

ROI of SD-WAN-as-a-Service

Author: Nishant Singh



Table of Contents

Introduction	3	SD-WAN: Key ROI Drivers	4-8	The Bigger Strategic Picture	9-10
		How Hexaware Got their Bang for their Buck!	11	Results: Foundation of a Long-term Partnership	12
The Aryaka Difference	13-14	The Added Advantages	15	Conclusion	16

Introduction

“Where is the value in SD-WAN?”

Fair question.

As much as one might want to go with an emotional knee-jerk reaction of “It’s SD-WAN, everyone is doing it,” it’s obvious that answer is not good enough.

As enterprises continue to descend in an avalanche of network-aware devices and services, the value proposition of investing in SD-WAN continues to lure more and more investors – and for good reasons. SD-WAN has been purported to be an absolute necessity in an on-demand, cloud-savvy, data-driven, as-a-service world.

But is that the whole picture? Or is it just the shiny object syndrome? Is upgrading from the legacy WAN a practically and financially responsible thing to do? Do the claims carry any credibility? Can it deliver ROI?

To that end, like every new technology, SD-WAN first needs to be accepted by the C-suite, and to do so, it needs to tick the right boxes around post-implementation satisfaction rates and guarantee a solid ROI.

If you have evaluated the idea of deploying SD-WAN but are sceptical about moving forward, we might have the answers you’re looking for.

SD-WAN: Key ROI Drivers

Most financial investments are approved based on predicted returns. But the concept of ROI is not as straightforward. What comes across as a no-brainer at first glance, encompasses a lot more than the obvious monetary benefits.

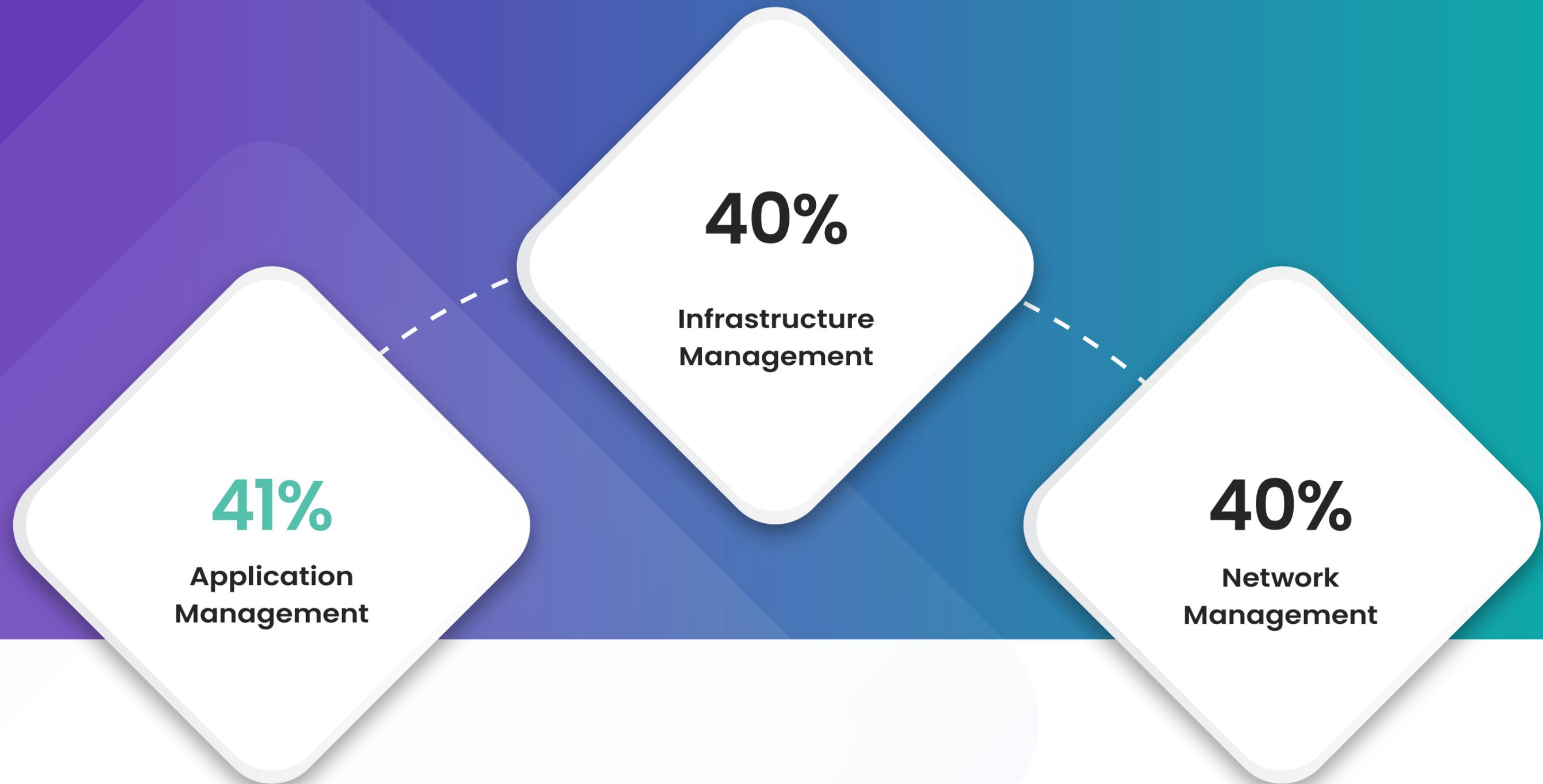
The ROI of SD-WAN adoption can be broadly classified into two categories — direct and indirect. While the former is tied down to direct cost-savings, in terms of reduced capital and operational costs and improved profit margins, the latter entails softer indicators that are more abstract in nature. Though they do not yield immediate financial returns, these metrics are often connected to the holistic, long-term success on the investment.

