

Product Leadership Award

Managed SD-WAN EUROPE



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Background and Company Performance

Industry Challenges

Globally, enterprises are increasingly transitioning towards cloud-based applications and software-as-a-service (SaaS) deployments. The traditional wide area network (WAN) connectivity is not sufficient for the large volume of traffic generated as a consequence of increasing application traffic over the network. Moreover, enterprises incur high operational cost and security issues in such cases.

Software-defined wide area networks (SD-WANs) utilize intelligent, application-aware software to route traffic over the optimal network technology, based on business policies. Thus, enterprises do not have to depend solely on multiprotocol label switching (MPLS) links for multi-site connectivity, but instead can consider hybrid WAN deployments that make the best of the Internet (inexpensive and widely available) and MPLS (private and reliable) connections. Bridging the gap between innovation strategy and business strategy is essential in such IT investments that impact the growth potential of a business ecosystem and the predictive and prescriptive analytics required for digital transformation. A recent Frost & Sullivan survey among 276 Europe-based enterprise information technology (IT) decision-makers indicated that 59% of respondents believe that SD-WAN will help them move from a router-centric architecture to an application-centric architecture, giving them an ability to manage centrally and orchestrate all branch sites.

In a managed SD-WAN, the service provider acts as a single point of contact for the complete SD-WAN solution, including the SD-WAN appliance, software license, WAN services, and managed services. Organizations and enterprise information technology (IT) managers are looking to balance the control achievable with a DIY SD-WAN and the convenience of offloading the work to a fully managed SD-WAN. While fully managed SD-WAN was a clear choice for IT decision-makers in Europe, the market is still divided on between a DIY and co-managed SD-WAN solution, based on the survey findings.¹

Furthermore, while enterprises transition to SD-WAN solutions, they experience many risks as they change their network. Migrating to a new environment leads to challenges in ensuring security across multiple layers of networks. Moreover, many times enterprises feel forced to fit their business needs into pre-developed solutions, often ones that do not empower enterprises with data and analytics for their need to grow within their specific markets. Finally, customers need a network that is continuously connected and can grow and change as an enterprise's needs shift with their growth.²

¹ *Europe SD-WAN Survey Results, 2018: SD-WAN Adoption on the Rise Among Large Healthcare and Retail Enterprises*, (Frost & Sullivan, April 2019).

² *2019 Global Managed SD-WAN Market Forecasts*, (Frost & Sullivan, March 2019).

Product Family Attributes and Business Impact

Orange Business Services, a subsidiary of Orange S.A., is a global IT and communications services provider supporting organizations with mission-critical and enterprise-level infrastructure, managed services, and professional consulting. With a suite of network services to promote business growth, Orange Business Services operates across the globe to integrate and manage the complexity of unified communications, cloud computing, and advanced data applications.

Empowering End-to-End Orchestration

Orange Business Services launched its Flexible SD-WAN solution in the first half of 2018 as a multi-cloud, multi-applications, and multi-access connectivity offering. Orange Business Services' Flexible SD-WAN offering provides fully automated, intelligent network, and on-demand virtualized services, centrally orchestrated for end-to-end control. Orange Business Services provides customers with virtualized SD-WAN gateways, which ensure a smooth transition from MPLS to SD-WAN and interoperability with MPLS sites and services.

Furthermore, Orange Business Services universal customer premises equipment (uCPE) platform is a key enabler for Flexible SD-WAN. The uCPE is supported by VNF Ciena BluePlanet for Orchestration, a middleware operating system that supports virtualized functions, and a hardware x86 platform. Orange Business Services' SD-WAN solutions are flexible and customizable, to heighten scalability—from hub topology or a partial mesh to down-sized devices for remote sites. Additionally, the company offers several transport layer choices according to application needs (e.g., site to site, site to the cloud) and provides different types of meshing to increase return on investment.

