

Nemertes Research PilotHouse Awards

Application Delivery Optimization

The Nemertes Research annual PilotHouse Awards provide insight on the performance of technology vendors, according to feedback from IT decision-makers who use their products or services.

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APPLICATION DELIVERY OPTIMIZATION

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Award Definition

The Nemertes PilotHouse award for Application Delivery Optimization (ADO) recognizes ADO appliances (physical or virtual) that optimize application delivery working from within the network. ADO solutions may cache, compress, accelerate, shape, or condition network traffic—the province of the traditional WAN optimizer—or they may do server load balancing and offload—traditional application delivery controller functions. ADO solutions may layer on any number of additional functions, for example application visibility and usage reporting, or access control, content filtering, or other security tasks. IT professionals who use ADO solutions rate their providers on technology, value, and customer service.

Overview

- ⊕ The goal of PilotHouse awards overall is to provide analysis of vendor and service-provider performance from the perspective of their business users.
- ⊕ Many research firms offer market ranking; Nemertes' research and analysis is unique, based 100% on the views and experience of actual users.
- ⊕ The research is wholly independent and not sponsored; Nemertes has no influence over vendor or service provider scores.
- ⊕ Opinions are those of IT professionals involved with selecting, designing, and/or deploying the technology or service.
- ⊕ By combining benchmarking (direct user interviews) and surveys, Nemertes is able to provide unique insight into why IT professionals rated vendors the way they did.

For this award, Nemertes gathered ratings on ADO vendors with a range of offerings. (More detail on the program and demographics of participating IT professionals is available in the methodology at the end of this report.)

Market Classification

For the first time, Nemertes has not limited consideration to WAN optimization controllers, but instead threw the category open wider to encompass ADO solutions fitting into the Application Delivery Controller category, as well. To be considered for the award, a vendor had to do one or the other, or both. This, is in part, in

recognition of the fact that when application performance across the network is a problem, WAN optimizers are only one possible solution, so IT needs to be watching across a broader spectrum of solutions. This broadening of the category from WAN optimizers to ADO more generally also recognizes the fact that boundaries between offerings are blurring, as when F5 added WAN optimization features to its ADCs.

We divide ADO providers into two categories: Market Leaders and Market Challengers, and offer an award within each category. To determine each vendor’s categorization, Nemertes’ analysts evaluate market presence (looking at revenue, device shipments, and number of customers) based on our own research and on publicly available data. Analysts also examine natural breakpoints in the data, and classify as Market Leaders those that have relatively larger shares of a market and which collectively account for the majority of the market, and classify as Market Challengers those with smaller parts of the market and which account for a minority of the overall market.

APPLICATION DELIVERY OPTIMIZATION	
Market Leaders	Market Challengers
Blue Coat, Cisco, Citrix, F5, Riverbed	Afore, Barracuda, Expand, Juniper

Table 1: Vendor Classification, ADO, 2011

- ⇒ Nemertes sees the ADO market as “consolidated.” No single vendor controls more than 50% of it, and although some pairs (say, F5 and Cisco) may control as much as 50%, no two control more than 75% of it.
- ⇒ The Market Leaders, no surprise, are those that dominate WAN optimization and ADCs. In WAN optimization, market share estimates vary but Blue Coat, Cisco, and Riverbed are generally agreed to control more than 66% of the market (Nemertes data suggests about 60%). With ADCs, Cisco, Citrix, and F5 generally control more than 75% of that market (Nemertes puts the number around 72%).
 - Juniper, although a major network vendor, is a Challenger in ADO because of small market share and the air of stasis surrounding its WAN optimization line. If optimization gets integrated into JUNOS and the functionality becomes available in Juniper routers, this may change.
 - As Expand continues to grow, we expect to see it move from Challenger to Leader status, perhaps in the next two years.
 - Overall, more than 30 vendors received ratings.

Ratings

We ask IT professionals to rate ADO providers using a 5-point scale, where 5 is excellent, 4 is good, 3 is fair, 2 is poor, and 1 is unacceptable. Nemertes then uses these raw scores to compute average scores for each ratings area.

The maximum possible score is a 5.0 (and although some vendors did receive perfect scores from individual IT participants, none get a perfect score on anything when all ratings are averaged).

Ratings Areas

The participants rate their technology providers in three areas:

- ⇒ Technology
- ⇒ Customer Service
- ⇒ Value

We average these three to reach an overall rating for each vendor.

Technology

Technology ratings gauge how customers view the sophistication, features, and implementation of their ADO solution. Additionally, this score reflects how much of a leader a vendor is in the ADO industry, from the perspective of IT professionals.

Customer Service

Customer-service ratings cover how providers perform in areas such as technical support, responsiveness to deployment problems, sales support, and general customer care. Additionally, technology users consider the willingness and ability of the vendors to answer questions effectively and promptly.

Value

Value ratings are essentially the way customers perceive what they get relative to what they pay. In other words, are they getting their “bang for the buck?”

