

Product Differentiation Excellence Award Enterprise Session Management North America, 2011

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 2011 North American Product Differentiation Excellence Award in Enterprise Session Management to Avaya.

Significance of the Product Differentiation Excellence Award

Key Industry Challenges Addressed by Differentiated Offerings

The enterprise communications market is in a state of transition. The speed of development for advanced IP-based technologies has greatly accelerated in the past several years. However, it is necessary for both enterprises and vendors to remain true to their strengths and leverage existing assets and expertise as they continue to advance. Vendors need to avoid moving too fast for risk of introducing unwanted cost and complexity and cutting product lifecycles too short. Frost & Sullivan firmly believes that vendors need to evolve their solutions as technology developments, competitive forces, and enterprise demand dictate.

Today's advanced enterprise communications solutions are designed to allow customers to decide how and when to migrate their disparate, legacy and siloed infrastructure and applications to more efficient centralized environments that can unlock the benefits of end-to-end unified communications capabilities. As enterprises evaluate their options, the onus is on vendors to encourage them to begin their migrations by presenting the most appropriate solution that delivers maximum returns.

To capture the attention of enterprises, earn their confidence, and ultimately win their business, vendors must have compelling solutions and proven track records. By now all top-tier unified communications solutions developers have introduced offerings that propose effective enterprise migrations from TDM voice infrastructures to IP telephony and unified communications. Most vendors position their solutions based on the ability to leverage and extend the useful life of existing enterprise investments, to unify disparate platforms, to enable the operational efficiencies of advanced interworking across sites, and the ability to provide users with access to communications and collaboration software that makes them more productive.

As more solutions are introduced to the intensely competitive unified communications market, vendors must stand apart from others. Differentiation is gained by doing more than ticking off checklist solutions capabilities. Leading vendors differentiate by introducing leading-edge solutions that resonate with enterprise decision makers, respect each enterprise's priorities, and enable new and innovative ways to improve business. The most successful vendors demonstrate product differentiation excellence by identifying emerging enterprise requirements and undertaking early initiatives to evolve their solutions accordingly. Vendors that differentiate through constant innovation are best positioned to earn the strategic long-term relationships that enterprises need in their transition to end-to-end unified communications capabilities.

Key Benchmarking Criteria for Product Differentiation Excellence Award

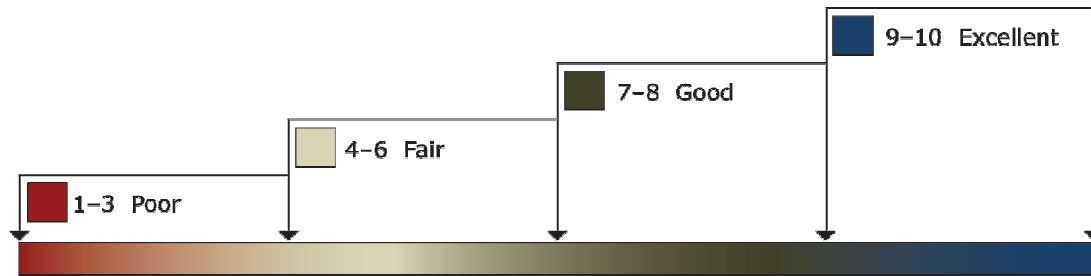
For the Product Differentiation Excellence Award, the following criteria were used to benchmark Avaya's performance against key competitors:

- **Unique Features/Functionality**
- **Quality/Complexity**
- **Customization**
- **Matched to Target Markets Needs**
- **Brand Perception of the Uniqueness of the Product**

Decision Support Matrix and Measurement Criteria

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Matrix (DSM). The DSM is an analytical tool that compares companies' performance relative to each other with an integration of quantitative and qualitative metrics. The DSM 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. Fundamentally, each DSM is distinct for each market and Award category. The DSM allows our research and consulting teams to objectively analyze each company's performance on each criterion relative to its top competitors and assign performance ratings on that basis. The DSM follows a 10-point scale that allows for nuances in performance evaluation; ratings guidelines are shown in Chart 2.

Chart 2: Performance-Based Ratings for Decision Support Matrix



This exercise encompasses all criteria, leading to a weighted average ranking of each company. Researchers can then easily identify the company with the highest ranking. As a final step, 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.

