Getting your business digital-ready.

A decision-maker’s guide to successful digital transformation
Digital transformation is changing the face of business—is your network ready?

Every enterprise knows the importance of ensuring their business models are fit for the digital age. Yet, while there’s widespread awareness that digital transformation is critical to building competitive advantage, the barriers to achieving this are proving difficult to overcome. Transformation initiatives are not only difficult to implement quickly, but can lose momentum and fall short of delivering the value that they should provide.

Business mandates ongoing digital transformation.

With hindsight, yesterday’s idea of transforming a business looked relatively simple—find ways of doing things more efficiently and cost-effectively. While this is still relevant—and costs are still a major consideration across every part of the enterprise—digital initiatives today mean a lot more.

Digital transformation is about creating a competitive edge in increasingly crowded markets, personalizing the customer experience, connecting your employees, maintaining robust global security and adapting with lightning speed to any twist or turn your business needs to make. It’s a continual process.

IDC’s study, Digital Transformation: Discover the Right Path to Avoid Hype and Disappointment, explores the opinions of 219 senior decision-makers whose enterprises are at different stages of executing their digital strategies. Even those who consider themselves digital leaders are finding it a challenge to implement their digital strategies quickly. The reality is no enterprise can ever consider itself fully transformed, which is why it is essential to build an infrastructure that can quickly adapt to change and deploy new technology.

IDC predicts that as early as 2019, mature digital transformation companies will derive at least 45% of their revenues from digital-related commerce activities.1 In addition, companies that have not realized at least 25% of revenues from digital transformation-related initiatives by 2020 risk being rendered obsolete by agile competitors.² This highlights the urgency of the task ahead, especially when there are still significant barriers between you and the implementation of your organization’s digital initiatives.

Given the current environment, the need to align network strategy with digital strategy has never been greater. The enterprise’s quest is to move faster, scale bigger and innovate smarter—none of this is achievable without network transformation.

Key questions for your enterprise

- Digitization brings opportunities, but it also increases the threats your business is exposed to. How do you ensure you have the right security in place?
- Innovation is a top priority. Does your network enable fast deployment of new services, features and apps to create a great customer experience?
- Skills requirements change almost daily. Do you have the right people with the right knowledge to implement and execute your network transformation strategy, or the next step in your digital transformation?
- With the cloud, social media, mobile computing and big data driving business innovation, is your network able to scale quickly?

25% of revenues need to come from digital transformation initiatives by 2020 or companies risk being rendered obsolete by agile competitors.³
We need a very reliable network so someone’s life isn’t in danger.

Nilesh Mhatre
Chief Intelligence Officer, Americas
Schindler Elevator Corporation
According to IDC’s study, 70% of digital leaders in 2018 believe networking capabilities underpin digital transformation initiatives. The significant increase—of nearly 20 percentage points between 2016 and 2018—indicates both the growing importance of digital transformation to enterprises and the increasing realization among business leaders that they can’t separate the network from larger company strategy. Network leaders are increasing spend on next-generation digital solutions and prioritizing investment in net-new networking technologies that will be essential to effective digital transformation processes.

**Network transformation hinges on partnerships.**

The network is the backbone of this transformation. Organizations and business leaders that do digital transformation well are the ones that have successfully aligned their digital transformation and network transformation strategies, as well as understand the value of getting expert support from an enterprise-class communications service provider (CSP).

This is evidenced by the fact that 83% of digital leaders say they trust that their CSPs are well-equipped to support their organizations in facing these challenges. These leaders understand the benefit of having a partner’s insight in making IT decisions that affect the success of the entire business.

This is not a position so overwhelmingly shared by the less digital transformation-savvy, however. Only 47% of digital followers believe that their CSPs are well equipped to enable digital transformation initiatives.

The message is clear: Strong partnerships and the right support from a trusted advisor can help get your business digital ready; they can help you overcome the barriers to digital transformation quicker than those that go it alone. This leads to faster realization of benefits, including increased efficiency and improved customer experience.
Without a great network, we wouldn’t be competitive, on the racetrack or in business.

Roger Penske
Chairman and CEO
Penske Corp.
Understand barriers to digital transformation.

The right partner can help you get your business digital-ready.

According to the respondents in IDC's study, the top four obstacles to executing a digital strategy are:

Security
Security concerns are being driven by rising threats and complex technologies, such as software-defined networking (SDN) and network function virtualization (NFV).