Results Summary

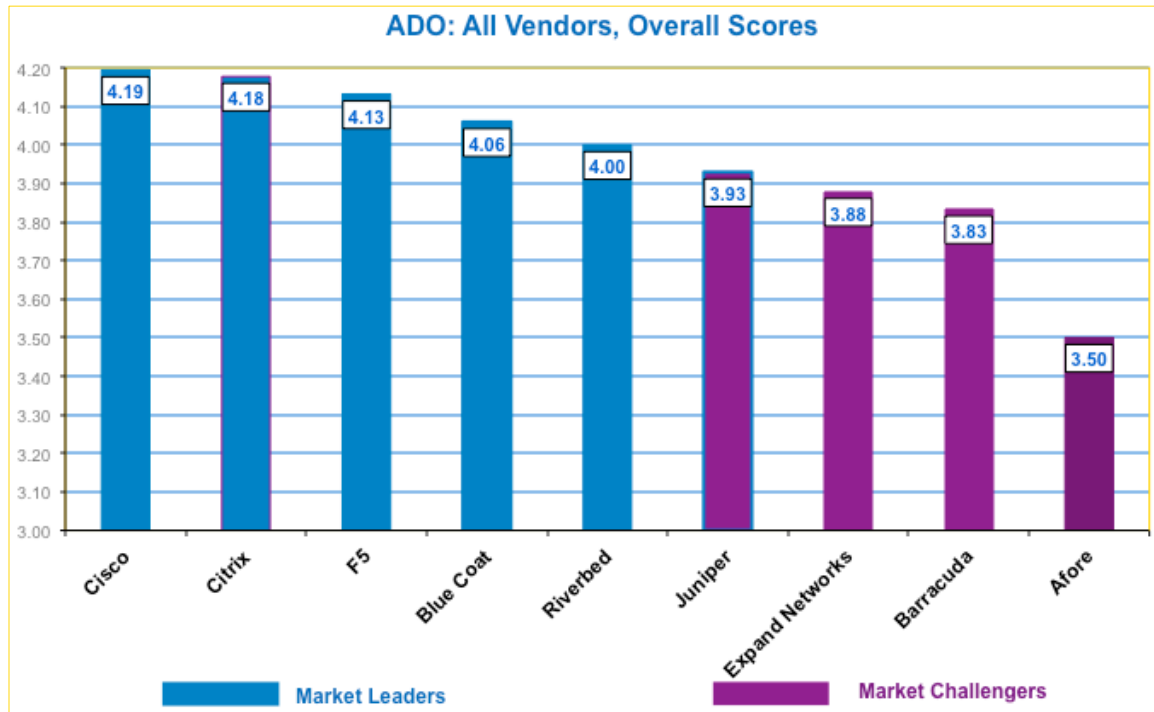


Chart 1: Overall Scores, ADO, 2011

⇒ Among Market Leaders, **Cisco wins the PilotHouse Award.**

- Cisco's overall score is 4.19.

⇒ Among Market Challengers, **Juniper wins the PilotHouse Award.**

- Juniper's overall score is 3.93.

⇒ A total of nine providers have enough responses to be included in this year's analysis.

- Five providers are Market Leaders; four are Market Challengers.
- Market Leaders' overall average score is 4.11.
- Market Challengers' overall average score is 3.79.

ANALYSIS

Nemertes 2011 PilotHouse Awards ADO				
Market Leaders		Market Challengers		
Cisco, Citrix, F5, Blue Coat, Riverbed		Juniper, Expand Networks, Barracuda, AFORE		
Winners	Overall	Technology	Customer Service	Value
Cisco	4.19	4.19	4.20	4.19
Juniper	3.93	3.88	4.00	3.96
Other Finalists				
Citrix	4.18	4.16	4.15	4.23
F5	4.13	4.11	4.06	4.17
Blue Coat	4.06	4.14	4.21	3.77
Riverbed	4.00	4.30	4.00	3.74
Expand Networks	3.88	3.73	4.00	3.91
Barracuda	3.83	3.60	4.10	3.80
AFORE	3.50	3.40	3.60	3.50
Rating Scale: 5=Excellent; 4=Good; 3=Fair; 2=Poor; 1=Unacceptable				

Table 2: Vendor Scores, ADO, 2011

- ⇒ With the broadening of the awards category from just WAN optimization to full ADO, we see two classes of vendors in the finalists: broad ADO vendors, who span the ADC and WAN optimization sub-categories—Cisco and Citrix, for example; and traditional WAN optimization or ADC vendors, such as Blue Coat and Riverbed. This reflects the fact that enterprises continue to have the kinds of problems that traditional WAN optimizers and ADCs can resolve, and when they have both, they often prefer to deal with the same vendor (and if possible even the same box) to address both classes of problems.
- ⇒ It is important to consider that the evolution of other technologies can either create the need for optimization (witness VoIP and video streaming) or reduce or eliminate the need for specific ADO solutions. Windows file sharing moves from old-style SMB to post-Vista SMB 2, for example, it requires far less help to perform well over the WAN. As more and more data centers implement some kind of storage or backup de-duplication, that reduces or eliminates the need for compression to make replication to remote sites possible within given time limits. Changes like this shift the scope of ADO required, and IT will consider shifting solutions to match, so vendors who want to hold their customers need to be ready to help with new requirements sets.

- ⇒ Although technology scores for vendors who have shown in past PilotHouse competitions have generally risen, and are pretty high across the board, this is a year for customer service, as scores there overall outpace both technology and value.
- ⇒ Overall, Market Leaders' average score is 4.11, and Challengers' is a 3.93.
 - Reason: In a word, technology is the driver of this difference. The highest technology score among Challengers is well below the lowest among Leaders.
- ⇒ In technology, Market Leaders sail away with a score of 4.18, and Challengers lag far behind with a 3.65.
 - Reason: Breadth of technology is generally better than narrowness, according to IT staff. Good integration with the rest of the network is highly desirable, and ease of use and manageability are both important. Leaders are generally getting better receptions on most these points.
- ⇒ Market Leaders average 4.12 on customer service; Challengers get 3.93.
 - Reason: Nowhere near as broad a gap between Leaders and Challengers here as in technology. With smaller client bases, and often narrower ones, Challengers have an opportunity to focus their customer support better than "come one, come all" enterprise vendors. They are more likely to build some customer intimacy as a counter-balance to their generally more limited resources.
- ⇒ In value, Market Leaders achieve a score of 4.02 and Challengers follow with a 3.79.
 - Reason: Solid customer service and lower price points offset generally less-well-regarded technology to add up to a relatively strong value perceived for Challengers. For Leaders, strong customer service and even stronger technology are undercut by higher costs and/or complexity, bringing perceived value relatively low.

