E-GUIDE

The Digital Transformation Advantage.

Why connectivity is the foundation for digital success.

What is Digital Transformation?

Digital transformation isn't just another enterprise technology trend—it's a whole new way of solving problems that have plagued businesses for decades. Those that are embracing and driving digital transformation are solving their challenges faster and gaining a whole host of capabilities that set them apart from their competitors.

Digital transformation is big business. IDC predicts that total spending on digital transformation technologies in 2018 will top $1.3 trillion[1], and over 40 percent[2] of companies report having a dedicated digital transformation team in place.

There are various motivations for undergoing digital transformation, but usually, organisations consider this strategy for one or more of the following reasons:

To help **meet the expectations of an increasingly digital customer base** by transforming customer-facing systems and applications to deliver a higher standard of digital experience

Streamlining internal day-to-day activities using new tools and capabilities such as automation to free up vital business resources

Improving their bottom line with cost and time savings by reducing the volume of resources needed to maintain optimal operations

Enabling rapid scalability across global markets by switching to digital operations that are naturally easier to scale and duplicate across multiple global markets

Generating revenue opportunities through product innovation and data-driven customer engagement

Creating a digital-first culture that people love where everyone is empowered with the tools they need to achieve their goals and do their best work

There's no transformation without connectivity

In the vast majority of its forms, digital transformation is all about connections. Whether that's connecting your organisation to powerful new services and tools in the cloud, connecting existing systems to enable data-driven innovation, or connecting multiple public cloud and private cloud services for seamless interoperability, the strength of your connectivity plays a critical role in the digital transformation process.

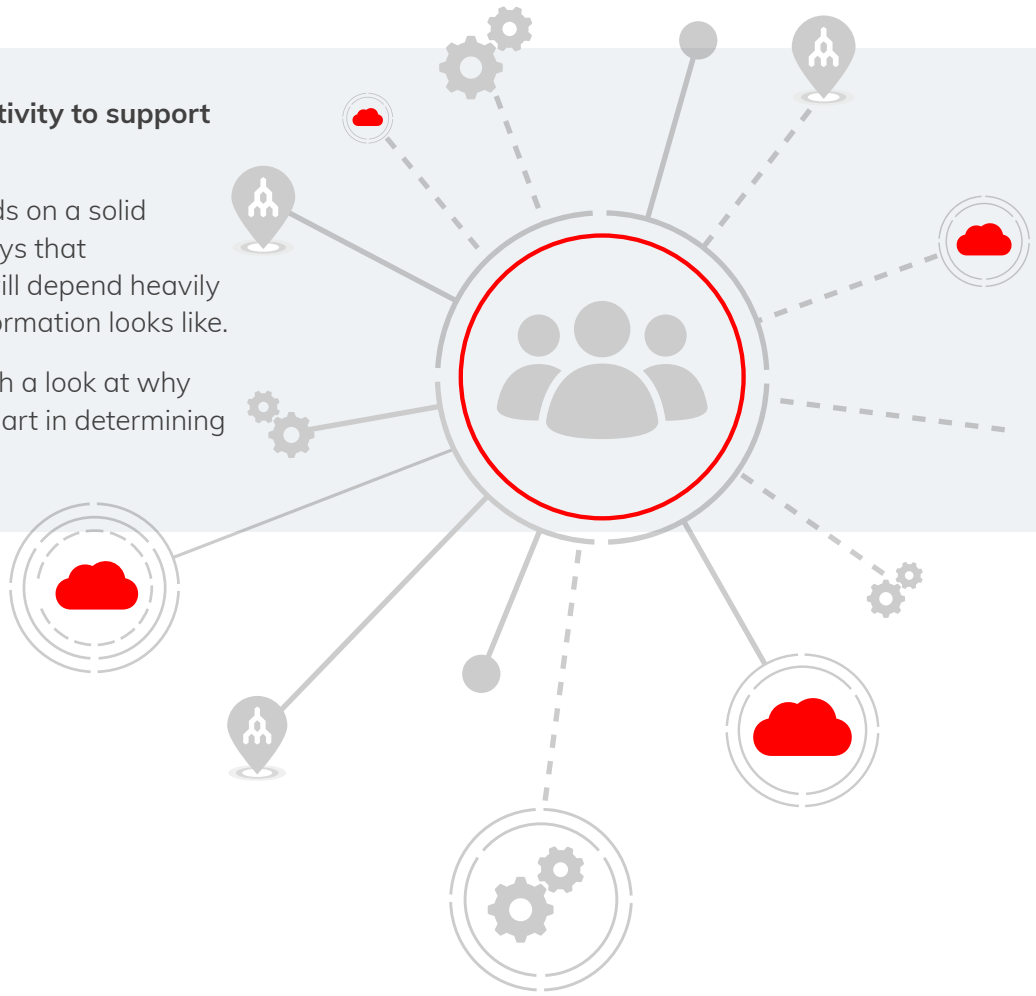
Increasingly, companies' digital transformation projects and strategies are becoming highly multifaceted – incorporating services from an array of providers. This includes cloud, Software as a Service (SaaS), data centres and Managed Service Providers.

