

Everest Group PEAK Matrix® for Network Transformation Services Communication Service Providers (CSPs) 2023

Focus on Tata Communications
December 2022



Introduction

The communication services industry has immensely evolved its network services owing to the fast-paced cloudification and virtualization across enterprises. Digital enterprises are increasingly realizing the critical role played by networks. This has led the communication services industry to transform from providing legacy services to innovative next-generation network services including private 5G, multi-cloud connectivity, IoT & edge connectivity, predictive networking, and SD-WAN. The communication service providers are using their expertise to become the digital backbone for robust and software-led connectivity to serve the needs of digital enterprise. They are extending their horizon to deliver managed services and consulting-led services to enterprises across industries. The main drivers to this evolution are the demand for scalability, hardware to software network transition, changing enterprise customer taste, ground-breaking innovations, and sustainability.

In this research, we present an assessment and detailed profiles of communication service providers featured on the network transformation services PEAK Matrix®. Each profile provides a relative assessment of providers across their capabilities and market impact. The assessment is based on Everest Group’s annual RFI process for calendar year 2022, interactions with leading communication service providers, client reference checks, and an ongoing analysis of the network services market.

The full report includes the profiles of the following leading communication service providers featured on the [Network Transformation Services PEAK Matrix® Assessment – Communication Services Providers \(CSPs\) 2023](#):

- **Leaders:** NTT, Orange Business Services, Tata Communications, and Verizon
- **Major Contenders:** Airtel Business, AT&T, BT, Lumen, and Vodafone
- **Aspirants:** GTT Communications, Singtel, and Telstra

Scope of this report



Geography
Global



Providers
12



Services
Network

Network Transformation Services PEAK Matrix® characteristics – CSPs

Leaders:

NTT, Orange Business Services, Tata Communications, and Verizon

- Leaders have expanded their positioning from being telecommunication service providers to digital service providers through extensive investments to support connectivity requirements for cloud, edge, IoT, AI/ML workloads, and industry-specific application
- These players have made strong investments and built proof points in the next-generation network services areas such as private 5G, Wi-Fi 6 & 6E, multi-cloud networking, network automation & analytics, NaaS, and SD-WAN
- Leaders have demonstrated capabilities for successfully implementing large-scale network transformations across LAN, WAN, and security both in their core geography and globally

Major Contenders:

Airtel Business, AT&T, BT, Lumen Technologies, and Vodafone

- Major contenders are evolving to become digital services providers; however, they lack maturity and investments in comparison to the leaders in this assessment
- These service providers have built meaningful capabilities to deliver network services (both transformation and managed services); however, their service portfolios are not as balanced and comprehensive as those of Leaders (either in terms of coverage across network services segments or geographies or both). This is also reflected in the scale of market success achieved by these providers (vis-a-vis Leaders)
- These players have demonstrated reasonable market impact in terms of YoY growth and value delivered to clients

Aspirants:

