HUGHES Europe

THE ULTIMATE RETAILER'S GUIDE TO SD-WAN

PART FIVE:

FIVE THINGS TO CONSIDER WHEN BUILDING A BUSINESS CASE FOR SD-WAN

CONSIDERING SD-WAN

With any decision to invest in new technology comes the need to fully understand the cost – benefit of that decision. There are multiple pressures in any business to make investments in an increasing variety of options yet budgets are finite so potential returns need to be fully scoped to help make rational decisions on what to invest in and when.

SD-WAN is a technology that enables many other technologies to realise their full benefit to the organisation which makes preparing the business case somewhat more complex.

In this is final e-book in the series, the Ultimate Retailers' Guide to SD-WAN we explore some of the things you might want to consider when putting together your case for choosing to deploy an SD-WAN solution.

Areas covered inside:

- What are your digital transformation objectives?
- How complex is you existing infrastructure?
- How consistently does your WAN perform?
- How standardised is your connectivity?
- Can you afford to lose customers?

CONSIDERATION #1 – WHAT ARE YOUR DIGITAL TRANSFORMATION OBJECTIVES?

Many organisations are embarking on projects to digitally transform their business. The reasons for this are many and varied but the two most common drivers are focused on:

- ***Delivering a user experience, whether customer or employee, that drives engagement and advocacy***
- ***Harnessing the agility, productivity and efficiency of driving applications to the cloud.***

The underlying infrastructure that enables the combined business objectives of enhanced efficiency and productivity and an unparalleled user experience needs to be assessed in the context of any digital transformation project. This is not simply a question of WAN upgrades but a complex evaluation of provision, speed, capacity and performance to ensure that digital transformation objectives are realised.

SD-WAN is a technology that can assist organisations in delivering a truly digitally enabled organisation and help to ensure that future requirements are also supported. As such, building a business case for the deployment of SD-WAN needs to be considered in the context of wider digital transformation initiatives and the specified returns from those projects should be a key factor in your ROI calculations.

"SD-WAN IS A TECHNOLOGY THAT CAN ASSIST ORGANISATIONS DELIVER A TRULY DIGITALLY ENABLED ORGANISATION AND ENSURE THAT FUTURE REQUIREMENTS ARE ALSO SUPPORTED."

CONSIDERATION #2 – HOW COMPLEX IS YOUR EXISTING INFRASTRUCTURE?

In any large distributed enterprise there are probably two universally accepted truths:

• the WAN has been built over time with multiple technologies, including an array of legacy equipment, multiple connectivity types and multiple service plans

• developing a cohesive WAN strategy has probably not been top of the agenda resulting in inefficient maintenance and support

This is probably the result of the fact that the WAN has not really been perceived as strategically important and has evolved over time as local or regional projects required more bandwidth.

Of course, that is until now.

As highlighted earlier, Digital Transformation is suddenly throwing the WAN into the spotlight, putting more pressure on already creaking infrastructure. The need for standardised policies that can be quick and easily deployed across the entire estate, driven by an increased demand for applications that require highly available bandwidth, can make it seem almost impossible to keep up with the demands of the business.

The skilled human resource, the logistical planning requirements and the physical equipment needed to deliver application assurance would stretch the budgets of even the best funded IT operation.

When constructing a business case for SD-WAN it is important to quantify the resource that might be required to service and support your existing WAN infrastructure and compare this with what that cost would be with SD-WAN.

For example, an estate comprising 1,000 sites might require a policy update to ensure that a new VoIP application is given priority across the network. A legacy estate might require visits to at least 50% of sites to manually configure the on-site router. If those routers are not standardised this might require multi-skilled engineers. That's 500 engineer visits to site for one policy change.

With an SD-WAN solution, the policy can be set up and pushed live from a central point meaning no engineering visits. Does that mean you need less WAN experts in your organisation? Probably not. It just means that those you already have can be re-deployed to help enable your digital transformation projects.

Any business case for an SD-WAN deployment should consider the cost of the additional resource that would be required to service and support your existing WAN infrastructure in the deployment of new applications and offset this against the proposed investment.

CONSIDERATION #3 – HOW CONSISTENTLY DOES YOUR WAN PERFORM?

WAN optimisation is not a new concept but with the rapid change we are experiencing in the availability of new applications combined with the ability of service providers to keep up with the demand for faster network speeds, many organisations are experiencing a higher frequency of brownouts or even blackouts on their networks. With more business applications sitting in the cloud, this can have a significant impact on employee productivity. In the days when applications sat on a local PC, issues with network availability were annoying but not necessarily critical. Nowadays, if the network goes down, your employees stop working.

