Enterprise Primer for Adopting Network-as-a-Service (NaaS)
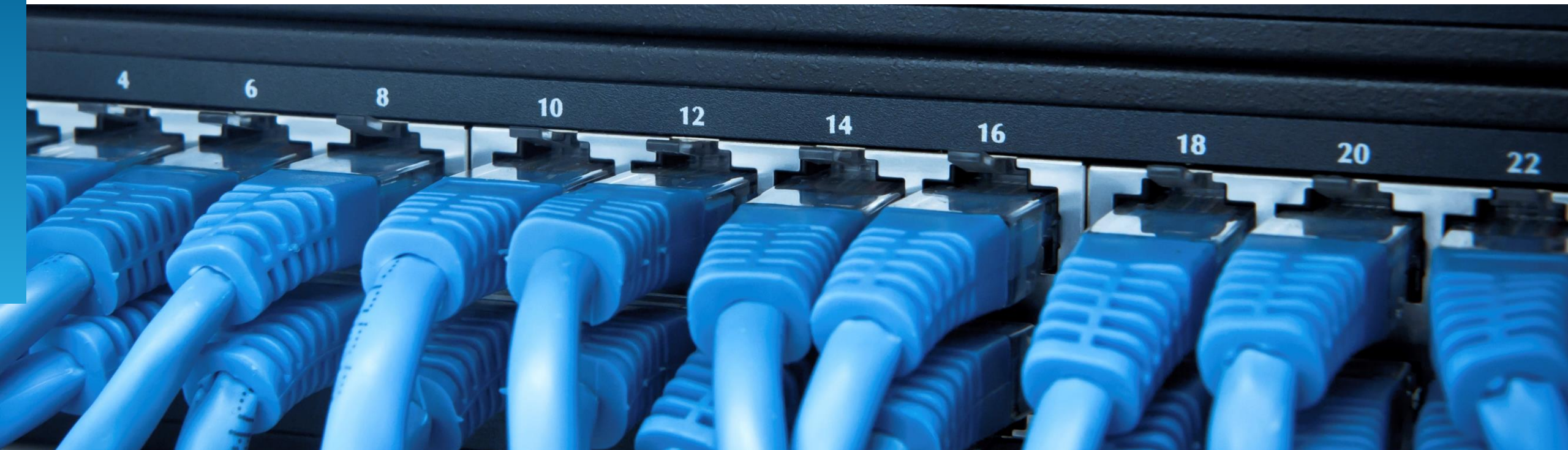
August 2020: Complimentary Abstract / Table of Contents

EGR-2020-29-CA-3906

Our research offerings for global services

- ▶ **Market Vista™**
  Global services tracking across functions, sourcing models, locations, and service providers – industry tracking reports also available

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a membership may include

- Accelerators™
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Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

Membership information

- This report is included in the following research program(s)
  - Cloud & Infrastructure Services (CIS)
- If you want to learn whether your organization has a membership agreement or request information on pricing and membership options, please contact us at **info@everestgrp.com**

Contents

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This report provides insights into enterprise network services
The report provides insights across a comprehensive infrastructure services landscape

Market definition – network services

Traditional network services

Consulting, design and build, and managed services of traditional networks involving network components such as physical routers, switches, firewalls, and gateways

Next-generation network services

- Network Function Virtualization (NFV)
- Software-defined Network for Datacenter (SDN-DC)
- Software-defined Wide Area Network (SD-WAN)
- Software-defined Local Area Network (SD-LAN)

Scope of services provided for both traditional and next-generation network services include:

Consulting services - Strategy, roadmap formulation, readiness assessment, Total Cost of Ownership (TCO) analysis, etc.

Design and build services - Network design, data/ethernet cabling, server configurations, switch and router setup, wireless setup, etc.

Managed services - L1, L2, L3, and L4 support, network provisioning, administration, troubleshooting, monitoring, performance optimization, network availability analysis, capacity planning, configuration support, network testing, network policy management, network analytics, and network automation

The research does not focus on engineering services and other infrastructure services provided to telecommunication providers.

Introduction of the research
Achieving a unified network environment through Network-as-a-Service (NaaS)

Background of the research

Network, which is the backbone of an IT infrastructure estate, has proved to be one of the biggest challenges for optimizing enterprise digital transformation benefits. Legacy networks lack the agility and business alignment required for a digital enterprise. The increase in on-demand services and the introduction of new working models have further strained an already ailing network infrastructure. This has led enterprises to focus on transforming their network to achieve the desired business-oriented outcomes. COVID-19 has only reinforced the need for such transformation. However, current network offerings are disparate across the enterprise network landscape that includes cloud, datacenter, Wide Area Network (WAN), Local Area Network (LAN), and branch; and do not truly fulfill the need of end-to-end network transformation. With cloud-based delivery models displaying credible results across the IT landscape, we explore a new approach to deliver network as-a-service.

