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BEST PRACTICES

AWARDS

FROST & SULLIVAN

2020 BEST PRACTICES AWARD

VERSA
NETWORKS

2020 INDIAN SD-WAN PLATFORM PROVIDER COMPANY OF THE YEAR AWARD

Contents

Letter of Congratulations

I am proud to present Versa Networks with this year's award for the 2020 SD-WAN Platform Provider Company of the Year in the India Region.

Frost & Sullivan's global teams of analysts and consultants research a wide range of markets in multiple industries and regions, and identify companies that are true industry leaders, delivering best practices in growth, innovation and leadership. These companies have a keen eye on the future and drive innovation that meets upcoming needs before they become commonly visible, often being first to market with new solutions. They focus on delivering the best products at optimal prices to maximize customer value and experience. Identifying these companies involves extensive primary and secondary research across the entire value chain of specific products and/or markets. Against the backdrop of this research, Frost & Sullivan is pleased to recognize Versa Networks as the SD-WAN Platform Provider Company of the Year.

Delivering excellence worthy of the SD-WAN Platform Provider Company of the Year recognition is never an easy task, and it is made even more difficult considering today's competitive intensity, customer volatility and economic uncertainty—not to mention the difficulty of innovating in an environment of escalating challenges to intellectual property. In this context, your receipt of this award signifies an even greater accomplishment.

Moreover, Frost & Sullivan recognizes that this accomplishment is the result of many employees, customers and investors making daily choices to support the organization and contribute in a meaningful way to its future.

Frost & Sullivan has also recognized Versa Networks with the "Frost Radar: 2020 Innovation Excellence Award Global SD-WAN Vendor Market" as a result of recent research conducted by Frost & Sullivan in addition to identifying Versa as the innovation leader in the Frost Radar Global SD-WAN report.

I enthusiastically acknowledge and celebrate these achievements, and wish you great success in the future. Frost & Sullivan is here to support you on any future endeavor.

Sincerely yours,

David Frigstad
Chairman
Frost & Sullivan

Background and Company Performance

Industry Challenges

Enterprises in India have started to prioritize the transformation of their operations and businesses through digitalization, with most enterprises now using digital technologies such as Internet of Things (IoT), cloud computing, and collaboration.

With the increased use of cloud, bandwidth-intensive applications and other technologies, enterprise networks are experiencing a significant increase in data traffic, which is imposing high pressure on traditional enterprise networks because of the difficulty to cope with rising digital requirements. Enterprises, therefore, require more advanced, flexible and high-capacity networking environments to match the digital requirements of evolving IT infrastructure.

Enterprises experience complexities when handling hybrid networks with multiple types of links, such as leased line, multiprotocol label switching (MPLS) and broadband. Many enterprises face network feasibility issues because of the lack of an expansive network reach from a single provider. No network provider in India has on-net service across the country, and lack of efficiency in bandwidth utilization contributes to the increase in overall networking costs for enterprises.

All of these changing network requirements and challenges are putting significant pressure on legacy networks, and software-defined wide area network (SD-WAN) technology is expected to address these requirements and challenges.

Visionary Innovation and Performance

Growth Performance

Enterprises in India are facing increased complexity on their networks and infrastructure due to the rising myriad of different applications, clouds, data sources and connections.

With a long-term understanding of Indian market, Versa Networks has demonstrated exceptional capabilities to serve changing enterprise networking requirements in India by effectively leveraging cutting-edge technologies such as SDN/NFV to provide Secure SD-WAN solutions for enterprises and service providers.

Versa Networks has demonstrated robust performance in terms of revenue growth, as well as customer acquisition in the India SD-WAN market. In 2019, Versa maintained its leadership over competitors in terms of new customer additions and number of SD-WAN site deployments across India.

Competitive Differentiation

Versa Networks has developed a holistic and integrated solution with SD-WAN, SD-Security, virtual and universal CPE capabilities targeting multiple customer segments such as enterprises, Government organization and service providers.

The core of the Versa Networks Secure SD-WAN solution is the Versa Operating System (VOS) which is a distributed virtual network services OS built from ground up for multi-tenancy. VOSis a software instance that lets users seamlessly configure and manage Layer 3 to layer 7 network services. It can be installed on bare-metal (3rd party white box appliances) or as a virtual machine on hypervisor/public clouds (AWS, Azure and GCP). The Versa solution is based on open hardware architecture [X86]. This allows customers to choose from a range of available hardware platform, making the solution truly software defined.

The Versa Secure SD-WAN allows enterprises to reduce the Capex and Opex of their WAN and branch networks, while increasing IT responsiveness to business needs. The time required to manage the network is minimized, and branch security is strengthened.

