

Hughes / Forrester Study: 83 Percent of Retailers Surveyed Likely to Employ SD-WAN Within Two Years

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Retailers reaching a network tipping point: increased network complexity and demand is driving migration to new solutions

GERMANTOWN, Md., Nov. 13, 2018 /PRNewswire/ -- At the advent of the busiest shopping season of the year, [a new report from Hughes Network Systems \(HUGHES\) and Forrester](#) reveals how retailers and other multi-site enterprises are looking to managed services and software-defined wide area networks (SD-WAN) to keep up with rising demands for more bandwidth, higher security and availability.



Hughes, a leading provider of managed network services, commissioned the Forrester study to explore the challenges of distributed networks and related investment plans of enterprises with 200 or more locations, including big box, apparel and specialty retailers. Findings reveal they are reaching a tipping point, with increased network complexity and demand driving migration to new solutions.

Applications Straining Network Resources

Survey respondents confirm that conventional networks are struggling to handle a rapidly growing volume of store applications and technologies:

- The most prevalent business-critical applications running on about nine in ten store networks are personnel management, employee training and inventory/ordering.
- Mobility requirements drive network demand with 75 percent of stores running mobile POS and 79 percent accepting mobile payments.
- Major strains on network resources cited by more than eight in ten respondents include in-store Wi-Fi, security systems and digital signage/video displays.

Current Networks Not Up to the Task

Store operators are less than satisfied with current network solutions. According to the study:

- Over 40 percent are not satisfied with overall performance of their network.
- More than a quarter are less than satisfied with their current network security, despite the fact that security ranks as respondents' number-one priority.
- Network challenges cause business disruption, with two-thirds of retailers reporting outages at least twice a year and one in five experiencing outages monthly.

Retailers Seeking Solutions

Though 64 percent of survey participants report that internal IT personnel manage their networks, only one-third prefer that model for their business future. Nearly half would prefer a mix of internal IT and external support. 21 percent would prefer to migrate fully to a third-party managed service provider within two years.

While only 30 percent are employing software-defined wide area networks (SD-WAN), more than half intend to test SD-WAN in the next year or adopt the solution within two years, making SD-WAN the dominant networking solution for these enterprises by 2020.

"This report unveils the critical performance and security challenges faced by enterprises in a dynamically changing period of the industry, fueled by the ever-increasing need for connectivity and bandwidth," said Mike Tippetts, vice president of Enterprise Marketing for Hughes. "In the face of the

resulting technology 'arms race,' businesses would be wise to work with a trusted partner offering a comprehensive and experienced approach to network services—easing their burden on internal resources and freeing them to focus on succeeding in the marketplace."

Hughes has been a leading provider of managed network services to enterprises for more than 30 years and has deployed more than 30,000 SD-WAN sites across big box, department store, specialty retail and grocery stores, among others.

For the complete Hughes / Forrester report and an infographic of findings, please visit: www.hughes.com/forrester.

About Hughes Network Systems

Hughes Network Systems, LLC (HUGHES) is the global leader in broadband satellite technology and services for home and office. Its flagship high-speed satellite Internet service is HughesNet®, the world's largest satellite network with over 1.3 million residential and business customers across North and South America. For large enterprises and governments, the company's HughesON® managed network services provide complete connectivity solutions employing an optimized mix of satellite and terrestrial technologies. The JUPITER™ System is the world's most widely deployed High-Throughput Satellite (HTS) platform, operating on more than 20 satellites by leading service providers, delivering a wide range of broadband enterprise, mobility and cellular backhaul applications. To date, Hughes has shipped more than 7 million terminals of all types to customers in over 100 countries, representing approximately 50 percent market share, and its technology is powering broadband services to aircraft around the world.

Headquartered outside Washington, D.C., in Germantown, Maryland, USA, Hughes operates sales and support offices worldwide and is a wholly owned subsidiary of EchoStar Corporation (NASDAQ: SATS), a premier global provider of satellite operations. For additional information about Hughes, please visit www.business.hughes.com and follow [@HughesON](https://twitter.com/HughesON) on Twitter.

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