



2013 European Conferencing Services  
Customer Value Leadership Award



F R O S T & S U L L I V A N



50 Years of Growth, Innovation & Leadership

## Customer Value Leadership Award Conferencing Services Europe, 2013

### Frost & Sullivan's Global Research Platform

Frost & Sullivan is in its 50th year in business with a global research organization of 1,800 analysts and consultants who monitor more than 300 industries and 250,000 companies. The company's research philosophy originates with the CEO's 360-Degree Perspective™, which serves as the foundation of its TEAM Research™ methodology. This unique approach enables us to determine how best-in-class companies worldwide manage growth, innovation and leadership. Based on the findings of this Best Practices research, Frost & Sullivan is proud to present the 2013 European Customer Value Leadership Award in Conferencing Services to Interoute.

### Key Industry Challenges

The 2013 Customer Value Leadership Award for Conferencing Services in Europe represents excellence in terms of both strategy and performance in a market that is highly competitive, dynamic and growing. In order to be recognized as a leading provider in the conferencing services arena, companies must understand and react to the end user dynamics that drive the development of this market, including:

1. **Recognizing the shift from standalone to integrated solutions.** In order to remain competitive in the conferencing services market, successful companies need to develop their portfolios around integrated solutions. While telecoms providers' strengths still lie in audio solutions, developing core competencies around integration services is a key competitive advantage in a market where incumbent telcos have a deep presence. Moreover, companies need to be able to meet and adapt to clients' ever changing needs in the market. To this end, a broad portfolio that encompasses the leading conferencing platforms and the expertise to integrate these into a client's existing infrastructure is essential to achieving and maintaining market leadership.
2. **Demonstrating an understanding of customers' integration needs.** Understanding the integration requirements of conferencing services has become one of the most important technological competencies for conferencing service providers. Company size, use of conferencing services, and integration with existing infrastructure are key considerations for companies when purchasing conferencing services.

Successful solutions must be scalable, minimize demands on IT resources, and should ideally avoid the need to invest in new infrastructure. Furthermore,

providers need to help companies to optimize their communications networks and provide easy integration for mobile devices.

- 3. Understanding that customers increasingly want to buy conferencing services from a single provider.** Customers are demanding more sophisticated conferencing solutions that often incorporate audio, video and web components. However, there is growing unwillingness to source these solutions from individual providers due to the management headache caused by having to handle multiple service contracts. Providers that offer comprehensive portfolios of solutions and integration services are hence becoming the preferred option for many enterprise customers. It is also vitally important that bundled service offerings incorporate the cost of both voice and data connectivity.

### Best Practice Award Analysis for Interoute

The Frost & Sullivan Award for Customer Value Leadership is presented each year to the company that has demonstrated excellence in implementing strategies that proactively create value for its customers with a focus on improving the return on the investment that customers make in its services or products. This award recognizes the company's inordinate focus on enhancing the value that its customers receive, beyond simply good customer service, leading to improved customer retention.

#### Interoute's Performance in Conferencing Services

Interoute has developed its competitive advantage around integration services and unified communications. The company has recognized that expert integration can greatly reduce the amount of money and resources companies need to support their conferencing services.

Its expertise in cloud-based services enables clients to build their data centre in the cloud as if it were being deployed on premise, reducing infrastructure costs while maintaining a degree of control over the infrastructure. Frost & Sullivan research shows that Interoute has established itself as one of the best positioned providers to partner with large enterprises in the long-term evolution of their IT infrastructures.

#### Key Performance Drivers for Interoute

##### Managed Video-as-a-Service

Video conferencing is by far the fastest growing conferencing services market segment in Europe, with a compounded annual growth rate of 14 percent in terms of revenue forecast over the next five years. The complexities of installing and configuring video conferencing, combined with the need for updates and maintenance, is leading to a rise in demand for fully managed video conferencing services.

Frost & Sullivan notes that Interoute's managed Video-as-a-Service offering is a comprehensive solution that removes the complexities of managing video conferencing. Interoute's concierge services help users to book and connect video conference meetings, and all calls can be recorded so those that cannot attend can easily catch up on what they have missed. Interoute SmartPoint is an all-in-one, out of the box video conferencing solution where all of the key elements are integrated into one simple to install solution giving a "plug and play" solution that requires minimal set-up. Interoute provides organisations the freedom to specify the components of their pre-configured package; the screen, camera and codec can all be chosen and the fully integrated system comes with our own universal display unit that can be installed by facilities managers rather than AV specialists.

In addition to these features – and providing a wide selection of end points, installation and set up – Interoute provides a range of value-added services that enable its clients to leverage their investment in business critical communications. For example, Interoute provides internal marketing and training packages so that its clients can understand and implement changes to obtain a hard dollar return on investment.

Interoute's comprehensive managed video conferencing portfolio, combined with its focus on providing tightly integrated services, has positioned the company to capitalize on the lucrative managed video conferencing market.

### **Cost Effective Managed Audio Conferencing**

Audio conferencing remains by far the most frequently used type of conferencing service. However, there is little option for differentiation amongst providers. Consequently, the cost and ease of use of services have become two of the most important features that inform customer selection.

Interoute's managed audio conferencing service – under the banner of Interoute One – provides its existing voice customers with a simple conference add-on that supports customers with conferences that scale to over 100 participants. The service is offered at a flat price per port as opposed to priced per minute, eliminating the need for set up fees for each conference or premium dial-in numbers. Interoute also offer Direct Dial Inward phone numbers in over 50 countries globally to customers using Lync as an audio conferencing platform enabling participants to join from the Public Switched Telephony Network.

Frost & Sullivan recognizes that Interoute's call packages offer its customers a way to easily control the cost of voice minutes on their conference calls.