Cost
Cost and inability to show return on investment. Without the right partners in place, it can be difficult to transform digitally and conduct business efficiently and effectively.

Complexity
With the complexity of technology, organizations find it difficult to identify and evaluate which digital transformation-enabled technology will best support their digital strategy.

Uncertainty
Uncertainty around identifying the right technologies and solutions to accelerate digital initiatives.

Prepare for tomorrow's threats.

Digital leaders consider security the most significant barrier to implementing their digital transformation strategies. The modern enterprise's infrastructure is complex. Increasingly, operations are moving from bare metal, on-premise installations to virtualization and the cloud. The need to react more decisively in the face of changing market and customer demands – as well as adapt to the growth of the modern workplace and increasingly global business world – is driving this transition.

It's not just a wealth of opportunity that's opened up in this shift to new infrastructure models. Threats proliferate. Keeping critical data secure, guarding against distributed denial of service (DDoS) attacks, avoiding business-crippling downtime: It may seem like a constant battle.

In reality, that's exactly what it is. If we can be certain of one thing in the IT landscape, it's that tomorrow's threats will outweigh today's in both severity and number. As we use more open platforms, as apps and devices multiply, and as IoT and analytics mean we need to connect everything everywhere, no manual processes will be able to mitigate the increasingly sophisticated threats that target your organization.

Understand the technology.

Technology complexity and uncertainty of how to implement next-generation technologies such as SDN and NFV are top-of-mind among digital leaders. Finding the right high-density networking technology to support your business is not as simple as choosing a solution and implementing it straight out of the box. Change is required across the entire organization for implementation to be successful. Silos need to be broken down, and enterprises need to find new ways to connect internally.

For this very reason, you need to leverage the experience and knowledge of a partner that can guide you through your transformation journey and deliver a technology ecosystem that is tailored to your business needs.
Identify the skills and support you need.

Equally pressing concerns for digital leaders are whether they have the in-house resources to get their businesses digitally ready. How can you predict what skills you’ll need when you don’t know what your infrastructure will look like in a year’s time?

How will your customers want to interact with your brand? What will your business demand of your team? And, how do you know if your current partners are investing in the right services and giving you the right advice?

The supplier landscape is complex. You probably have numerous partners that deal with discrete parts of your infrastructure and security. This means it’s your job to maintain visibility of the entire landscape, understand how it performs and identify whether it’s delivering what the business needs.

Secure your network with confidence.

Working with an experienced CSP can help you overcome the barriers to execute your digital transformation initiatives. According to IDC’s study, 46%⁹ of digital leaders consider CSPs to be their primary trusted partner for digital initiatives. This highlights the understanding among senior-level decision-makers that network transformation is critical for digital transformation. They also know that negotiating a safe path through virtualization and the cloud to deliver transformative, secure connectivity solutions requires more expertise than even the most astute business leader possesses. A trusted partner with decades of network and security expertise is invaluable.

Creating an SD network with a trusted provider should be your priority if security ranks as one of your concerns. With SDN, security is enhanced because management of your network is simplified, centralized and automated, increasing control of access and visibility of threats.

84%

of leading-edge digital transformation organizations also have leading-edge network capabilities¹⁰

86%

of companies say SDN will enable them to design, deploy, manage and scale networks more quickly and easily¹²

46%

of digital leaders consider communications service providers to be their primary trusted partner for digital initiatives¹³

97%

of Fortune 500 companies trust Verizon services and technologies
# Be ready for anything.

Your network must be adaptable and continually transform to support your business in its digital transformation journey. Engaging professional expertise and implementing the right solutions can help you overcome the transformation challenges that can slow digital progress and prevent you from achieving expected results.

