



Improve your competitiveness with XaaS

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Business uncertainties demand an innovative approach

In today's uncertain business climate, enterprises and public institutions globally are finding it extremely difficult to manage costs while enhancing efficiency and agility. The challenges affect all aspects of business activities:

- **Operational:** Global issues have created unpredictable economic conditions that have disrupted progress in organizations of all types and sizes. Upgrades to equipment and tools needed for day-to-day operations are being delayed and could be affecting their competitiveness. Workforce shortages and difficulty attracting and retaining staff have compounded the challenges.
- **Financial:** Exposure to inflation and high interest rates complicate cash management. CEOs know they must better control their budget and cash flow, but also recognize that the wrong approach to cost-cutting can weaken the business and stifle growth
- **Customer:** Increasing demands and changing purchasing habits make it even more difficult to attract and retain customers. While technologies are advancing faster than ever, outdated communications infrastructure and applications hinder staff from working at the efficiency and productivity levels needed to increase customer satisfaction and loyalty.

As a Service purchasing models are key to improving competitiveness

To address these challenges, organizations must stabilize cash flow while increasing operational flexibility and simplicity. This includes exploring new ways to transform their cost culture to one that works in a variety of economic situations.¹

As part of their efforts, many organizations are shifting from traditional models where they purchase and own technology solutions to subscription models where software, hardware and IT operations are provided as a Service.

The strategy is called **Everything as a Service** (XaaS). The XaaS approach allows organizations to subscribe to any combination of network, unified communications and collaboration and contact center platform services, whether technologies and solutions are deployed on-premises, in a public or private cloud or a combination.

The shift to as a Service gives organizations the budget control and business agility they so urgently need. It also accelerates corporate strategies and competitiveness to take greater advantage of the cloud and streamline operations.

No organization can afford to ignore the business potential of XaaS or its strong momentum. Between 2023 and 2030, the global XaaS market size is expected to show a compound annual growth rate (CAGR) of almost 25%.² The trend has been called the future for companies in a post-pandemic world,³ and IT as a Service is considered one of four interconnected technology trends shaping the future of IT and business.⁴

¹ [Flip the cost-cutting script: 3 questions to help CEOs make a company fit for growth](#), PwC.

² [Everything as a Service \(XaaS\) Market Research Report](#), Fortune Business Insights, July 2023.

³ [XaaS Is the Future for Companies in a Post-Pandemic World](#), IEEE Computer Society, November 2022.

⁴ [Tech at the edge: Trends reshaping the future of IT and business](#), McKinsey Digital, October 2022.



As a Service helps organizations achieve business goals

There are many reasons organizations are embracing XaaS and industry analysts are projecting its continued growth. They all recognize that as a Service purchasing models help organizations:

- Overcome current challenges, such as economic uncertainties
- Immediately take advantage of new business opportunities
- More effectively plan their future evolution

Here's a closer look at how a subscription-based approach to network and communications infrastructure, applications and supporting services enable these benefits.

Better financial planning

With a subscription-based approach, organizations no longer need to plan for massive IT expenditures or deal with unpredictable costs for software upgrades, hardware refresh, IT operations, maintenance and support. Instead, they have full visibility of monthly and yearly costs so they can better prioritize spending and alleviate the budget creep that causes finances to spiral out of control.

The ability to spread IT investments over time in a uniform and clearly established way enables a sustainable approach to costs. It also eliminates the risk that capital budget constraints

may derail business and transformation goals that rely on advances in network and communications technologies.

More agility

With technology services that are available on demand, organizations can quickly and easily scale IT infrastructure, applications and services to address challenges and opportunities as they arise.

Organizations can start with the combination of services they need to find new agility today and evolve from there, when and how it makes sense for their business. At any time, they can:

- **Meet new, unexpected and temporary market demands** in a cost-effective way by instantly adding services that are tailored for the situation at hand
- **Tap into new markets** by providing secure network services and state-of-the-art unified communications and collaboration services to employees in additional locations
- **Optimize operations workloads** by increasing workflow automation and taking advantage of IT operations services
- **Target business priorities** by adopting the services needed to improve individual aspects of the business, such as teamwork, customer experience or branch office connectivity

Higher cybersecurity

There's significant peace of mind for IT staff and CxOs when they know that mission-critical communications applications and network infrastructure are always fully protected with the latest cybersecurity measures and updates as part of the services provided.