PILOTHOUSE MARKET LEADER WINNER

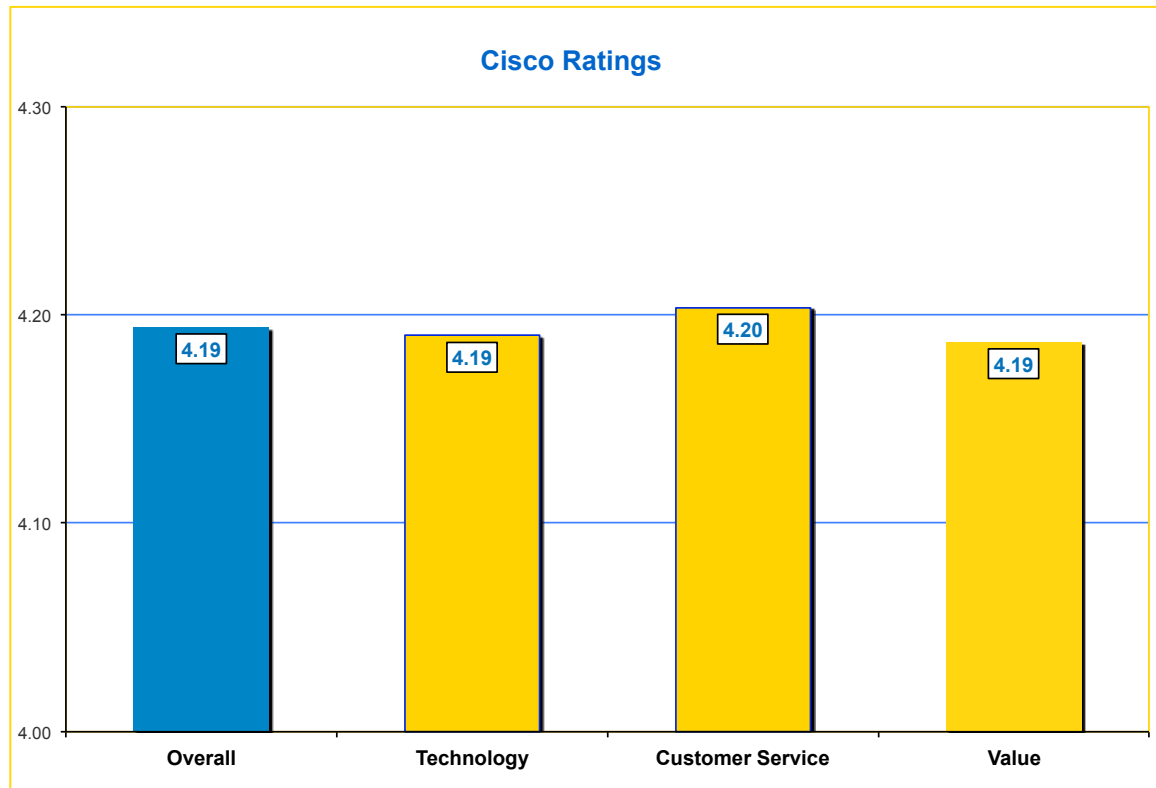


Chart 2: PilotHouse Market Leader Winner: Cisco, ADO, 2011

Cisco

⇒ Summary

- Cisco scored a solid 4.19 overall, with nearly the same score across the individual ratings categories. Cisco edges out Citrix for the top spot largely on the strength of higher customer-service ratings.
 - User comments on Cisco's performance overall often focused on solid customer support, relatively low cost, and on how "the products integrate easily into the network," as the director of IT at a midsize manufacturer put it. Or, as another IT director at a small manufacturer says: "K.I.S.S." Keeping it simple, by sticking with the same vendor for ADO as for primary routing and switching, has always been a major driver of Cisco's ADO business.

⇒ Then and Now

- Cisco's overall score (and each of its separate ratings for that matter) comes in significantly above last year: 4.19 vs. 3.90 last year. (Note that last year, WAN optimizers were the only ADO technology considered; this year, ADCs

and other things are in the mix, but the vast majority of ratings we got for Cisco were for the WaaS WAN optimization solution.)

- After struggling with the strength of technology for several years, the more recent iterations of the WaaS products have come to more fully meet user expectations for manageability, performance and reliability.
- “It’s the best available, I believe,” says an IT manager in a very large retailer.

⇒ Future Direction

- Cisco’s large footprint in the network generally coupled with its steady progress in strengthening the product and improving its management make its continued leadership in the category a given. However, the narrowness of its victory over Citrix this year, and its performance in past years, suggest that it will have to keep improving its execution on ADO if it wants to win again next year, lest other vendors surpass it.

Technology

⇒ Cisco’s technology score, 4.19, represents a major improvement over last year’s 3.90, and in large part reflects the cycling out of older generations of the solution and their replacements with what IT staff widely hold is now a much better solution.

- Integration into routing gear is another key factor: “It does help traffic and bandwidth, and I’d rather have it built into the routers,” says the director of IT at a very large manufacturer.
- Over the last several years, technology has gone from a relative weakness to significant strength.

Customer Service

⇒ Cisco made very solid improvements in customer service between last year and this, rising from 3.9 to 4.2.

- Cisco scored more 5s in customer service than in either technology or value. This is in marked contrast to earlier years and represents an important improvement.
- Comments stressed “ease of communications with the company” (from the manager of IT at a small educational institution) and the knowledgeability of support staff, although some did complain: “There are too many rounds of discussion,” says the CIO of a midsize healthcare organization.

Value

⇒ Cisco’s 4.19, compared with last years 3.81, represents not just a significant improvement for Cisco considered individually, but also a significant improvement relative to other market leaders. Where last year Cisco came last in value among the leaders, this year it is second only to Citrix.

- What changed is the perceptions of the quality of the technology and service relative to the price: IT users no longer complain that they get weak technology and at best adequate service for a premium price.
- Given Cisco's role in the network generally, making ADO a high-value offering lifts it out of the "we use it because it's Cisco" trap.
- "Cisco is the 800-pound gorilla, and it's the pricier option, but they're darn reliable," says the VP for IT at a small professional-service firm.