<table>
<thead>
<tr>
<th>Barriers to digital transformation</th>
<th>How to overcome transformation barriers</th>
<th>Related products and solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security</td>
<td><strong>Execute your digital transformation strategy with confidence, knowing your new environment is well protected and prepared for the worst.</strong></td>
<td><strong>Verizon Risk Report</strong></td>
</tr>
<tr>
<td></td>
<td>Assess and understand where your cyber risk is and where to focus your investments.</td>
<td><strong>Software Defined Perimeter</strong></td>
</tr>
<tr>
<td></td>
<td>Secure your devices and applications with highly encrypted connectivity.</td>
<td><strong>Managed Security Services</strong></td>
</tr>
<tr>
<td></td>
<td>Proactively defend your environment with advanced threat monitoring, analytics and detection.</td>
<td><strong>Incident Response</strong></td>
</tr>
<tr>
<td></td>
<td>Devise an incident response plan and know exactly how your organization will respond if you fall victim to a cyber-attack.</td>
<td></td>
</tr>
<tr>
<td>Cost</td>
<td><strong>Consolidate physical network devices into software applications to control capital expenditure and manage overhead, reducing cost of ownership.</strong></td>
<td><strong>Managed SD WAN</strong></td>
</tr>
<tr>
<td></td>
<td>Use existing bandwidth more efficiently, rather than paying for what you don't need.</td>
<td><strong>Networking Professional Services</strong></td>
</tr>
<tr>
<td></td>
<td>Invest in the right digital technologies to drive transformative results for your business.</td>
<td><strong>Virtual Network Services</strong></td>
</tr>
<tr>
<td></td>
<td>Reduce or eliminate expensive hardware deployment and get up and running without reconfiguring your existing network.</td>
<td></td>
</tr>
<tr>
<td>Uncertainty</td>
<td><strong>Enlist help from an experienced partner to identify the right technologies and solutions to accelerate your digital initiatives.</strong></td>
<td><strong>Networking Professional Services</strong></td>
</tr>
<tr>
<td></td>
<td>Align your network optimization, expansion or consolidation strategy with your digital business objectives.</td>
<td><strong>Managed Network Services</strong></td>
</tr>
<tr>
<td></td>
<td>Outsource day-to-day tasks required to keep your network running at peak performance.</td>
<td><strong>Security Strategy &amp; Implementation Security Professional Services</strong></td>
</tr>
<tr>
<td></td>
<td>Design robust, effective and flexible security architecture by integrating its design at the heart of your digital transformation journey.</td>
<td></td>
</tr>
<tr>
<td>Complexity</td>
<td><strong>Simplify operations and improve performance by implementing fully-managed, automated networking solutions.</strong></td>
<td><strong>Virtual Network Services</strong></td>
</tr>
<tr>
<td></td>
<td>Create a more agile, resilient and centrally managed approach to your network.</td>
<td><strong>Managed WAN Optimization Services Managed SD WAN</strong></td>
</tr>
<tr>
<td></td>
<td>Prioritize traffic and dynamically accelerate app delivery and performance across your WAN.</td>
<td><strong>Advanced Security Operations Center</strong></td>
</tr>
<tr>
<td></td>
<td>Maximize your SIEM investment and quickly identify the threats that matter.</td>
<td></td>
</tr>
</tbody>
</table>
Conquer the challenges.

How enterprises worldwide are transforming their businesses with Verizon.

A world-class virtualized network infrastructure and cybersecurity portfolio is critical to providing your enterprise with the necessary performance and reliability to drive digital transformation initiatives. In addition to this, you need support from an experienced provider. The provider should offer access to diverse technologies and applications hosted in the cloud, with a level of security that meets the demands of tomorrow’s business.

According to digital leaders, the top four attributes they look at when assessing CSPs are:

• Proven SDN implementations
• A diverse portfolio of software-defined offerings, such as SD WAN and virtualized services
• Professional services to aid migration to digital platforms
• Global coverage

The following success stories will show you how we hit the mark on all counts, and illustrate how companies are successfully embracing digital transformation with the help of Verizon.

Verizon brings 25 years of experience managing complex deployments for enterprise customers to create future-ready networking and security.

A reliable network backbone supports great customer experiences.

U.S. airline JetBlue, established in 2001, needs to be agile to stay competitive in this fast-moving industry. Its technology supports customer services operations, the JetBlue.com website, ticketing services, state-of-the-art Wi-Fi and in-flight entertainment technology—all critical operations that require a solid network.

The company—which operates 1,000 flights to more than 100 destinations across three continents a day—chooses to work with organizations that share its spirit of innovation. It looks for partners that can maintain security and provide reliable support, 24 hours per day, seven days per week.

JetBlue relies on Verizon for a range of services, including managed security and network services, network application performance management, professional services and incident response.

