

FROST & SULLIVAN

*NETSCOUT*

**2022**  
**COMPANY**  
**OF THE**  
**YEAR**

*GLOBAL WIRELESS NETWORK  
MONITORING AND SERVICE  
ASSURANCE INDUSTRY*

## Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. NETSCOUT excels in many of the criteria in the wireless network monitoring and service assurance space.

AWARD CRITERIA	
<i>Visionary Innovation &amp; Performance</i>	<i>Customer Impact</i>
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

### Industry Challenges—Robust Testing and Validation Needs for Complex Next-generation Wireless Networks

The cellular wireless network has seen rapid evolution in recent years, including disruptions like accelerating 5G deployments, network virtualization, O-RAN architecture, and autonomous networks. As the mobile network providers gear up for the widespread deployment of 5G services, there will be an equally accelerated virtualization deployment in the network infrastructure. The network operators can no longer rely on traditional probe-based monitoring solutions and require solutions compliant with the virtualized environment. Therefore, the industry is moving away from hardware-based solutions to software, which is more pervasive and easier to install.

The network core and the radio access network (RAN) are expected to witness a high degree of virtualization. Moreover, 5G has enabled private wireless networks deployed on clouds that further need efficient monitoring and validation solutions. End-to-end visibility from RAN to the core to the edge is critical for troubleshooting and automated operations for any cloud (public or private), any network (physical, virtual, or hybrid), and any workload (virtual RAN, virtual core, and edge computing throughout the 5G life cycle). There is an urgent need for agile testing solutions that offer a software-based approach for end-to-end visibility into multi-vendor networks. There is significant demand for an end-to-end testing platform that can be used from the lab to the field and a service assurance solution that sits on top of the

platform to offer the end user visibility into their network. Service assurance solutions such as active and passive monitoring techniques are essential for visibility across different clouds, applications, and workloads to sustain 5G operations. As the push toward 5G continues, adopting cloud-native, container-based technologies (such as Kubernetes) that offer all the advantages of virtualization with considerable efficiency will accelerate. The variety of use cases reinforces the fragmentation of market opportunities and underscores the complexity communication service provider (CSPs) must address when offering these services over 4G/5G and fixed networks.

### ***Addressing Customer Needs Through Visionary Innovation and Strong Performance***

Founded in 1984 and headquartered in Westford, Massachusetts, United States, NETSCOUT Systems is a global leader in wireless network service assurance solutions, enabling the seamless monitoring and analysis of complex modern-day wireless networks for enterprises and communication service providers (CSPs). NETSCOUT's solution portfolio includes a range of virtual appliances to help customers extend their application monitoring deeper into their networks and traditional data centers, confidently migrate applications into public cloud environments, and gain a comprehensive, cohesive view into the resulting hybrid and multi-cloud environment.

*"To meet the end-user requirement for monitoring a virtualized network environment, NETSCOUT has re-engineered its probe monitoring solution from traditional box hardware server-based solutions to software, which is in tune with the trend of cloudified networks on the enterprise and service provider sides."*

**– Navdeep Saboo,  
Industry Analyst**

The service assurance segment is NETSCOUT Systems' primary market, and the company has been expanding business relationships with cloud providers that serve the network operators and enterprises. The company's Smart Data and nGeniusONE applications provide network operators with the intelligence and tools to address their legacy and hybrid networks by maintaining end-to-end, multi-vendor, multi-generational (4G/5G) network visibility throughout these transitions and evolutions. To meet the end-user requirement for monitoring a virtualized network environment, NETSCOUT has re-engineered its probe monitoring solution from traditional

box hardware server-based solutions to software, which is in tune with the trend of cloudified networks on the enterprise and service provider sides.

5G, digital transformation through cloud migration, network virtualization, and private wireless networks, are all setting the stage for NETSCOUT's continued advancement. In line with the industry Mega Trends, NETSCOUT offers a range of innovative validation and service assurance solutions for wireless networks. For instance, its innovative TrueCall Geoanalytics platform is a highly efficient and next-generation way of augmenting traditional field drive testing. TrueCall implementation can reduce field drive testing requirements by as much as 50% and allow at-a-glance heat maps with geo-analytics, resulting in significant cost savings and enabling CSPs to optimize the cell sites.

NETSCOUT offers solutions covering the networks' entire lifecycle, including benchmarking, monitoring, field trials, acceptance, optimization, and network troubleshooting.

To address the latest challenges of customers dealing with the pandemic-induced “new normal”, hybrid workforces, edge activity, and the ever-expanding cybersecurity threat landscape, NETSCOUT has released several new products, including Smart Edge Monitoring and Omnis Cyber Intelligence. These offerings have contributed immensely to accelerating NETSCOUT’s business momentum and helping retain its competitive advantage. The company also actively works with many of its partners to better integrate its solutions into the customer’s ecosystems and enhance its offerings’ overall quality and technical capabilities. Frost & Sullivan firmly believes that a product development strategy in line with evolving end-user requirements provides NETSCOUT with a unique value proposition.

The company continues to advance its “NETSCOUT without Borders” initiative to expand its business with current customers by leveraging its market experience and incumbency and acquiring new customers through innovative solutions such as as-a-service or subscription-based offerings. As the world continues to emerge from the pandemic, NETSCOUT remains focused on meeting customers’ needs for service assurance solutions that solve some of the connected world’s toughest challenges.

