FROST & SULLIVAN

2024
MARKET LEADER

IN THE NORTH AMERICAN NETWORK SERVICES SD-WAN INDUSTRY

AT&T Business

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. AT&T Business excels in many of the criteria in the network services SD-WAN space.

AWARD CRITERIA

Growth Strategy Excellence	Technology Leverage
Implementation Excellence	Price/Performance Value
Brand Strength	Customer Purchase Experience
Product Quality	Customer Ownership Experience
Product Differentiation	Customer Service Experience

A Significant Rise in SD-WAN Adoption

The software-defined wide area network (SD-WAN) industry is growing. In 2023, SD-WAN deployments increased as businesses tried to simplify their network architecture and gain flexibility in a distributed workforce and application environment.[1] According to Frost & Sullivan's 2023 global survey of network decision-makers, SD-WAN adoption has significantly accelerated over the past few years. In the 2021 enterprise SD-WAN survey, 15% of United States (US) businesses reported expanding SD-WAN to more locations. By 2023, this percentage had increased to 20%, reflecting a growing trend towards the widespread implementation of SD-WAN technology across more business sites.[2]

SD-WAN enables organizations to combine direct internet access, wireless, broadband, Ethernet, Multiprotocol Label Switching (MPLS), and wireless connections, directing traffic over the optimal network technology based on application requirements. The rising number of vendors and technological features and the complexity of managing them all are prompting businesses to turn towards managed services for SD-WAN.

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[1] *Frost Radar™: Managed SD-WAN Solutions, 2024* (Frost & Sullivan, April 2024)
[2] https://www.business.att.com/content/dam/attbusiness/ebooks/att-frost-and-sullivan-sd-wan.pdf. Accessed May 2024.

Moreover, as more endpoints (users or devices) connect to the network, SD-WAN becomes particularly vital for businesses by providing automated, optimized, and secure connectivity. Overall, SD-WAN facilitates automated, optimized, and secure connectivity between endpoints and edge compute nodes.

Strengthening Brand Position Through Strategic Growth Plans

With 150 years of experience, AT&T Business (AT&T) is an established North American SD-WAN market leader. From 2019 to 2023, the company has invested over $145 billion in its wireless and wireline networks and spectrum, and its 5G network reaches more than 295 million people. With its services' reliability and security, AT&T has expanded its business to 2.5 million business customers worldwide. To illustrate this success, the company has 1,000+ security-related patents that sustain its security expertise.[3]

AT&T has participated in the SD-WAN market since its beginning in 2014. Over this time, the company has cooperated with numerous well-recognized industry players such as Cisco, Meraki, Aruba, VMware, Fortinet, Palo Alto Networks, and Zscaler. AT&T SD-WAN provides Universal Customer Premises Equipment (uCPE), specialized appliances, and cloud-based services, offering a comprehensive suite of licensed products from its strategic relationships. This brand strength ensures a steady stream of incoming growth opportunities. AT&T has the highest number of managed SD-WAN sites and boasts a more successful uCPE solution than other carriers. Notably, the company has 3.6 million US business customer locations with AT&T fiber.[4]

> *"Owing to its visionary approach to business communications and effective alignment with megatrends, AT&T stands out among SD-WAN providers with one of the most compelling solutions that resonates with most organizations as it effectively addresses their evolving business models and communications requirements."*
>
> *- Stephen Thomas*
> *Senior Industry Director*

AT&T supports this growth with a comprehensive connectivity portfolio with scaled, value-added services. The company collaborates with Equinix to offer a service called Total Access Orchestration. This service integrates a virtual router, firewalls, SD-WAN, session border controllers, and other virtual network functions from vendors like Infoblox. Furthermore, Frost & Sullivan recognizes AT&T's advantage in hybrid cloud. Its scalable multi-cloud connectivity is already pre-provisioned in over 760 global on-net cloud locations. As of 2024, AT&T has the most SD-WAN sites deployed in North America and more than 140,000 sites globally.[5] The software-defined networking (SDN)-based network-on-demand offering allows customers to procure dynamic bandwidth across its AT&T Switched Ethernet, internet, and MPLS offerings.

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[3] https://www.business.att.com/about/why-att-business.html. Accessed May 2024.
[4] AT&T Business Interview with Frost & Sullivan. (May 2024)
[5] *Frost Radar™: Managed SD-WAN Solutions, 2024* (Frost & Sullivan, April 2024)

Continuous Innovation with a Strong Focus on Quality

AT&T's managed SD-WAN service's value-added capabilities set it apart from competing providers. With simplicity, innovation, and value as core pillars, the company focuses on improving price, capabilities, and customer value for its clients. AT&T incorporates leading-edge technologies into its offerings to enhance overall performance and value. For example, it developed a feature for partial MPLS and SD-WAN clients, a gateway that bridges SD-WAN and secure access service edge services with MPLS services. This gateway enables clients to maintain MPLS at specific sites while modernizing to SD-WAN at others, eliminating the need to create such a gateway independently.

