Modernizing the overburdened WAN

Enterprises are eager to take advantage of new applications and services to engage customers, empower employees and optimize assets. Updating and modernizing enterprise networks has traditionally been a costly and time-consuming prospect faced by IT and business executives who want to limit capital expenditures and ensure maximum flexibility.

Overflow

IDG Research Services recently surveyed more than 100 business and IT decision makers to explore the drivers and obstacles impacting network connectivity strategies.

MOST IMPORTANT NETWORK NEEDS

<table>
<thead>
<tr>
<th>Enterprises 1,000+ employees</th>
<th>Enterprises under 1000 employees</th>
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<tbody>
<tr>
<td>Business continuity/disaster recovery</td>
<td>95%</td>
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<tr>
<td>Remote workers/satellite offices</td>
<td>83%</td>
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<tr>
<td>Cloud computing initiatives</td>
<td>73%</td>
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<tr>
<td>Latency sensitive applications (e.g. VoIP, video, collaboration)</td>
<td>58%</td>
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<tr>
<td>Bandwidth intensive applications (e.g. ERP, rich media, archiving)</td>
<td>70%</td>
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<tr>
<td>Bring your own technology (BYOT) initiatives</td>
<td>50%</td>
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Triggers for change

Enterprises are eager to modernize their networks but are constrained by financial considerations and the fear of getting locked into proprietary solutions.

CONNECTIVITY IMPERATIVES

Growing bandwidth needs: 68%, Cost reduction: 54%

MODERNIZATION INITIATIVES WITHIN NEXT 12 MONTHS

Highly likely: 36%, Likely/somewhat likely: 46%, Not likely: 19%

ROADBLOCKS

Initial capital outlay: 46%, ROI difficult to defend or prove: 31%

Best of both worlds

Hybrid VPNs allow customers to mix Multiprotocol Label Switching (MPLS) and IPSec VPNs on a per-site basis. This increases the network provider's reach, permits a tailored solution for each site and can provide less expensive connectivity for groups of sites.

VPNS IN USE

Companies 1,000+: MPLS 68%, IPSec 80%; Companies <1,000: MPLS 36%, IPSec 69%

HYBRID PLANS

Currently using hybrid VPN: 21%, Planning to use within 24 months: 10%, Considering/evaluating: 21%

Exhausting resources

The typical enterprise today must absorb or outsource a huge burden of installing, configuring, and running WAN hardware that includes switches, routers, load balancers, VPNs, accelerators and firewalls.

IMPORTANCE OF HUMAN HOURS NEEDED TO INSTALL/OPERATE NETWORK HARDWARE

Average: Critical: 15%, Not important: 53%; Average: Important: 32%

VALUE IN OFFLOADING NETWORK HARDWARE INSTALL/OPERATIONS TO A VENDOR

Extremely valuable: 25%, Not valuable: 37%, Valuable: 38%

Networking for business in motion

Enterprise wide area networks (WANs) are undergoing revolutionary change as Software Defined Network (SDN) and Network Functions Virtualization (NFV) transform relatively static architectures into flexible, dynamic models that can match highly secure network performance with critical business needs on a per-location basis. With Network Functions on Demand service from AT&T, a single AT&T branded x86 Universal CPE (uCPE) server can mix and match software-based virtual network functions (VNFs) suited to each location.

For more information, go to www.att.com/network-services or call us at 877-542-8666.