STL PARTNERS

The enterprise edge opportunity for CSPs

CSPs are beginning to pursue the B2B edge opportunity in order to grow their revenues.

► For partners, it is important to consider the enterprise teams' main priorities, which are different to that of networks and IT teams. These focus on being first-to-market and growing revenues from B2B services.

► Partners need to consider CSP enterprise services teams will focus on being first-to-market and growing B2B service revenues, priorities different from those of the network and IT teams.
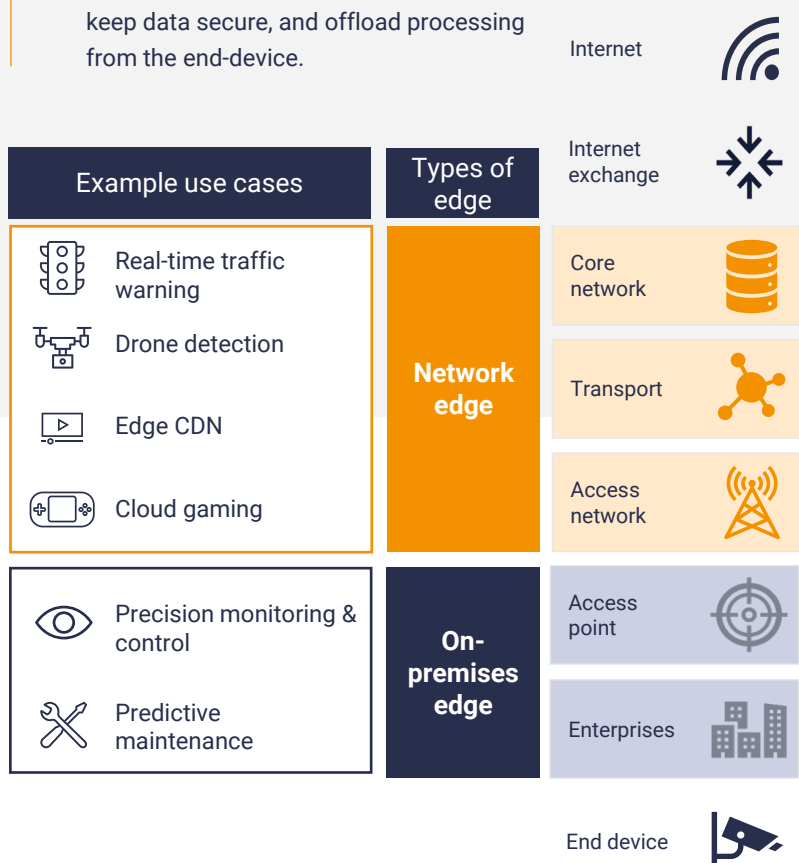
STL Partners, sponsored by Red Hat. "Telco strategies for edge computing" survey of 150 CSP executives, March 2021.
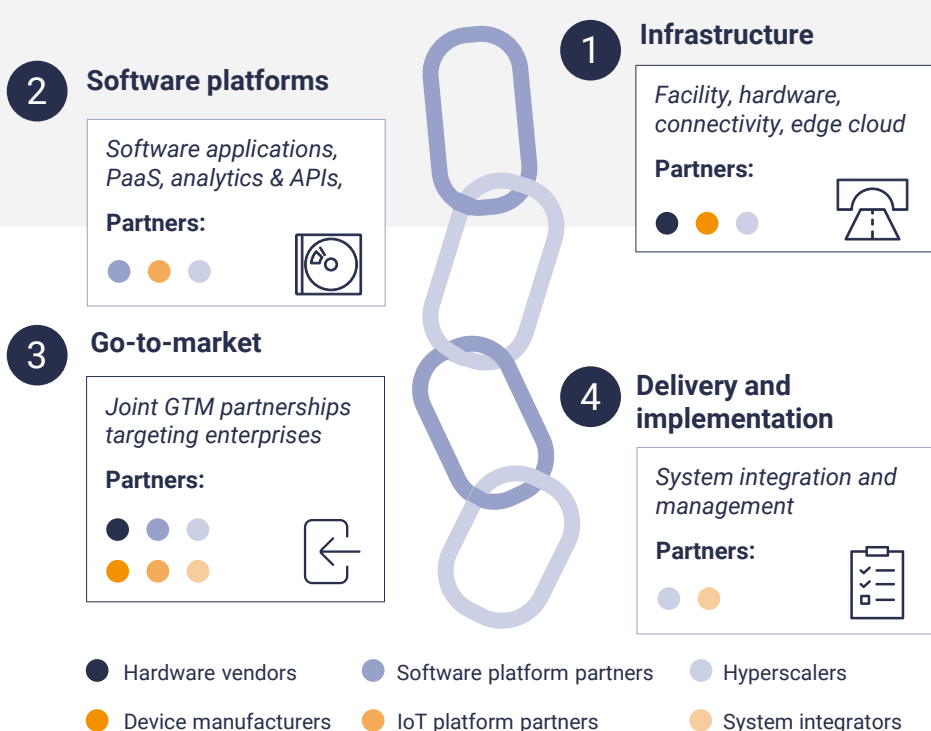
For CSPs, the B2B edge opportunity is split between two main types of edge locations.