Critically, cash flow issues no longer increase the risk that fast-changing cybersecurity measures will become outdated and potentially put business systems and data in a vulnerable state.

Increased simplicity and operational efficiency

With as a Service offerings that automate network and device management tasks, workflows and processes, IT staff no longer need to track and manage software licences or ensure software includes the latest features and updates.

Over-burdened IT teams are free to focus on strategic priorities rather than routine, manual tasks. Their time at work is more productive and fulfilling, which helps to retain resources, and positions are more appealing to new applicants.

Assured compliance with regulatory requirements

The most flexible as a Service offerings can be tailored to ensure the organization remains fully compliant with data sovereignty, privacy, cybersecurity and other regulatory requirements. This may require a combination of on-premises, private cloud and public cloud deployments.

As regulations and business strategies evolve, each solution can be smoothly shifted to a different deployment model so organizations can continue to reap the benefits of XaaS while maintaining compliance.

Low-risk access to fast-evolving new technologies

With the speed of innovation in new technologies, as a Service solutions that include continuous updates are the best way to ensure sustainable value for the business. Artificial intelligence (AI) is a great example. The technology brings significant business potential, but it's advancing very quickly, and implementations are costly.

When fast-evolving technologies are provided as a Service, organizations gain immediate access to groundbreaking capabilities despite capital expenditure (CAPEX) constraints. And there's no risk that a major investment will be made in a technology that becomes outdated before it provides a return on investment.

White Paper

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A comprehensive XaaS strategy considers multiple factors

As organizations develop their XaaS strategy, there are several factors to consider, including:

- Current budget constraints and operational needs
- Current deployment architectures and the need to comply with regulations
- Plans to evolve communications, collaboration and networking capabilities and take further advantage of as a Service offerings and the cloud

Budget constraints and operational needs

As a Service solutions allow organizations to stabilize spending in one or more areas of IT while simultaneously advancing capabilities in those same areas. That means both potential spending restrictions and operational requirements must be considered.

Start by determining which as a Service offerings will best help the organization address its most urgent needs.

Operational need	As a Service offering to evaluate
Empower employees to instantly communicate and collaborate so they can work more efficiently and productively	Unified Communications as a Service (UCaaS) offerings that securely support seamless voice, text and video communications, are easy to install and use and are available everywhere
Reduce customer service complexity and increase customer satisfaction with more efficient and flexible interactions	Contact Center as a Service (CCaaS) offerings that support all types of interactions, including new conversation channels and social networks, live chat and advanced chatbots or voicebots, with high quality, efficiency and availability
Improve campus, branch office, remote worker and data center connectivity	Network as a Service (NaaS) offerings that securely support access points, edge and core network switches, indoors and outdoors, with robust, end-to-end cybersecurity mechanisms
Integrate with applications, intelligent IoT objects and industry-specific services in the broader company ecosystem	Communications Platform as a Service (CPaaS) offerings that provide integration capabilities in the cloud, along with a software development kit (SDK) and interface for integration

Next, consider services that will help the business meet other operational needs. For example, to:

- **Accelerate and streamline IT management**, look for **management and IT automation services** that provide full management and visibility of network and systems health, improved threat protection and reliable “work from anywhere” services
- **Meet temporary, seasonal and unexpected demands**, look for **business communications services** that are billed based on business metrics or usage, such as classroom or hotel room occupancy
- **Reduce the burden on already-strained IT teams**, look for **IT operations services** that provide 24/7 customer support and advanced hardware replacement

NaaS subscriptions eliminate leasing headaches for network equipment

NaaS subscriptions have a fixed price and term so there’s no need for a lease or financing agreement and no business assets or liabilities to track. Because financial institutions are not involved, there are no overhead costs, and credit scores are not affected. And the business has complete flexibility to scale services up and down without the hassles of signing a new contract.