So why is it so financially savvy to tap into SD-WAN as your best growth opportunity?

i. The ROI of Innovation

According to [research](#), IT teams end up spending a minimum of one-third of their time fighting fires rather than carrying out proactive, strategic work that really matters, with 80% of the respondents agreeing to always have to deal with short-term reactive business requirements. This barrage of constant problems can be very draining. Flipping that number can add more value to your organization than any monetary profit ever will. Because, if you're always moving from one crisis to another, you certainly are missing out on new business opportunities, and the rules of business are quite simple — a dollar not made is a dollar lost.

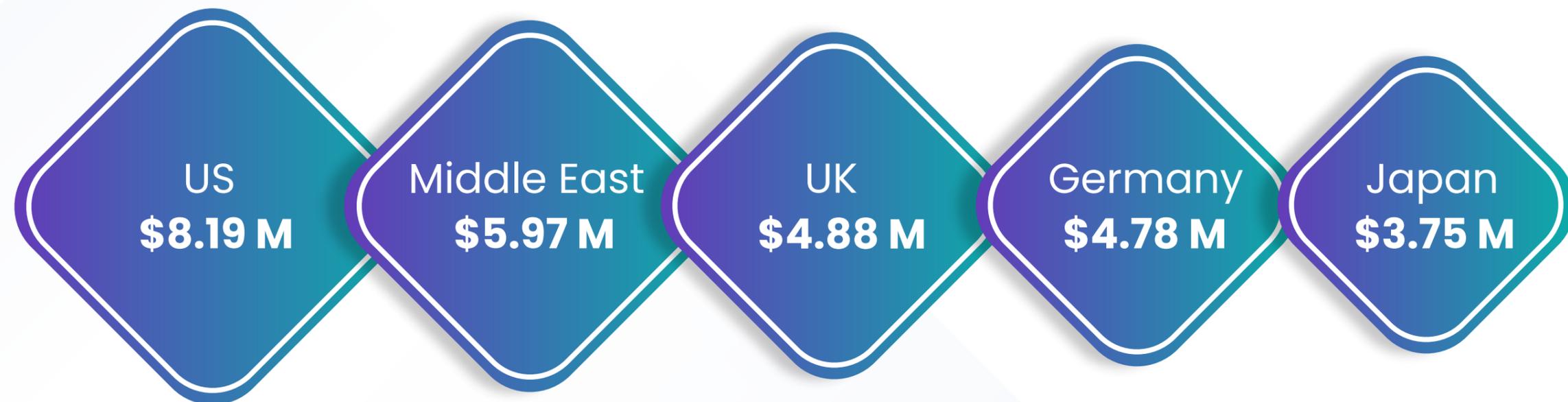
The same research found 85% of CIOs were partly or fully outsourcing IT services in an effort to simplify management needs. Some of the most commonly outsourced services are:



