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Frost Radar™: SD-WAN Infrastructure, 2025

A Benchmarking System to Spark Companies to Action - Innovation That Fuels New Deal Flow and Growth Pipelines

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Contents

Section	Slide Number
Strategic Imperative and Growth Environment	4
Frost Radar™: SD-WAN Infrastructure	9
Companies to Action	13
• Cisco Systems	14
• Citrix Systems	17
• Ericsson NetCloud SASE	20
• Fortinet	23
• HPE Aruba Networking	26
• Nuage Networks	29
• Palo Alto Networks	32
• VeloCloud	35
• Versa	38

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Contents (continued)

Section	Slide Number
Best Practices & Growth Opportunities	41
Frost Radar™ Analytics	44
Next Steps: Leveraging the Frost Radar™ to Empower Key Stakeholders	47
• Significance of Being on the Frost Radar™	48
• CEO's Growth Team	49
• Investors	50
• Customers	51
• Board of Directors	52
Next Steps	53
Legal Disclaimer	54

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Strategic Imperative and Growth Environment

Strategic Imperative

- Companies are prioritizing productivity and superior end-user experiences, which is driving investments in cloud computing, artificial intelligence (AI), machine learning (ML), robotics, the internet of things (IoT), and augmented/virtual reality. As these digital ecosystems become more complex and decentralized, network transformation is no longer a technical upgrade; it is an imperative. However, to fully realize the potential of these innovations, organizations must rethink their network architectures.
- A key enabler of this transformation is software-defined wide area networking (SD-WAN), which provides flexible, secure, and application-aware connectivity at the network edge. SD-WAN facilitates the convergence of networking and security functions, allowing enterprises to respond to dynamic business requirements without compromising performance or control.
- Importantly, SD-WAN serves as the gateway to secure access service edge (SASE) architectures. By integrating SD-WAN with cybersecurity capabilities, such as secure web gateways (SWG), zero trust network access (ZTNA), cloud access security brokers (CASB), and firewall-as-a-service (FWaaS), organizations can centralize policy enforcement and streamline network operations. These functionalities are increasingly managed through cloud-based software platforms, enabling simplified deployment, optimized cost structures, and improved application performance across distributed environments.
- Networking vendors had commonly operated through a broad ecosystem of resellers, distributors, system integrators, value-added resellers (VARs), and managed service providers (MSPs). In this model, hardware was the central product, and the market was largely commoditized, requiring limited specialization or differentiation across channels. The emergence of software-defined networking solutions has fundamentally altered this dynamic, shifting the value proposition toward software, services, and integration capabilities. The traditional “box-selling” model in which resellers simply pass along products without adding value is rapidly losing relevance.

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Strategic Imperative (continued)

- The SD-WAN industry has experienced a significant transformation over the past five years, largely fueled by a wave of mergers and acquisitions that have allowed traditional networking vendors to rapidly incorporate innovative capabilities developed by agile start-ups, accelerating their transition to software-centric and cloud-native architectures.
- As enterprises pursue comprehensive digital transformation strategies spanning LAN, WAN, cloud, edge computing, and cybersecurity, the consolidation trend is reshaping the competitive landscape, concentrating market power among a smaller group of large players with broader portfolios and deeper integration capabilities. The result is a more intensely competitive environment in which differentiation is based on the ability to offer end-to-end platforms that combine connectivity, security, observability, and automation.
- Given the complexity of deploying and managing SD-WAN and SASE solutions, vendors are now investing in channel enablement. This includes training, certification programs, and co-managed service models that empower partners to deliver end-to-end solutions—not just products. The shift also reflects a broader trend toward managed services, where partners take on operational responsibilities and deliver outcomes aligned with customer business goals.

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Growth Environment

- Findings from Frost & Sullivan's 2024 Global Network Services Survey indicate that 42% of organizations have implemented or are currently deploying their first SD-WAN project, with an additional 28% planning to adopt the technology within the next two years. This suggests a strong upward trend in SD-WAN adoption, highlighting its ongoing relevance and growth potential, even as a mature solution. In comparison, 26.6% of respondents report having deployed or currently deploying SASE. This discrepancy indicates that although SASE is gaining traction, SD-WAN remains a foundational step for many organizations moving toward integrated networking and security architectures. Indeed, 38.8% of organizations identify SD-WAN as the most critical component in their SASE deployments.
- As enterprise networks become more distributed and cloud-centric, organizations are prioritizing architectures that offer centralized management, analytics, and visibility across local (LAN/WLAN) and wide-area (SD-WAN) domains. This convergence is not merely a technical preference, but reflects a strategic imperative to simplify operations, enhance security, and improve the end-user experience.
- The software-defined layer of networking plays a pivotal role in this transformation. It enables granular visibility into device behavior, application performance, and user experience, which is essential for aligning network operations with business outcomes. In industries such as retail, hospitality, and healthcare, location-based and proximity-aware metrics, enabled by LAN/WLAN analytics, are becoming essential for operational efficiency and customer engagement. From a procurement perspective, vendors that offer SD-Branch or unified SD-WAN platforms combining LAN, WLAN, WAN, and security under a single management console are favored.

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Growth Environment (continued)

- The same Frost & Sullivan survey found that 81.6% of organizations prefer to deploy SD-WAN through managed service models. The shift toward managed SD-WAN is more than a delivery preference: it's a structural change in how enterprises consume network infrastructure. Vendors that fail to align with this model risk losing relevance, while those that invest in robust partner ecosystems are better positioned to capture long-term value in the evolving SD-WAN and SASE landscape.
- Network observability tools have become essential in modern SD-WAN deployments, evolving from basic monitoring solutions to platforms that deliver real-time, AI-driven insights across hybrid and multicloud environments. These tools now play a critical role in aligning network performance with business outcomes, enabling proactive issue resolution, enhanced security, and operational agility.
- The concept of a self-protecting network is gaining traction in SD-WAN architectures, driven by the integration of AI and ML. In an era where AI is reshaping threats and defenses, leveraging these technologies for network security is no longer optional; it's a strategic necessity. SD-WAN vendors are increasingly embedding AI/ML capabilities to enable intent-based networking, which automates routine operational tasks, enforces dynamic policies, monitors performance against defined benchmarks, and proactively identifies and mitigates anomalies.
- This evolution aligns with broader trends in SASE frameworks, where security is not an add-on but a core architectural principle. SASE platforms are expanding their scope to incorporate advanced capabilities, such as universal ZTNA, DSPM, and XRP. These additions reflect a shift toward context-aware, adaptive security models that can respond to increasingly complex threat landscapes and distributed work environments.

