

VERIZON RECEIVES THE 2023 COMPETITIVE STRATEGY LEADERSHIP AWARD

*Identified as best in class in the North American
managed software-defined wide
area network 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. Verizon excels in many of the criteria in the managed software-defined wide area network space.

AWARD CRITERIA	
<i>Strategy Innovation</i>	<i>Customer Impact</i>
Strategy Effectiveness	Price/Performance Value
Strategy Execution	Customer Purchase Experience
Competitive Differentiation	Customer Ownership Experience
Executive Team Alignment	Customer Service Experience
Stakeholder Integration	Brand Equity

Foresight with Insight: Knowledge Breadth, Strategic Depth

Founded in 2000 and headquartered in New York, United States, Verizon is a global communications technology company. Verizon was an early investor in developing and managing software-defined wide area network (SD-WAN) services. The company built a solid strategy around this technology and its connection to network-as-a-service (NaaS) models and secure services edge platforms, some critical aspects of the next evolution to SD-WAN services. In 2022, Frost & Sullivan recognized Verizon for its growth strategy excellence and brand strength and remains impressed with the company’s continuing innovation and sustained leadership.

SD-WAN services utilize a software-based approach to optimize costs and application performance by managing and controlling the underlying enterprise network technologies. SD-WAN enables wired and wireless connections and directs traffic over adequate network technology for each application’s needs.¹ According to the 2021 Frost & Sullivan SD-WAN survey, the top five drivers for implementing SD-WAN are optimizing information technology (IT) resources, improving business productivity, enhancing customer experience, increasing operational efficiency, and better supporting remote working.² Therefore, customer portals are essential to managing SD-WAN services and achieving these objectives. These portals provide crucial tools such as visibility, integration with enterprise IT service management suites, and performance and service-level agreement (SLA) management.

¹ Frost Radar™: Managed SD-WAN Services in North America, 2022 (Frost & Sullivan, December 2022)

² Ibid.

One of Verizon's primary missions is to offer innovative communications and technology solutions to transform how people, businesses, and things connect, identifying and fulfilling clients' needs from its inception. Continuous efforts on technology and infrastructure investments (e.g., 5G and multi-edge computing) improve existing services and pave its managed services roadmap. For instance, Verizon developed an end-user dashboard for internal and external use to ensure the overall SD-WAN networking and remote workers meet application performance needs. In 2022, the company further strengthened its value proposition and commitment to enhance workflows and deliver its clients a digital transformation with a comprehensive approach through a bundle of services and solutions.

Delivering managed SD-WAN services with built in network security services is complex and requires advanced technical knowledge and expertise. Verizon's orchestration and lifecycle management platform

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- Stephen Thomas
Industry Director

fully integrates its SD-WAN vendor solutions, offering enterprises a stress-free solution. Through the Verizon Enterprise Customer portal, users gain visibility into an extensive array of business services, including underlay, security, voice-over-internet protocol, and unified communications as a service. In addition, the company's orchestration platform is vendor-agnostic and simplifies policy management drastically. Verizon's complete portfolio earns it a position as a top market leader, paving its way as a NaaS provider.

The company taps into available growth opportunities by leveraging a flexible managed SD-WAN platform enabling clients to offload traffic headed for the internet and ensuring that private WAN services are available for mission-critical and real-time apps. Simultaneously, these capabilities improve traffic flow and reduce client network pressure without compromising security protections. Verizon's solutions offer enterprises several benefits, including automated prioritization of WAN traffic to accommodate fluctuating demands and efficient use of existing bandwidth to avoid unnecessary costs. Additionally, the company offers expert planning, monitoring, management, and network security backed by strict SLAs to ensure reliability and quality. Moreover, the company's experience and consulting services allow businesses to upgrade to the latest technologies effortlessly, keeping up with the evolving needs of their organization.

Partnerships constitute a fundamental pillar of its implementation and execution strategy. Verizon has partnered with Versa, Cisco SDWAN, Cisco Meraki, and Fortinet to create managed SD-WAN services available directly on purpose-built hardware, virtualized, and hosted on universal customer premises equipment. As well as hosted on the Verizon Cloud Platform or third-party, public cloud platforms such as Amazon Web Services and Azure. To date, Verizon has more than 4,600 managed services customers with over 650,000 devices, who are a testimonial to the company's innovation-led and robust product portfolio.

The company invests considerable effort into policy management, leveraging tooling and scale to ensure smooth and efficient policy deployment. This approach allows Verizon to push out policies to devices effectively, simplifying industry challenges, such as management and code changes.