### **Breadth and Depth of Cloud Solutions**

Frost & Sullivan has identified cloud computing as one of the top trends in the conferencing services industry for 2013. The ease of deployment, lower upfront costs and minimal impact

on existing infrastructure has made it the preferred platform for many European enterprises. Providers that focus on meeting the growing demand for cloud-based solutions and addressing the challenges associated with their deployment are therefore well positioned to increase their market share.

Interoute's cloud services are compelling. Customers can choose whether they want to consume public or private cloud solutions from a single platform. Interoute's cloud offering can be delivered through the public Internet, or via Multiprotocol Layer Switching (MPLS) embedded in a company's infrastructure for a dedicated private solution.

Interoute's virtual data centre (VDC) enables its clients to build their data centre in the cloud, in almost exactly the same as they would if they were purchasing an on-premise service. Data storage, security, and server management can all be designed via the VDC, avoiding the cost of physical deployment of these services. Moreover, the solution can be deployed in multiple locations, and transfer of data between centres is free of charge.

Frost & Sullivan's research confirms that the VDC also addresses the most prevalent concerns customers have when deciding to migrate to cloud-based solutions. Interoute's VDC includes label-separated security to ensure that it meets security standards for corporate networking. Its application programming interface (API) enables easy integration with existing infrastructure. Furthermore, Interoute's architecture is based on open standards, making it adaptable and flexible to meet the requirements of an ever-changing IT environment. The company also offers a fully automated backup and disaster recovery service.

Interoute's public and private cloud offering – delivered via the same platform – is unmatched by any of its competitors in the European conferencing services market. Interoute's cloud services platform is also the largest in Europe. The company's comprehensive cloud offering has established it as a leader in what is a rapidly growing market for cloud solutions.

### **Deployment Flexibility for Conferencing and Collaboration Services**

In order to better answer new customer demand for unified IT infrastructure, Interoute developed its Enterprise ICT infrastructure-as-a-service offering. Enterprise ICT delivers a host of services on a single, secure platform.

Enterprise ICT offers customers flexibility in the conferencing services they want to deploy, so they only pay for the resources that they actually use. Customers can add more features as their business needs change, each seamlessly integrated with the existing services.

Enterprise ICT services include managed hosting, cloud hosting, dedicated hosting, Business VoIP, video conferencing, hosted Lync and a variety of other services.

Frost & Sullivan firmly believes that by empowering customers to easily add to their

conferencing services as their businesses evolve, Interoute's deployment options adds value to the customer at each step of their collaboration services evolution.

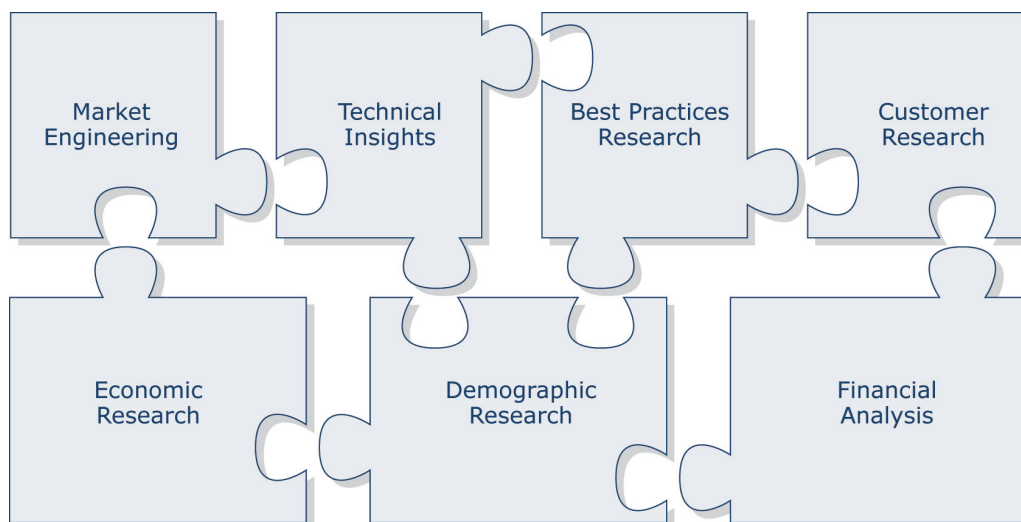
## Conclusion

Frost & Sullivan's independent analysis of the Conferencing Services market clearly shows that Interoute adds value to its customers' investments by centering conferencing around integration and unifying communications. By consolidating the various components of conferencing on a single accessible network, customers are empowered to use their conferencing services to improve productivity, while immediately benefitting from the cost savings of cloud computing. Based on the aforementioned factors, Frost & Sullivan is proud to present the 2013 Customer Value Leadership Award in Conferencing Services to Interoute.

## Critical Importance of TEAM Research

Frost & Sullivan's TEAM Research methodology represents the analytical rigor of our research process. It offers a 360-degree view of industry challenges, trends, and issues by integrating all seven of Frost & Sullivan's research methodologies. Our experience has shown over the years that companies too often make important growth decisions based on a narrow understanding of their environment, leading to errors of both omission and commission. Frost & Sullivan contends that successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. In that vein, the letters T, E, A and M reflect our core technical, economic, applied (financial and best practices) and market analyses. The integration of these research disciplines into the TEAM Research methodology provides an evaluation platform for benchmarking industry players and for creating high-potential growth strategies for our clients.

**Chart 1: Benchmarking Performance with TEAM Research**



## About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, enables clients to 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-practice models to drive the generation, evaluation and implementation of powerful growth strategies. Frost & Sullivan leverages 50 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from more than 40 offices on six continents. To join our Growth Partnership, please visit <http://www.frost.com>.