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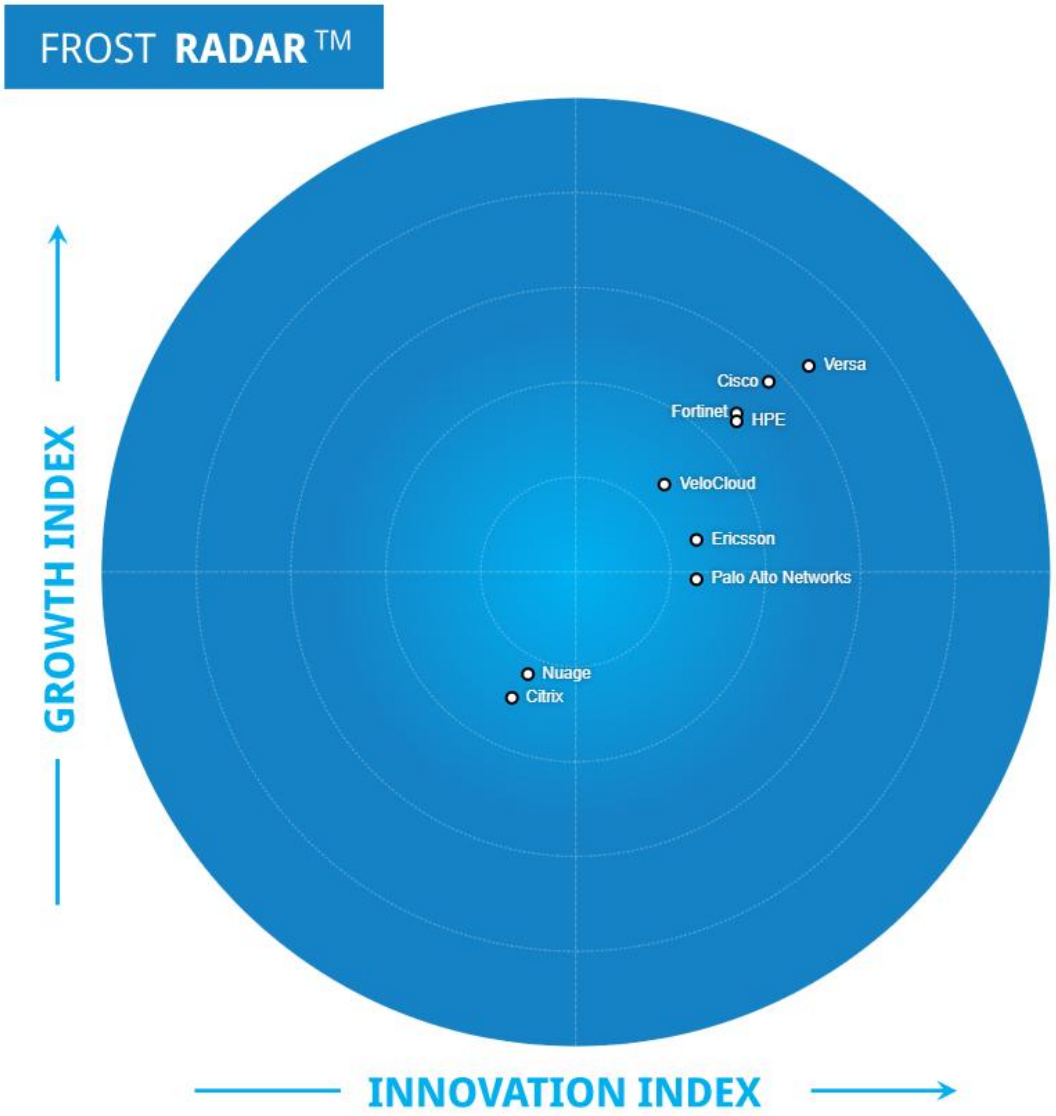
Frost Radar™: SD-WAN Infrastructure

Frost Radar™: SD-WAN Infrastructure



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Frost Radar™ Competitive Environment

- The global SD-WAN market has experienced significant consolidation in recent years, driven by acquisitions and strategic realignments. This trend reduces fragmentation but also signals a clear shift toward platform-based models that integrate networking, security, and cloud services under unified architectures. Despite this consolidation, the market still features more than 15 active vendors, including native SASE platforms and highly specialized niche offerings. The nine companies mapped on the Frost Radar™ offer well-rounded solutions. Vendors are primarily assessed on core SD-WAN capabilities, while complementary functions, such as security, WAN optimization, and advanced routing, remain important differentiators.
- Versa is the Frost Radar™ Growth and Innovation Index leader because of the completeness of its offering and its large installed base. The core of Versa's solution is VersaONE, which serves as a unified platform that integrates switching, routing, SD-WAN, security, SASE capabilities, a kernel-based virtual machine (KVM) hypervisor, and multitenancy, all in a single software stack.
- In recent years, Frost Radar™ standout Cisco has made significant strides in streamlining its product portfolio, focusing on simplification and tighter integration across its networking and security offerings. This culminated in the delivery of a true, single-vendor SASE solution, positioning Cisco to satisfy enterprise demands for cohesive, scalable, and secure infrastructure. Traditionally recognized as a global leader in networking, Cisco has also demonstrated strong performance in the SD-WAN market, reinforcing its role as a top-tier provider.
- Fortinet's strength is supported in the completeness of its offering and the widespread adoption of its FortiGate platform. By embedding SD-WAN, security, and routing capabilities into a single appliance or virtual machine, Fortinet delivers an integrated solution that resonates with small and midsize businesses (SMBs), where simplicity, cost efficiency, and consolidated management factor into decisions.