GTT Communications, Singtel, and Telstra

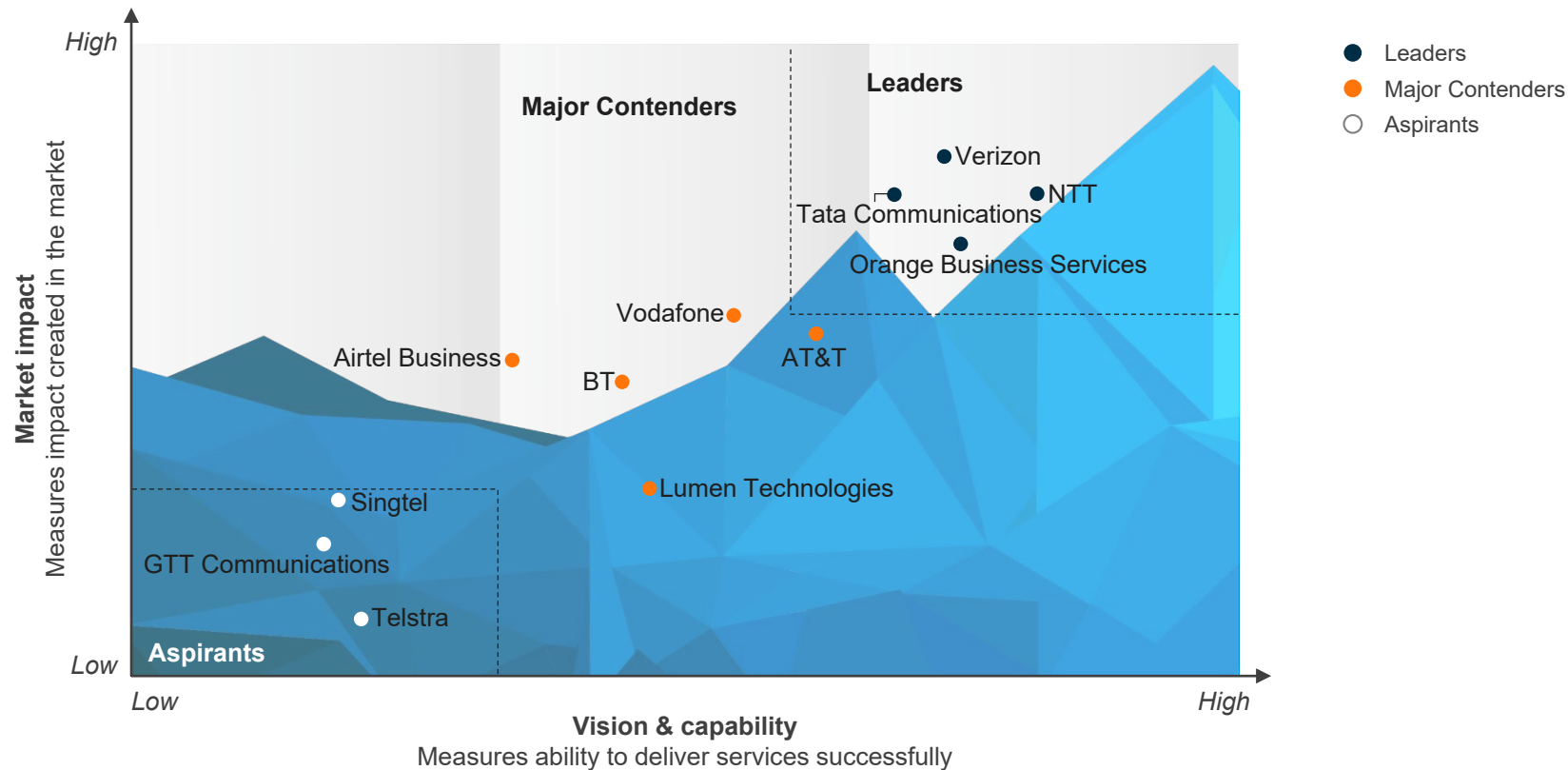
- Aspirants are in the early stage of evolving into a digital services providers and are expected to compete effectively in the coming years
- Nevertheless, they are focused on ensuring service flexibility, customer-centricity, and network transformation agility to strengthen their mindshare and positioning in the market

Everest Group PEAK Matrix®

Network Transformation Services PEAK Matrix® Assessment – Communication Service Providers (CSPs) 2022 | Tata Communications positioned as Leader



Everest Group Network Transformation Services PEAK Matrix® Assessment – Communication Service Providers (CSPs) 2022¹



¹ In this study, Assessments for AT&T, Airtel Business, BT, Lumen Technologies, Orange Business Services, Singtel, Telstra, Verizon, and Vodafone exclude service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, ongoing coverage of these service providers, service provider public disclosures, and Everest Group's interaction with buyers
Source: Everest Group (2022)

Tata Communications | network transformation services (page 1 of 6)

Overview

Vision:

Tata Communications aims to provide digital infrastructure services to the enterprises of the future. It offers customers industry specific solutions to build platforms for orchestration and analytics meeting the governance and compliance requirements, with professional services and 24x7 management services.

It emphasizes that the enterprise network in this digital-first age needs to be resilient, agile, and secure. It envisions an accelerating transition from wireline to wireless networking at LAN and WAN level, supported by increasing Network as a Service (NaaS) type arrangements, whereby a connectivity service provider will contract to provide connectivity regardless of the underlay and overlay infrastructure involved.

