not missing hypervisor features, once an estate grows past what a lean operations team can comfortably run themselves.

None of this changes the math in the table below. The subscription cost is genuinely a fraction of VCF's, and the Backup Server gotcha is a bounded add-on, not a multiplier. What it changes is the fuller comparison: Proxmox's low price buys a capable, stable platform for a team willing to take on more of the operational and support burden itself, not a like-for-like replacement for VMware's automated tooling and vendor-backed SLA at every scale.

Platform Ratings at a Glance

Platform	G2 Rating	G2 Reviews
VMware vSphere	4.5 / 5	~750
Nutanix Cloud Infrastructure	4.5 / 5	272
Proxmox VE	4.6 / 5	33

Proxmox's G2 sample is small, 33 reviews against VMware's roughly 750, so its 4.6 rating carries less statistical weight than the table implies at a glance. PeerSpot's independent panel puts VMware vSphere at 8.8 out of 10, VMware's largest and most consistent rating base across both platforms, reflecting a mature product with a long enterprise track record rather than a close head-to-head with the other two. Treat Proxmox's rating as directional, not definitive, and weigh it against the much larger review bases behind VMware and Nutanix.

The Math: A 288-Core Mid-Size Estate

Scenario: 6 hosts, 2 sockets each, 24 cores per socket = 288 licensable cores, 12 sockets. Three-year software subscription cost, list prices unless noted:

Platform	Per-Year	3-Year
VMware VCF (list, \$350/core)	\$100,800	\$302,400
VMware VCF (realized, ~\$230/core)	\$66,240	\$198,720
VMware VVF (list, \$135/core)	\$38,880	\$116,640
Nutanix NCI (community-reported ~\$300/core, unverified list)	~\$86,400	~\$259,200
Proxmox Standard, 12 sockets + 1 PBS Standard	~\$9,600	~\$28,900

Read that bottom row twice. The Proxmox subscription for the identical estate is roughly **3% of VCF list**. Even against negotiated VCF, it is about 5%. Advisory-firm data at larger scale shows the same pattern: a 3,000-core environment reports \$210K-\$390K/year in Nutanix software before discount, \$95K-\$230K/year on VMware-displacement deals, versus a proportionally scaled VCF list cost well above that range at \$350/core.

Why the Bottom Row Is Not the Whole Answer

The Proxmox number buys you updates and tickets, not a platform team. The full comparison includes operations: VMware's cost assumes your existing team absorbs operations on tooling they know; Proxmox self-managed puts the full operations burden on you, including replacing vSAN with Ceph (free software, genuine expertise required) and rebuilding whatever leaned on NSX, DRS-style automation, or the VMware ecosystem's third-party integrations. Nutanix sits between the two: a commercial platform with commercial support, priced like one. And per Redress, whatever you budget for migration labor, the observed error is 30%-50% under.

Running Kubernetes on this estate? The platform question interacts with the container question, see our separate report on OpenShift vs. Tanzu vs. Nutanix NKP vs. Spectro Cloud, which covers how Broadcom's VCF bundling strategy extends to the Kubernetes layer.

The Capability Comparison the Price Tags Miss

Pricing determines whether a platform is affordable. It says nothing about whether it can do what an enterprise needs once it's running. Each platform in this comparison has a genuine, distinct capability profile, and the differences are architectural, not just operational polish.

VMware's advantage was never really the hypervisor, it's the ecosystem built around it. Two decades of certified hardware partnerships, mature automation (PowerCLI, Terraform providers, Ansible modules), and a deep third-party market for backup, security, and observability tooling mean VMware environments generally get to production faster and with fewer surprises, for teams already staffed around that ecosystem. Industry analysis frames Broadcom's changes as a cost constraint specifically, not a capability constraint: the platform's technical maturity has not degraded, only what it costs to keep using it.

Nutanix's advantage is vertical integration: compute, storage, and virtualization managed as one system rather than three separately engineered layers. For enterprise environments with genuine HA, DRS, and disaster-recovery complexity, that integration removes work a team would otherwise have to design and maintain themselves. The tradeoff is architectural, not incidental: every node runs a Controller VM that carries genuine resource overhead, and industry analysis describes this as Nutanix's defining operational constraint, manageable when a cluster is sized correctly, a genuine production issue when it isn't. Community consensus generally places Nutanix as the stronger fit once an estate crosses into 200-plus VMs with genuine SRM-level disaster-recovery requirements.