PILOTHOUSE MARKET CHALLENGER WINNER

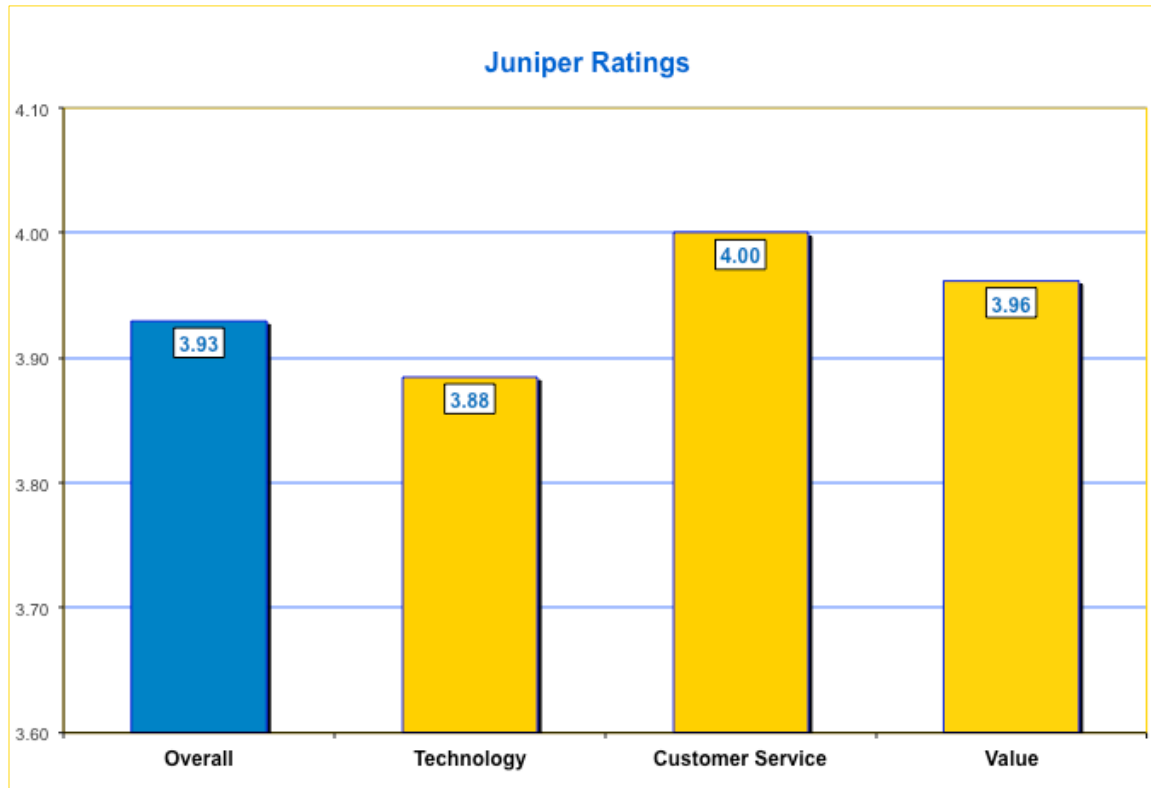


Chart 3: PilotHouse Market Challenger Winner: Juniper, ADO, 2011

Juniper

⇒ Summary

- Juniper, with an overall score of 3.93, wins the Market Challenger category. Juniper's win signifies a solid record of strong customer service and good value for a reliable, scalable technology. "They are the best," according to the senior VP for IT at a large telecommunications company.

⇒ Future Direction:

- Customers complain that optimization is a neglected line at Juniper, and have done so for years. Juniper's focus on integrating all services into JUNOS makes it clear that the only direction for ADO at Juniper has to be in—into JUNOS, that is—or out, whether as spin-off, sell-off, or end of life. It is hard to imagine a future Juniper network without any optimization; it is easy to imagine ADO services folding into the SRX Services Gateway line, or into the router and switch lines, via integration into JUNOS. Integration of an ADO soft client into the JUNOS Pulse product suggests that an ADO-ready JUNOS must be on the way, as well.

Technology

- ⇒ Technology is actually Juniper's weakest point (as it is for Challengers across the board), only a 3.88, but still significantly better than competing Challengers.
- Scale and reliability have generally been considered strong for Juniper.
 - "Juniper is very successful at reducing network traffic and maintaining the responsiveness of the administrative environment under varying loads," says the CIO of a midsize educational institution. "It's not the easiest thing to manage—what is?—but it is very successful for us."

Customer Service

- ⇒ Juniper shows considerable strength in its customer service, scoring 4.0, bettered only by Barracuda among the Challengers and on par with Market Leader Riverbed.
- "We haven't needed it much, but its been quite responsive when we have had things we needed to talk to them about," says that same CIO.

Value

- ⇒ Again, Juniper scores comfortably above its competitors on value, with a 3.96; among the Challengers only Expand comes close (3.91), and both best Market Leaders Riverbed and Blue Coat.
- "They offered good contract terms for our growing business," says the VP for IT at a midsize manufacturer.

