FROST & SULLIVAN

2014

NIKSUN®

2014 Global Network Performance Monitoring and Cyber Security Customer Value Leadership Award

FROST & SULLIVAN

50 Years of Growth, Innovation & Leadership

Background and Company Performance

Industry Challenges

The communication industry is growing at a rapid pace today, and network performance monitoring is at the forefront. Network performance monitoring (NPM) and network visibility are the key areas of focus for growth. In addition, Frost & Sullivan notes that serious security is an ever-growing concern, and security intelligence is a key concept for networks' proper functioning.

Cybersecurity is the new challenge for network performance, and enterprises are striving to eradicate any security breaches. Distributed denial-of-service (DDoS) attacks are increasing in size and duration. Protecting against security breaches and minimizing the impact of zero-day attacks on government organizations, large enterprises, and the banking and financial sectors are crucial issues in the industry today. It is quite critical to understand every process and application running on the network and avoid high-profile security breaches and sophisticated attacks. Capturing, recording, and storing data will help customers to perform forensic analysis - even at a later stage - for any denial-of-service (DoS) attacks.

Customer Value and Implementation Excellence of NIKSUN

Total Customer Experience

Today's network is very complex in nature, and with the advent of new technology, it is becoming even more difficult and challenging to run the network effectively. In addition, there is a need for in-depth network visibility, higher storage, secured networks, and network performance demand for sophisticated monitoring and management solutions. NIKSUN is a company that offers a holistic approach to network performance monitoring and cybersecurity. Founded in 1997, the company is heavily involved in application-aware network performance, Big Data, and forensics.

End users are more "test" friendly and extensively knowledgeable than they were a decade ago. Enterprises are willing to invest more in network monitoring and management than in previous years, as technology is more sophisticated, leading to higher potential threats. Frost & Sullivan firmly believes that NIKSUN is offering the right kind of products at the right time for its customers to sustain and grow their businesses.

Product/Service Value

NIKSUN offers several products in the network-related market, including NetVCR®, NetDetector®, and NetOmni®™. These products monitor and secure networks against any potential threats and ensure smooth and proper functioning of these networks. The company is heavily focused on cloud service and Big Data as well. The NetVCR product family is capable of analyzing anomalous and unstructured high volumes of data, while the NetOmni suite is an integrated enterprise solution for optimal end-to-end network-wide monitoring, providing consolidation and correlation of performance and security monitoring information from NIKSUN appliances across the network. On the other hand,

NetDetector®, as its name implies, is a security monitoring and detection appliance that combines signature-based IDS functionality with statistical anomaly detection, analytics, and deep forensics.

NIKSUN is aligned to its mission of making the unknown known, and in this regard, it also offers advanced training for its customers to gain knowledge of its products and technology. In addition, the company's value-added resellers (VARs) are trained to ensure that they also provide the same level of sophisticated knowledge to customers that purchase through indirect sales channels.

Vision Alignment Technological Sophistication

Frost & Sullivan appreciates the fact that NIKSUN has followed through with the long-term vision to assist customers in understanding any performance issues of their networks. The company has focused on addressing security and other network performance issues for governments, law enforcement agencies, and public and private organizations. They have the ability to offer customers with a seamless network monitoring solution that can simultaneously capture, inspect, mine, correlate, and store data. NIKSUN offers security solutions to over 1000 customers across 31 countries around the world. The CEO's vision and leadership have helped the company to achieve its goal of revolutionizing the network monitoring industry. The company also offers effective monitoring solutions for 3G and 4G cellular networks. With these applications and technologies steering growth in the telecommunication, enterprise, and government markets, NIKSUN is well established to achieve its goal and grow in the market going forward.

Technological Sophistication

For more than 15 years, NIKSUN has been a pioneer in packet recording and network forensics. The company heavily focuses on cybersecurity, providing customers with secured networks for their enterprises and service providers.

Frost & Sullivan independent analysis suggests that the technology and related products adopted by NIKSUN are highly powerful, scalable, and cost-effective in addition to being real-time monitoring solutions. These products provide complete visibility from application to packet level and include integrated alerts and reports for intelligent analysis.

Conclusion

NIKSUN is well established in the cyber security and network performance market, offering a plethora of products for effective network functioning. Founded in 1997, the company offers the NetVCR, NetOmni, and NetDetector products for comprehensive cyber security, application, and service network performance monitoring. For this achievement, NIKSUN is conferred with the 2014 Frost & Sullivan Global Customer Value Leadership Award.

Significance of Customer Value Leadership

Ultimately, growth in any organization depends upon customers purchasing from your company, and then making the decision to buy time and again. In a sense, then, everything is truly about the customer—and making those customers happy is the cornerstone of any long-term successful growth strategy. To achieve these dual goals (customer engagement and growth), an organization must be best-in-class in three key areas: understanding demand, nurturing the brand, differentiating from the competition.

Understanding the Total Customer Experience

Demand forecasting, branding, and differentiation all play a critical role in delivering unique value to customers. This three-fold focus, however, is only the beginning of the journey and must be complemented by an equally rigorous focus on the customer experience. Best-practice organizations therefore commit to the customer at each stage of the buying cycle and continue to nurture the relationship once the customer has made a purchase.

During the buying cycle, successful companies identify prospects, engage them through resonant communications, and manage to a successful close through superior service and targeted incentives to buy. Once the purchase is complete, customer-focused organizations continue to nurture relationships with ongoing service, transparency, and integrity. In this way, they build a loyal customer base with low attrition rates and high lifetime value.

Key Benchmarking Criteria

For the Customer Value Leadership Award, Frost & Sullivan analysts independently evaluated the total client experience and strategy implementation excellence according to the criteria detailed below.