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Frost Radar™ Competitive Environment (continued)

- HPE Aruba Networking has experienced strong growth in recent years, driven by strategic acquisitions that have expanded and strengthened its portfolio. This is reflected in its solid market performance, leveraging its ability to deliver integrated LAN, WAN, and cloud networking solutions and compete effectively in the global enterprise space.
- VeloCloud remains one of the leading SD-WAN providers in terms of deployed sites and revenue. In recent years, it has been acquired several times, which has somewhat diluted its focus in this space. Frost & Sullivan anticipates that the recent acquisition by Arista will reinvigorate VeloCloud's market positioning and help the company to regain leadership in the market.
- Palo Alto Networks' Frost Radar™ position reflects strong innovation capabilities. While its core focus is security rather than networking, it still offers solid features in that area. In terms of growth, Palo Alto Networks targets large enterprises primarily in North America, which limits its positioning in this globally oriented analysis.
- Nuage Networks and Citrix's Frost Radar™ positions are based on their past performance in the SD-WAN market. Both companies have announced the discontinuation of their services, which has led to a lack of recent innovation and weak market performance.

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Frost Radar™: Companies to Action

Cisco Systems

INNOVATION

- Cisco has strengthened its portfolio by delivering deeper integration with numerous solutions and functions. A key example is the integration of Cisco SD-WAN with Cisco Secure Access, which simplifies IT operations and enhances security by applying zero trust principles, enabling a robust SASE architecture.
- Cisco is driving innovation with its vision for universal ZTNA, designed to deliver a simplified, end-to-end architecture that ensures a consistent user experience and distributed policy enforcement. By integrating the Cisco Networking Cloud with the Cisco Security Cloud, the company enables customers to define centralized policies and seamlessly enforce them across distributed environments. The solution also provides assurance and observability through federated analytics, ensuring secure access for users across branches, campuses, data centers, and multicloud environments.
- With AIOps, Cisco is transforming Day 2 operations by proactively optimizing network and application performance to maximize efficiency. Key innovations include predictive path recommendations and an AI networking assistant that help teams resolve issues before they impact users. The platform also accelerates problem-solving with root cause analysis, reducing MTTR while enabling advanced use cases, such as AI/ML-based forecasting, capacity planning, and anomaly detection.

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Cisco Systems (continued)

GROWTH

- Cisco is a leader in the SD-WAN/SASE market because of its extensive installed base of routers and security devices with enterprise clients.
- Cisco had a strong Q4 FY 2025, which ended July 27, 2025. The quarterly earnings report showed total revenue of $56.7 billion, up 5% year over year. Networking contributed $28.3 billion, while security reached $8.1 billion (up 59%), driven by Splunk and SASE offerings. While Cisco does not break down revenue by individual product categories, these figures suggest robust performance FY 2025 in key areas, such as SD-WAN and SASE, underscoring the company's leadership in secure and scalable networking solutions.
- The new Cisco 360 Partner Program is set to take effect in February 2026. This initiative represents a strategic evolution in how Cisco collaborates with its partner ecosystem to create, deliver, and capture value in the age of AI. The program is built on three core pillars—simplification, elevation, and integration—that aim to reduce operational friction, enhance partner capabilities, and foster deeper collaboration across the ecosystem.

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Cisco Systems (continued)

FROST PERSPECTIVE

- Frost & Sullivan believes one of Cisco's greatest business strategy achievements of the past year was streamlining its portfolio and providing simplicity. This initiative has reduced complexity and enhanced clarity and operational efficiency for customers and partners. By streamlining offerings, Cisco has aligned its portfolio more closely with evolving enterprise needs, enabling faster decision-making and smoother implementation across diverse IT environments. A prime example of this strategic shift is Cisco Secure Access, which plays a pivotal role in enabling a robust SASE architecture.
- Cisco has long operated as a partner-led organization, and while the upcoming Cisco 360 Partner Program has clear strategic intent, it also presents a significant operational challenge. Despite a transition period of more than 18 months leading up to its launch in early 2026, the task of maintaining alignment across a vast and diverse partner ecosystem remains complex. Cisco must navigate the tension between standardization and flexibility, creating a unified framework that supports AI-driven transformation while still accommodating the varied capabilities, market focuses, and maturity levels of its global partner base.

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Source: Frost & Sullivan

Citrix Systems

INNOVATION

- Citrix's SD-WAN solution consists of two key components: Citrix SD-WAN Orchestrator, a cloud-hosted service that offers multitenant administration to end users and partners so that they can manage many customers with a single pane of glass and role-based access controls; and Citrix SD-WAN Platforms, which are available as virtual, branch, home, and data center appliances.
- As customers look to integrate networking and security, Citrix in 2021 launched Secure Internet Access, a cloud-delivered security solution integrated with its SD-WAN and Secure Workspace Access to deliver a unified SASE solution. Secure Internet Access includes the CASB, SWG, firewall, malware protection, data loss prevention, and sandboxing, which form an integral part of Citrix's cloud-delivered security stack.
- Citrix SD-WAN offers security capabilities through partnerships with Zscaler and Check Point; the company announced security features integrated into its edge appliances (firewall, web filtering, antivirus, malware detection, and intrusion prevention and detection systems) to support web or internet security.

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Citrix Systems (continued)

GROWTH

- Citrix SD-WAN has a scheduled end-of-life date of Dec. 31, 2025. This means that after this date, Citrix will no longer offer support or maintenance for the product.

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Citrix Systems (continued)

FROST PERSPECTIVE

- With Citrix officially ending support for its SD-WAN product line. Frost & Sullivan expects Citrix SD-WAN's customers to migrate to other platforms. Although Citrix's SD-WAN customer base is relatively modest, this transition presents a strategic opportunity for other vendors to accelerate adoption of its SD-WAN solutions.