Chart 3: Frost & Sullivan’s 10-Step Process for Identifying Award Recipients



Best Practice Award Analysis for Avaya

The Decision Support Matrix, shown in Chart 4, illustrates the relative importance of each criterion for the Product Differentiation Excellence Award and the ratings for each company under evaluation. To remain unbiased while also protecting the interests of the other organizations reviewed, we have chosen to refer to the other key players as Competitor 1 and Competitor 2.

Chart 4: Decision Support Matrix for Product Differentiation Excellence Award

<i>Measurement of 1-10 (1 = lowest; 10 = highest)</i>	Award Criteria					
	Unique Features/Functionality	Quality/Complexity	Customization	Matched to Target Markets Needs	Unique Name/Brand Recognition	Weighted Rating
Relative Weight (%)	20%	20%	20%	20%	20%	100%
Avaya	9	9	9	10	10	9.4
Competitor 1	8	9	9	8	8	8.8
Competitor 2	9	8	9	7	7	8.0

Criterion 1: Unique Features/Functionality

The Avaya Aura® architecture is designed to increase the flexibility in how and when enterprises implement end-to-end IP communications. Anchored by Avaya Aura Session Manager, the advanced Avaya UC architecture creates a network overlay that optimizes communications environments to reap the operational and end-user benefits of centralization and SIP trunk consolidation. Frost & Sullivan appreciates the fact that Avaya's solution extends a unique set of benefits to users across the network.

The SIP-based IMS architecture leveraged by Avaya creates a true three-tiered model in which Access devices, Connections and Applications are flexibly and independently coupled to a core network. This provides a highly flexible user relationship services capability, unique to Avaya for the enterprise market, which allows applications and network facilities to be accessible to all users while still being assignable on an individual basis of need, regardless of location or affiliation with a particular call server. This also ensures that user configurations are mobile and binding, based on user authentication, not the physical access device or location where the user is currently registered.

The capabilities introduced by the Avaya Aura session management solution address a number of primary pain points shared by many enterprises with outmoded, disparate and siloed communications networks. As a result, Avaya gained significant attention in the industry and notable traction among enterprise customers. Accordingly, most of Avaya's top competitors, which were once skeptical, have since introduced their own interpretations of session management solutions.

The more mature and proven Avaya Aura solution continues to stand out in an increasingly crowded field. First-mover status is not an attribute that disappears, even as alternative offers flood the market. Furthermore, alternative solutions lack a true session management core, and often lack focus on the user experience or limit customer ability to choose a best-of-breed approach for their unified communications environment. In these areas, Avaya Aura excels. For example, a unique aspect of Avaya Session Manager is its ability to sequence applications, automatically inserting applications or other forms of activity into the session without user intervention. Another unique feature is the user relationship services, which assure that users get the services they need regardless of where they are located in the enterprise. Among other highly differentiated capabilities in the Avaya session management solution is the innovative deployment opportunities that Avaya Agile Communication Environment™ (ACE™) enables. ACE facilitates integration of Avaya Aura and multi-vendor systems with business applications using a broad set of web services APIs, a toolkit for sequenced application development via Session Manager, and packaged integrations with UC, CRM, desktop and mobile applications. ACE, therefore, allows enterprises to implement platforms for superior scale and performance, whereas most alternative session management solutions support users on third-party infrastructure by directing them to utilize a single-source application set.

Criterion 2: Quality/Complexity

Avaya Aura session management solutions are devised to help reduce the complexity of operating and managing a multi-vendor environment. Centralization is key in the architecture. It effectively allows enterprises to centrally aggregate SIP trunks, thereby affording opportunities to consolidate and better manage service provider relationships. Centralization also greatly streamlines maintenance, management and administration. The centralized configuration makes physical components much more readily accessible to support staff for routine MACs, troubleshooting and break/fixes. Avaya Aura System Manager leverages service-oriented architecture (SOA) principles to provide a central set of utilities for the provisioning and administration of Aura voice, contact center, UC, messaging and other platforms across the network. By contrast, Frost & Sullivan notes that competing solutions often require a number of discrete utilities to support the same breadth of platforms.