Cloud goals and compliance requirements

Many organizations use as a Service offerings to accelerate their move to the cloud. However, depending on their geographic region and industry, each organization will also have specific requirements that determine which data must be stored on-premises and whether cloud data must be stored in a private cloud rather than a public cloud. A combination of deployment scenarios is often needed to meet all requirements.

For example, healthcare, finance and government organizations often require data to be kept on-premises or in a private cloud to meet cybersecurity and compliance regulations for personal data. Other organizations may require a combination of single- and multi-instance private cloud and multi-tenant public cloud deployments, or may need to ensure data is stored in a particular country.

Before choosing as a Service offerings, ensure the provider can accommodate the cloud architecture and deployment options that meet your needs today and as the organization evolves.

Broader business objectives

Beyond technology and deployment considerations, organizations must ensure their XaaS strategy aligns with, and contributes to, overall business objectives.

To achieve this goal, avoid one-size-fits-all approaches to IT services. The ability to pick and choose individual services, customize services and adapt deployments today and over time is essential to achieve broader business goals. For example, as a Service offerings must allow individual services to be moved to the cloud when and how it makes sense within the context of the company's overall cloud strategy.

Cybersecurity is another critical consideration. To ensure a comprehensive approach to cybersecurity throughout the organization, all software and hardware in as a Service offerings must include advanced security mechanisms and follow a well-defined plan for security updates.

From a business growth perspective, look for cutting-edge XaaS capabilities that will help the organization improve its competitive advantage. Also consider the need to support different employee roles, work styles and locations, the amount of bandwidth required to run mission-critical applications and the need to scale up and down based on organizational needs.

Finally, evaluate whether the experience, expertise and flexibility of the technology provider is adequate. The provider must offer the services and purchasing business model options that are needed today and smoothly evolve offerings to meet changing requirements.



Subscription-based technology accelerates digital transformation

As a Service communications and network technologies give organizations a fast, flexible and affordable way to execute on their digital transformation strategy despite CAPEX constraints. For example:

- **Schools and universities** can instantly start reducing the technical debt they've accumulated to create a smarter, safer and more resilient connected campus that helps drive student, faculty and staff success. The ability to choose services based on current and emerging needs and maintain an end-to-end approach to zero trust cybersecurity ensures transformation is always aligned with educational and operational imperatives.
- **Healthcare organizations** can instantly adopt cutting-edge technologies that allow them to optimize workflows, offer telemedicine services, use electronic health records (EHR) systems and leverage AI-driven analytics tools as well as medical and non-medical IoT devices that improve the patient and staff experience. Digital transformation is efficient, flexible and cost-effective, and the organization maintains full compliance with industry and cybersecurity regulations.



The right technology provider maximizes flexibility and simplicity

The ideal technology provider for XaaS understands the considerations in each industry and how to help each organization successfully choose, implement and roll out as a Service solutions. These technology providers increase flexibility and simplicity on every front.

They offer:

- **Comprehensive services**, including an end-to-end set of UCaaS, CCaaS, NaaS and CPaaS services that can be selected individually or in any combination. They can also easily add individual services as needed
- **Flexible deployments**, including à-la-carte solutions and services for on-premises, private cloud, public cloud and hybrid cloud deployments, and the ability to smoothly move individual services to the cloud in alignment with cloud strategies
- **Multiple purchasing business models**, including the ability to mix CAPEX and OPEX models so the organization can match payment models to budget priorities and meet the needs of different employee groups
- **A variety of subscription plans**, including yearly or multi-year plans for regular employees and renewable monthly subscriptions for seasonal employees to ensure organizations only pay for what they use
- **Customer service applications** that meet specific requirements and allow organizations to deliver best-in-class customer service

- **Open platforms and APIs** so applications and services can be fully tailored for organizational needs
- **Customer success managers** who help organizations adopt the new tools, get maximum benefit from them and continuously optimize their subscription