As IT complexity increases, the demand and pressures on network management teams will only go up, leaving little to no time for innovation. SD-WAN eliminates a lot of these manual processes, in turn unlocking the productivity of the network managers. Now that they are not spending time on fixing router configurations and other such mundane tasks, they can dedicate their expertise to stuff that really matters – like carving out the roadmap to your digital transformation initiatives or help you embark on that multi-cloud venture that has been forever on the list.

ii. Affordable Security

What's the average cost of a Data Breach? Allow us to give you a rough estimate based on the IBM Ponemon ["Cost of a Data Breach"](#) report.



[Average cost of data Breach](#)

Conventional device-centric WAN solutions require multiple devices, including routers, firewalls and WAN Optimization appliances at each branch to handle security. This amounts to a more reactive approach, and a siloed security posture. What adds to the complexity and stress is the effort that goes into securing mission-critical applications running over multi-clouds. There is only so much that can be achieved with a traditional WAN.

With protocols to ensure security & centralized control instead of point solutions, SD-WAN enables businesses to steer clear of the hefty spends on additional firewall capacity and management. And don't forget the granular control and enhanced visibility into the traffic.

Bottom line? Not only does SD-WAN keep security in check at lower costs, but it does so while limiting the complexity and equipment sprawl.

iii. Time to Market & Cost

TTM is often overlooked when working out the ROI equation. However, it doesn't take a genius to figure out that the longer your delivery timeline stretches, the more money your business is expected to lose.

In other words, the sooner a new business unit gets up and running, the sooner it starts to add revenue. Consider offshore delivery centers – how quickly they begin billing their clients depends largely on how soon their infrastructure rolls out.

Provisioning MPLS, especially over International routes, is a complex activity requiring purchase and commissioning of equipment, inter-operator SLA agreements, etc. The typical lead time for MPLS implementation is 60–90 days, if not more.

In contrast, most locations already have half-decent internet connections, so deploying SD-WAN is as simple as deploying a box.