PILOTHOUSE FINALISTS: MARKET LEADERS

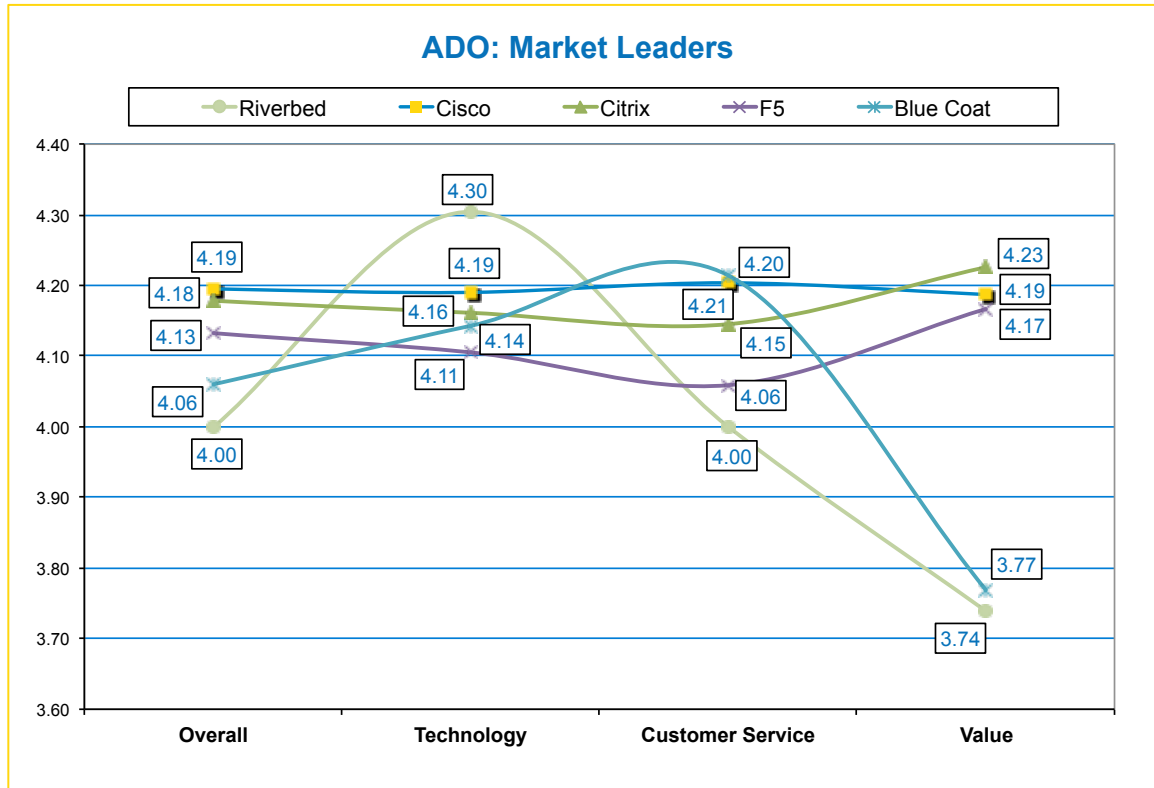


Chart 4: PilotHouse Market Leaders: ADO, 2011

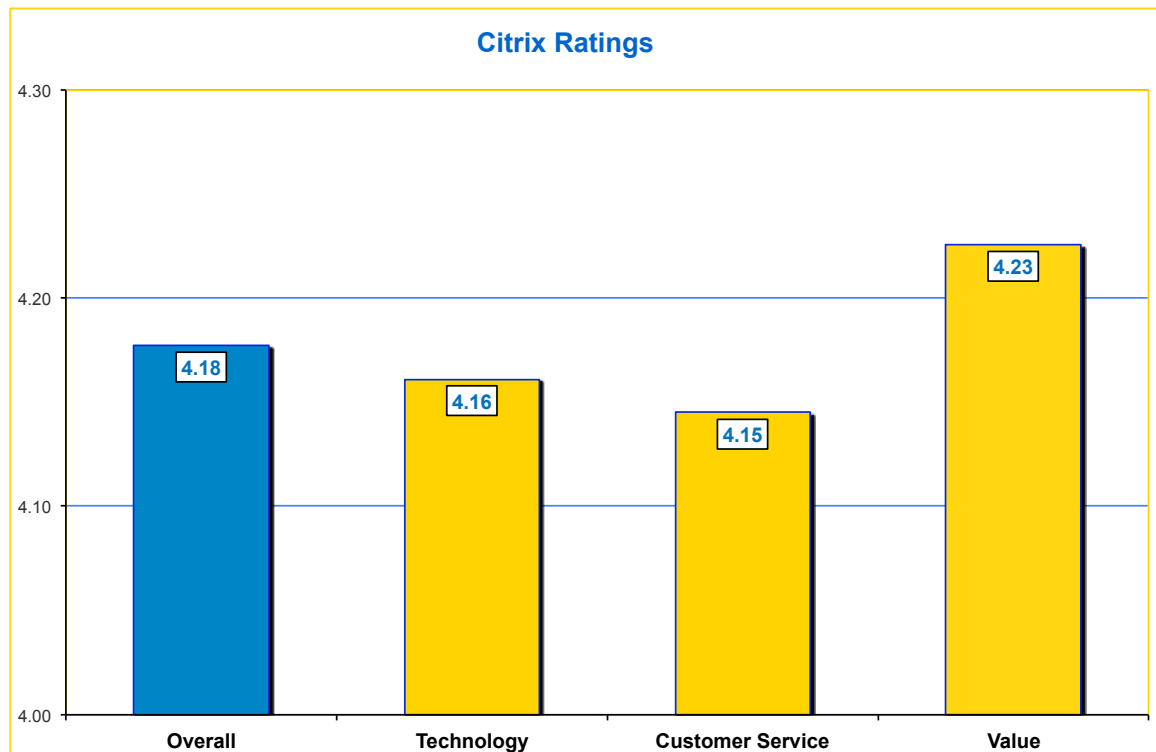


Chart 5: Market Leader: Citrix, ADO, 2011

Citrix

⇒ Citrix and Overall Scores

Citrix comes within a whisker of beating Cisco for overall winner, on the strength of delivering exceptional value across an ADO line spanning WAN optimization and ADCs, with both physical and virtual versions of major appliances, and significant security functionality woven in. ADO is often pulled along into an infrastructure by Citrix's application, session, and desktop virtualization solutions.

- ⇒ The average overall score for Market Leaders is 4.11; Citrix's is 4.18.
- ⇒ The average technology score for Market Leaders is 4.18; Citrix's is 4.16
- ⇒ The average customer-service score for Market Leaders is 4.12; Citrix's is 4.15.
- ⇒ The average value score for Market Leaders is 4.02; Citrix's is 4.23.
 - "We migrated to them recently, and we're very happy," says the executive vice president for IT at a midsize retailer.

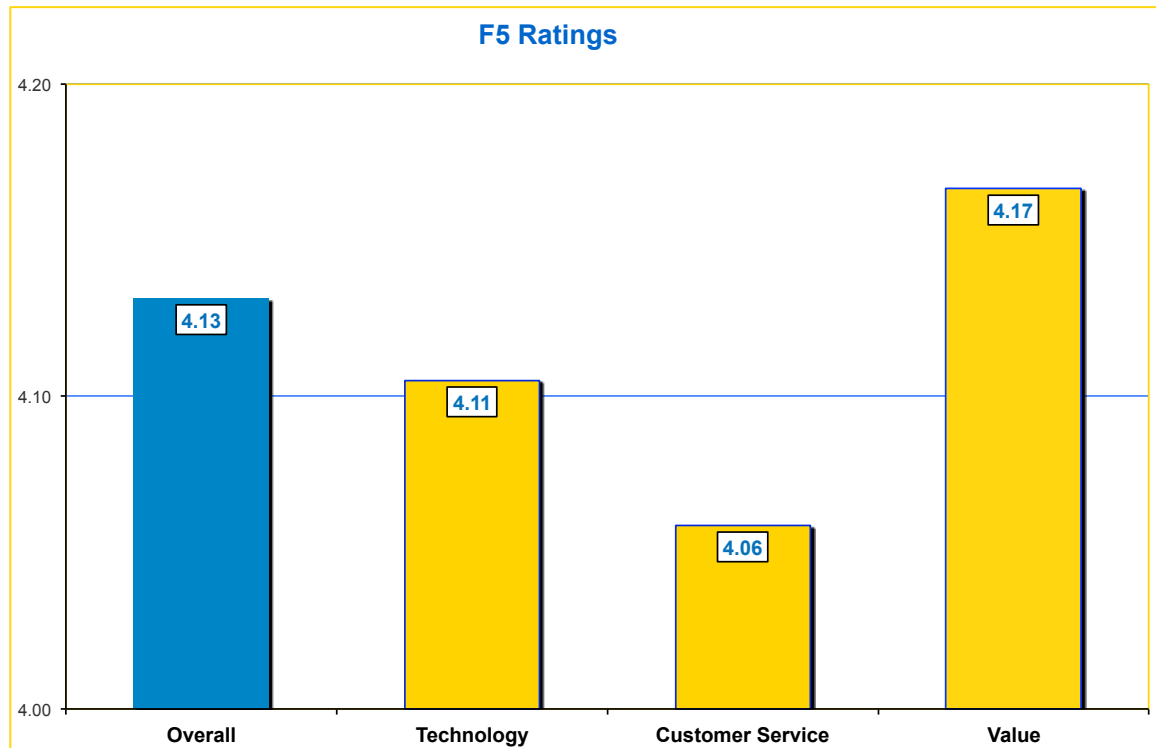


Chart 6: Market Leader: F5, ADO, 2011

F5

⇒ F5 and Overall Scores

F5, like Citrix and Cisco, sells both WAN optimization and ADC solutions. Unlike Citrix, it integrates the solutions into a single appliance. It scores better than average overall and on value, but below average in technology and customer service. F5 last year won the Market Challenger category in WAN optimization; this year, with a broader scope to the awards, it moves into the leaders group.

⇒ The average overall score for Market Leaders is 4.11; F5's is 4.13.

- "It definitely meets our needs, does exactly what we want, and has more capabilities than we can use yet," says the director of IT at a small media company.

⇒ The average technology score for Market Leaders is 4.18; F5's is 4.11.

- "We tried a Cisco box, and a Citrix, and F5. F5 came up more easily, connected with our applications more easily, and overall did much better," says the director of telecom at a very large pharmaceutical company.