Criterion 3: Customization

At its core, the Avaya Aura architecture is intended for customization to leverage each customer's unique assets and requirements, and to provide flexibility in the way they implement and evolve their solutions over time.

The SIP-based Avaya Aura session management solution is certified to support several models of widely deployed third-party PBX platforms as well as SIP trunking services from many Internet telephony service providers (ITSPs). Avaya ACE can be employed to further expand the range of communications applications and enterprise business software platforms that can be integrated into the overall solution. The architecture is scalable up to 100,000 SIP endpoints and 25,000 locations, making it a viable option to streamline the networks of most any large organization.

It is also offered in the consolidated Aura System Platform virtualization packaging for small and mid-size enterprises, with Avaya Aura Communication Manager, Voice Messaging, SIP Enablement Services, Application Enablement Services, Utility Services, Media Services, Presence Services, Session Border Controller, and more on a single server. This breadth and depth of third-party product and service support and range of scalability options are not found in other competing solutions.

Criterion 4: Matched to Target Markets Needs

Enterprises need help with streamlining their communications networks and managing their long-term migrations to end-to-end unified communications capabilities. Frost & Sullivan independent research tracks the activities of different vendors offering various session management solutions in their attempts to satisfy these end user needs.

Customer adoption is the most telling measurement of a solution's ability to deliver. While most rival vendors decline to publish shipment data for their session management solutions, Avaya admirably touts more than 1,000 deployments of the Aura architecture anchored by Session Manager.

Criterion 5: Brand Perception of the Uniqueness of the Product

Avaya put its stake in the ground in 2008 when the Aura architecture and new Aura branding for its UC portfolio were introduced. Taken together, the two actions from this top-tier vendor signified the beginning of a new era in unified communications. Avaya's positioning has affected the way the entire industry develops, markets, sells, purchases and thinks about implementing unified communications software.

Today, Avaya Aura continues to be on top of mind when enterprise session management is discussed. The solution's capabilities continue to be the benchmark by which alternatives are measured. Avaya's early product introductions and continued innovation have earned the company a lasting mindshare as a leader in the UC and session management space.

Conclusion

The most successful vendors demonstrate product differentiation excellence by identifying emerging enterprise requirements and demonstrating continual innovation. These vendors are best positioned to forge the strategic long-term relationships that enterprises need in their transition to end-to-end unified communications capabilities. As such, Frost & Sullivan is proud to recognize Avaya for product differentiation excellence for the company's superior, best practices approach when compared to other competitive market participants.

The CEO 360 Degree Perspective™ - Visionary Platform for Growth Strategies

The CEO 360 Degree Perspective™ model provides a clear illustration of the complex business universe in which CEOs and their management teams live today. It represents the foundation of Frost & Sullivan's global research organization and provides the basis on which companies can gain a visionary and strategic understanding of the market. The CEO 360 Degree Perspective™ is also a "must-have" requirement for the identification and analysis of best-practice performance by industry leaders.

The CEO 360 Degree Perspective™ model enables our clients to gain a comprehensive, action-oriented understanding of market evolution and its implications for their companies' growth strategies. As illustrated in Chart 5 below, the following six-step process outlines how our researchers and consultants embed the CEO 360 Degree Perspective™ into their analyses and recommendations.

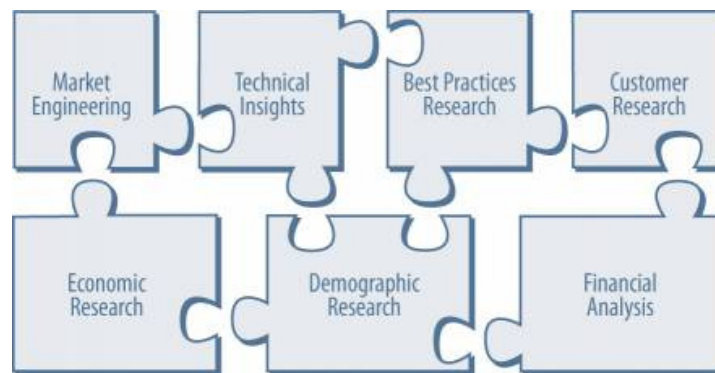
Chart 5: How the CEO's 360 Degree Perspective™ Model Directs Our Research



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 6: 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>.