Complemented by the first mover advantage, Versa Networks' thorough understanding of Indian enterprise customers, specifically in BFSI and IT, along with robust platform capabilities provide the company a clear edge over competitors.

Visionary Scenarios through Mega Trends

Versa Networks has been one of the visionary leaders in terms of enhancing Secure SD-WAN solution capabilities and keeping it future ready.

The company has already enhanced its platform to align it with the hybrid cloud environment. When enterprises have applications deployed on Virtual Private Cloud (VPC), Versa VOS can be integrated with VPC of the enterprises making it like an enterprise branch. With this capability, enterprises have full control over traffic from each branch to the VPC. When the enterprise uses the SaaS model for interworking, Versa VOS provides SaaS optimizations to ensure that the traffic utilizes the optimum path for the Internet Bound Traffic.

Going forward, the company has a vision to integrate its Secure SD-WAN capabilities with Internet of Things (IoT) to tap into new revenue opportunities, especially with the emergence of Smart Cities in India.

Technology and Product Innovation

Versa Networks has been a leader in terms of innovation in the Secure SD-WAN segment, as it has strong expertise in Secure SD-WAN solutioning with respect to the requirements of Indian market. The company has added the capability for contextual awareness of application, user, device and location, providing end-to-end event and intent-based

routing. The company has recently integrated native virtualization support to host 3rd party virtual network services, further increasing flexibility and future-proofing the WAN. The company in 2019 launched a unique SD-WAN offering, Versa Titan, which is specifically developed for the SMB segment for simple and faster provisioning of branch locations.

Versa have started to offer various optimization capabilities for Direct Internet Access and Direct Cloud Access. In 2019, Versa extended the capability to monitor best paths toward cloud SaaS providers. This capability uses inline performance measurements on single-ended branch deployments.

The company has launched a cloud-native platform with IP advanced networking and security services that helps enterprise seamlessly enable software-defined branches.

Versa Networks has added several other innovative capabilities to its Secure SD-WAN solution offering, which is a testament to company's innovation capabilities in next-generation networking technologies.

Go-To-Market Strategies and Partner Ecosystem Prowess

With tremendous expertise in the Indian SD-WAN market, Versa clearly understands that all engagements with customers have to be solution selling and not box selling. Therefore, they are following a variety of partnership GTM strategies to cater to the changing demands of enterprises.

The company has built deep relationships and engagements with managed service providers to cater to small and medium businesses – which largely rely on the network service provider for all their connectivity needs. It also trains service provider engineering teams to help them independently sell and support the solution. The company has created an expansive partner ecosystem including channel partners and system integrators to reach large enterprises. The partner ecosystem helps Versa make initial contact with the enterprise.

Versa provides complete technical support for partners' pre-sales / PoC / demo activities to help the partners get the customer on-board with the Secure SD-WAN solution. Versa also carries out regular week long onsite / offsite training programs to develop the competence of their partners.

Customer Impact

Customer Service and Customer Purchase Experience

Customer experience and delight is at the forefront of Versa Networks' approach to the Secure SD-WAN solution market. The company's ability to get repeat orders from large enterprises can be considered as a testament to its ability to exceptionally serve the customers in India.

Versa Networks has been continuously investing in its managed services capabilities, along with advancement in tools/technologies to enhance the customer purchase and customer services experience.

Versa Networks has developed a strong local R&D and engineering presence at Bangalore to support the India customers' requirements quickly and efficiently.

The company has seen a growing need from large enterprise customers to provide Versa branded hardware units. To cater to this need, Versa has come out with its own hardware appliances which have been available for customer deployments since Q4 2019.

In order to simplify the process for ordering, fulfillment, configuration, etc., for SMB customers, Versa Networks has recently augmented its Secure SD-WAN platform with an e-commerce model.

Conclusion

Versa Networks has shown exceptional capability to effectively serve multiple segments of enterprises, such as large, SMBs and Government organizations on the back of its integrated Secure SD-WAN portfolio and specific Go-To-Market strategies for a variety of customer segments.

Frost & Sullivan firmly believes that Versa Networks has maintained leadership in market penetration and technology/product innovation in India on the back of its strong R&D capabilities, customized Secure SD-WAN solution suite, continuous addition of innovative features, and collaborative business with partners and customers. Therefore, Versa Networks has earned Frost & Sullivan's 2020 SD-WAN Platform Provider Company of the Year award for the India region.