⇒ The average customer-service for Market Leaders is 4.12; F5's is 4.06.

⇒ The average value score of all Market Leaders is 4.02; F5's is 4.17.

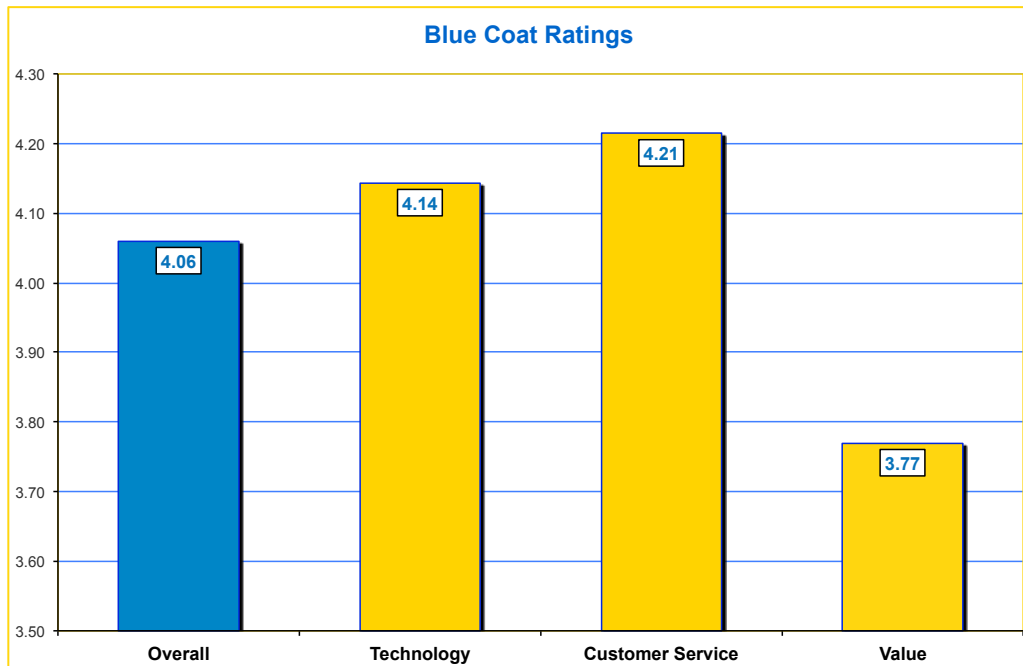


Chart 7: Market Leader: Blue Coat, ADO, 2011

Blue Coat

⇒ Blue Coat and Overall Scores

Blue Coat won the Market Leader category last year; this year it scores as well or better on technology and service, but falls dramatically on value. As an added layer of function, IT professionals are always very conscious of the cost of deploying branch appliances; costs must be acceptable even when scaled. The more broadly an organization wants to deploy the solution, the more vital it becomes to make costs work for them. And of course, the more boxes it takes to implement the vendor's full solution, the less enthusiastic IT staff become about deploying the stack.

⇒ The average overall score for Market Leaders is 4.11; Blue Coat's is 4.06.

- "It's set and forget," says the IT director for a transportation company. "There are so few things in IT that don't require time burning. It just doesn't require much attention. It's dynamic and flexible."

⇒ The average technology score for Market Leaders is 4.18; Blue Coat's is 4.14.

⇒ The average customer-service score for Leaders is 4.12; Blue Coat's is 4.21.

⇒ The average value score for Market Leaders is 4.02; Blue Coat's is 3.77

- "We can't afford to deploy to all the sites we want, the hardware is too costly," says the CIO of a midsize healthcare organization.
- "They will be displaced because people don't want to run different products at the branch without a better management platform. I like their products. Over time, as I roll this out, I roll out a router, switch, Packet Shaper, proxy service, WAAS. There is just way too much stuff. Too complex, and costs are high," says the manager of IT at a midsize professional-services firm.

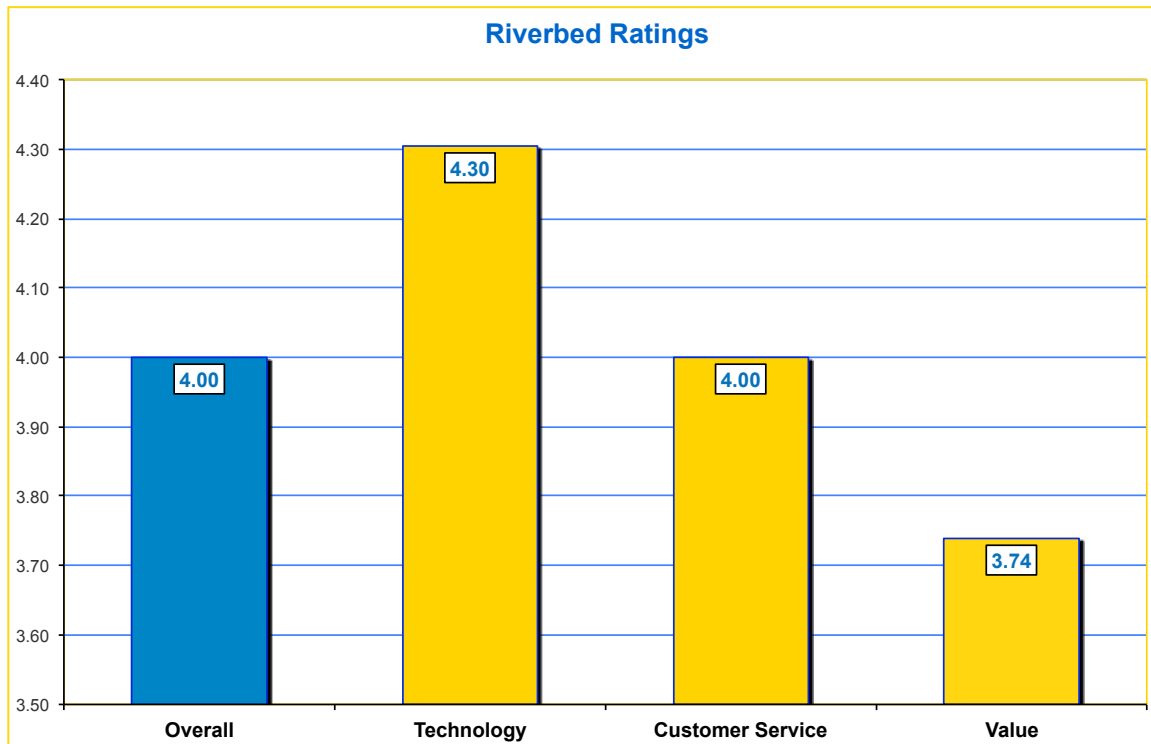


Chart 8: Market Leader: Riverbed, ADO, 2011

Riverbed

⇒ Riverbed and Overall Scores

As in the past, Riverbed’s great strength is the quality of the technology it delivers in its WAN optimization gear. Users also think well of the service and support they receive. Compared to last year, Riverbed’s scores improved in both technology (significantly) and service (slightly). However Riverbed’s overall performance is up only slightly compared to last year, buoyed by that rise in technology score but undercut by a drop in the perceived value of the solution compared to last year. For the second year running, it has the lowest value score among the leaders.