The scope of this report includes:

- Network services market size (split across geographies, scope of services, and industry verticals)
- Overview on the evolution of network services and the prevalent and upcoming trends within the market
- Exploring a new approach to deliver NaaS

Scope of this report:

Geography
Global

Services
Network services

Overview and abbreviated summary of key messages

Performance of an enterprise IT is strongly related to its network environment. Enterprise networks form the backbone on which other IT components are built on and often, networks determine the efficiency of the IT environment. With traditional network model being disrupted by the introduction of next-generation network technologies such as software-defined networking and virtual network functions, network is also becoming a true enabler of digital transformation. This warrants the need for enterprises to adopt the right network technologies that supports its transformation into a digital enterprise. The COVID-19 pandemic is expected to further drive growth for next-generation network technologies.

Some of the findings in this report, among others, are:

Enterprise network services market overview
- Digital transformation initiatives including cloud, analytics, and IoT, has resulted in increased investment appetite for enterprise network services and enterprise leaders have identified network performance as a crucial factor in the success of these transformation initiatives
- Accelerated cloud adoption, especially since the pandemic began, has resulted in the growth for software-defined WAN and will be the primary network transformation lever for enterprises

Network services trends
- Cloud-driven network themes including SD-WAN, cloud connectivity, and network automation & analytics are witnessing mainstream adoption. Future growth of enterprise networks will be driven by 5G and edge computing
- Cloud providers are the latest entrants into the enterprise network market and are pushing consumption of cloud and networks in tandem

Current NaaS offerings and challenges
- Different market participants focus on different trends and aspects of the network services market and often position it as NaaS
- Lack of automation, unclear standards, limited visibility and transparency, cost proliferation, and loss of control are some of the current challenges faced by enterprises moving to a NaaS construct

Ideal NaaS model
- A true NaaS needs to address all the network requirements across cloud, datacenter, branch, remote workforce, and smart devices under one unified platform
- The unified NaaS platform should have characteristics spanning application-centricity, visibility, vendor-agnosticism, invincibility, centralized orchestration, modularity, and an open architecture

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This study offers two distinct chapters providing a deep dive into key aspects of enterprise network services market; below are four charts to illustrate the depth of the report
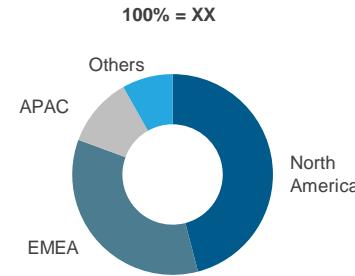
Global enterprise network services market size – by industries

Annual revenue in US$ billion; 2019
100% = 17.5

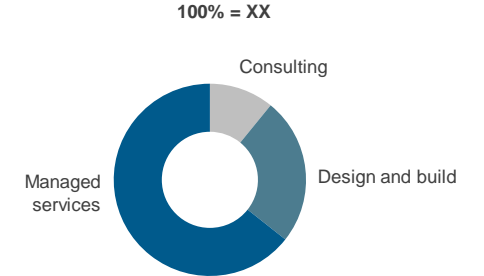|						
20% XXX	**16%** XXX	**12%** XXX	**12%** XXX	**15%** XXX	**8%** XXX	**17%** XXX
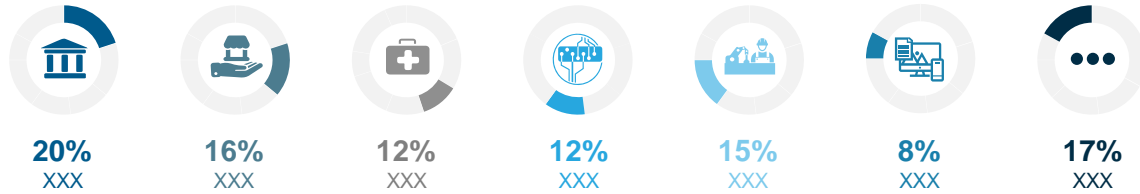
Global enterprise network services market size – by geography and scope of services

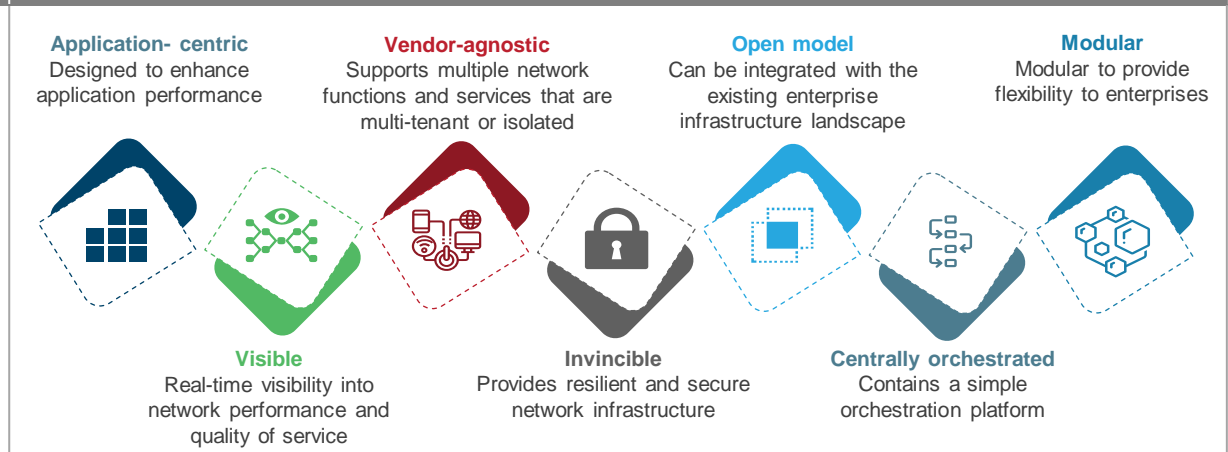**Enterprise network services market size – by geography**
2019; US$ billion