Owing to its visionary product development strategies catered towards changing market dynamics and strong collaborative relationships with several leading network operators, NETSCOUT delivered an unprecedented financial performance in FY 2022. The company witnessed revenues, margins, and earnings-per-share (EPS) growth and generated strong free cash flow. For instance, NETSCOUT’s gross profit increased by about 5.3% in 2022, while the EPS increased by over 8.0%, which is more than twice its total revenue growth rate for 2021. With the continuous development and deployment of 5G and cloudified networks, NETSCOUT is poised for favorable growth in the coming years.

### ***Ensuring Profound Customer Impact with Enhanced Customer Experience and Strong Brand Equity***

NETSCOUT adopts flexibility and variability in offering its products to its customers. The sales structure includes both traditional sales and customer-specific individually curated sales. Offerings can be provided on a subscription model based on the scale and reach of the customer’s network. With its subscription-based service, NETSCOUT ensures continuous support and collaboration with customers in managing and monitoring the network, including additional services such as maintenance and technical assistance. This model has proved beneficial for customers that don't have the level of experience required to monitor and manage their network functions and migrate to a cloud-based architecture.

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NETSCOUT offers innovative subscription-based services, including visibility-as-a-service (VaaS) or monitoring-as-a-service (MaaS) for cloud-based/virtual network infrastructure, which helps network operators manage and test their multi-vendor network infrastructure. Testing-as-a-service (TaaS) offerings such as VaaS or MaaS combine the advantages of cloud computing technology and traditional on-premises network infrastructure monitoring solutions. These services are suited for

cloud-based network operators looking to adopt a monitoring framework quickly and with minimal investments. NETSCOUT's VaaS offerings help many Tier III and Tier IV carriers run and monitor their cloud-based complex networks by giving them deep visibility into the wireless network. Frost & Sullivan applauds NETSCOUT for its innovative and customer-centric approach to offering the best value for the price.

NETSCOUT frequently hosts and participates in customer-facing events such as customer forums, trade shows, seminars, webinars, and industry events. It also uses advertising, social media, direct mail, sales promotions, and other online marketing programs, all of which enhance its visibility and brand equity. For instance, NETSCOUT organizes the Annual Technology and User Summit, ENGAGE, demonstrating its innovative network visibility offerings and adjacency capabilities in markets such as application performance management, infrastructure performance management, business analytics, and cybersecurity. The company enjoys strong customer and partner turnout in these events.

NETSCOUT builds strategic relationships with customers by continually enhancing its solutions according to their evolving needs. In addition, NETSCOUT provides continuous software enhancement support, ensuring customers stay updated with regular product upgrades. Such strategies promote loyalty and expand the deployment of NETSCOUT's offerings.

NETSCOUT is deeply committed to ensuring customer satisfaction and enhancing the overall customer experience. The company offer various high-quality support services to assist customers in deploying and using NETSCOUT's solutions. Customers get access to an exclusive customer portal, MyNETSCOUT, which provides the latest information on products and services for efficient maintenance and management. NETSCOUT support personnel are strategically deployed to ensure 24/7 assistance to customers across the globe. In addition, the company has tie-ups with third-party support partners and certified resellers to provide quick on-site and partner-enabled assistance. Such customer-centric localized support strategies enable the company to effectively cater to customer needs across geographies, irrespective of time zone, language, or geographical barriers. Frost & Sullivan commends NETSCOUT's innovative customer-centric business model in providing unrivaled customer experience, satisfaction, and value.

## Conclusion

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NETSCOUT's network service assurance offerings have enabled accelerated 5G build-outs for several leading network operators. The company's market-leading solutions, combined with its responsive customer service, solid customer relationships, and strong incumbency, will continue to garner more customer wins as 5G proliferates further. Frost & Sullivan believes that NETSCOUT is poised for continuous growth. The company's comprehensive solutions, covering both traditional physical networks and the next generation of cloudified virtualized networks, are its biggest assets. NETSCOUT has remained aligned with the continuous market evolution, modifying and upgrading its offerings to match customer needs and industry trends. This has resulted in strong financial performance and presents positive future growth prospects. Further, the company creates constant buzz about its offerings through various customer-facing events and programs, enhancing its visibility and brand equity.

With its compelling customer value proposition, strong brand equity, and overall solid performance, NETSCOUT earns Frost & Sullivan's 2022 Global Company of the Year Award in the wireless network monitoring and service assurance industry.

## What You Need to Know about the Company of the Year Recognition

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Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

### Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

#### *Visionary Innovation & Performance*

**Addressing Unmet Needs:** Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

**Visionary Scenarios Through Mega Trends:**

Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

**Leadership Focus:** Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

**Best Practices Implementation:** Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

**Financial Performance:** Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

#### *Customer Impact*

**Price/Performance Value:** Products or services provide the best value for the price compared to similar market offerings

**Customer Purchase Experience:** Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

**Customer Ownership Experience:** Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

**Customer Service Experience:** Customer service is accessible, fast, stress-free, and high quality

**Brand Equity:** Customers perceive the brand positively and exhibit high brand loyalty



## About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

## The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

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### Key Impacts:

- **Growth Pipeline:** Continuous Flow of Growth Opportunities
- **Growth Strategies:** Proven Best Practices
- **Innovation Culture:** Optimized Customer Experience
- **ROI & Margin:** Implementation Excellence
- **Transformational Growth:** Industry Leadership



## The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

### Analytical Perspectives:

- **Mega Trend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**