Orange Business Services' vision is to provide end-to-end orchestration from user to machine to application, including the SD-WAN and moving to an application network and automatically up to the cloud using application program interfaces (APIs). The company helps users optimize performance end-to-end by combining SD-WAN gateway with multi-cloud capability, and an MPLS backbone. Moreover, Orange Business Services can integrate VNF capability to give additional function and security to fit customer's various needs. Finally, Orange Business Services heightens its value to customers by working with partners to integrate advanced analytics and automation capabilities to attune and customize to enterprises' specific needs. Furthermore, Orange Business Services can use data leveraged from customers to optimize management and take a proactive approach to optimize applications to customers continuously.

Tailoring Solutions

Still at its early stage of the technology adoption curve, enterprises transitioning to SD-WAN have different transformation requirements and priorities. Orange Business Services recognizes that a one-size-fits-all solution will not work for its customers. Therefore, the company developed an “enterprise adoption model” to classify its customers into four main groups based on needs and priorities.

- Hybrid evolution: Mainly for customers pursuing a low-risk approach to move towards hybrid networks using MPLS
- Internet-centric: Designed for customers using many applications on the Internet, with a high focus on cost-effectiveness
- Application-centric: For customers well into their cloud IT transformation journey and have already moved their critical business applications to the public cloud
- Orchestration-centric: Meant for customers that want to move and transform their network to a more agile model. This model helps customers future-proof their networks with the help of orchestration, SDN, and virtualization technologies

While these profiles are indicative in nature, Orange Business Services tailors its services to the exact priorities of its customers. Orange Business Services offers a full range of service models:

- Equipment reselling, which includes field service break and fixed remote maintenance assistance
- Appliance solution and integration, which includes, design, deployment, and a-la-carte services
- Fully managed solutions

The company also gives customers an intermediate solution with co-management capabilities to help customers manage solution changes. Typically, a customer can choose the network configuration and decide application priorities and security parameters.

Furthermore, this full range of services allows the company to ensure a smooth transformation to SD-WAN and all existing services that they are delivering. Additionally, Orange Business Services offers a variety of security strategies and solutions to meet customer's various security needs:

- Basic requirements: Managed SD-WAN appliance with embedded security (e.g., zone-based firewall)
- Best-in-class Web protection: SD-WAN plus managed Zscaler; automated connection to Zscaler node; other solutions managed by Orange Business Services based on their Next Gen Hubs
- Advanced on-site security requirements: uCPE-based deployment combining best of breed SD-WAN and security VNFs

These flexible options have helped Orange Business Services gain revenue and customer satisfaction. Within a year of its launch, Orange has signed contracts worth €1 billion and has about 80 proof of concepts and pilots. For example, one of Orange Business Services' customers, a multi-media company, struggled integrating multiple regional networks with cloud migration security to create a unified and integrated network. Orange Business Services' provided a platform of solutions including a flexible SD-WAN, MSI, and MPLS with Internet to provide the customer with centralized control, reduced overall cost, and optimized user experience.

Shifting with Market Needs

Orange Business Services maintains a large IT, technical, and IP expertise to work directly with customers and engineer solutions to evolve services and meet rapidly changing needs. To further highlight solutions value, Orange Business Services created Open Labs, a program that builds a proof of concept for customers to show how solutions will meet their specific needs. The program includes multiple Orange SD-WAN Lab environments distributed on various Orange locations and allows prototyping and co-developing a test plan that can meet customer SD-WAN needs, tailored to its business requirements. Orange Business Services understands that customers' needs are continuously shifting, as are technological capabilities. As a result, the company ensures that solutions can continually shift as needs and the network changes, empowering transformation, and high return on investment. Further committed to giving customers control over their networks, Orange Business Services built an overlay portal making it easier for customers to leverage all their solutions capabilities, including monitoring, analytics, or to make any changes to their network with a simple online interface. The portal interface prioritizes new services or applications most applicable to customer's needs and defines additional capabilities that it can deliver through a portal, empowering customers to remain in control of their network's capabilities and change quickly as the enterprises' needs change.