Some SD-WAN solutions offer Quality of Service, traffic shaping and advanced compression technologies that help to deliver high levels of network availability and application assurance. This technology can have a significant positive impact on the ability to deliver consistent levels of employee productivity.

When constructing your business case for SD-WAN, it is important to measure the cost of down time in your current environment and balance this against the network availability levels that an SD-WAN solution offers.

"NOWADAYS, IF THE NETWORK GOES DOWN, YOUR EMPLOYEES STOP WORKING."

CONSIDERATION#4 – HOW STANDARDISED IS YOUR CONNECTIVITY?

When an organisation has hundreds or thousands of sites distributed across multiple regions, it is virtually impossible to standardise on connectivity type and speed. The likelihood is that you will have either had to utilise what is available for each location whether that be satellite, DSL, LTE etc. or invest in expensive private circuits – if that option is available. The result is varying levels of service across different locations. This probably requires multiple relationships with different service providers.

SD-WAN helps you to make more effective use of the bandwidth available, irrespective of the connectivity type. This means that throwing additional bandwidth at a site to achieve the application assurance you need is no longer your only option. In some cases, that wouldn't even be an option anyway. It also means that you can deliver a consistent service across all your locations with your existing infrastructure.

If you were to select a Managed SD-WAN service, you would also remove the administrative burden of managing multiple contracts with multiple service providers, freeing up even more resource.

So, when putting together your business case for SD-WAN, it is important to consider what it would cost for the increased bandwidth needed to support your modern application environment and offset this against your SD-WAN investment.

"SD-WAN HELPS YOU MAKE THE MOST EFFECTIVE USE OF THE BANDWIDTH AVAILABLE, IRRESPECTIVE OF THE CONNECTIVITY TYPE."

CONSIDERATION #5 – CAN YOU AFFORD TO LOSE CUSTOMERS?

Increasingly your customers are becoming more demanding. Every touch point with your customers is an opportunity to build loyalty and, eventually, advocacy for your brand. The counterpart to this is that it also presents an opportunity to lose hearts and minds.

Customers expect a great, reliable and consistent experience when they enter your branches. If you are introducing new in-store applications such as guest Wi-Fi, AI or AR solutions then they will equally expect that same quality of experience from those applications. If they don't get it, they won't associate that bad experience with the service provider, they will associate it with your brand.

It's difficult enough in the modern, competitive, online-driven retail environment to acquire new customers so retaining them is even more vital. Delivering a reliable, highly available network infrastructure to your stores to support the in-store experiential applications your customers want is increasingly important.

The right SD-WAN solution could help you to deliver the application assurance you need to deliver fast payment solutions, interactive in-store experiences and value added services to help attract and retain customers. Therefore, any business case should include the opportunity cost of not investing in this technology.