- ⇒ The average overall score for Market Leaders is 4.11; Riverbed’s is 4.00.
- ⇒ The average technology score for Market Leaders is 4.18; Riverbed’s is 4.30.
- ⇒ The average customer service score of all Market Leaders is 4.12; Riverbed’s is 4.00.
- ⇒ The average value score of all Market Leaders is 4.02; Riverbed’s is only 3.74.
 - “They provided us with a 25% to 30% benefit on bandwidth,” says the VP for IT at a very large financial-services firm. Given the initial investment, he continues, “I think investing in bandwidth might have been more effective.”

PILOTHOUSE FINALISTS: MARKET CHALLENGERS

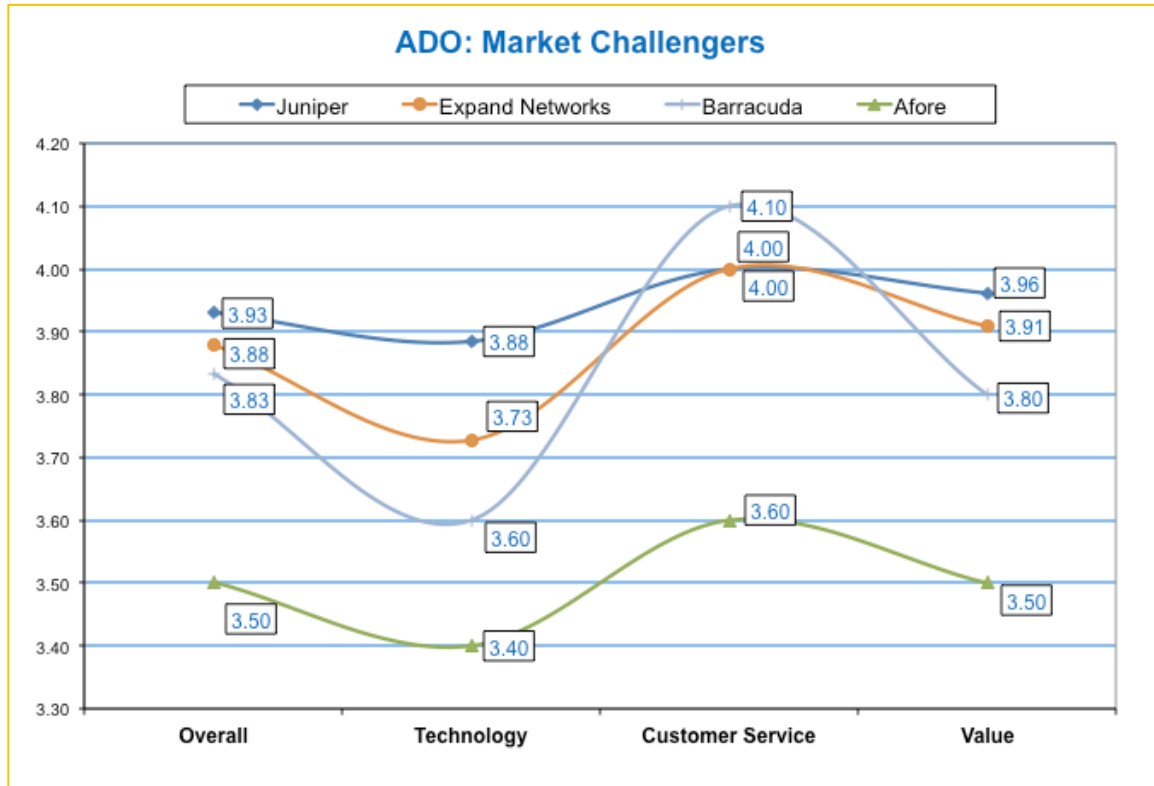


Chart 9: PilotHouse Market Challengers: ADO, 2011

The Rest of the Challengers: Expand, Barracuda, AFORE

⇒ The most notable fact about the rest of the Challengers is that they, like Juniper, scored lowest on technology, highest on customer service, and somewhere between on value – the contrasts are just a little greater with these three.

- Users like how Expand helped them manage connectivity across multiple network connections into their branches.
- Barracuda rated higher among small to midsize companies (\$50M to \$500M in revenues) as compared to larger ones.

CONCLUSION

- ⇒ ADO technologies continue to evolve, with established providers continuing to both add new capacities and to incorporate them through acquisitions. Enterprises simultaneously evolve new needs (optimizing delivery of cloud applications to direct-to-Internet branches, say) and in some cases see older needs fade (e.g., compressing backup traffic between data centers, after deduplication has been introduced within the storage infrastructure). Vendors that span both WAN optimization and ADCs, the main foci of ADO, did better in this year's ratings than those that specialize.
- ⇒ Vendor Selection: Based on the outcome of the PilotHouse program, here is Nemertes' guidance (with vendors listed in priority order):
- Evaluate with on-site testing a minimum of three providers. Any of the Market Leaders (Blue Coat, Cisco, Citrix, F5, and Riverbed) are solid options, but you should also look at Market Challengers, including those that did not make it into the finalists list. Before getting to a "bake-off," you should cast a wider net, and evaluate at least six vendors.
 - If technology is your key concern, consider the Market Leaders, especially Riverbed and Blue Coat if you don't need ADC functionality, plus Juniper.
 - If customer-service is your key decision criteria, consider the Market Leaders, plus Barracuda (if yours is a smaller business), Juniper and Expand.
 - If value is your key goal, consider Cisco, Citrix, and F5.
- ⇒ Differentiation of Leaders and Challengers: The main difference between Leaders and Challengers as a group is that the Leaders truly lead on technology. Also, Challengers often have a focus on something other than the enterprise market: as with Barracuda, they may look more to smaller or midsize businesses, with pricing and customer service tailored to small deployments and very small IT staffs; or, as with Juniper, to carriers and managed service providers and the very largest enterprises. Neither should automatically rule such a vendor out of the initial evaluation of potential ADO solution providers.
- ⇒ Advantages of Adding During Technology Refresh: The main benefits come in improving application performance, generally without having to increase bandwidth or server counts, and can accrue whether or not a refresh is in progress. A refresh can offer opportunities to add layers of ADO function to existing solutions, for instance by adding WAN optimization to an existing ADC, or to scale up or replace an existing solution to deal with increased demand.
- ⇒ Improvement Outlook: Steady advances in both general-purpose computing platforms (NICs, x86 processors, hypervisors) and special silicon tailored to network processing all allow for ADO platforms broadening in scope and ramping up in performance. IT staffs should expect to see more integrated

function, whether in dedicated hardware appliance, multi-tenant appliance, or virtual appliance, without sacrificing performance. Integration of key optimization and acceleration features into other network platforms, such as routers and data center core switches will also improve the overall ADO picture, making the services available more broadly and less expensively, with complete integration into general network management.