Frost & Sullivan believes Verizon is uniquely prepared for today's demands and exceptionally positioned for tomorrow's needs for network and security with its offerings. Verizon's clear strategic vision and execution underpin its partner-of-choice status and sustainable growth for years to come.

Continuous Enhancement while Closing Gaps

Verizon's value proposition closes existing industry gaps. Its integrated widespread network reach enables it to combine many network services (multiprotocol label switching, ethernet, direct internet access, broadband, and wireless) with its SD-WAN, promoting and positioning Verizon as a leading managed network service provider in the global market. As a continually evolving technology, SD-WAN transforms rapidly, presenting unique challenges. Hence, partnering with providers like Verizon benefits organizations seeking to leverage this technology. The company has in-depth technical knowledge in managing and adapting to these evolving changes.

Through market research and customer feedback, Verizon consistently improves its solutions, ensuring it meets clients' needs and performs optimally compared to competing services. For example, businesses are looking for partners with fixed wireless access (FWA), a new access technology to operate in integration with SD-WAN. Verizon has been implementing FWA with wireline services for more than a decade starting with 4G LTE, and in 2022 added 5G FWA SA-WAN integration. Serving as a successful

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***- Valentina Barcia,
Best Practices Research Analyst***

case, the company manages FWA with SD-WAN to an enterprise client with 8,000 sites. Verizon has added FWA in 45 additional countries in partnerships with local telcos under a managed services model. The company believes NaaS is the best approach to solving industry challenges such as scalability, agility, and resilience due to the network flexibility clients reach by implementing Verizon's bundle services packages.

Building Trust through a Customer-centric Approach

Since its inception, Verizon has established a strong brand reputation through its commitment to innovation, reliability, and customer service. Over the years, the company added various new clients to its established client base, with 99% of Fortune 500 companies covered by its technology solutions.³ The company's branding focuses on its cutting-edge technology and ability to connect people and businesses worldwide. Furthermore, Verizon generated revenues of \$136.8 billion in 2022.⁴ Frost & Sullivan believes the company is well-positioned to drive the managed SD-WAN space into its next growth phase.

First, at a pre-purchase level, Verizon meets with clients to assess their specific needs and develop tailored

³ <https://www.verizon.com/about/our-company/verizon-fact-sheet>. Accessed February 2023.

⁴ Ibid.

solutions with roadmaps for seamless execution. This foundational approach establishes ongoing customer trust for long-lasting relationships throughout the service lifecycle. The company created the Design Review Board, an onboarding process with approximately 30 experts (including architects, project managers, and engineers) to ensure the company's solutions adapt and fulfill customers' needs. The extensive review process with customer operations helps Verizon understand and set clients' expectations and a roadmap with feasible deliverables, leading to a 50% reduction in installation time.

After deployment, Verizon conducts quarterly executive briefings to inform clients about its services and innovations. Additionally, its network engineering team undertakes clients' feedback and evaluations as part of the quarterly review process. Moreover, Verizon organizes annual strategic meetings, such as customer advisory boards. These sessions provide a platform for clients to offer feedback and insights on product and service enhancements.

Conclusion

Frost & Sullivan believes that innovation and growth opportunities drive future success; many factors contribute, yet having a competitive strategy is critical. Verizon understands this core concept and is leading the managed software-defined wide area network (SD-WAN) market due to its focused strategy, helping it to outpace competitors. Businesses acknowledge the complexity around implementing SD-WAN themselves and rely on Verizon's portfolio, which offers the most innovative services backed up by strategic partnerships and expertise in the market. Integrated with a range of services, including digital transformation and network-as-a-service solutions, the company helps businesses to enhance their network capabilities with smooth integration. Ultimately, the company develops and implements its strategies with its clients in mind, securing its position as a trusted partner and market leader.

With its strong overall performance, Verizon earns Frost & Sullivan's 2023 North American Competitive Strategy Leadership Award in the managed software-defined wide area network industry.

What You Need to Know about the Competitive Strategy Leadership Recognition

Frost & Sullivan's Competitive Strategy Leadership Award recognizes the company with a stand-out approach to achieving top-line growth and a superior customer experience.

Best Practices Award Analysis

For the Competitive Strategy Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Strategy Innovation

Strategy Effectiveness: Effective strategy balances short-term performance needs with long-term aspirations and overall company vision

Strategy Execution: Company strategy utilizes Best Practices to support consistent and efficient processes

Competitive Differentiation: Solutions or products articulate and display unique competitive advantages

Executive Team Alignment: Executive team focuses on staying ahead of key competitors via a unified execution of its organization's mission, vision, and strategy

Stakeholder Integration: Company strategy reflects the needs or circumstances of all industry stakeholders, including competitors, customers, investors, and employees

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