100% = XX

- Others
- APAC
- North America
- EMEA

Enterprise network services market size – by scope of services
2019; US$ billion

100% = XX

- Consulting
- Design and build
- Managed services

Evolution of enterprise network services

PAST

PRESENT

FUTURE

Traditional networks

Cloud-driven network transformation

Edge-driven network transformation
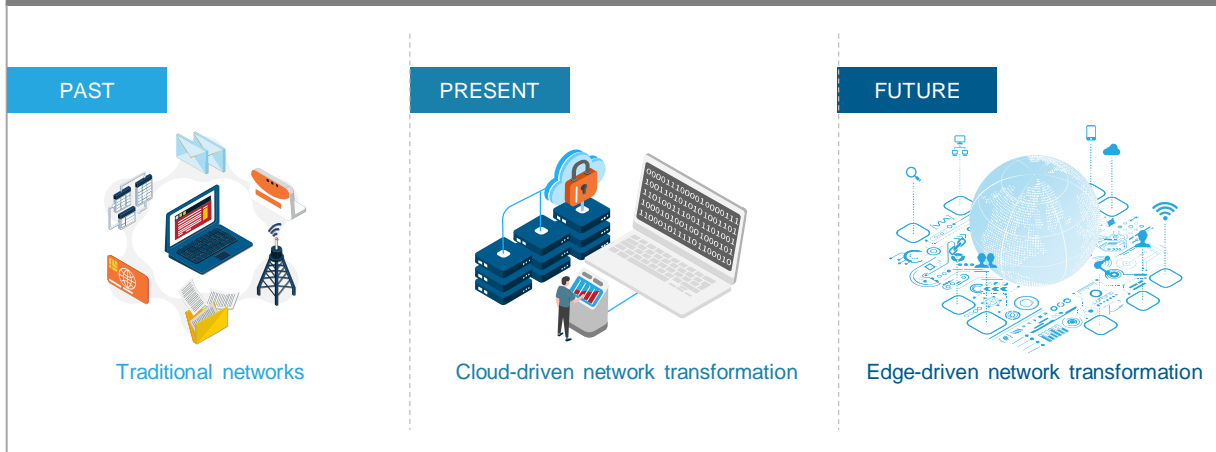
Characteristics of a unified NaaS platform

Application- centric
Designed to enhance application performance

Vendor-agnostic
Supports multiple network functions and services that are multi-tenant or isolated

Open model
Can be integrated with the existing enterprise infrastructure landscape

Modular
Modular to provide flexibility to enterprises

Visible
Real-time visibility into network performance and quality of service

Invincible
Provides resilient and secure network infrastructure

Centrally orchestrated
Contains a simple orchestration platform

Research calendar
Cloud and infrastructure services

Flagship CIS reports	Release date
Network Transformation and Managed Services PEAK Matrix® Assessment 2020: Transform your Network or Lie on the Legacy Deathbed	December 2019
Network Transformation and Managed Services PEAK Matrix® Assessment 2020 – Focus on Communications Service Providers	March 2020
IT Security Services PEAK Matrix® Assessment 2020	June 2020
Combating COVID-19 Through Infrastructure-led Transformation	July 2020
Digital Trust – The Cornerstone of Creating a Resilient and Truth-based Digital Enterprise	August 2020
Digital Workplace Services PEAK Matrix® Assessment 2020	August 2020
Enterprise Primer for Adopting Network-as-a-Service (NaaS)	**August 2020**
Aware IT Infrastructure Automation Services PEAK Matrix® Assessment 2020	Q3 2020
Service Integrator Capabilities on AWS PEAK Matrix® Assessment 2020	Q4 2020
Service Integrator Capabilities on Azure PEAK Matrix® Assessment 2020	Q4 2020
Service Integrator Capabilities on GCP PEAK Matrix® Assessment 2020	Q4 2020

Thematic CIS reports	Release date
Connected Workplace – The Next Experience Frontier	January 2020
Enterprise Pulse Report: The Dissatisfaction Conundrum	January 2020
Upcoming Contract Renewals – Infrastructure Services	March 2020
Security Operations for a Digital World	Q3 2020

Note: For a list of all our published CIS reports, please refer to our website page

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