iv. Reduced Connectivity Costs

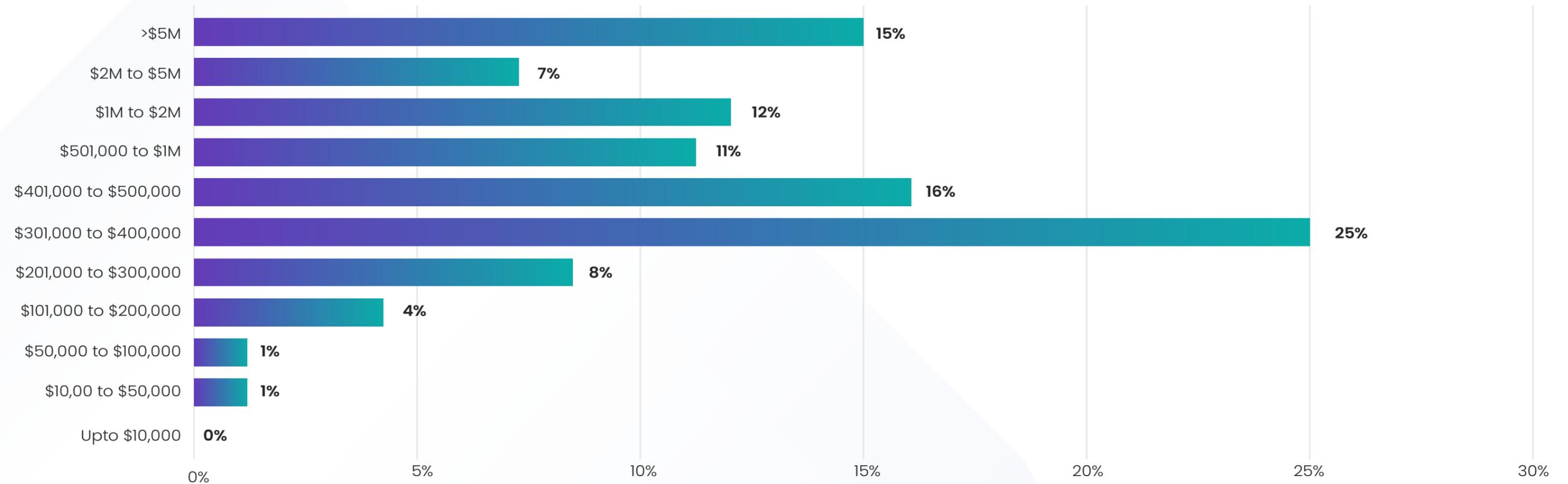
When debating ROI, avoiding expenditures is as powerful as building out new revenue sources. Yes, we are pointing fingers at MPLS and the expensive price tag it boasts. Not only is the “dollar per bit” pricing model awfully expensive, but it also comes with bandwidth limitations that are hard to scale. This is a constraint that can easily be overcome by leveraging SD-WAN to pump intelligence into the internet and meet the surging bandwidth needs.

The saved bandwidth costs, when multiplied by multiple locations, result in immediate cash savings and go a long way in controlling costs over a prolonged period. In fact, enterprises can save up to 70% on network costs with SD-WAN.

Consuming SD-WAN as-a-service instead of constructing your own network, means there are fewer components to manage and less hassle with network infrastructure.

v. Uptime Gains

Based on the following [survey from Statista](#), a quarter of companies lose between \$301,000 and \$400,000 every hour due to server downtime.



While a dollar value can be put on lost revenue, what you cannot put a price on is lost productivity. A [UC Irvine study](#) states that it takes an average of 23 minutes and 15 seconds for an employee to resume their task with the same level of engagement they had prior to disruption. How do you put a numerical value behind it? These intangible factors, though much harder to quantify than the tangibles, affects businesses just as adversely.

Even an uptime of 99.99% translates into a total of about an hour of annual downtime, and this number is only expected to go up as applications and systems become more interconnected.

The redundancy that SD-WAN brings to the table makes sure you do not fall prone to carrier outages such as the one faced by [CenturyLink](#), due to a single faulty network card.

The Bigger Strategic Picture

Calculating the ROI of implementing an SD-WAN solution is about more than completing a simple equation. For all the time, money and effort put in, your business gets:

i. A Cloud- Ready Network

Clouds are a tricky business. Accessing cloud services via the traditional backhauling technique plagues the performance with unstable latency, while direct connectivity via the internet poses security risks and loss of control.

SD-WAN enables enterprises with both direct and secure cloud connectivity. By deploying a gateway in the IaaS environment, users can connect, visualize and control their IaaS presence, with performance at par with the on-site application experience. Moreover, security being a part of the SD-WAN offering, users get enterprise-grade secure connectivity to the cloud.