Revenue from network services (2021)

<US\$200 million	US\$200-500 million	US\$500 million-US\$1 billion	>US\$1 billion
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Low (<10%) Medium (10-20%) High (>20%)

Adoption by industry					
BFSI	High (>20%)	Energy and utilities	Low (<10%)	Technology	High (>20%)
Healthcare and life sciences	Low (<10%)	Telecom, media, and entertainment	High (>20%)	Retail, distribution, and CPG	Medium (10-20%)
Public sector	Medium (10-20%)	Manufacturing	High (>20%)	Others	High (>20%)

Adoption by service segments					
Mobility service	High (>20%)	Collaboration services	High (>20%)	Network security services	High (>20%)
Voice and customer experience services	High (>20%)	Network infrastructure and transformation services	High (>20%)	Analytics and intelligence services	Medium (10-20%)

Revenue by value chain elements					
Conception and consulting	High (>20%)	Design and build services	High (>20%)	Managed services	High (>20%)

Adoption by geography					
North America	High (>20%)	Asia Pacific	High (>20%)	United Kingdom	High (>20%)
Middle East & Africa	Medium (10-20%)	Rest of Europe	High (>20%)	Rest of World	Low (<10%)
Latin America	Low (<10%)				

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Case studies

Case study 1

Network modernization and one-stop shop for global connectivity

Client: a leading manufacturer of electrical distribution systems

Business challenge: the customer was dissatisfied with the MPLS links from existing service provider. They were looking for a strategic partner who would help them to transform their global connectivity with a cloud ready network that will cater to their evolving business needs and provide seamless global connectivity

Solution:

- Tata Communications managed the request through its IZO™ SDWAN based on Versa along with IZO™ Internet WAN providing a comprehensive solution and global connectivity to 50+ customer locations
- Implemented SD-WAN along with an underlay of IZO™ WAN circuits in major locations
- Incorporated MPLS circuits in China and India along with BYON functionality at few of customers' circuits as part of solution

Impact:

- Provided a one-stop shop for global connectivity
- Enhanced performance in cloud applications
- Improved end-user experience through stable and uninterrupted network through SD-WAN
- Reduced cost and increased productivity through reliable and seamless connectivity to support its business operations

Case study 2

Network architecture consolidation and global deployment

Client: a global leader in providing tech-enabled corporate and fund solutions

Business challenge: the customer required scalable platform to create new channels, new jurisdictions, and a single way to connect with people at higher speed. The key expectations from the deployment were to reduce latency, provide agility, lower Opex, create a distributed architecture, and enable network resiliency. The client also required a solution to be cloud ready and comply with regulatory requirements globally

Solution:

- Tata Communications deployed IZO™ Hybrid WAN in Americas, EMEA, Middle East, and APAC based on persona and global VPN at 2 regional hubs
- Implemented IZO™ Private Connect to enable secure connectivity to cloud in Amsterdam and Hong Kong
- Deployed IZO™ SDWAN globally across 45 locations bundled with core security features such as IPS/IDS, malware, and cloud secure gateway for DCS integrations
- Consolidated the architecture from 6 to 2 hubs, which provide distributed access to VDI, cloud, voice gateways, on-premise DCS, etc
- Built solution on cloud connectivity, integration of voice, and SD-WAN head-ends

Impact:

- Increased operational expenditure savings by 30%
- Reduced latency through Internet First with Zero Touch approach
- Consolidation and rationalization
- Reduced latency to centralized micro services applications

Tata Communications | network transformation services (page 3 of 6)

