FROST & SULLIVAN BEST PRACTICES AWARD

PROACTIVE NETWORK MANAGEMENT AND MONITORING SOLUTIONS FOR ENTERPRISES - GLOBAL

Customer Value Leadership 2019
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Background and Company Performance

Industry Challenges

With the rapid technological evolution, modern enterprises experienced significant challenges in establishing a seamless communication network amongst various departments. Although it is the most viable solution, Unified Communications (UC) struggles to achieve interactivity in real-life scenarios. Unified Communications and Collaboration (UC&C) business applications such as Skype for Business, Cisco UCM and Avaya CM allow users to combine voice and video services for their business communications. In this way, Frost & Sullivan notes that these applications reduce the organization’s dependence on traditional methods of interaction involving huge data volumes, thus enhancing operational efficiency; however, successful UC deployment and usages poses challenges for several reasons.

Growing network complexities and interdependencies affect overall application performance, resulting in poor voice and video quality. Gaining comprehensive network, platform and endpoint performance insights in real-time would empower information technology (IT) professionals to manage enterprise UC environments and make timely corrective actions. Unfortunately, the native encryption feature of signal and media in UC applications restricts IT administrators from achieving real-time insight into the communication quality, causing expensive and time-consuming bottlenecks in network performance identification.

Frost & Sullivan believes companies looking to establish a prominent position in the global proactive network monitoring and management market must develop solutions that enable IT administrators to monitor and ensure infrastructural compliance of the entire network, identify the root problem plaguing the network performance, and quickly manage and optimize network operations.

Nectar Services Corp’s Customer Impact and Business Impact

Founded in 2006, Nectar Services Corp. (Nectar) delivers high-quality software solutions that empower its partners and customers to improve network performance across global and enterprise converged Voice-over-IP and video networks. Due to the continuously changing technological backdrop, organizations are facing new operational challenges, increasing complexity, interdependencies, and a failing ecosystem to support newly converged networks. The company’s flagship platform, Unified Communication Management Platform (UCMP) improves service delivery across integrated voice, video, and collaboration solutions by providing crucial performance data to executives and operational resources. Frost & Sullivan finds Nectar differentiates itself in the market through multiple avenues, positioning it as a leader in the proactive network management and monitoring solutions market.
**Price/Performance Value**

Nectar strives to create an optimized ecosystem that improves overall performance in voice, video, and collaboration. To address recent industry transitions, such as the increased use of cloud-based platforms, the company leveraged its expertise and understanding in communication-related issues in developing their most recent product release: Nectar 10. The new addition to Nectar’s impressive solution lineup delivers best-in-class management across multi-vendor collaboration ecosystems, effectively delivering exceptional user experiences and customer value. Built from scratch, Nectar 10 improves on the company’s UCMP, enabling stronger real-time visibility, troubleshooting, and reporting for modern multi-vendor platform, network, and endpoint environments. Nectar 10 also allows existing customers to migrate from the legacy UCMP to the new platform seamlessly with an add-on approach rather than a rip-and-replace. Moreover, the company improves enterprise operations and service delivery capabilities with consolidated management of a variety of collaboration technologies, devices, and deployment scenarios.

Nectar’s software portfolio empowers organizations to deliver unparalleled user experiences on voice and video. The company builds value into its solution through its three tools for collaboration operations: Nectar Foundation, Nectar Diagnostics, and Nectar Perspective. Nectar Foundation delivers superior performance for multi-vendor and multi-platform health, as well as availability monitoring and reporting in a single interface purpose-built for voice and video environments.\(^1\) At the core of every Nectar deployment, Nectar Foundation leverages best-in-class telemetry inputs to strengthen performance. Additionally, Nectar Diagnostics provides advanced, efficient voice and video session troubleshooting, offering a unique and powerful alternative to traditional troubleshooting processes by capturing advanced signaling and media analysis of every attempted or monitored call.\(^2\) These features permit administrators to analyze the original phantom issue without spending hours or days recreating a failed call scenario. Lastly, Nectar Perspective simulates voice traffic on key network segments and monitors the health of sessions in real-time. The networking monitoring and assessment tool is platform-independent, providing robust insight for administrators.