ii. Agility To Accommodate the Digital Initiatives

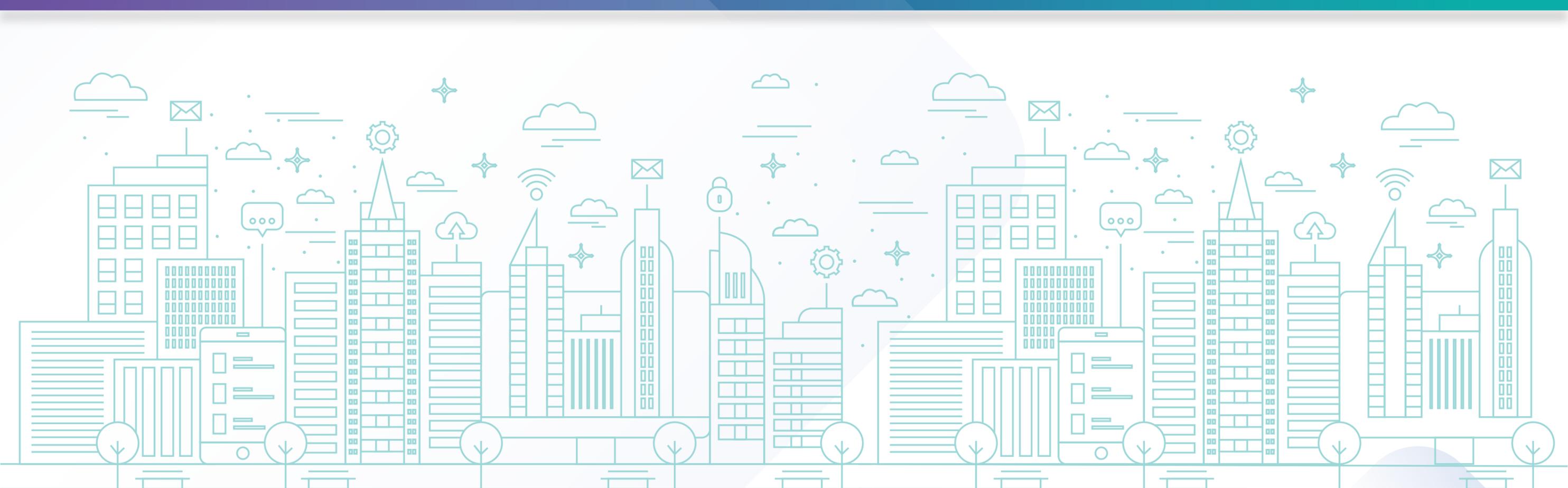
Digital transformation is synonymous with change. New customers, new acquisitions, new business models, new branches, moving headquarters — nothing is out of bounds. What enterprises need is a network that can keep up with the pace of their business. Networks must be able to stand the demand spikes without any overprovisioning.

This is precisely what SD-WAN does, and does so with ease of administration. By automating a majority of personnel-driven activities, SD-WAN makes sure you do not need dedicated engineers to take care of routine tasks.

From support for Network Function Virtualization and cloud resources to automated policy-based changes, SD-WAN redefines agility in a true sense and can lower costs by up to 65% compared to a traditional WAN.