Solutions/IPs/products

Proprietary solutions/IPs/Products (representative list)	
Event name	Details
IZO™ SDWAN	Combines SD-WAN and network security to transform enterprise network infrastructure and provide visibility into enterprise applications and assets, enhance performance, deliver network transformation with minimal risk, provide end-to-end SD-WAN management and scalable and single platform experience for network transformation
IZO™ Private Connect	Enables access of public cloud resources through a dedicated, secured and high-performance connectivity solution that is reliable and well connected
NetFoundry	Provides enterprises with capability to spin an agile, software-based network in minutes and it can be embedded anywhere (apps, devices, gateways). NetFoundry enables enterprises to extend or replace WAN through an on-demand, consumption-based model, orchestrated through a simple cloud-based UI
SPAED	Thin branch, CPE-based, plug-n-play equipment, which ensures seamless onboarding and simplified management for the customer. SPAED has multiple SD-WAN features such as intelligent routing, multi-transport, security, zero trust connectivity to multiple cloud, network failover, load balancing, etc. SPAED has multiple SD-WAN features such as intelligent routing, multi-transport, security, zero trust connectivity to multiple cloud, network failover, load balancing, etc
Network automation	TCx, self service portal of Tata Communications automates the end-to-end customer journey by providing features around ordering, ticketing, inventory management, service activation visibility, network-performance analytics and billing. It also provides capabilities across network analytics such as bandwidth usage, application performance, and network parameters such as jitter, latency, and packet loss
IZO™ Multi - Cloud Connect	IZO™ Multi-Cloud Connect is multi-service NFV node supporting virtualization of network functions and on-demand connectivity to multiple cloud service providers. The service can be offered in combination with IZO™ Internet WAN, GVPN and third-party internet access

Tata Communications | network transformation services (page 4 of 6)

Partnerships

Partnerships (representative list)	
Partner name	Details
Cisco SD-WAN (Viptela)	Partnered with leading SD-WAN technology Original Equipment Manufacturers (OEM) to provider IZO™ SDWAN managed services to customer globally
Cisco Meraki	
Versa Networks	
Fortinet	
Global and regional ISPs	Partnered with over 90 global delivery to extend IZO™ WAN services globally to offer predictable performance on internet WAN with end-to-end SLA
MPLS NNI Partners	Partnered with 15 Network-to-Network Interface (NNI) providers to extend MPLS services globally

Tata Communications | network transformation services (page 5 of 6)










Investments & recent activities

Proprietary solutions/IPs/Products (representative list)	
Event name	Details
Trainings and certification	<ul style="list-style-type: none">• Pre-sales solution consultants and IP engineering teams have been trained and certified on different programs, including CCIE, CCNA, CCNP, MEF CECF, along with cloud-related programs such as for AWS, VMware, and Microsoft certified trainings• Over 2,000 people trained in IZO™ WAN/ SD-WAN across the organization• MEF 3.0 SD-WAN certified• Conducted trainings for Aruba, SilverPeak, HPE on SD-WAN design, deployment, sales, orchestration and troubleshooting
Collaboration	<p>Engaged in several leading Indian & Global universities to collaborate in R&D activities, and support to build national talent in the space of cybersecurity. Some of the key associations are:</p> <ul style="list-style-type: none">• Harvard University - are working on a few cutting-edge research ideas with Network and AI department of Harvard University• Various Indian universities such as SASTRA for graduate trainees who undergo a two-year structured program to train them in the field of cybersecurity <p>Collaboration with NetFoundry through which enterprises can instantly spin up zero trust networks across the programmable Fabric, controlled by web portal or APIs, with no hardware deployment</p>
Hiring	Next generation products focused delivery & engineering - doubled the strength
Private 5G	Working with Tata Communications customers on private 5G implementations across companies in India and UK, with official launch of the Tata Communications MOVE private network solution
Innovation network	Ongoing collaboration with over 2,000 start-ups, universities to work on new use cases around artificial intelligence, AR/VR, drones, blockchain, quantum, intent-based networking, 6G NLP and security, as well as capstone projects to source promising talent and drive innovation.

Tata Communications | network transformation services (page 6 of 6)

Everest Group assessment – Leader

Measure of capability:  Low  High

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint	Overall
								

Strengths

- Enterprises across the industry looking for WAN solutions can evaluate Tata Communications IZO WAN platform to leverage its agile hybrid WAN solutions including overlay, UCC, and managed security
- Enterprises from the manufacturing, public sector, and BFSI verticals will find Tata Communications suitable due to its strong proof points and domain expertise serving these industries
- Enterprises looking for a managed network services partner will benefit from Tata Communications’ capabilities and offerings portfolio, which includes IZO SD-WAN and SASE services
- Tata Communications is an ideal partner for enterprises in the APAC markets due to their strong regional expertise and capabilities, while continuing to expand in Europe and Americas
- Clients appreciate Tata Communications for its solutioning pragmatism, contractual flexibility, and delivery execution