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Source: Frost & Sullivan

Ericsson

INNOVATION

- Ericsson offers NetCloud SASE, a unified solution that integrates cellular-optimized SD-WAN and security tailored for dynamic and distributed environments, such as mobile sites, vehicles, IoT deployments, remote workforces, and branch environments. Built with 5G and LTE in mind, it leverages advanced capabilities, such as traffic steering and network slicing, to maintain performance as networks evolve. Its zero trust foundation, called Secure Connect, is deployable in minutes and includes IP obfuscation, default-deny policies, and lateral traffic blocking, effectively reducing exposure and limiting attack surfaces. By combining agility, security, and simplicity, NetCloud SASE is a strategic enabler for organizations navigating digital transformation in increasingly mobile and complex operational contexts.
- Ericsson embeds AI capabilities into its NetCloud Manager platform to improve network visibility and operational efficiency. Through an AIOps dashboard, the system identifies baseline traffic patterns across customer environments and flags anomalies, providing root cause analysis and actionable remediation steps before performance issues escalate. This proactive approach reduces downtime and improves service reliability.
- In parallel, Ericsson is advancing its use of generative AI in NetCloud Manager with a virtual expert trained on technical documentation and enriched by access to a data lake. The assistant delivers personalized responses based on the customer's network context and product knowledge. The company reports that in upcoming releases, it will be able to interpret administrator intent (e.g., "I need high availability for my POS system") and recommend SD-WAN policies accordingly. It will also generate visual outputs, such as graphs and charts, beyond the standard dashboards, supporting more intuitive decision-making.

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Ericsson (continued)

GROWTH

- Ericsson developed NetCloud, a cloud-based network management and orchestration platform, to address the growing demand for agile, wireless WAN solutions. This move aims to reinforce Ericsson's position in the rapidly expanding 5G enterprise market. By leveraging its deep expertise in mobile networks, Ericsson is well positioned to capitalize on the increasing need for connectivity across branches, vehicles, and IoT environments. The solution has approximately 3 million routers and adapters under subscription, signaling strong market traction and a scalable foundation for future growth.
- While Ericsson does not break out revenue figures for its specific solutions, its Enterprise Wireless Solutions business area (formerly Cradlepoint), which includes wireless WAN routers and adapters, as well as private cellular networks, provides useful context. According to Ericsson's 2024 annual earnings report, the business unit reached $520 million (SEK 4.9 billion), reflecting a 17% year-over-year growth. Even without granular reporting, the business unit's growth trajectory showcases Ericsson's potential in supporting mobile-driven digital infrastructure.

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Ericsson (continued)

FROST PERSPECTIVE

- Ericsson's SASE solution, which includes NetCloud SD-WAN, demonstrates a technically solid and well-integrated approach to addressing connectivity and security needs in wireless environments. The company has gained notable traction in vehicular connectivity and mobile device networking—areas where traditional fixed infrastructure is insufficient. Its main focus areas are the public sector and retail, reflecting a strategic alignment with industries that demand scalable, secure, and mobile-first solutions.
- Although specific adoption metrics are not publicly disclosed, the positive market reception and continued investment in wireless-centric capabilities suggest a clear strategic direction. Frost & Sullivan recognizes Ericsson’s ability to deliver robust solutions and maintain relevance in verticals where mobility, decentralization, and operational resilience are increasingly important.
- Historically, most leading SD-WAN providers have focused their development efforts on traditional, fixed-site deployments, leaving wireless-centric use cases (Ericsson’s primary market) relatively underserved. However, this is beginning to shift. Several vendors are now introducing features that address mobile and wireless environments, signaling a gradual increase in competitive pressure in the wireless SD-WAN segment.
- As the market evolves, Ericsson will need to reinforce its strategic positioning to maintain leadership. This includes deepening its differentiation through specialized capabilities with vertical-specific requirements (e.g., public sector, transportation, and retail). Ericsson’s infrastructure expertise as well as expansion of AI-driven automation could be key levers to sustain its competitive edge.

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Fortinet

INNOVATION

- FortiGate's architecture is built on two purpose-designed, application-specific chips: one dedicated to security and the other to advanced networking. This hardware foundation enables Fortinet to deliver high-performance SD-WAN capabilities alongside robust security functions.
- While Fortinet's core strength remains in cybersecurity, the FortiGate platform also incorporates a comprehensive routing stack, application performance optimization, and native ZTNA access proxy. These features, offered without additional licensing costs, reflect a strategic approach to consolidating networking and security, reducing operational overhead, and enhancing infrastructure efficiency.
- Its commitment to innovation is exemplified by the launch of FortiAI. FortiAI Assist, a GenAI assistant, enables IT teams to centrally manage and orchestrate SD-WAN infrastructure in a unified cybersecurity framework. By embedding AI-driven support across Day 0 to Day 2 operations, including visualization, configuration, advisory, and troubleshooting, Fortinet aims to reduce operational complexity, accelerate deployment cycles, and enhance decision-making across network and security domains.
- Fortinet's SASE strategy centers on a single-vendor model, reflecting a deliberate effort to streamline integration and reduce complexity across networking and security domains. In 2023, Fortinet launched FortiSASE to consolidate SD-WAN and cloud-delivered security services, including SWG, universal ZTNA, CASB, and FWaaS, into a unified platform. Operating on a single OS (FortiOS) and managed through a single agent (FortiClient), this architecture simplifies deployment and lifecycle management while enabling consistent policy enforcement and operational efficiency across distributed environments.