Remaining on the Forefront of Technological Advancement

Orange Business Services continuously looks to the future to offer customers cutting-edge solutions. For instance, the company is continually expanding its catalog of local Internet service providers; with more than 120 countries currently in coverage. Additionally, the company's future focus is to deploy a multi-cloud strategy for customers through its NextGenHub initiative. The NextGenHub extends worldwide coverage leveraging Orange Business Services' global partnership with vendors such as Alicloud, IBM, and Webex, Microsoft, AWS, as well as Orange Business Service Flexible Engine platform. Orange Business Services' NextGenHub guarantees performance from branch to cloud as well as orchestrates flexibility and agility with SD-WAN gateway and security offerings. Finally, Orange Business Services is already working to prepare its solutions for the transition to 5G in the future. The company is taking a three-fold approach to 5G migration: improving high-speed mobile broadband, creating high-speed fixed broadband access, and tailoring new applications to support the digital transformation of businesses. The company projects that by 2020, tests related to these areas will prepare for the arrival of 5G both for consumer and business customers.

Business Success

Orange Business Services employs over 2,400 artificial intelligence and data experts and 1,300 cyber-defense experts to ensure it remains at the forefront of innovation and equips customers with the best solutions. This extensive expert base has led Orange Business Services to have over 3,000 multinational customers in a variety of verticals. Moreover, Orange Business Services' SD-WAN sector alone has experienced large success, earning the company €1 billion in total contract values signed, with on-going deployments globally including 80 proof of concept and pilots running with 10 large-scale deployments.

A highlighted example of Orange Business Services' successes comes from one of its pharmaceutical group customers. Initially, this customer struggled with application visibility, cloud migration, and unified communication (UC) transformation. The customer leveraged a variety of Orange Business Services' solutions, including a flexible SD-WAN, hybrid UC solution, and voice over SD-WAN to experience agile integration of new cloud requirements to optimize the user experience.

Conclusion

With connectivity and cloud-based environments growing, enterprises realize that the traditional router-based network architecture does not support new levels of business requirements and traffic volumes. At the same time, transitioning to a managed software-defined wide area network (SD-WAN) comes with the need to fit business requirements into available SD-WAN options. Orange Business Services meets these needs by offering its customers full, end-to-end services and solutions from user to machine to application including the SD-WAN and moving to an application network and automatically up to the cloud using application programming interface. With additional security integrations and flexibility to customize based on specific industry needs; Orange Business Services empowers customers to experience agile integrations of new cloud requirements to optimize the user experience.

For its strong overall performance, Orange Business Services is recognized with Frost & Sullivan's 2019 European Product Leadership Award in the managed SD-WAN market.

Significance of Product Leadership

Ultimately, growth in any organization depends on customers purchasing from a company and then making the decision to return time and again. A comprehensive product line filled with high-quality, value-driven options is the key to building an engaged customer base. To achieve and maintain product excellence, an organization must strive to be best in class in three key areas: understanding demand, nurturing the brand, and differentiating from the competition.



Understanding Product Leadership

Demand forecasting, branding, and differentiating all play critical roles in finding growth opportunities for your product line. This three-fold focus, however, must be complemented by an equally rigorous focus on pursuing those opportunities to a best-in-class standard. Customer communication, customer feedback, pricing, and competitor actions must all be managed and monitored for ongoing success. If an organization can successfully parlay product excellence into positive business impact, market share will inevitably increase.

Key Benchmarking Criteria

For the Product Leadership Award, Frost & Sullivan analysts independently evaluated two key factors—Product Family Attributes and Business Impact—according to the criteria identified below.

Product Family Attributes

Criterion 1: Match to Needs

Requirement: Customer needs directly influence and inspire the design and positioning of the product family.

Criterion 2: Reliability and Quality

Requirement: Products consistently meet or exceed customer expectations for performance and length of service.

Criterion 3: Product/Service Value

Requirement: Products or services offer the best value for the price, compared to similar offerings in the market.

Criterion 4: Positioning

Requirement: Products or services address unique, unmet need that competitors cannot easily replicate or replace.

Criterion 5: Design

Requirement: The product features an innovative design, enhancing both visual appeal and ease of use.

Business Impact

Criterion 1: Financial Performance

Requirement: Overall financial performance is strong in terms of revenues, revenue growth, operating margin, and other key financial metrics.