Limitations

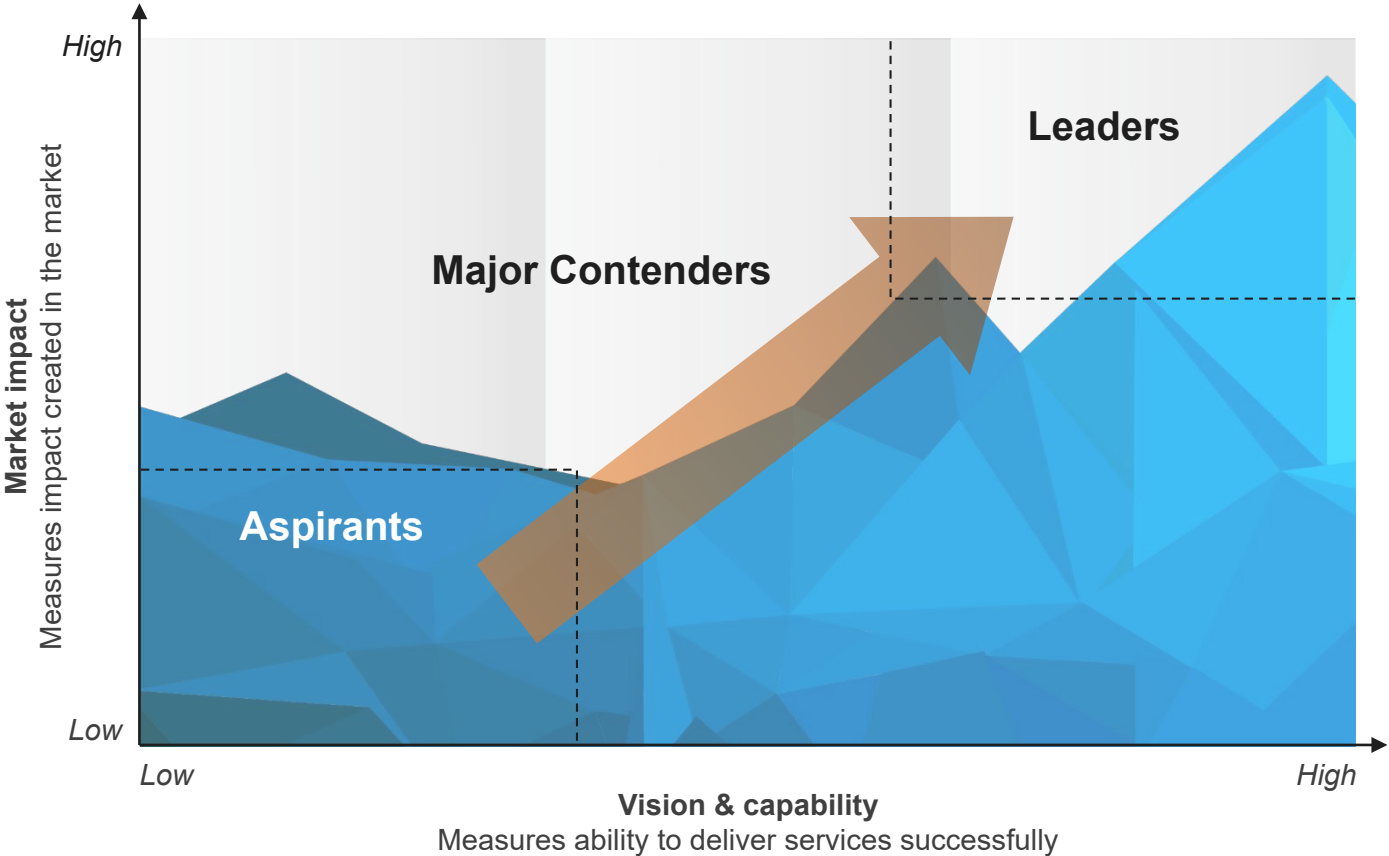
- Tata Communications needs to further integrate AI and ML capabilities into its managed network service offerings to augment its existing fault diagnosis capabilities
- There is scope for investments on next-generation solutions including edge networking, network for IoT, and network analytics
- It is not proactive in suggesting innovative improvements to the proposed solutions. Clients need to be upfront about their expectations to reap the required benefits
- Some clients have highlighted that Tata Communications needs to improve its ongoing cadence with customers and proactively pitch innovative solutions to its customers