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Fortinet (continued)

GROWTH

- Fortinet delivered solid performance in Q2 FY 2025, which ended June 30, 2025, reporting total revenue of $1.63 billion, representing 14% growth from the same period of FY 2024. Unified SASE billings grew 21% over the same period and now account for 24% of all billings, reflecting sustained demand for integrated, cloud-delivered security solutions.
- In 2024, Fortinet gained traction in the managed SD-WAN arena by adding new partners, including large telcos, such as Colt, Vodafone, Etisalat, and Claro.
- Fortinet has experienced significant growth in recent years, largely driven by its strategic focus on secure SD-WAN and its ability to consolidate multiple network and security functions into a single hardware appliance or virtual machine. This approach is particularly attractive to SMBs, which often face resource constraints and require simplified, cost-effective solutions. By offering its FortiGate appliance that combines firewall, SD-WAN, routing, and advanced threat protection, Fortinet reduces complexity and total cost of ownership—important considerations for SMBs seeking enterprise-grade capabilities without the overhead.

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Fortinet (continued)

FROST PERSPECTIVE

- Fortinet has built a large and loyal customer base, with a significant portion being SMBs. These organizations are typically cost-sensitive and seek solutions that balance performance, simplicity, and affordability. Fortinet's ability to deliver secure SD-WAN and next-generation firewall reduces complexity and lowers costs. Frost & Sullivan believes this strategy will continue to drive Fortinet's growth in the coming years, especially because many SMBs have yet to migrate to SD-WAN and are likely to do so in the next three years.
- As cloud adoption accelerates, the relevance of SASE architectures continues to grow. Fortinet is positioned to capitalize on this shift, especially given companies' preference for unified solutions from a single vendor.

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HPE Aruba Networking

INNOVATION

- HPE Aruba Networking continues to drive innovation through strategic acquisitions. In 2023, it acquired Axis Security, a leading cloud security provider. In January 2024, HPE announced its intent to acquire Juniper Networks to accelerate AI-driven innovation; by June 2025, the companies reached a settlement agreement with the US Department of Justice that cleared the path for the acquisition to proceed.
- HPE is actively showcasing its integrated secure networking portfolio, built on the combined strengths of HPE Aruba Networking and Juniper solutions.
- HPE Aruba Networking continues to advance its AIOps capabilities to enhance network performance, security, and operational efficiency. In August 2025, HPE introduced SASE Copilot for EdgeConnect, which leverages AI to deliver real-time, actionable insights, automatically identifying open ports, unpatched systems, and potential security gaps while continuously monitoring network activity. The AI-powered assistant streamlines troubleshooting, automates diagnostics, and supports faster decision-making, allowing IT teams to focus on strategic initiatives.
- HPE Aruba Networking Central has expanded its zero trust enforcement and observability features, integrating with Juniper and third-party devices to provide granular policy control and risk-based visibility across heterogeneous environments.

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HPE Aruba Networking (continued)

GROWTH

- The Juniper Networks acquisition broadens HPE Aruba Networking's market reach and creates new opportunities to upsell advanced SD-WAN solutions across a significantly larger installed base. This will help solidify HPE's growth momentum, which is already reflected in its financial performance. The Intelligent Edge business unit, which includes networking services, reported an 8% year-over-year revenue increase in Q1 2025. SaaS offerings in this category experienced double-digit growth, driven by the strong performance of HPE Aruba Networking Central software and services. This growth underscores the demand for secure, AI-native networking solutions and validates HPE's strategy of integrating complementary technologies to drive cross-selling and deepen customer engagement.
- HPE Aruba Networking's announcement of a unified partner program reflects a strategic shift toward simplification, scalability, and ecosystem alignment across the broader HPE portfolio. By consolidating multiple legacy programs into a single, streamlined framework, HPE aims to reduce friction in partner engagement, improve operational efficiency, and foster deeper collaboration. The phased rollout, starting Nov. 1, 2025, signals a deliberate approach to change management, allowing partners to adapt progressively while benefiting from enhanced support, flexible participation models, and clearer value propositions. Strategically, this move positions HPE to strengthen its channel relationships, accelerate go-to-market execution, and better align partner incentives with emerging growth areas, such as AI-native networking, edge computing, and secure connectivity.

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HPE Aruba Networking (continued)

FROST PERSPECTIVE

- HPE Aruba Networking is actively pursuing portfolio expansion through targeted acquisitions. Recent acquisitions have positioned the company to integrate advanced AI-driven networking capabilities while simultaneously introducing an SSE offering. A comprehensive SASE solution from a single vendor is an increasingly attractive proposition for organizations seeking simplified operations, reduced vendor sprawl, and improved interoperability. While this consolidation strategy aligns well with market demand, Frost & Sullivan believes HPE Aruba Networking's true competitive advantage lies in its deep expertise in WLAN and its ability to embed AI to enhance performance, automation, and user experience.
- HPE Aruba Networking's new partner program aims to simplify operations and replace outdated structures, which makes sense given the company's recent acquisitions. Bringing all partners into a single, unified system is a smart move to improve consistency and efficiency. However, Frost & Sullivan believes HPE Aruba Networking should pay closer attention to MSPs. SD-WAN adoption is mainly driven by managed services, and compared with its main competitors, HPE Aruba Networking seems less active in building strong MSP partnerships. Focusing more on MSPs could help the company accelerate SD-WAN growth and strengthen its position in a market that is increasingly service-driven.

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Nuage Networks

INNOVATION

- Nuage SD-WAN and software-defined network products and solutions remain available, but the company has ceased active product development, focusing solely on updates to existing solutions. In June 2024, Nokia, Nuage's parent company, officially discontinued Nuage certification and examination programs, following the closure of its development lab in 2022.
- Nuage Networks delivers SD-WAN solutions through its proprietary virtualized services platform (VSP), which is built to support both public and private clouds.
- Nuage's embedded security capabilities include stateful firewall, URL/Web filtering, layer 7 ACLs, and intrusion prevention and detection systems. Its approach to SASE relies on partnerships. Options include Nuage SD-WAN solutions integrated with SASE from a third-party cloud security vendor or SASE via a communication services provider cloud or Nokia SASE point of presence. With the third-party cloud option, Nokia has pre-integrated the managed SD-WAN platform with cloud-based SASE offerings from Check Point Harmony, Palo Alto Prisma, and Zscaler.