Proxmox's capability profile is the inverse of Nutanix's: genuine flexibility, with a genuine engineering ceiling. Feature parity with VMware's core compute, storage, and HA stack is generally reported as solid for mid-market environments (roughly 50-200 VMs), and Proxmox runs on the same KVM virtualization used by most major cloud providers. But two specific, well-documented limits define where that parity ends. First, the two-node quorum problem: a two-node Proxmox cluster is not high availability in the way VMware HA is, quorum mechanics mean a single node failure can take the entire cluster offline, and avoiding that requires a third node or a dedicated quorum device most teams don't plan for at the outset. Second, Ceph, Proxmox's most common path to distributed storage, requires a minimum node count, a separate replication network, and genuine tuning expertise to run well, none of which is optional once an estate grows past a single-node or two-node setup.

None of these constraints disqualifies any platform. All three are running production workloads at genuine enterprises today. But a decision made on price alone, without accounting for which of these capability profiles matches the team operating the platform, is a decision made on half the evidence.

The Decision Framework

Stay on VMware (as VVF) if: You genuinely consume the stack narrowly, third-party storage and networking, vSphere only. The single most expensive mistake in a Broadcom renewal is paying VCF's \$350/core for NSX and vSAN you don't run. VVF at \$135-\$190 is the correct tier for that profile, run the comparison against deployed features, not aspirations. The case for staying is not just avoided migration cost, it's that VMware's ecosystem maturity, certified hardware, automation tooling, third-party integrations, hasn't degraded. Only the price has. If that ecosystem is doing genuine work for your team, staying and negotiating hard is a capability decision, not just inertia.

Shortlist Nutanix if: You want a supported commercial platform, are refreshing hardware anyway, and can make vendors bid against each other. Demand written pricing early, the opacity is a negotiating tactic, and it works in both directions once you have a competing quote. Nutanix's vertical integration is the capability case for choosing it: compute, storage, and virtualization managed as one system removes engineering work your team would otherwise carry alone, and that's a genuine advantage once HA, DRS, and disaster-recovery requirements get complex. Size for the Controller VM overhead specifically before committing to a node count, it's the platform's defining operational tradeoff, manageable when planned for, a genuine production issue when it isn't.

Take Proxmox seriously if: You have (or will hire) genuine Linux operations capability and your estate is measured in dozens of hosts, not thousands. The 16-core and 72-core minimums that punish small VMware estates are exactly where per-socket pricing shines. Budget PBS as a separate line item, and budget the migration at 1.5x your first estimate. Two capability limits belong in that planning, not discovered afterward: a two-node cluster is not high availability the way VMware HA is, quorum mechanics mean one failure can take the whole cluster down without a third node or a dedicated quorum device, and Ceph, Proxmox's most common distributed-storage path, needs a minimum node count, a separate replication network, and genuine tuning expertise before it's production-ready. Community consensus places Proxmox as the strongest fit for mid-market estates, roughly 50 to 200 VMs, not the SRM-level disaster-recovery complexity Nutanix and VMware are built to handle at larger scale.

The Bottom Line

Broadcom's pricing did not merely raise VMware's cost, it changed what class of buyer VMware is for. If you are consuming the full VCF stack at enterprise scale with negotiated rates, the platform still earns its keep. For everyone else, especially the estates that just lost vSphere Standard, the renewal quote is Broadcom telling you, in dollars, that you are no longer the customer. Believe it, and price the exit against the 3-year number, not the sticker shock of migration quarter.

But price the exit against the capability profile too, not the number alone. VMware's advantage is ecosystem maturity, Nutanix's is vertical integration at the cost of per-node overhead, Proxmox's is genuine cost and flexibility at the cost of a genuine engineering ceiling around HA and distributed storage. None of these three is disqualifying, and none is free. The right choice is the platform whose capability profile matches the team that will operate it, not the platform with the lowest number on the page.