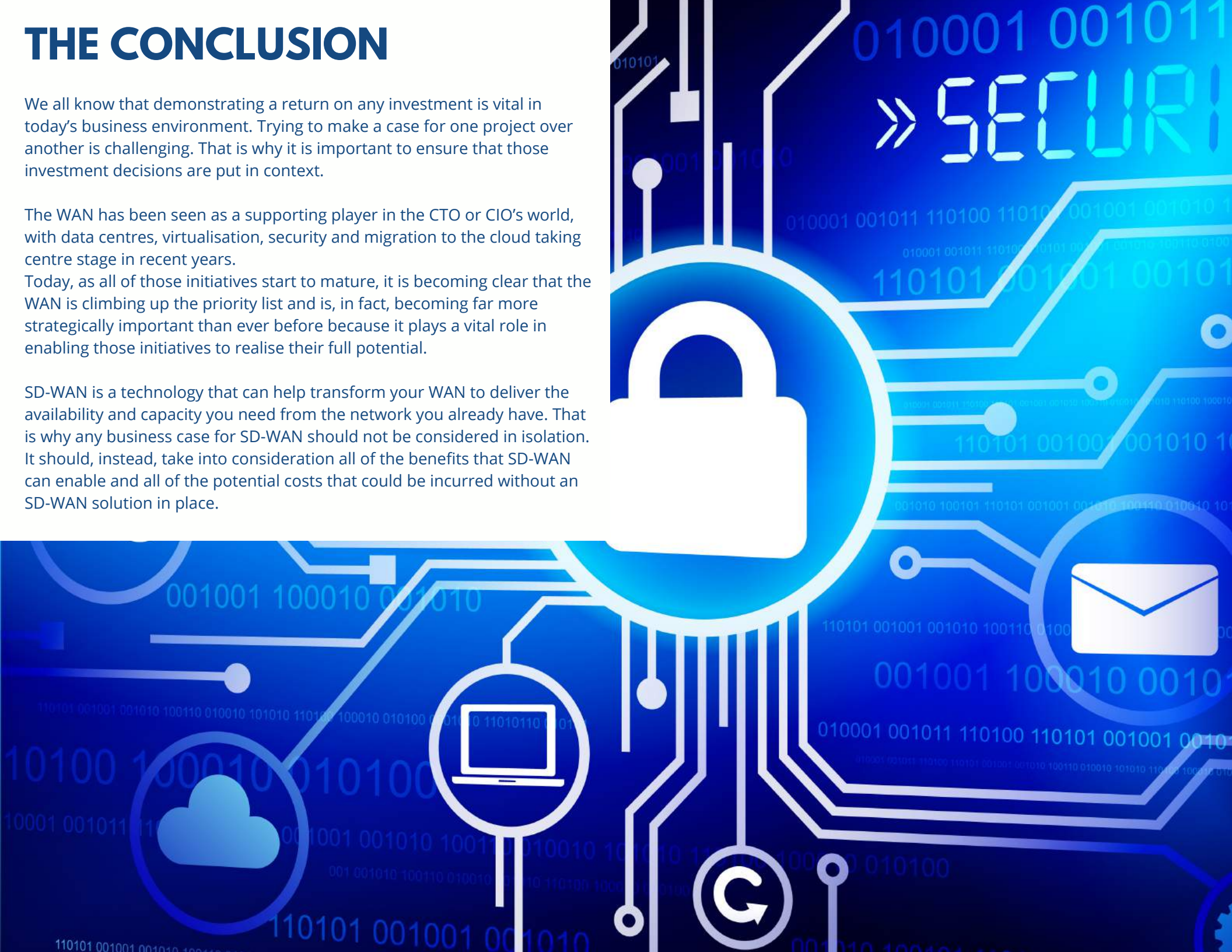
"THE RIGHT SD-WAN SOLUTION CAN HELP YOU DELIVER THE APPLICATION ASSURANCE YOU NEED TO PROVIDE FAST PAYMENT SOLUTIONS, INTERACTIVE IN-STORE EXPERIENCES AND VALUE ADDED SERVICES TO ATTRACT AND RETAIN CUSTOMERS. "

THE CONCLUSION

We all know that demonstrating a return on any investment is vital in today's business environment. Trying to make a case for one project over another is challenging. That is why it is important to ensure that those investment decisions are put in context.

The WAN has been seen as a supporting player in the CTO or CIO's world, with data centres, virtualisation, security and migration to the cloud taking centre stage in recent years.
Today, as all of those initiatives start to mature, it is becoming clear that the WAN is climbing up the priority list and is, in fact, becoming far more strategically important than ever before because it plays a vital role in enabling those initiatives to realise their full potential.

SD-WAN is a technology that can help transform your WAN to deliver the availability and capacity you need from the network you already have. That is why any business case for SD-WAN should not be considered in isolation. It should, instead, take into consideration all of the benefits that SD-WAN can enable and all of the potential costs that could be incurred without an SD-WAN solution in place.



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HUGHES Europe

ABOUT US

Hughes Europe helps retail organisations and other distributed enterprises to maximise productivity and enhance the customer experience by providing optimised managed networks for multi-site environments. We work with our customers to design, implement and manage wide area networking solutions.

Our flexible connectivity solutions combined with our multi-vendor approach means we can take modern technology capabilities and identify the right solution to meet our customers' commercial needs. Our long-standing relationships with our customers, which span many years, are testament to our collaborative and quality focused approach.

We deliver our services throughout Europe with offices in the UK, Germany and Italy and offer a single point of contact with a single, aggregated service level agreement for all sites irrespective of size or location.

We specialise in delivering secure WAN connectivity, network resilience, optimisation and SD-WAN to help our customers deliver the application availability they need to deliver the highest levels of employee productivity and Customer Experience.

We are part of Echostar Corporation and a division of Hughes Network Systems. The Group has a $1.89bn turnover with operations in 100 countries around the globe. In Europe alone, where we have been helping our customers to achieve optimal value from their network infrastructure for more than 30 years, we manage 55000 sites, across 28 countries supporting more than 5 billion transactions every year.