METHODOLOGY

The population includes individuals primarily from U.S. companies (based in the U.S., but many of which are global multinationals) who are responsible for selecting, or influencing the selection of, suppliers of data-center and communications products and services.

Sample Frame

In selecting the sampling frame, Nemertes has asked individuals in the following populations to rate their providers:

- ⊕ U.S. business subscriber lists, including individuals who have opted to participate in surveys and who have been pre-screened to determine responsibility for selecting or influencing relevant products and services.
- ⊕ Nemertes Research IT executive database, limited to individuals who meet the criteria for the representative population. Individuals from this list represent primarily U.S. companies, but also include companies based elsewhere that have presence in North America. The database includes individuals who have participated in, or who have expressed interest in participating in our research, or with whom Nemertes' analysts have established a business relationship.

Individuals participated in this project using three methods:

- ⊕ Web-based survey. This is the largest percentage of the respondents. Those who meet the sample frame randomly received invitations to participate in the survey.
- ⊕ Visitors to Nemertes' Web site, and recipients of Nemertes' blogs and columns in third-party media partners' Web sites. They must meet the criteria to participate.
- ⊕ Benchmark interviews. This is a smaller percentage of the respondents. Nemertes' analysts asked numerous detailed qualitative questions to gauge why they rated their service providers the way they did, as well as gathering other information about their usage of communications services.

Benchmark participants spent one to three hours on the phone or in person with a Nemertes analyst discussing issues relating to their use of products and services. The Web-based survey participants answered a subset of the benchmark questions that focus on rating the providers, stack-ranking important criteria, providing financial data, open-ended comments, and demographics.

Planned Sample Size

According to U.S. Census Bureau figures, there are 2,306,070 companies with five or more employees. Our goal was to receive responses from a minimum of 1,000 individuals, which would give us a 95% confidence level and 3% margin of error—if

every individual rated every vendor in every technology area rated. We received substantial ratings for each technology category (several hundred per category), but each vendor in each area did not receive a rating from every research participant.

About 4,000 individuals accessed the survey or participated in a benchmark interview. Of those, about 2,000 meet Nemertes' standards to be considered "valid." Our survey tool automatically exited individuals employed by IT vendors and providers. Analysts reviewed all other ratings (survey and benchmark) line by line, and categorized as "invalid" those who demonstrated inconsistencies or inaccuracies in their responses as part of Nemertes' complex qualification methodology.

We achieved validity across the survey and interviews by ensuring the questions we asked were the same and that the interview group and survey group represent discrete samples of the same population. Nemertes achieves survey and interview consistency through the use of pre-scripted interview forms and peer review of interview protocols. Analysts also relied upon their own knowledge of the technology areas, natural breakpoints in the data, and interview notes from the survey participants to further validate ratings.

Survey Sub-Groups/Stratification

Nemertes' analysts researched which providers offer products and services in each category and created lists from which participants identified their primary service providers. Participants also were able to select "other," and identify a service provider they use that may not be included on the explicit list provided.

The challenge is that some providers (Market Leaders) have thousands of business customers and significant market share, while others (Market Challengers) have a few hundred or few thousand customers and smaller market share. We realized some providers would garner a relatively large number of ratings, based on the number of customers they have, while others would have a relatively small number of ratings.

Therefore, we created the two distinct categories for the awards, Market Leaders and Market Challengers, and compared providers within each category. Nemertes placed providers within each category based on its own research and publicly available data. Analysts also examined natural breakpoints in the data. Market Leaders typically have >10% of market share, based on these analyses. Market Challengers typically have smaller market shares. In some categories, there were not enough ratings to issue an award in the Market Challenger category, or the market is so new that all vendors are considered Challengers. In these cases, Nemertes issues an award only in the appropriate category.

Nemertes reserves the right to address acquisitions occurring during the benchmark and survey period on a case-by-case basis. Unless otherwise noted, an acquisition merging two companies in the same award category must be complete before the start of the survey and benchmark interview period to be counted as one company in the ratings.

Awards

Nemertes is issuing awards in the following categories:

Nemertes PilotHouse Awards, 2011		
Award Category	Market Leaders	Market Challengers
Advanced Communications Services		
MPLS Services	✓	✓
Carrier Ethernet Services	✓	✓
Internet Access Services	✓	✓
SIP Trunking Services	✓	No award
Managed Router Services	✓	✓
Managed Internet Services	✓	✓
Wireless and Mobility		
Wireless LANs	✓	✓
Wireless Voice & Data Services	✓	✓
Application Delivery		
Application Delivery Optimization	✓	✓
Virtual Desktops	✓	✓
Voice Communications		
IP Telephony	✓	✓
Managed IP Telephony	✓	✓
Hosted Voice Over IP	✓	No award
Data-Center Technologies		
Servers for Virtualization	✓	✓
Storage for Virtualization	✓	✓
Data-Center Colocation	✓	✓
Unified Communications		
Unified Communications	✓	✓
IP Contact Centers	✓	✓
Security		
Managed Firewall/IDS/IPS	✓	✓
Data-Center Firewalls	✓	✓
Small Branch Firewalls	✓	✓
Cloud		
Software as a Service: Office	✓	No award

Timing

The Web-based survey was conducted between March and May 2011. The benchmark research was conducted between January and April 2011.

Incentives to Participate & Time Commitment

Participants of the Web-based survey received a small incentive for participating in the survey. Participants from Nemertes' database receive the findings and are invited to participate in a Webcast, in exchange for their time. The Web-based survey takes about 15 minutes to complete; the benchmark requires one to three hours of participants' time.

Future Plans

Nemertes plans to conduct its PilotHouse Awards program annually, though it retains the right to cancel the project at any time.

About Nemertes Research:

Nemertes Research is a research-advisory and strategic-consulting firm that specializes in analyzing and quantifying the business value of emerging technologies. You can learn more about Nemertes Research at our Website: <http://www.nemertes.com>