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Nuage Networks (continued)

GROWTH

- Nuage's VSP supports a multitenant architecture, with more than 2,000 customer deployments across enterprise clients.
- Nuage's go-to-market strategy included sales through service providers and direct to enterprises. The company has seen immense success in Europe, the Middle East, and Africa through communications service provider partners, such as BT, Telefonica, Telia, Etisalat, China Telecom, China Mobile, Globe, and Exponential-e.

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Source: Frost & Sullivan

Nuage Networks (continued)

FROST PERSPECTIVE

- Although Nuage Networks has not fully ceased operations, a brand resurgence is unlikely. In fact, many MSPs that had offered Nuage-based solutions are now migrating to alternative platforms that continue to evolve and innovate.

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Palo Alto Networks

INNOVATION

- Palo Alto Networks has adopted a unified, single-vendor SASE architecture by integrating Prisma SD-WAN and Prisma Branch with a comprehensive suite of security capabilities, including ZTNA 2.0, next-generation CASB, autonomous digital experience management, and AIOps for SASE. This streamlines operations, enhances visibility, and improves performance across distributed environments, positioning Palo Alto to satisfy the demand for secure and scalable edge connectivity.
- One of Palo Alto Networks' latest innovations is Prisma™ AIRS, a comprehensive, AI-driven security platform designed to safeguard every layer of the enterprise AI ecosystem, from models and data to applications and agents. This reflects Palo Alto's commitment to addressing emerging risks in AI environments and positions the company to lead in securing next-generation digital infrastructures.
- The company's CloudBlades platform allows businesses to enable cloud-delivered infrastructure for the network (SD-WAN), security, collaboration, multicloud access, and operational tools. This is achieved by the customer premises equipment.(CPE) software at the branch, allowing API-based integration directly without additional components.

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Palo Alto Networks (continued)

GROWTH

- Palo Alto Networks continues to execute a partner-led go-to-market strategy for its SD-WAN and SASE offerings, leveraging a global ecosystem that includes VARs, master service agents, and MSPs. Key partners AT&T, Orange Business, AVANT, AHEAD, Telarus, Intelisys, Wipro, and Promark contribute to its reach and scalability. While North America still accounts for approximately 80% of revenue, the company is actively expanding its international footprint through enhanced channel programs and marketplace initiatives.
- In FY 2025, which ended July 31, 2025, Palo Alto Networks' SASE portfolio achieved 36% year-over-year growth in annual recurring revenue—more than doubling the market average of 17%. By the end of the fiscal year, the company served more than 6,000 active SASE customers, representing a 22% increase compared to the previous year. While Palo Alto Networks does not report SD-WAN revenue separately from its broader SASE portfolio, Frost & Sullivan's analysis suggests that it is not a market leader in the SD-WAN space. However, the company's strong reputation in cybersecurity, and particularly in SASE, has positively influenced its SD-WAN adoption. This indicates that security-led differentiation remains a key driver of growth, even in areas where the company lacks stand-alone product leadership.

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Palo Alto Networks (continued)

FROST PERSPECTIVE

- Palo Alto Networks has a solid reputation in the security field. It is positioning SD-WAN as a vital piece of a more comprehensive security solution. With its integrated security features, Prisma SD-WAN is well positioned to tap into opportunities in the secure SD-WAN or SASE market.
- Prisma SD-WAN is primarily focused on the high-end US enterprise market, but there is a clear opportunity to expand into large segments, such as the mid-market, and international regions, such as Europe and Asia. To capitalize on this potential, Palo Alto should strengthen its partnerships with MSPs and VARs for greater scalability and reach, particularly in Asia, where demand for integrated security and networking solutions is accelerating.

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Source: Frost & Sullivan

VeloCloud

INNOVATION

- VeloCloud has been in a transitional period because of recent acquisitions, which has temporarily slowed its pace of innovation. However, its integration into Arista Networks is expected to reinvigorate product development.
- VeloCloud SD-WAN is a SaaS solution that incorporates three main components: the VeloCLoud SD-WAN Edge, available as virtual or physical appliances; VeloCloud SD-WAN Orchestrator, the central management platform for configuration and management; and VeloCloud SD-WAN Gateway, a multitenant appliance hosted by VeloCloud in the cloud or deployed by service providers in their network to provide optimized data paths to applications. These gateways are distributed across more than 200 global points of presence.
- VeloCloud has developed a comprehensive, single-vendor SASE solution, including a single management platform for SD-WAN, advanced routing, AIOps, edge compute, ZTNA, URL filtering, SWG, CASB, DLP, and FWaaS. VMware SD-WAN offers integration and orchestration with the following cloud security partners: Zscaler, Symantec, Palo Alto Networks, Check Point, and Netskope.

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VeloCloud (continued)

GROWTH

- VeloCloud was an early innovator in the SD-WAN space, quickly establishing itself as a market leader through its differentiated technology and forward-looking approach. Its acquisition by VMware in 2017 was a pivotal moment, enabling broader market penetration and the development of a robust SASE portfolio. However, VMware's subsequent acquisition by Broadcom in 2023 introduced strategic misalignment as Broadcom deprioritized further investment in VeloCloud, resulting in a period of limited growth and innovation. In 2025, VeloCloud was acquired by Arista, a move that Frost & Sullivan expects will reinvigorate the brand and drive renewed momentum in its growth trajectory.
- VeloCloud maintains a leading position in the global SD-WAN market, both in terms of site deployments and revenue generation. Its extensive partner ecosystem, comprising MSPs, VARs, system integrators, and more than 290 telecom operators, continues to be a key enabler of its scalable go-to-market strategy and global reach.