Frost & Sullivan has also recognized Versa Networks with the "Frost Radar: 2020 Innovation Excellence Award Global SD-WAN Vendor Market" as a result of recent research conducted by Frost & Sullivan in addition to identifying Versa as the innovation leader in the Frost Radar Global SD-WAN report.

Significance of Company of the Year

To receive the Company of the Year Award (i.e., to be recognized as a leader not only in your industry, but among non-industry peers) requires a company to demonstrate excellence in growth, innovation, and leadership. This excellence typically translates into superior performance in three key areas—demand generation, brand development, and competitive positioning—that serve as the foundation of a company's future success and prepare it to deliver on the 2 factors that define the Company of the Year Award: Visionary Innovation and Performance, and Customer Impact).

Understanding Company of the Year

Driving demand, brand strength, and competitive differentiation all play critical roles in delivering unique value to customers. This three-fold focus, however, must ideally be complemented by an equally rigorous focus on Visionary Innovation and Performance to enhance Customer Impact.

Key Benchmarking Criteria

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated each factor according to the criteria identified below.

Visionary Innovation and Performance

Criterion 1: Competitive Differentiation

Criterion 2: Visionary Scenarios through Mega Trends

Criterion 3: Technology and Product Innovation

Criterion 4: Go-To-Market Strategies and Partner Ecosystem Prowess

Criterion 5: Growth Performance

Customer Impact

Criterion 1: Price/Performance Value

Criterion 2: Customer Purchase Experience

Criterion 3: Customer Ownership Experience
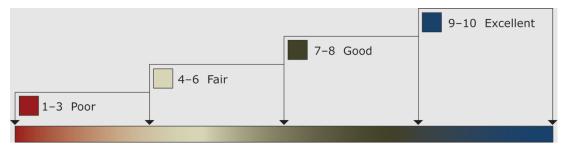
Criterion 4: Customer Service Experience

Criterion 5: Brand Equity

Best Practices Award Analysis for Versa Networks

Decision Support Scorecard

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Scorecard. This tool allows research and consulting teams to objectively analyze performance according to the key benchmarking criteria listed in the previous section, and to assign ratings on that basis. The tool follows a 10-point scale that allows for nuances in performance evaluation. Ratings guidelines are illustrated below.

RATINGS GUIDELINES

9–10 Excellent

7–8 Good

4–6 Fair

1–3 Poor

The Decision Support Scorecard considers Visionary Innovation and Performance and Customer Impact (i.e., the overarching categories for all 10 benchmarking criteria; the definitions for each criterion are provided beneath the scorecard). The research team confirms the veracity of this weighted scorecard through sensitivity analysis, which confirms that small changes to the ratings for a specific criterion do not lead to a significant change in the overall relative rankings of the companies.

The results of this analysis are shown below. To remain unbiased and to protect the interests of all organizations reviewed, Frost & Sullivan has chosen to refer to the other key participants as Competitor 1 and Competitor 2.

Measurement of 1–10 (1 = poor; 10 = excellent)			
Company of the Year	Visionary Innovation & Performance	Customer Impact	**Average Rating**
Versa Networks	**9.5**	**9**	**9.25**
Competitor 1	9	9	9
Competitor 2	6	5	5.5

Visionary Innovation & Performance

Criterion 1: Competitive Differentiation
Requirement: Implementing a robust process to continuously unearth customers' unmet or underserved needs, and creating the products or solutions to address them effectively.

Criterion 2: Visionary Scenarios through Mega Trends
Requirement: Incorporating long-range, macro-level scenarios into the innovation strategy, thereby enabling first-to-market growth opportunity solutions.

Criterion 3: Implementation of Best Practices
Requirement: Best-in-class strategy implementation characterized by processes, tools, or activities that generate a consistent and repeatable level of success.

Criterion 4: Blue Ocean Strategy
Requirement: Strategic focus on creating a leadership position in a potentially uncontested market space, manifested by stiff barriers to entry for competitors.

Criterion 5: Growth Performance
Requirement: Strong overall business performance in terms of revenue, revenue growth, operating margin, and other key financial metrics.

Customer Impact

Criterion 1: Price/Performance Value
Requirement: Products or services offer the best value for the price compared to similar offerings in the market.

Criterion 2: Customer Purchase Experience
Requirement: Customers feel they are buying the optimal solution that addresses both their unique needs and their unique constraints.