Customer Value Excellence

Criterion 1: Total Customer Experience
Criterion 2: Product/Service Value
Criterion 3: Purchase Experience
Criterion 4: Ownership Experience
Criterion 5: Service Experience

Implementation Excellence

Criterion 1: Vision Alignment
Criterion 2: Process Design
Criterion 3: Operational Efficiency
Criterion 4: Technological Sophistication
Criterion 5: Company Culture

The Intersection between 360-Degree Research and Best Practices Awards
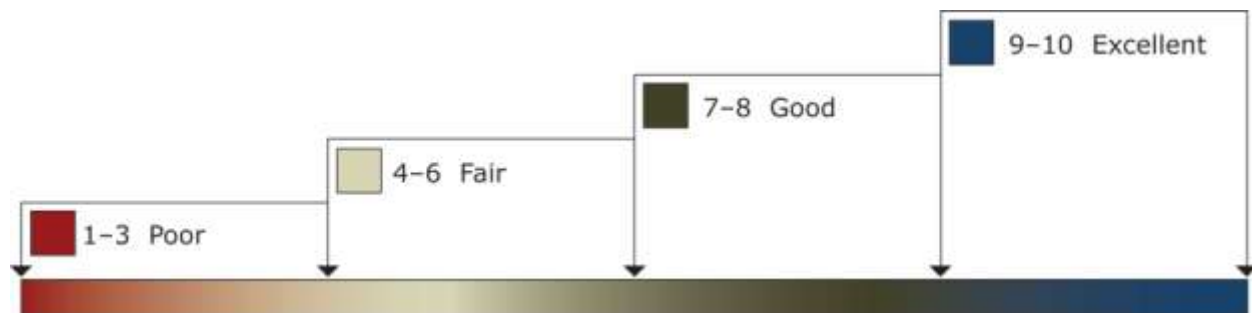
Research Methodology

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 players and for identifying those performing at best-in-class levels.

360-DEGREE RESEARCH: SEEING ORDER IN THE CHAOS

Decision Support Scorecard and Matrix

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Scorecard and Matrix. This analytical tool compares companies' performance relative to each other. It features criteria unique to each award category and ranks importance by assigning weights to each criterion. The relative weighting reflects current market conditions and illustrates the associated importance of each criterion according to Frost & Sullivan. This tool allows our research and consulting teams to objectively analyze performance, according to each criterion, and to assign ratings on that basis. The tool follows a 10-point scale that allows for nuances in performance evaluation; ratings guidelines are illustrated below.

9–10 Excellent

7–8 Good

4–6 Fair

1–3 Poor

Best Practice Award Analysis for NIKSUN Incorporated

Decision Support Scorecard: Customer Value Excellence

The Decision Support Scorecard illustrates the relative importance of each criterion and the ratings for each company under evaluation for the Customer Value Leadership Award. The research team confirms the veracity of the model by ensuring that small changes to the ratings for a specific criterion do not lead to a significant change in the overall relative rankings of the companies.

Finally, to remain unbiased and to protect the interests of all organizations reviewed, we have chosen to refer to the other key players in as Company 2 and Company 3.

DECISION SUPPORT SCORECARD FOR CUSTOMER VALUE LEADERSHIP AWARD
(ILLUSTRATIVE): CUSTOMER VALUE EXCELLENCE

Measurement of 1–10 (1 = poor; 10 = excellent)	Award Criteria					
Customer Value Excellence	Total Customer Experience	Product/Service Value	Purchase Experience	Ownership Experience	Service Experience	Weighted Rating
Relative Weight (%)	**20%**	**20%**	**20%**	**20%**	**20%**	**100%**
NIKSUN	9.0	9.0	9.0	9.0	9.0	9.0
Company 2	8.0	8.0	8.0	7.5	8.0	7.9
Company 3	8.0	7.0	8.0	7.5	8.0	7.7

Criterion 1: Total Customer Experience
Requirement: Customers receive exceptional impression at every stage of the purchase cycle

Criterion 2: Product/Service Value
Requirement: Products or services offer the best value for the price, compared to similar offerings in the market

Criterion 3: Purchase Experience
Requirement: It is as simple for salespeople to sell the product or service as it is for the customer to buy the product or service

Criterion 4: Ownership Experience
Requirement: Customers are proud to own and use the company's product or service

Criterion 5: Service Experience
Requirement: Customer service is accessible, fast, and stress-free

Decision Support Scorecard: Implementation Excellence

DECISION SUPPORT SCORECARD FOR CUSTOMER VALUE LEADERSHIP AWARD
(ILLUSTRATIVE): IMPLEMENTATION EXCELLENCE

Measurement of 1–10 (1 = poor; 10 = excellent)	Award Criteria					
Implementation Excellence	Vision Alignment	Process Design	Operational Efficiency	Technological Sophistication	Company Culture	Weighted Rating
Relative Weight (%)	**20%**	**20%**	**20%**	**20%**	**20%**	**100%**
NIKSUN	9.0	9.0	9.0	9.0	9.0	9.0
Company 2	8.0	8.0	8.0	8.0	8.0	8.0
Company 3	8.0	7.5	8.0	7.5	8.0	7.8

Criterion 1: Vision Alignment
Requirement: The executive team is aligned on the organization's mission and vision

Criterion 2: Process Design
Requirement: Processes support the efficient and consistent implementation of tactics designed to implement the strategy

Criterion 3: Operational Efficiency
Requirement: Staff performs assigned tactics seamlessly, quickly, and to a high quality standard

Criterion 4: Technological Sophistication
Requirements: Systems enable companywide transparency, communication, and efficiency

Criterion 5: Company Culture
Requirement: The executive team sets the standard for commitment to customers, quality, and staff, which translates directly into front-line performance excellence

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 almost 50 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from 31 offices on six continents. To join our Growth Partnership, please visit http://www.frost.com.