When companies look to utilise these services, what they're effectively doing is building a digital supply chain. In order to be successful, any type of supply chain must be interconnected well to maintain reliability, speed, security, and performance. To support that, these multicloud and hybrid cloud environments require a level of connectivity that cannot be met by best-effort internet services.

What do organisations need connectivity to support digital transformation?

Effective digital transformation depends on a solid foundation of connectivity. But, the ways that connectivity impacts transformation will depend heavily on exactly what your individual transformation looks like.

Here are some common use cases, with a look at why connectivity plays such an important part in determining their value and success.



[1] www.itpro.co.uk/digital-transformation/30365/13-trillion-to-be-spent-on-digital-transformation-technologies-in-2018
[2] www.futurumresearch.com/futurum-2018-digital-transformation-index/

1 MOVING DATA TO THE PUBLIC CLOUD

When you're moving business data to the public cloud for storage, processing, or analysis, your connectivity can have two major impacts on your cloud success.

Firstly, it's going to impact the speed at which you can move your data around, and access it within the cloud. If you're moving data for the purposes of backup or recovery and need to move huge volumes of information into the cloud every day, slow connectivity can have a massive impact on your recovery time objectives and recovery point objectives.

Secondly, it's going to impact the security of your data. Data is often at its most vulnerable while it's in transit, and best-effort internet access doesn't offer the level of data security and scalability that today's organisations need when moving data to and from the cloud.

To successfully move data to the cloud, and gain all of the benefits of cloud-based data management once you're there, you need connectivity that's aligned with the needs of your business today, and is able to support your goals for the future.

Traditional connectivity (public, best effort)	New connectivity (private, scalable connections)
• Unpredictable performance, and no guaranteed level of connection reliability • Difficult to interact with and manage as your bandwidth and performance needs change • Less secure than some private alternatives • Low-cost, and often already established in many businesses • Poor control and manageability options for your business • Not designed to support the delivery of business-critical cloud applications and services	• Able to deliver a consistently high level of performance, to ensure your data is always accessible by the people and systems that need it • Scalable to manage large spikes in bandwidth requirements, such as when you're moving archived or backup data to the cloud • Private, more secure, and not exposed to the vulnerabilities associated with public internet connections to ensure your data stays safe in transit • Simple to provision and aligned to your business needs

2 USING PUBLIC CLOUD APPLICATIONS TO MODERNISE BUSINESS PROCESSES

The public cloud has given many businesses the opportunity to access powerful tools that previously would have been far out of their reach. From CRM and ERP platforms, to HR and talent management tools, there's a wealth of functionality available to those with the connectivity to fully support it.

For many organisations, connectivity often isn't top of their agenda when evaluating public cloud applications – they simply jump in, acquire the tools they need, and hope for the best.