Moreover, Nectar 10’s new Central Correlation Engine aggregates and correlates real-time performance, usage, and health telemetry from multiple sources such as vendor application programming interfaces (APIs), log files, simple network management protocol traps, packet analyzers, and platform database queries to provide an end-to-end view of user experiences on voice and video. Nectar’s state-of-the-art capabilities ensure a great user experience by enabling Cisco, Microsoft, and Avaya enterprise support and service provider teams to manage multi-vendor network complexity proactively. It provides enterprise IT teams with the actionable performance information they need to achieve faster issue resolution.

Nectar built on its strong legacy in the premise-based voice monitoring sector with a new,

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easier-to-use platform purpose-built specifically for voice, video, and collaborative environments. The simpler deployment model, more intuitive user interface, scalable architecture, and the proprietary Central Correlation Engine differentiates Nectar from the competition, positioning it as a highly desirable and valuable solution for enterprises and service providers managing multi-vendor cloud, premises, or hybrid environments.

**Customer Purchase Experience**

Nectar realized that to ensure its customers make the right purchase decisions, they must understand how Nectar’s services differ from the competition. Reflecting this challenge, the company publishes extensive datasheets of its product and offers instructive content support for guiding existing and potential customers through its product portfolio and how its proprietary solutions differentiate from those provided by its competitors. Moreover, Nectar publishes case studies and videos to educate its customers about the uniqueness of its offerings in the industry.

Additionally, Nectar offers its customers an in-depth review and demo of its solutions. This strategic approach reflects the company’s understanding of customers’ requirements and allows them to tailor the solution to the customer’s specific infrastructure.

Finally, Nectar’s Partner Program simplifies and incentivizes the purchase experience, as the partnering company can earn lucrative revenue by joining. Participants in the Partner Program receive the training, technical and marketing resources which all play a critical role in delivering the appropriate assistance and pertinent support to customers at the right time. This ensures minimized downtime, productive communications, and improved operational management for its customers, which differentiates Nectar from its competition and enables it to scale business efforts effectively.

**Customer Ownership Experience**

Customer and end-user satisfaction is at the heart of Nectar’s approach to delivering a fulfilling customer ownership experience. Strategic partnerships with companies whose solutions offer seamless compatibility with the Microsoft ecosystem play an essential role. Also, the company offers design, implementation, and training programs to ensure its customers enjoy a smooth implementation. Strategic ties with companies such as media end-point developers (e.g., Plantronics, Jabra, Logitech and Poly), media gateway creators (e.g., Ribbon, AudioCodes, and Oracle), and software-defined networking systems (e.g., , Cisco Systems,) provides the company with strong positioning to create an ecosystem that guarantees a best-in-class quality of service (QoS) experience for its end-users.

Nectar understands that while implementing its solutions to the respective network infrastructure, technical complexities may require careful and well-planned coordination across multiple departments and personnel to maximize process operations. In response to these issues, Nectar offers design, implementation, and training services to its customers, with separate programs for partnering companies and their customers. For its partners, Nectar provides NecTECH training tailored for enhancing monitoring capabilities through its proprietary solutions. Alternatively, for the customers, Nectar offers personalized integration assistance for incorporating its solutions with their existing IT
infrastructure and UC systems. In this way, Nectar offers better network visibility, enabling prompt network performance issue detection and resolution before it affects system performance.

**Customer Service Experience**

Nectar provides prompt customer assistance on technical- and sales-related inquiries through email and over the phone. The company built a team of expert professionals, based in the United States, the United Kingdom, India and other regional markets, to handle queries from customers.

The company adds a personal touch through customizable solutions that match the customer’s operations environment. Nectar’s technological expertise in developing sophisticated network management and monitoring solutions ensures buyers experience a hassle-free customization process without suffering issues such as network downtime. Nectar’s installation team simplifies the deployment, irrespective of deployment size (basic level or large-scale or even customized deployment). The team assists its customers in creating personalized dashboards to measure users’ QoS by creating separate measurement tabs such as phone QoS, perspective QoS, and digital signal processes (DSP) utilization.

Additionally, Nectar generates default reports derived from overall user experience parameters such as QoS summary, details, platform adoption, and endpoints. The company simplifies call quality measurement and overall customer satisfaction rates, empowering its customers to make prompt decisions with reliable information, providing a distinct advantage over the competition.

