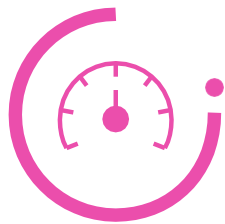


Transforming Private Lines for Business Growth

Successful digital transformation demands that business-critical communications and operations be underpinned by always-on, high-performance, secure and ultra-fast networks – therefore

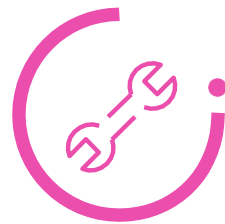
large organizations need private networks with committed bandwidth, high network availability and reliability, with guaranteed low latency.

Enterprise bandwidth needs are increasing across all sectors, as are demands for network performance and availability.



95%

of enterprises will increase bandwidth within the next two years, and 63% expect to more than double network bandwidth



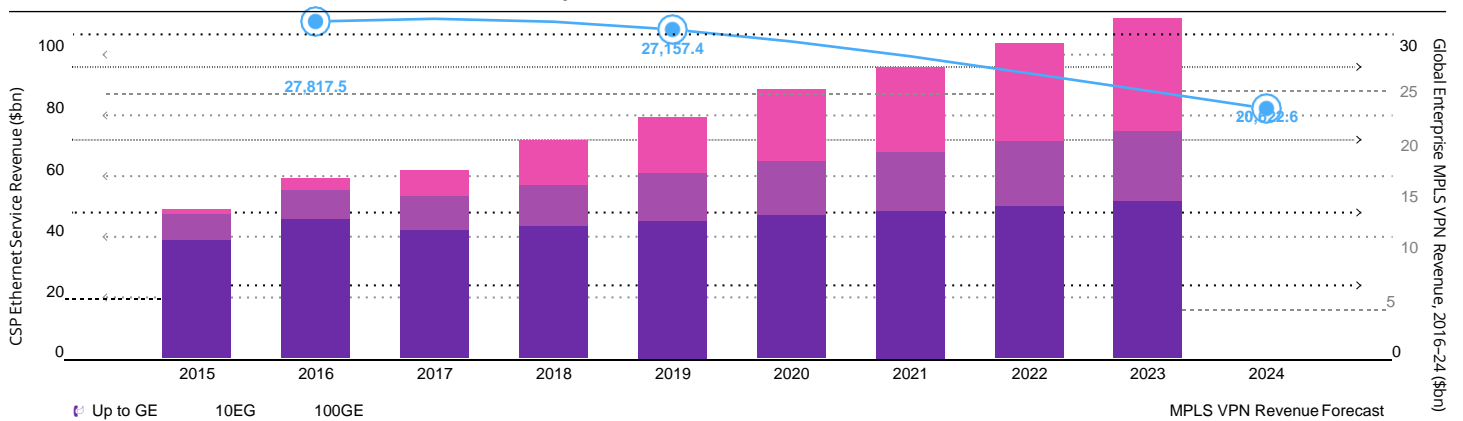
90%

of organizations plan to replace legacy TDM leased lines in the next two years keeping same or better performance as before

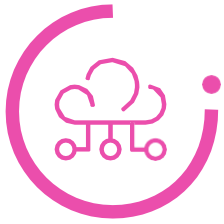
In this context, organisations are transitioning from best-effort, oversubscribed services with network contention to premium private-line services.

Service provider projections for bandwidth demands for Ethernet lines are rising, MPLS VPN revenue has peaked and begun to drop

CSP Ethernet Service Revenue Forecast / Global Enterprise MPLS VPN Revenue Forecast



Cloud connectivity is driving demand for optical private lines



Nearly **60%** of optical network buyers use optical private lines either to connect their private and public data centers, or to connect their major locations to public clouds and private data centers

There are five key enterprise purchase criteria for private lines



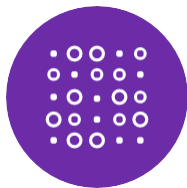
High availability and bandwidth

Security



SLA performance and real-time visibility

Low latency



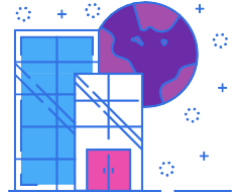
Bandwidth flexibility

As enterprises become more applications driven, there is demand for optical private lines across verticals



46% of financial services companies use optical private lines

Optical private lines are used by one-third of governments and public sector, energy and utilities companies, and media companies



Optical private lines are the number one private network choice for manufacturers (**45%**)

Premium private lines are in demand and present a significant market opportunity

99%



The vast majority (**99%**) of enterprises that do not currently use optical private lines would consider optical networks but require a more flexible service wrap for private-line services.

To support enterprise customers and leverage the private lines opportunity, service providers should

1

offer new premium performance SLAs for private-line services

2

consider the next generation of optical private lines to deliver a premium user experience

3

offer a wider range of pricing options and smaller bandwidth increments

4

offer a phased migration to private optical lines without requiring an initial replacement of enterprise CPE

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