The trouble is, often these applications become the victims of their own success. Their power and simplicity see them become widely adopted within organisations, quickly becoming business critical.

Once your business depends on cloud applications, your connectivity needs to ensure you can access it at all times, and that it's constantly available to all of the people that need it to do their jobs.

That means finding a connectivity option that's:

- Able to reliably deliver high-performance connectivity around the clock
- Customisable with the ability to prioritise key applications and ensure they always receive the bandwidth needed to perform highly
- Secure, so you can move sensitive data around in the cloud with confidence

As a response to the need for better connectivity, the top eight leading cloud providers have developed 'cloud on-ramp' products that allow companies to take advantage of direct connections to their public cloud service infrastructure by utilising a connectivity partner.

3 CREATING A HYBRID CLOUD STRATEGY

It's taken organisations a long time to find the best way to apply and get the most from cloud technology. For years, a great debate raged over whether the functionality and flexibility available in the public cloud outweighed the security and control benefits of private cloud technology – until architects mastered a way to get the best of both worlds.

Hybrid cloud strategies that merge the flexibility of public cloud with the manageability and control offered by private IT infrastructure have become the new normal for businesses around the world today. But even the most well-designed hybrid cloud strategy can fall flat if it's not supported and enabled by the right connectivity.

When evaluating connectivity options for your hybrid cloud plans, one of the biggest things you need to consider and look out for is control. Ultimately, you need to be able to engineer similar network models for your public and private cloud footprints, which requires deep control of your connectivity to manage and optimise workloads across the two.

Seek out an option that provides you with:

- Deep software-based control over your connectivity, helping to manage and orchestrate your hybrid environment your way
- The same consistent level of security and performance across public and private cloud connections
- The option to connect to multiple cloud providers as your hybrid environment expands, should you want to eventually evolve it into a hybrid multicloud strategy
- Extensive reach to data centres and locations globally where private IT infrastructure resides

4 CREATING A MULTICLOUD STRATEGY

Moving a step beyond today's standard hybrid cloud strategies, the multicloud approach uses cloud services from multiple cloud providers and blends them to create the ideal suite of capabilities. The benefits are clear—your organisation ultimately gets exactly what it needs—but to work effectively, multicloud is dependent on the performance and flexibility of your connectivity. And, within a multicloud environment, applications delivered by various cloud providers often need the ability to exchange data with one another.

When it comes to connectivity, many traditional approaches can seriously limit (or entirely prevent) multicloud strategies. For example, if you've chosen to connect directly to a specific cloud provider, it may be difficult—or at the very least, costly—for you to expand out and connect to additional services from other vendors with the same quality of connection. Moreover, managing the routing necessary to move traffic between providers is a highly complex and time-consuming discipline.

To successfully execute a multicloud strategy, you need to start with connectivity that's:

- As open and flexible as the public internet
- As fast and secure as a dedicated direct cloud provider connection
- As manageable as your own custom-built network
- Able to move data between cloud providers simply and efficiently
- Capable of delivering virtual networking functions to empower advanced data routing quickly and easily

Understanding your connectivity options

When planning your digital transformation, and specifically looking at connecting to cloud providers and their solutions, you have a few main options for connectivity:

Connectivity type	Pros	Cons
Public Internet	• Cost effective and highly accessible	• Unpredictable performance • Difficult to maintain a high level of security
Direct cloud provider connection	• A very fast, secure, and reliable connection to your chosen cloud partner	• Requires managing a separate connection to each cloud provider • Can carry high setup costs • Difficult and costly to provision • Need to be within reach of an on-ramp to your chosen cloud
SDN-based Private direct connection	• Integrates with direct cloud provider connections to provide these benefits but has the ability to connect to multiple clouds on one platform • On-demand and pay-as-you-go	• Some providers don't have a truly global reach to enable global connectivity

Tackling the challenges of tomorrow with better connectivity

Regardless of your initial use case, flexible, dedicated connectivity can help solve many of the biggest challenges IT teams and network architects are going to face in the near future.