Emphasizing service quality, AT&T strengthens its status as a market leader. The company continuously innovates, leveraging novel technologies to meet clients' demands. For instance, AT&T's self-service portal, powered by a virtual artificial intelligence (AI) assistant, enables zero-touch provisioning, lifecycle management, and the ability to execute logical network changes. Moreover, in March 2024, the company introduced the AT&T Internet Air for business, offering reliable and fast internet at a lower cost. With its Internet Air solution, AT&T addresses an unmet market need that competitors do not easily replicate. The company acknowledges that businesses of all sizes depend on connectivity to thrive, requiring a cost-effective and flexible solution. Therefore, this new service offers a low-cost option with predictable pricing, facilitating effective budget management and eliminating the need for time-consuming and expensive installations.[6]

> *"Deploying AT&T Switched Ethernet with Network on Demand at a rapid clip has allowed us to be very successful and work at the speed of business when we need additional bandwidth."*
>
> **- Pat Krah**
> **Vice President of Engineering and Advanced Analytics, Schneider Electric[1]**

Prominent clients trust AT&T to embrace their digital transformation journey. Its solutions helped Schneider Electric enhance its network infrastructure and achieve significant cost savings and scalability. Schneider Electric leveraged AT&T's cutting-edge connectivity solutions to implement 5G technology at its innovation center, The Grove, promoting smooth collaboration and fostering innovation.

Paired with AT&T's adaptable infrastructure, this initiative provided the necessary flexibility to meet the client's changing business requirements. Moreover, the integration of AT&T's robust network security features reinforced Schneider Electric's cybersecurity protocols, safeguarding critical data and maintaining uninterrupted business continuity.

This case study underscores the significance of embracing innovative technologies and collaborating with industry experts to attain sustainable growth and success in today's highly competitive marketplace.

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[6] https://about.att.com/story/2024/internet-air-business.html. Accessed May 2024.

Guaranteed Satisfaction through End-to-end Customer Service

AT&T serves clients across various industry verticals, including healthcare, retail, financial services, transportation, hospitality, manufacturing, energy and utilities, professional services, and sports and entertainment. The company places a strong focus on customer experience. Thus, it leverages AI to improve operations and the clients' journey by personalizing, scaling, and predicting customer interactions. In addition, AT&T provides consulting to help clients integrate management and subscription services. With 750 consultants and diverse industry experts with over 20 years of experience, this value-added service approach accelerates clients' outcomes, delivers agility, and drives innovation.

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>
> - Valentina Barcia
> Best Practices Research Analyst

AT&T goes to great lengths to ensure a seamless technology integration. The company's customer success team meets with clients first to assess their unique needs. At this stage, technical experts provide guidance on complex solutions, conduct comprehensive use case testing, and develop migration strategies for deployment. This team also runs proof-of-concept labs and showcases products. Post-deployment, AT&T ensures immediate follow-up support, including 24/7 assistance from its customer service center.

AT&T uses client feedback and industry trend monitoring to guide its product roadmap and continuously evolve its solutions to maintain its innovative edge. Frost & Sullivan applauds AT&T's seamless, technology- and innovation-driven approach and close client relationships, positioning it as a preferred vendor in the North American market.

Conclusion

Becoming and sustaining a leadership position takes dedication to developing growth strategies and excellent implementation. A market leader must earn and maintain customers' trust while impacting and improving the overall market. AT&T Business (AT&T) embodies Frost & Sullivan's definition of a market leader by innovating and bringing significant benefits to its clients. The company serves 2.5 million business customers worldwide with reliable and secure services, including 1,000+ security-related patents. AT&T stands out in the market through its strategic relationships with industry giants like Cisco, Aruba, VMware, Fortinet, Palo Alto Networks, and Zscaler. It offers comprehensive software-defined wide area network (SD-WAN) solutions and boasts over 140,000 global sites, supported by advanced services such as Total Access Orchestration and AT&T Internet Air for Business. Its value-added services and continuous support throughout the clients' journey position the company as a prominent leader.

For its strong overall performance, AT&T Business is recognized with Frost & Sullivan's 2024 North American Market Leadership Award in the network services SD-WAN industry.

What You Need to Know about the Market Leadership Recognition

Frost & Sullivan's Market Leadership Award recognizes the company that achieved the greatest market share resulting from outstanding performance, products, and services.

Best Practices Award Analysis

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

Business Impact

Growth Strategy Excellence: Company demonstrates an ability to consistently identify, prioritize, and pursue emerging growth opportunities

Implementation Excellence: Company processes support efficient and consistent implementation of tactics designed to support the strategy

Brand Strength: Company is respected, recognized, and remembered

Product Quality: Products or services receive high marks for performance, functionality, and reliability at every stage of the life cycle

Product Differentiation: Products or services carve out a market niche based on price, quality, or uniqueness (or some combination of the three) that other companies cannot easily replicate

Customer Impact

Technology Leverage: Company is committed to incorporating leading-edge technologies into product offerings to enhance product performance and value

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 are proud to 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 of high quality

The Growth Pipeline Company™

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™.

Learn more.

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)