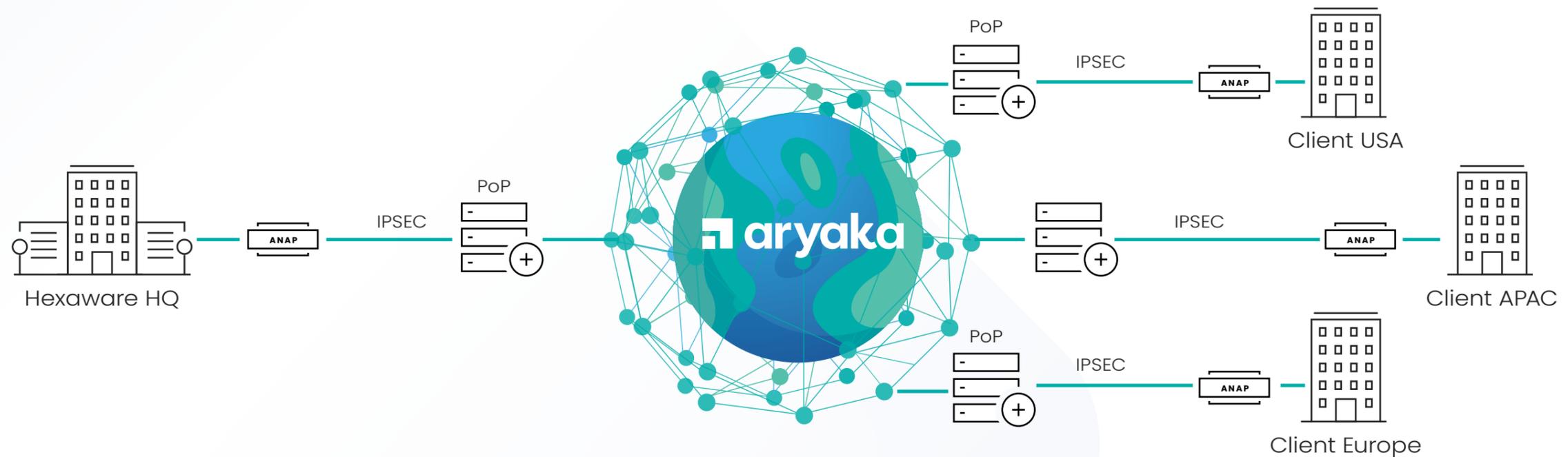
iii. Resiliency

A study suggests that 58% of organizations expect their big data to reach the end-user within 100 milliseconds. Accommodating such demands call for the network solution to be highly available and resilient to failure. The native monitoring, management and reporting capabilities that come with SD-WAN give users a birds-eye view of the entire infrastructure. Not only can they see how applications and network links are performing, but can make more analytics and data-driven decisions to mitigate any possibilities of service interruptions and single point of failures, before they occur.



How Hexaware got their Bang for their Buck!

Hexaware, a global IT and BPO Service giant, has global clients in the US, Europe, Asia, and the Middle-East. These client projects combine an onshore and offshore mode of engagement. Most of the offshore resources work out of Hexaware's headquarters in India. Hexaware's clients are Fortune 500 companies who are very particular about data and application security.



More often than not, there are requirements where the data must reside within the country of origin and at the client's premises. As a result, data and application access for Hexaware's offshore teams was enabled only through a virtual desktop environment like VMware or Citrix.

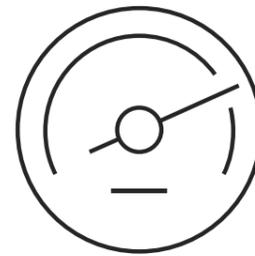
However, the sub-par performance over the internet made these applications impossible to work with. MPLS on the other hand was expensive option and took months to deploy. With frequent disconnects and downtime becoming the norm, Hexaware needed to move fast.

Results: Foundation of A Long-term Partnership

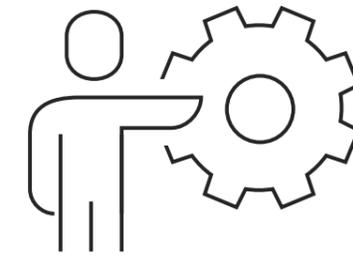
Hexaware signed up for Aryaka's fully managed SD-WAN as-a-service. With 30+ points of presence (PoP) around the world, Aryaka was able to simplify the architecture and accelerate virtual desktop applications. Aryaka also rolled out its WAN optimization features without adding any extra hardware boxes, thus saving around 70Mbps bandwidth savings. Further, the MyAryaka portal also provided real-time visibility to the network as well as to individual applications. These features, along with Aryaka's 24x7 monitoring, ensured that Hexaware's offshore employees had seamless, fast connectivity to client applications hosted on Citrix or VMware systems.