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VeloCloud (continued)

FROST PERSPECTIVE

- Arista's recent acquisition of VeloCloud is a pivotal moment for the two companies and the broader SD-WAN ecosystem. The move signals Arista's intent to deepen its presence in the enterprise networking market by integrating VeloCloud's advanced SD-WAN and SASE capabilities with its robust switching and routing portfolio. The synergy between Arista's infrastructure strengths and VeloCloud's cloud-native architecture is expected to yield a more cohesive and scalable solution set, enhancing operational efficiency and customer experience. Frost & Sullivan anticipates that will lead to renewed innovation and enhanced competitiveness in the SD-WAN and SASE markets over the coming months.
- VeloCloud has strategically aligned its SD-WAN offering with a single-vendor SASE approach, positioning VeloCloud SD-WAN as a foundational element of a unified management framework. The integrated architecture enhances operational efficiency and simplifies service delivery, making it well suited for continued market expansion.
- VeloCloud remains a preferred solution for SD-WAN service providers—an important advantage given the accelerating shift toward managed service adoption for SD-WAN and SASE. To sustain momentum, VeloCloud should reinforce this strategy and invest in strengthening its partner channels.

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Versa

INNOVATION

- In 2025, the company articulated a future in which fragmented network and security tools are replaced by integrated platforms that are secure by design, context-aware, and capable of adapting to dynamic network conditions. To achieve this, Versa launched VersaONE in early 2025. This serves as a unified platform that integrates switching, routing, SD-WAN, security, SASE capabilities, a KVM hypervisor, and multitenancy in a single software stack. The design enables flexible deployment across on-premises and cloud environments, supporting diverse enterprise and service provider use cases.
- Versa is advancing its AI strategy through the development of VersaAI, a framework that extracts actionable insights from its platform by leveraging a comprehensive dataset spanning the entire infrastructure. This enables enhanced network and security performance, secure GenAI capabilities, and real-time threat detection.
- To address emerging risks associated with GenAI, Versa introduced the Versa GenAI Firewall, which proactively limits shadow AI usage, reducing the attack surface and managing exposure to unvetted applications. It provides organizations with visibility and control over GenAI consumption, assessing application risk, enforcing access policies, and preventing unauthorized data movement.

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Versa (continued)

GROWTH

- Versa has experienced rapid growth in recent years, surpassing 33,000 SD-WAN customers in 2025. The company has consistently achieved double-digit growth across its SD-WAN and SASE solutions. In 2024 alone, SD-WAN revenue grew by a solid 20% year over year.
- To support its growth, the company has more than 1,000 partners and 180 communication service providers, including seven of the world's top 10, as well as systems integrators and VARs, and has thousands of enterprise deployments globally.

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Versa (continued)

FROST PERSPECTIVE

- Versa demonstrates strong agility and market responsiveness, consistently delivering innovations ahead of larger competitors. Its recent advancements in GenAI are a clear example of this strategic execution. Frost & Sullivan recognizes that this ability to anticipate and address emerging needs is a key driver of growth and a source of competitive differentiation.
- In parallel, the SD-WAN and SASE markets are becoming increasingly consolidated, with major vendors pursuing acquisitions to expand their portfolios. Despite operating in an environment dominated by large players, Versa maintains its leadership position through focused innovation and a differentiated software-centric approach.
- Versa' integrated platform architecture, where all networking and security functions operate in a single software stack with multitenancy, is a distinctive advantage in the SD-WAN and SASE landscape. This model is particularly relevant for MSPs, which often rely on multivendor environments and face challenges in policy consistency and operational visibility. Frost & Sullivan views Versa's unified approach as a strategic differentiator, enabling simplified policy management and providing consolidated visibility for network operations centers and security operations centers. This reduces operational complexity and enhances service delivery and governance across distributed infrastructures. Frost & Sullivan believes that Versa' platform-based approach will enable the company to maintain its leadership in the SD-WAN market.

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Source: Frost & Sullivan

Best Practices & Growth Opportunities

Best Practices

1. To remain competitive in the evolving SD-WAN market, vendors must align their offerings with enterprise demands for integrated infrastructure solutions. As digital transformation initiatives become more complex and interconnected, the ability to deliver cohesive, interoperable platforms is increasingly important.

2. Mergers and acquisitions remain a strategic lever for portfolio evolution. Leading networking and security vendors increasingly rely on acquisitions to accelerate innovation and fill capability gaps. The consolidation trend is reshaping the competitive landscape, concentrating market influence in fewer companies and expanding their technological breadth.

3. As networks become more complex, automation will be imperative to maintaining performance and security. SD-WAN vendors are embedding AI and ML into their platforms to enable predictive analytics, anomaly detection, and intent-based policy recommendations. These capabilities reduce operational overhead and improve responsiveness.

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Growth Opportunities

1. Enterprises favor managed SD-WAN services over DIY deployments to gain operational and strategic advantages that include access to specialized consulting, streamlined network administration, flexible pricing models, and tailored service-level agreements. To fully capture the market opportunity, SD-WAN vendors must deepen their collaboration with MSPs for a broader reach, faster deployment, and differentiated value delivery across verticals.

2. Network observability in SD-WAN has evolved from basic monitoring to AI-powered platforms that deliver real-time insights. This shift enables proactive issue resolution, stronger security, and alignment with business outcomes. As organizations seek tangible value from their networks, observability becomes a driver of SD-WAN adoption, unlocking significant growth potential for vendors that can deliver measurable impact.

3. Frost & Sullivan expects SASE adoption to accelerate as organizations continue to modernize their digital infrastructure. SD-WAN remains a foundational component in this transition, serving as the initial layer of network transformation. Its ability to optimize connectivity makes it an essential enabler for broader SASE implementation.

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FROST & SULLIVAN

Frost Radar™ Analytics

Frost Radar™: Benchmarking Future Growth Potential 2 Major Indices, 10 Analytical Ingredients, 1 Platform

Growth Index

Growth Index (GI) is a measure of a company's growth performance and track record, along with its ability to develop and execute a fully aligned growth strategy and vision; a robust growth pipeline system; and effective market, competitor, and end-user focused sales and marketing strategies.

GI1

MARKET SHARE (PREVIOUS 3 YEARS)
This is a comparison of a company's market share relative to its competitors in a given market space for the previous 3 years.