These are the on-premises "enterprise edge" and the "network edge". They either contain premises owned by a CSP (e.g. a CSP data centre) or infrastructure operated by one (e.g. network CPE at a customer site).
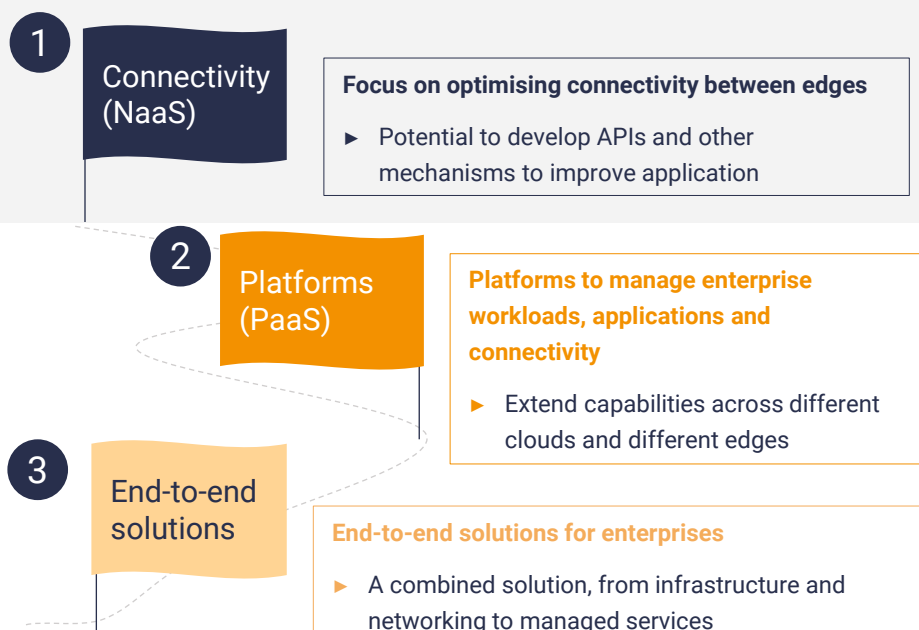
► B2B edge use cases benefit from the flexibility that comes with the cloud more local to reduce latency, improve reliability, keep data secure, and offload processing from the end-device.

Example use cases	Types of edge		
Real-time traffic warning	Network edge	Internet	
Drone detection		Internet exchange	
Edge CDN		Core network	
Cloud gaming		Transport	
Precision monitoring & control	On-premises edge	Access network	
Predictive maintenance		Access point	
		Enterprises	
		End device	

Each use case has a different ecosystem and requires partners at every stage of the value chain.

1 Infrastructure

Facility, hardware, connectivity, edge cloud

Partners:

2 Software platforms

Software applications, PaaS, analytics & APIs,

Partners:

3 Go-to-market

Joint GTM partnerships targeting enterprises

Partners:

4 Delivery and implementation

System integration and management

Partners:

● Hardware vendors   ● Software platform partners   ● Hyperscalers
● Device manufacturers   ● IoT platform partners   ● System integrators

There are 3 key business models for CSPs to take edge-enabled use cases to market.

1 Connectivity (NaaS)

Focus on optimising connectivity between edges

► Potential to develop APIs and other mechanisms to improve application

2 Platforms (PaaS)

Platforms to manage enterprise workloads, applications and connectivity

► Extend capabilities across different clouds and different edges

3 End-to-end solutions

End-to-end solutions for enterprises

► A combined solution, from infrastructure and networking to managed services