**3x Faster
Application
Performance**



**70 Mbps
Bandwidth
Saving**



**3x Faster TCP
Connection
Setup**

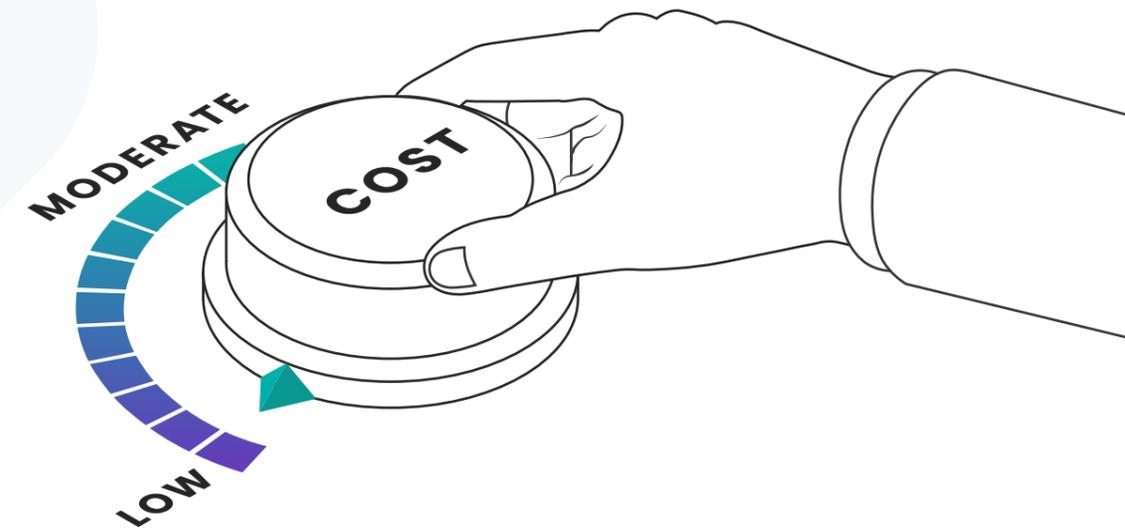
The Aryaka Difference

During the course of this paper, we extensively discussed how a few minutes of downtime or degraded application performance can translate into thousands of dollars in lost revenue through missed productivity. Given the critical nature of connectivity, many organizations invest in a dual MPLS strategy, which is both expensive and wasteful.

But is there a better way to deal with this problem?

Turns out there is.

With Aryaka's superior architecture, the same reliability is delivered at a reduced cost. Thus, guaranteeing a higher ROI.





Superior Architecture:

In the MPLS world, an issue in any segment of the link affects the entire end-to-end connectivity. With Aryaka's superior architecture, the first, middle & last mile are logically segmented, allowing us to treat each segment independently. As none of these segments have a single point of failure, the net result is a high performance, highly available business link for enterprises and their customers.



Multi-Tenancy:

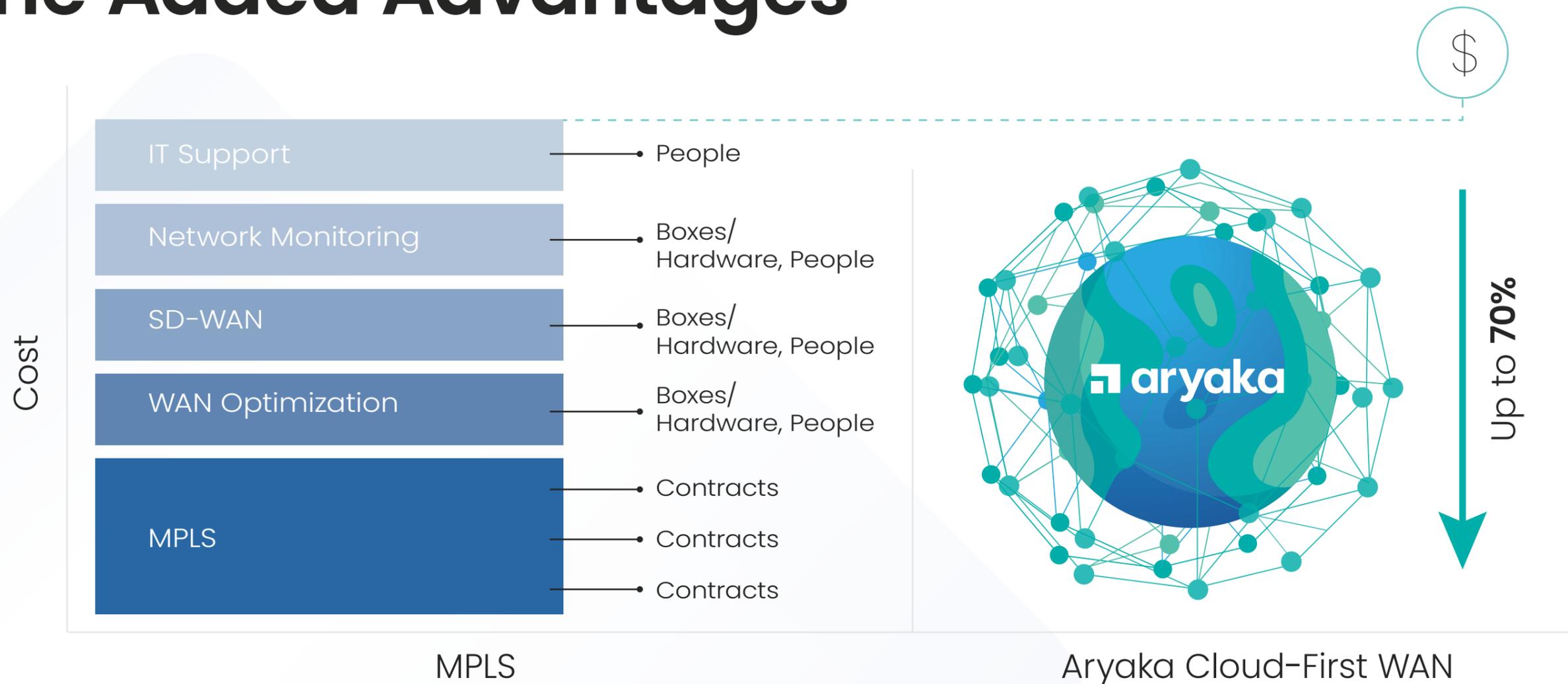
Aryaka's fully managed SD-WAN is designed for multi-tenancy. For service providers with multiple clients, this architecture allows each client's network to be managed independently of the others. Thus, changes in settings related to one customer do not impact others.



