

Press Release

Corporate WANs and Their Network Providers are Underperforming, New Research from Telia Carrier Reveals

...Security (55%) and service flexibility (43%) cited as the biggest pain points...

Stockholm, 27 October 2020 – According to a new survey from [Telia Carrier](#), corporate WANs are failing to deliver on businesses’ priorities, with 55% of respondents citing security is the biggest pain point, 43% service flexibility, 36% supplier performance, and 35% network congestion. The research, entitled [“Enterprise network insights 2020: transforming the corporate WAN”](#) was conducted in four of the world’s biggest markets - the US, the UK, Germany and France – and provides insights into the evolution of the corporate WAN and cloud adoption from the top of business.

Digital technology and the cloud have transformed the way businesses are run and connect with their employees, suppliers, partners, and customers — across sites and geographies. Public Internet and cloud-based services underpin the corporate WAN landscape and reliable connectivity is seen as critical to business performance. With 90% of the survey’s respondents confirming that their enterprises rely on the public Internet for some or all of their wide area network services, 48% of them say the impact of a corporate WAN outage exceeding 24 hours would be catastrophic.

Today’s Enterprise: connected but uninformed?

However, as the research findings reveal, the corporate WAN experience is not yet the best it could, and should, be. This is not just because WAN technology is still evolving and suppliers need to improve their customer experience, but also because the WAN ecosystem hasn’t been fully understood: knowledge gaps about the Internet and its various tiers have made decision-making difficult.

For example, only half of survey respondents (US: 57%; FR: 56%; UK: 49%; DE: 37%) rate their understanding of how the Internet backbone works as very good or excellent, but almost two-thirds think of public Internet connectivity as a commodity that doesn’t vary much between suppliers. (FR: 74%; DE: 62%; US: 62%; UK: 49%).

Commenting on the findings of the research, Mattias Fridström, Chief Evangelist, Telia Carrier said: “Network-development strategies, unfortunately, appear to be missing the backbone piece of the puzzle. This means that Tier 1 suppliers, such as telcos and carriers, are often overlooked when it comes to choosing a method to build their WANs and connect to the cloud.”

Tomorrow's Supplier: flexible, innovative and customer-focused

The research illustrates that the network providers of the future have to put the needs of the customer at the center of everything they do. Bandwidth (40%), service flexibility (36%) and customer support (29%) are enterprises' top three priorities when deciding on a local network partner or ISP to connect to their preferred cloud-service providers.

Sustainability is also a key criterion when shortlisting suppliers or choosing between candidates, and enterprises are prepared to pay a premium for it. In fact, more than a third of all respondents (38%) confirmed that they now only shortlist suppliers with a strong commitment to sustainability – in France, this number rises to 55%. Of those who don't include sustainability in their initial selection criteria, 42% say it helps them choose between the final candidates (US: 46%; UK & DE: 45%; FR: 28%). Only a fifth say they choose suppliers solely on the basis of price and performance. Importantly, the vast majority (95%) are willing to pay a premium for a sustainable supplier of 5% or more. 49% of respondents in Germany, 48% in the UK, 42% in the US and 37% in France confirmed their commitment to paying between 10% and 15% more.

The survey also found that demand for new tools and technologies to improve workflows and increase transparency is strong. For example, 90% would like their network partners to adopt more machine-to-machine workflows and automation to enhance their services, and 68% say they already use APIs to achieve real-time visibility of their network performance or control of their network infrastructure.

"If organizations really want to create the networks that transform their businesses, whilst controlling costs and reducing their carbon footprint," Mattias Fridström concluded, "their leaders may need to review their strategies for the next three to five years. Network providers can be strategic partners in the growth and development of enterprises—if they're aligned with enterprises' needs."

Study Methodology

Research was carried out online in July-August 2020 with 414 respondents in the US, the UK, Germany and France, on behalf of Telia Carrier by Savanta, a global leader in digital data collection. Participants in the survey came from a range of industries, including manufacturing / engineering, automotive, pharmaceuticals, banking, financial services, business services, information services and consultancy. All, however, worked for enterprises of more than 3,000 people. The vast majority of respondents (85%) held leadership roles, e.g. at C-suite level, and more than half (56%) said they had the last word in network development strategy. Participants were split between the four markets as follows: US (154); UK (102); France (78); Germany (80).

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About Telia Carrier

Telia Carrier solves global connectivity challenges for multinational enterprises whose businesses rely on digital infrastructure. On top of the world's #1 ranked IP backbone and a unique ecosystem of cloud and network service providers, we provide an award-winning customer experience to customers in 120 countries worldwide. Our global Internet services connect more than 700 cloud, security and content providers with low latency. For further resilience, our private Cloud Connect service connects directly to Amazon Web Services, Microsoft Azure, Google Cloud, IBM Cloud and Oracle cloud across North America, Europe and Asia. Discover more at teliacarrier.com, and follow us on [LinkedIn](#) and [Twitter](#).