Criterion 2: Customer Acquisition

Requirement: Product strength enables acquisition of new customers, even as it enhances retention of current customers.

Criterion 3: Operational Efficiency

Requirement: Staff is able to perform assigned tasks productively, quickly, and to a high quality standard.

Criterion 4: Growth Potential

Requirements: Product quality strengthens brand, reinforces customer loyalty, and enhances growth potential.

Criterion 5: Human Capital

Requirement: Company culture is characterized by a strong commitment to product quality and customer impact, which in turn enhances employee morale and retention.

Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan analysts follow a 10-step process to evaluate award candidates and assess their fit with select best practices criteria. The reputation and integrity of the awards are based on close adherence to this process.

STEP	OBJECTIVE	KEY ACTIVITIES	OUTPUT
1 Monitor, target, and screen	Identify award recipient candidates from around the world	<ul style="list-style-type: none"> • Conduct in-depth industry research • Identify emerging industries • Scan multiple regions 	Pipeline of candidates that potentially meet all best-practice criteria
2 Perform 360-degree research	Perform comprehensive, 360-degree research on all candidates in the pipeline	<ul style="list-style-type: none"> • Interview thought leaders and industry practitioners • Assess candidates' fit with best practices criteria • Rank all candidates 	Matrix positioning of all candidates' performance relative to one another
3 Invite thought leadership in best practices	Perform in-depth examination of all candidates	<ul style="list-style-type: none"> • Confirm best practices criteria • Examine eligibility of all candidates • Identify any information gaps 	Detailed profiles of all ranked candidates
4 Initiate research director review	Conduct an unbiased evaluation of all candidate profiles	<ul style="list-style-type: none"> • Brainstorm ranking options • Invite multiple perspectives on candidates' performance • Update candidate profiles 	Final prioritization of all eligible candidates and companion best practices positioning paper
5 Assemble panel of industry experts	Present findings to an expert panel of industry thought leaders	<ul style="list-style-type: none"> • Share findings • Strengthen cases for candidate eligibility • Prioritize candidates 	Refined list of prioritized award candidates
6 Conduct global industry review	Build consensus on award candidates' eligibility	<ul style="list-style-type: none"> • Hold global team meeting to review all candidates • Pressure-test fit with criteria • Confirm inclusion of all eligible candidates 	Final list of eligible award candidates, representing success stories worldwide
7 Perform quality check	Develop official award consideration materials	<ul style="list-style-type: none"> • Perform final performance benchmarking activities • Write nominations • Perform quality review 	High-quality, accurate, and creative presentation of nominees' successes
8 Reconnect with panel of industry experts	Finalize the selection of the best practices award recipient	<ul style="list-style-type: none"> • Review analysis with panel • Build consensus • Select recipient 	Decision on which company performs best against all best practices criteria
9 Communicate recognition	Inform award recipient of recognition	<ul style="list-style-type: none"> • Present award to the CEO • Inspire the organization for continued success • Celebrate the recipient's performance 	Announcement of award and plan for how recipient can use the award to enhance the brand
10 Take strategic action	Upon licensing, company is able to share award news with stakeholders and customers	<ul style="list-style-type: none"> • Coordinate media outreach • Design a marketing plan • Assess award's role in strategic planning 	Widespread awareness of recipient's award status among investors, media personnel, and employees

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan's 360-degree research methodology represents the analytical rigor of our research process. It offers a 360-degree view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan's research methodologies. Too often companies make important growth decisions based on a narrow understanding of their environment, resulting in errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry participants and for identifying those performing at best-in-class levels.

360-DEGREE RESEARCH: SEEING ORDER IN THE CHAOS



About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, helps clients accelerate growth and achieve best-in-class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's growth team with disciplined research and best practices models to drive the generation, evaluation, and implementation of powerful growth strategies. Frost & Sullivan leverages nearly 60 years of experience in partnering with Global 1000 companies, emerging businesses, and the investment community from 45 offices on 6 continents. To join Frost & Sullivan's Growth Partnership, visit <http://www.frost.com>.

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