“We enjoy our partnership with Verizon. Not just the technology and innovation they provide, but the fantastic talent and culture to take us into the next chapter. Innovation is in our DNA, and we value Verizon to bring that innovative culture to JetBlue.”

Eash Sundaram,
Executive Vice President, Chief Digital and Technology Officer, JetBlue Airways
Building a reliable, secure and scalable next-generation network.

SAP, a multinational software corporation, needed a high-performing, highly available and secure network platform to keep up with the exponential growth of its global cloud-based business. When the company wanted to streamline its network infrastructure and improve application availability for its employees and customers, it turned to Verizon.

Fast application development and deployment, as well as network stability, is critical when running a global cloud-based software as a service (SaaS) business. Verizon helped SAP build a next-generation network that's reliable, efficient to manage and can scale across all business locations. The new future-ready infrastructure reduced IT overhead by consolidating network management, freeing up resources and ultimately helping SAP improve customer experiences.

“As we move more of our business to the cloud, our customers’ success depends on our ability to connect them to our applications, and to help ensure those applications deliver the highest standards of performance and security.”

Thomas Sauerssig
Chief Information Officer, Executive Vice President, Global Cloud Infrastructure, SAP

Transforming the real-estate industry with a trusted partner.

Jones Lang LaSalle (JLL) is a global professional services and investment management firm that specializes in real estate.

Established more than 200 years ago, the business has seen many significant transformations – not least the introduction of electricity and the telephone. Embracing its digital transformation journey, the company wanted to create a unique solution for customers by using data as a differentiator.

The real-estate firm chooses partners that can help it get ahead of the curve. It has been working with Verizon for more than 10 years to be agile in the face of new competition and to build a network that allows it to harness analytics and locational intelligence.

Verizon has been the glue that's held our global network together. It has been Verizon that has allowed us to operate as the large global entity that we are.”

Andrew Clowes,
Regional Director Chief Information Officer, Australia and New Zealand, JLL
Make your digital transformation a success.

5 key takeaways to get your business digital-ready.

- Understand that digital transformation is not a single task that will take a set time to deploy, but a constant process involving many steps to meet business demands. Embrace digital transformation as a progressive journey to continuously adapt to changes in the marketplace.

- Champion your enterprise’s digital and networking transformation strategy. Lead the conversation and unite disparate teams across your organization to align the business and IT vision.

- Your visibility of operations, customer experience, IT infrastructure and business models put you in the ideal position to drive digital transformation. Use your insight to help accelerate digital initiatives for quick results – and ensure your digital journey isn’t compromised.

- Do not work in a silo: Collaborating with your organization’s transformation and network decision-makers is vital to successful execution of your digital initiatives.

- Find a trusted partner that has the vision, investment, expertise, and portfolio of products and services to help you navigate your digital transformation journey and implement a secure digital-ready network.

Align your digital transformation priorities with your business requirements.

In the IDC study and this guide, we’ve explored the urgency among enterprises to speed up digital transformation initiatives and start benefiting from the increased agility and competitive advantage they promise. Our customer stories highlight that being network-ready is vital to digital transformation.

If you’re a digital transformation decision-maker or a network decision-maker in any capacity, you need to do one thing immediately: Assess your current in-house capabilities and CSP partnerships.

- Do they support your business in overcoming the barriers to transformation?
- Can you execute your digital transformation plan with your current vendor ecosystem?
- Are you able to incorporate new technology like IoT and machine learning to enhance your customer experience?
- Can your infrastructure handle the business requirements of tomorrow?

If the answer at any level is no, you have some work to do. If you decide you want to take your enterprise to the next step of its journey, then your priority is to align your digital transformation and network transformation strategies.

Your business won’t transform itself.

You have the opportunity to support your business to make network and digital transformation a success. We have the know-how to help you embrace the change that your business is undergoing every day – so you can build a strong, agile software-defined network that supports your enterprise’s digital transformation strategy.

Verizon has invested billions of dollars into developing the solutions, partnerships and expertise that enable enterprises to build their future-ready networks. The depth and breadth of our services support the transformational goals of many organizations today, and we aim to future-proof the network so that you can – and will – be ready for whatever the future may hold.

No matter where your organization is in its digital journey, learn more about how we can help your business be ready for the next stage of your transformation:
enterprise.verizon.com/digital-transformation

Sincerely,

Vickie Lonker
Vice President,
Network and Security Product Management,
Verizon Enterprise Solutions