**Brand Equity and Customer Acquisition**

Empowered by its extensive solution ecosystem and partner network, Nectar established itself as a global market leader, further strengthening its brand visibility in the space and gathering more attention from potential clients. By developing solutions for well-known platforms from Microsoft, Cisco, and Avaya, Nectar positioned itself as one of the most recognized brands in the market. Moreover, by partnering with diverse companies, Nectar successfully created an end-to-end, reliable network management and monitoring ecosystem. Its technology partners include companies such as Microsoft, Cisco, Ribbon, and Amazon.

Nectar executes two strategic measures to attract new business: live demonstrations at events and maintaining transparency with its customers on the latest developments in the company and industry. Nectar is an active participant in events that focus on its areas of expertise, including assuring customer UC networks availability for seamless business communications and achieving in-depth network performance visibility. Nectar’s participation in well-known trade shows and conferences, such as Enterprise Connect, global CISCO Lives, Microsoft Inspire, Microsoft Ignite, International AVAYA Users Group, UC Day and UC Expo strongly demonstrate Nectar’s sincerity toward connecting with customers in search of viable network performance measurement and monitoring solutions worldwide.
Additionally, Nectar maintains proactive public relations and analyst relations, optimizing search engine marketing to ensure it is the first answer to a UC management Google search. The company also provides regular updates on its news and blog sections on its website, discussing its achievements or areas of excellence as compared to its competitors. The company also creates content syndication with the top three IT publications, promoting white papers and similar deliverables. Nectar aims to reflect on overall market scenarios, including relevant topics such as UC deployment challenges or UC relevance in modern enterprise settings. The in-depth discussions and focuses deliver perceptions of reliability, ensuring peace-of-mind for its potential customers.

**Conclusion**

As more companies digitize their processes, the network complexities and interdependencies strangle collaboration application performance, resulting in poor voice and video quality and inhibiting efficiency. Frost & Sullivan agrees Nectar 10 differentiates by enabling best-in-class support for cloud, hybrid, and on-premises platforms. The intuitive, simple, and powerful interface enables support, operations, engineering, and executive users with unmatched session health correlation across the platform, network, and endpoint environments.

Leveraging Nectar’s state-of-the-art tools, the company delivers valuable, real-time insights to IT engineers and operations personnel regarding network performance, availability, and utilization optimization scope. Nectar’s solutions help companies successfully remove obstacles that plague collaboration environments. Backed by such high-end performance, modern businesses can bring down the cost of managing various modes of communication (collaboration, voice, video conferences) successfully and boost their return on investment.

For its strong overall performance, Nectar earns the 2019 Frost & Sullivan Global Customer Value Leadership Award for the proactive network management and monitoring solutions for enterprises market.
Significance of Customer Value Leadership

Ultimately, growth in any organization depends on customers purchasing from a company and then making the decision to return time and again. Satisfying customers is the cornerstone of any successful growth strategy. To achieve this, an organization must be best in class in 3 key areas: understanding demand, nurturing the brand, and differentiating from the competition.

Understanding Customer Value Leadership

Customer Value Leadership is defined and measured by 2 macro-level categories: Customer Impact and Business Impact. These two sides work together to make customers feel valued and confident in their products’ quality and performance. This dual satisfaction translates into repeat purchases and a lifetime of customer value.
Key Benchmarking Criteria
For the Customer Value Leadership Award, Frost & Sullivan analysts independently evaluated Customer Impact and Business Impact according to the criteria identified below.

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 most 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.

Business Impact

Criterion 1: Financial Performance
Requirement: Overall financial performance is strong in terms of revenues, revenue growth, operating margin, and other key financial metrics.

Criterion 2: Customer Acquisition
Requirement: Customer-facing processes support the efficient and consistent acquisition of new customers, even as it enhances retention of current customers.

Criterion 3: Operational Efficiency
Requirement: Staff is able to perform assigned tasks productively, quickly, and to a high quality standard.

Criterion 4: Growth Potential
Requirements: Customer focus strengthens brand, reinforces customer loyalty, and enhances growth potential.

Criterion 5: Human Capital
Requirement: Company culture is characterized by a strong commitment to quality and customers, which in turn enhances employee morale and retention.
**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.

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

Research Methodology

Frost & Sullivan’s 360-degree 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 7 of Frost & Sullivan's research methodologies. Too often companies make important growth decisions based on a narrow understanding of their environment, leading to 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.

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 more than 50 years of experience in partnering with Global 1000 companies, emerging businesses, and the investment community from 45 offices on six continents. To join our Growth Partnership, please visit http://www.frost.com.