Automated Monitoring

Aryaka has automated 90% of infrastructure operations, thus enabling us to detect faults and other performance issues even before they can occur. These early detection systems enable customers to enjoy trouble-free connectivity.

The Added Advantages



When it comes to MPLS, there is no single global MPLS solution; while one can deploy it around the world, users will have to manage multiple contracts to connect global offices – a vendor management nightmare you never bargained for. Furthermore, adding intelligence and SD-WAN functionalities only means adding boxes, hardware and trained personnel who know how to handle all that junk. The other dimension is IT support – these are expensive resources, and require upgradation every few years.

Aryaka negates all these costs by providing a single hand-to-shake model that covers anything and everything, including connectivity, optimization, intelligence, the cloud, and even last-mile procurement.

Conclusion

The consideration of whether to jump into the arena usually starts with the question, "Why should I get involved in SD-WAN?"

Probably because adopting SD-WAN can bring your organization more authority, more customers and more revenue. But only if you do it right.

Most SD-WAN solutions have their own unique technology, architecture and cost-structure, making the entire process complex and confusing. To top that, there are tricky questions around ROI, long-term costs, data security issues and so much more.

Which leads to the question — What road would you rather take? Try something different and work your way up through the disruptions, or stay exactly the same and slowly fade away into irrelevance?

Yes...adopting new technology can be nerve-racking, but it is equally crucial. The faster you move the needle on it, higher are the chances of scoring the right tech in the right way and become more resilient in the face of competition.

About Aryaka Networks

Aryaka is the leader in delivering Unified SASE as a Service, a fully integrated solution combining networking, security, and observability. Built for the demands of Generative AI as well as today's multi-cloud hybrid world, Aryaka enables enterprises to transform their secure networking to deliver uncompromised performance, agility, simplicity, and security. Aryaka's flexible delivery options empower businesses to choose their preferred approach for implementation and management. Hundreds of global enterprises, including several in the Fortune 100, depend on Aryaka for their secure networking solutions. For more on Aryaka, please visit www.aryaka.com.



Schedule a Free Network
Consultation with an Aryaka Expert

[See How It Works Live →](#)



Experience Aryaka's
Unified SASE as a Service

[View Interactive Demo →](#)

LEARN MORE | info@aryaka.com | +1.888.692.7925