Appendix

Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision & capability



Everest Group PEAK Matrix





Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

Market adoption

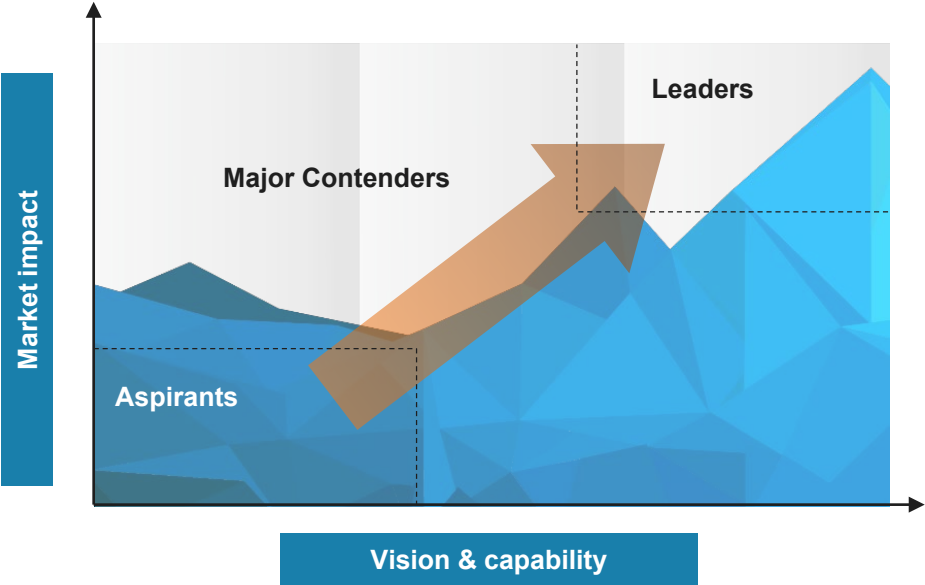
Number of clients, revenue base, YoY growth, and deal value/volume

Portfolio mix

Diversity of client/revenue base across geographies and type of engagements

Value delivered

Value delivered to the client based on customer feedback and transformational impact



Measures ability to deliver services successfully. This is captured through four subdimensions

Vision and strategy

Vision for the client and itself; future roadmap and strategy

Scope of services offered

Depth and breadth of services portfolio across service subsegments/processes

Innovation and investments

Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.

Delivery footprint

Delivery footprint and global sourcing mix

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?

Everest Group's PEAK Matrix assessment takes an unbiased and fact-based approach that leverages provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information. In addition, we validate/fine-tune these results based on our market experience, buyer interaction, and provider/vendor briefings.

Is being a Major Contender or Aspirant on the PEAK Matrix, an unfavorable outcome?

No. The PEAK Matrix highlights and positions only the best-in-class providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition.

What other aspects of the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?

A PEAK Matrix positioning is only one aspect of Everest Group's overall assessment. In addition to assigning a Leader, Major Contender, or Aspirant label, Everest Group highlights the distinctive capabilities and unique attributes of all the providers assessed on the PEAK Matrix. The detailed metric-level assessment and associated commentary are helpful for buyers in selecting providers/vendors for their specific requirements. They also help providers/vendors demonstrate their strengths in specific areas.

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

- Enterprise participants receive summary of key findings from the PEAK Matrix assessment
- For providers
 - The RFI process is a vital way to help us keep current on capabilities; it forms the basis for our database – without participation, it is difficult to effectively match capabilities to buyer inquiries
 - In addition, it helps the provider/vendor organization gain brand visibility through being included in our research reports

What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?

- Providers/vendors can use their PEAK Matrix positioning or Star Performer rating in multiple ways including:
 - Issue a press release declaring positioning; see our [citation policies](#)
 - Purchase a customized PEAK Matrix profile for circulation with clients, prospects, etc. The package includes the profile as well as quotes from Everest Group analysts, which can be used in PR
 - Use PEAK Matrix badges for branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with Everest Group; please contact your CD or [contact us](#)

Does the PEAK Matrix evaluation criteria change over a period of time?

PEAK Matrix assessments are designed to serve enterprises' current and future needs. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality and to serve enterprises' future expectations.






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