Criterion 3: Customer Ownership Experience
Requirement: Customers are proud to own the company's product or service and have a positive experience throughout the life of the product or service.
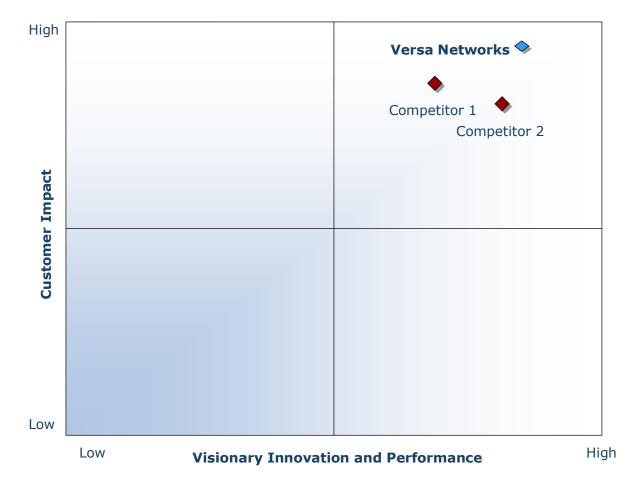
Criterion 4: Customer Service Experience

Requirement: Customer service is accessible, fast, stress-free, and of high quality.

Criterion 5: Brand Equity

Requirement: Customers have a positive view of the brand and exhibit high brand loyalty.

Decision Support Matrix

Once all companies have been evaluated according to the Decision Support Scorecard, analysts then position the candidates on the matrix shown below, enabling them to visualize which companies are truly breakthrough and which ones are not yet operating at best-in-class levels.

Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan analysts follow a 10-step process to evaluate award candidates and assess their fit with select best practice criteria. The reputation and integrity of the awards are based on close adherence to this process.

STEP	OBJECTIVE	KEY ACTIVITIES	OUTPUT
1 **Monitor, target, and screen**	Identify award recipient candidates from around the world	• Conduct in-depth industry research • Identify emerging industries • Scan multiple regions	Pipeline of candidates that potentially meet all best practices criteria
2 **Perform 360-degree research**	Perform comprehensive, 360-degree research on all candidates in the pipeline	• Interview thought leaders and industry practitioners • Assess candidates' fit with best practices criteria • Rank all candidates	Matrix positioning of all candidates' performance relative to one another
3 **Invite thought leadership in best practices**	Perform in-depth examination of all candidates	• Confirm best practices criteria • Examine eligibility of all candidates • Identify any information gaps	Detailed profiles of all ranked candidates
4 **Initiate research director review**	Conduct an unbiased evaluation of all candidate profiles	• Brainstorm ranking options • Invite multiple perspectives on candidates' performance • Update candidate profiles	Final prioritization of all eligible candidates and companion best practices positioning paper
5 **Assemble panel of industry experts**	Present findings to an expert panel of industry thought leaders	• Share findings • Strengthen cases for candidate eligibility • Prioritize candidates	Refined list of prioritized award candidates
6 **Conduct global industry review**	Build consensus on Award candidates' eligibility	• Hold global team meeting to review all candidates • Pressure-test fit with criteria • Confirm inclusion of all eligible candidates	Final list of eligible award candidates, representing success stories worldwide
7 **Perform quality check**	Develop official award consideration materials	• Perform final performance benchmarking activities • Write nominations • Perform quality review	High-quality, accurate, and creative presentation of nominees' successes
8 **Reconnect with panel of industry experts**	Finalize the selection of the best practices award recipient	• Review analysis with panel • Build consensus • Select winner	Decision on which company performs best against all best practices criteria
9 **Communicate recognition**	Inform award recipient of recognition	• Present award to the CEO • Inspire the organization for continued success • Celebrate the recipient's performance	Announcement of award and plan for how recipient can use the award to enhance the brand
10 **Take strategic action**	Upon licensing, company able to share award news with stakeholders and customers	• Coordinate media outreach • Design a marketing plan • Assess award's role in strategic planning	Widespread awareness of recipient's award status among investors, media personnel, and employees

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan's 360-degree research methodology represents the analytical rigor of the research process. It offers a 360-degree view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan's research methodologies. Too often companies make important growth decisions based on a narrow understanding of their environment, resulting in errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry participants and for identifying those performing at best-in-class levels.

360-DEGREE RESEARCH: SEEING ORDER IN THE CHAOS

About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, helps clients accelerate growth and achieve best-in-class positions in growth, innovation, and leadership. The company's Growth Partnership Service provides the CEO and the CEO's growth team with disciplined research and best practices models to drive the generation, evaluation, and implementation of powerful growth strategies. Frost & Sullivan leverages nearly 60 years of experience in partnering with Global 1000 companies, emerging businesses, and the investment community from 45 offices on 6 continents. To join Frost & Sullivan's Growth Partnership, visit http://www.frost.com.