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SOFTWARE DEFINED NETWORKING

Business Profile

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Target Market Definition

WAN edge infrastructure is an industry that enables network connectivity from distributed business and enterprise locations to access resources in both private and public data centers as well as cloud (as a service).

This market has evolved from traditional branch routers (often called “customer edge routers” in a Multiprotocol Label Switching [MPLS] implementation), and is undergoing dramatic changes, driven by the needs of digital business transformation and the demands set by an ever transforming business landscape.

This market transition has seen an influx of incumbent and emerging vendors from multiple markets (routing, security, WAN optimization, SD-WAN), each bringing their own differentiators and limitations.

The market for branch office wide-area network functionality is shifting from dedicated routing, security and WAN optimization appliances to feature-rich SD-WAN solutions. WAN edge infrastructure now incorporates a widening set of network functions, including secure routers, firewalls, SD-WAN, WAN path control and WAN optimization, along with more traditional routing functionality.

Target Market Overview

This dynamic market with emerging client needs has created a deeply fragmented vendor landscape, with both large established vendors and smaller providers from multiple segments competing for deals.

Differentiation between competitors are mainly feature-based and business-model-based (pure subscription and WAN as a service using proprietary technologies). Some vendors focus on feature depth, while others choose an “all in one offering” approach. Scale of deployment and the ability to support complex environments remain differentiators at the high end of the market, where some customers require deployments upward of a thousand branches.

Characteristics of the Target Market

Typical business outcomes

The fundamental business outcome is connectivity between enterprise users, applications and services that reside in distributed locations. Locations include headquarters, branches, corporate data centers, colocation/hosting facilities and cloud providers. Increasingly, buyers require improved agility, automation, flexibility, and application visibility and control, while significantly reducing operational complexity and time to manage the WAN environment.

Market

WAN edge infrastructure provides network functions that support connectivity for distributed locations (typically branches). This market includes functionality such as routers, secure routers, firewalls, WOCs, WAN path controllers and SD-WAN.

Typical buyers

Within the enterprise, CIOs, CTOs, CEOs, technical directors, and network and telecom managers are typically the buyers of WAN edge infrastructure. Branch managers as well as enterprise architects can be strong influencers in larger enterprises; so can customers.

How buyers shape their buying decisions

When selecting WAN edge infrastructure, buyers typically focus on several factors including feature/functionality, price, performance, form factor, deployment options, ease of management, visibility/analytics, customer support/experience,

overall product architecture, vendor incumbency and familiarity. Current decisions are strongly influenced by changing traffic patterns impacting the enterprise WAN.

Deliverables

The primary deliverables include network functions that enable connectivity for users at branches. Typical network functions include edge routing, secure routing and VPN, WAN optimization, WAN path control, and SD-WAN. These functions can be delivered to the enterprise as dedicated hardware appliances (such as a router, WOC, gateway, SD-WAN edge-device) or as a software instance of these functions (a VNF). The appliance may reside at the customer premises, in provider POPs or as a network-based/cloud service.

How providers package, market and deliver

Buyers typically source their WAN edge products either directly from network equipment suppliers, or via a network or managed service provider (that is, as a managed service). WAN edge infrastructure can be procured via purchase, lease, subscription or consumption-based pricing models. Further, there is a diverse set of deployment options for these networking functions, including via hardware appliances, software (VNF) or cloud-based services.

Target Market Drivers

The WAN edge market is primarily driven by five factors:

1

Refresh of existing branch office networking equipment that is at its technological or support limits

2

Renewal of NSP or managed service contracts, where a new service provider also means new equipment

3

The changing traffic patterns resulting from the increasing use of cloud based resources, which renders the traditional hub-and-spoke WAN architecture obsolete

4

The expansion of capacity (i.e., physical build-outs) within existing locations

5

The desire to increase agility and automation in order to address the needs of digital business transformation and to lower operational expenses (and maybe the growing realisation that WAN operations do not need to be the burdensome operational burden of the past)

SD-WAN is a key technology to help enterprises transform their networks from fragile to agile. We believe that SD-WAN will best address enterprise requirements for coming years, as it provides the best mix of performance, price and flexibility compared to alternative hardware-centric approaches.

Our Vision

Market Understanding

We strive to understand and enhance the wants and needs of the buyer and we are committed to translating those into our products and services.

Marketing Strategy

We deliver clear, differentiated messaging consistently communicated internally, externalised through social media, advertising, customer programs, and positioning statements.

Sales Strategy

We strive to develop and maintain an effective go-to-market strategy that uses the appropriate channels including: direct and indirect sales, marketing, service, and communication. Our target audience includes value-added resellers (VARs), system integrators (SIs), NSPs, MSPs, OEM resellers and enterprise users.

Product Strategy

Our product development and service delivery emphasises market differentiation, functionality, and a wide feature set that is mapped to current and future requirements of our market.

Business Model

The design, logic and execution of our proposition to achieve continued success is built around ethically sound business rules, a scalable and innovative technology stack, and a commitment to the buyer that we will meet and enhance their enterprise needs.

Vertical/Industry Strategy

We aim to direct our resources, skills and offerings to meet the specific needs of individual market segments. We focus on the ability to address the unique requirements of particular verticals/industries and to employ the associated sales channels to build a sustainable business advantage.

Innovation

We address emerging WAN edge requirements to increase value to enterprise customers. We always invest in new technologies to move business and the market forward, with a focus on technologies that are differentiated, unique and offer high value to the enterprise buyer. These innovations include application centricity, intent-driven networking, improved management and automation, and even nonproduct innovations like consumption-based pricing and hybrid offerings that bundle product and managed services.

Our Ability to Execute

Product/Service

At the core of our organization is a product that we design, implement and improve ourselves on an ongoing basis. We have a narrow focus in a diverse industry and we strive to deliver a product that outperforms that of our competitors on every possible evaluation metric.

Overall Viability

We consider our viability to consist of the overall business' financial health, the financial and practical success of our product and the likelihood that will be able to continue investing in our product, will continue offering our product and will advance the state of our product when brought into a comparative light with other vendors.

Sales Execution/Pricing

We strive to show excellent capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness

Key to our long term survival is the ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change.

Marketing Execution

We ensure clarity, quality, creativity and efficacy of programs designed to deliver our message to influence the market, promote our brand and business, increase awareness of our product, and establish a positive identification with the product in the minds of buyers. This "mind share" is driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

Customer Experience

Relationships matter to us, we self evaluate on an ongoing basis to ensure we live up to a standard that we are proud of. Specifically, this includes the ways our customers receive technical support or account support. This also includes ancillary tools, customer support programs (and the quality thereof), availability of documentation, service-level agreements and so on.

Operations

We constantly evaluate our ability to meet our goals and commitments. Factors include the quality of the organisational structure, including skills, experiences, programs, systems and other vehicles that enable our organisation to operate effectively and efficiently on an ongoing basis.



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