With a vendor-neutral, software-defined connectivity foundation, your organisation will be equipped to:

1. Handle surges in traffic and demand for essential cloud applications, or services you've deployed in your hybrid cloud environment
2. Make the most of everything the cloud has to offer as vendors broaden and deepen their offerings
3. Harness the power of cloud-native development, and deliver a stable and reliable foundation for collaborative, cloud-based dev and test
4. Provision new cloud connections extremely quickly, as you need new capabilities or build new integrations
5. Accelerate backup and recovery processes as the volumes of data you process become exponentially larger

CASE STUDY – ZUELLIG PHARMA

Zuellig Pharma uses connectivity to underpin a successful digital transformation strategy and make healthcare more accessible across Asia

Zuellig Pharma is one of the largest healthcare services groups in Asia. They provide world-class distribution, digital, and commercial services to support the growing healthcare needs in this region.

ZUELLIG PHARMA
making healthcare more accessible

Recently, the company made a major commitment to digital transformation within the healthcare sector, launching its own dedicated health solutions innovation center. The center was established to drive transformation in how patients manage their conditions, but to do that effectively, Zuellig Pharma first needed to undertake some significant digital transformations of its own.

Story Snapshot

- Undertook a digital transformation and expansion initiative to propel their company into the digital age
- Migrated a full 40-system SAP production landscape with a 65TB footprint to Azure-hosted environment and ran next-generation applications on AWS through Megaport connectivity
- Reduced ETL extracts for Analytics workloads by more than 150%
- Cut latency for real-time analytics by more than 75%
- Reduced the cutover timings for core SAP migration to Azure by 30%

The company devised a digital transformation strategy encompassing an enterprise-wide multi-tiered digital expansion and transformation plan which includes a 'front-end' integrated ecosystem of new digital solutions.

Practically, that meant creating an intelligent hybrid and multicloud architecture using an ecosystem of diverse applications that digitised day-to-day business processes and operations.

For that to be successful, Zuellig Pharma needed a robust and flexible connectivity foundation. The company needed connectivity that would enable it to both connect to diverse cloud services from multiple cloud providers, and enable fluid data exchange between those services and a growing number of digital endpoints.

Megaport's Network as a Service solution was a key enabler to these objectives, making Zuellig Pharma's early cloud strategy a possibility with easy, efficient, and right-scaled connections enabling the company to move data whenever and wherever they need.

Plus, by using Megaport's flexible SDN, the Company enabled super-speed interactions between its expanded ecosystem of applications and service – ensuring the fast and reliable delivery of innovative healthcare services for people across Asia.

> "Our digital transformation strategy, underpinned by Megaport connectivity, has propelled Zuellig Pharma's sales force into the digital age through real-time data access on the go which has increased decision-making autonomy and boosted our competitive edge on the ground."
>
> **– CIO, Maikel Kuijpers Zuellig Pharma**

Discover the power of flexible, dedicated connectivity

Connectivity is extremely important—but that doesn't mean it needs to be complex. Whatever your requirements, Megaport makes connectivity easy.

Megaport provides truly cloud provider agnostic connectivity for the cloud era. Whatever you want to connect to, and however you want to do it, we can support you and help bring your digital transformation plans to life.

If you're planning your own digital transformation and want some expert advice on connectivity, or if you're just interested in learning more about Megaport's flexible, dedicated connectivity approach, visit megaport.com or contact us today.

We make connectivity easy

Megaport is the highly scaled Network as a Service (NaaS) organisation utilising 100 Gbps technology to deliver dedicated access to cloud services. The Company's Software Defined Network (SDN) enables the interconnection of enterprises and service providers across hundreds of data centre locations around the globe. Fast, flexible, and dynamic, Megaport's connectivity solution is transforming the way businesses reach leading cloud services from Microsoft, Google, Oracle, Amazon Web Services, Nutanix, SAP, IBM, Salesforce, and Alibaba.

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