GI2

REVENUE GROWTH (PREVIOUS 3 YEARS)
This is a look at a company's revenue growth rate for the previous 3 years in the market/industry/category that forms the context for the given Frost Radar™.

GI3

GROWTH PIPELINE™
This is an evaluation of the strength and leverage of a company's growth pipeline system to continuously capture, analyze, and prioritize its universe of growth opportunities.

GI4

VISION AND STRATEGY
This is an assessment of how well a company's growth strategy is aligned with its vision. Are the investments that a company is making in new products and markets consistent with the stated vision?

GI5

SALES AND MARKETING
This is a measure of the effectiveness of a company's sales and marketing efforts in helping it drive demand and achieve its growth objectives.

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Frost Radar™: Benchmarking Future Growth Potential 2 Major Indices, 10 Analytical Ingredients, 1 Platform (continued)

Innovation Index

Innovation Index (II) is a measure of a company's ability to develop products/ services/ solutions (with a clear understanding of disruptive megatrends) that are globally applicable, are able to evolve and expand to serve multiple markets and are aligned to customers' changing needs.

II1

INNOVATION SCALABILITY
This determines whether an organization's innovations are globally scalable and applicable in both developing and mature markets, and also in adjacent and non-adjacent industry verticals.

II2

RESEARCH AND DEVELOPMENT
This is a measure of the efficacy of a company's R&D strategy, as determined by the size of its R&D investment and how it feeds the innovation pipeline.

II3

PRODUCT PORTFOLIO
This is a measure of a company's product portfolio, focusing on the relative contribution of new products to its annual revenue.

II4

MEGATRENDS LEVERAGE
This is an assessment of a company's proactive leverage of evolving, long-term opportunities and new business models, as the foundation of its innovation pipeline. An explanation of megatrends can be found here.

II5

CUSTOMER ALIGNMENT
This evaluates the applicability of a company's products/services/solutions to current and potential customers, as well as how its innovation strategy is influenced by evolving customer needs.

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Source: Frost & Sullivan

FROST & SULLIVAN

Next Steps: Leveraging the Frost Radar™ to Empower Key Stakeholders

Significance of Being on the Frost Radar™

Companies plotted on the Frost Radar™ are the leaders in the industry for growth, innovation, or both. They are instrumental in advancing the industry into the future.

GROWTH POTENTIAL

Your organization has significant future growth potential, which makes it a Company to Action.

BEST PRACTICES

Your organization is well positioned to shape Growth Pipeline™ best practices in your industry.

COMPETITIVE INTENSITY

Your organization is one of the key drivers of competitive intensity in the growth environment.

CUSTOMER VALUE

Your organization has demonstrated the ability to significantly enhance its customer value proposition.

PARTNER POTENTIAL

Your organization is top of mind for customers, investors, value chain partners, and future talent as a significant value provider.

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Frost Radar™ Empowers the CEO's Growth Team

STRATEGIC IMPERATIVE

- Growth is increasingly difficult to achieve.
- Competitive intensity is high.
- More collaboration, teamwork, and focus are needed.
- The growth environment is complex.

LEVERAGING THE FROST RADAR™

- The Growth Team has the tools needed to foster a collaborative environment among the entire management team to drive best practices.
- The Growth Team has a measurement platform to assess future growth potential.
- The Growth Team has the ability to support the CEO with a powerful Growth Pipeline™.

NEXT STEPS

- **Growth Pipeline Audit™**
- **Growth Pipeline as a Service™**
- **Growth Pipeline™ Dialogue with Team Frost**

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Source: Frost & Sullivan

Frost Radar™ Empowers Investors

STRATEGIC IMPERATIVE

- Deal flow is low and competition is high.
- Due diligence is hampered by industry complexity.
- Portfolio management is not effective.

LEVERAGING THE FROST RADAR™

- Investors can focus on future growth potential by creating a powerful pipeline of Companies to Action for high-potential investments.
- Investors can perform due diligence that improves accuracy and accelerates the deal process.
- Investors can realize the maximum internal rate of return and ensure long-term success for shareholders
- Investors can continually benchmark performance with best practices for optimal portfolio management.

NEXT STEPS

- **Growth Pipeline™ Dialogue**
- **Opportunity Universe Workshop**
- **Growth Pipeline Audit™ as Mandated Due Diligence**

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Source: Frost & Sullivan

Frost Radar™ Empowers Customers

STRATEGIC IMPERATIVE

- Solutions are increasingly complex and have long-term implications.
- Vendor solutions can be confusing.
- Vendor volatility adds to the uncertainty.

LEVERAGING THE FROST RADAR™

- Customers have an analytical framework to benchmark potential vendors and identify partners that will provide powerful, long-term solutions.
- Customers can evaluate the most innovative solutions and understand how different solutions would meet their needs.
- Customers gain a long-term perspective on vendor partnerships.

NEXT STEPS

- **Growth Pipeline™ Dialogue**
- **Growth Pipeline™ Diagnostic**
- **Frost Radar™ Benchmarking System**

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Source: Frost & Sullivan

Frost Radar™ Empowers the Board of Directors

STRATEGIC IMPERATIVE

- Growth is increasingly difficult; CEOs require guidance.
- The Growth Environment requires complex navigational skills.
- The customer value chain is changing.

LEVERAGING THE FROST RADAR™

- The Board of Directors has a unique measurement system to ensure oversight of the company's long-term success.
- The Board of Directors has a discussion platform that centers on the driving issues, benchmarks, and best practices that will protect shareholder investment.
- The Board of Directors can ensure skillful mentoring, support, and governance of the CEO to maximize future growth potential.

NEXT STEPS

- **Growth Pipeline Audit™**
- **Growth Pipeline as a Service™**

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Source: Frost & Sullivan

Next Steps

JOIN:
Growth Council

APPLY:
Companies to Action

ENGAGE:
Growth Dialog

PARTICIPATE:
Growth Council Think Tank

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Does your current system support rapid adaptation to emerging opportunities?

Source: Frost & Sullivan

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