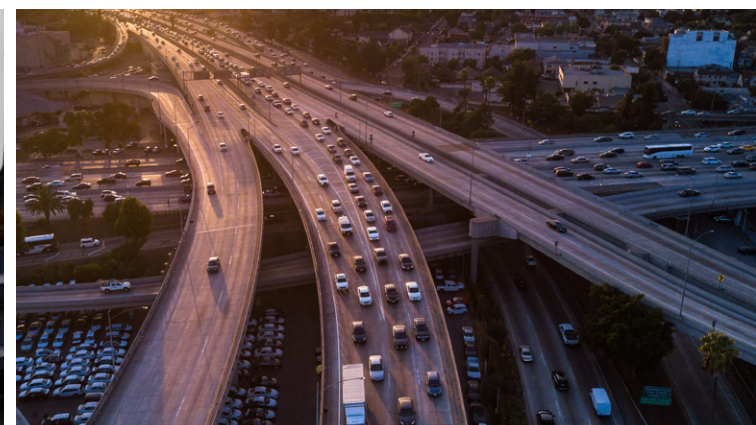
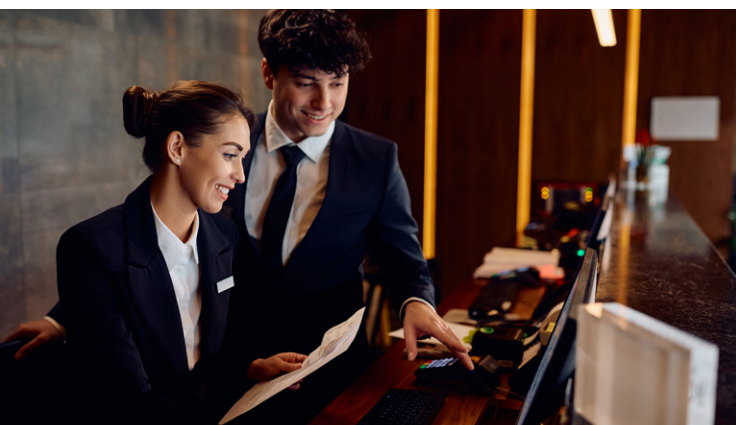
Alcatel-Lucent Enterprise is recognized as an XaaS innovator

Alcatel-Lucent Enterprise provides everything organizations need for a successful XaaS strategy, and is one of the few XaaS providers that offers end-to-end NaaS, UCaaS, CCaaS and CPaaS services.

With our expertise, flexible offerings and worldwide network of business partners, organizations globally can adopt a complete suite of managed communications, network and ecosystem integration services. As a result, they can accelerate adoption of secure, cutting-edge technologies while digitally transforming in their own way, at their own pace.

Our disruptive approach to delivering UCaaS and empowering organizations to tailor usage has been recognized by TechRound SaaS66, which named us an industry innovator in 2023.⁵

⁵ [Alcatel-Lucent Enterprise selected as one of TechRound's SaaS66 industry innovators](#), Alcatel-Lucent Enterprise, October 2023.



Leading organizations rely on our XaaS solutions

Organizations across industries trust Alcatel-Lucent Enterprise to provide their UCaaS, CCaaS, NaaS and CPaaS solutions. The following are just a few examples of our commitment to our customers' success:

- In France, several Emergency Medical Services organizations rely on our [Purple on Demand by Alcatel-Lucent Enterprise business communications solution](#) to provide a robust disaster recovery solution for emergency communications
- In Italy, a global cruise ship company is using [Rainbow™ Edge by Alcatel-Lucent Enterprise, our flagship on-premises private cloud solution](#), to give onboard staff the reliable, multimedia communications and collaboration capabilities they need to work efficiently while on the move
- In France, a retail company is using our [Alcatel-Lucent Enterprise Connect subscription-based contact center solution](#) to personalize customer relations, create a sense of proximity to customers and engage in authentic customer relationships
- In the U.S., a nationwide logistics solution provider relies on our [Ethernet switches](#) and [Alcatel-Lucent OmniVista® 2500 Network Management System](#) delivered as a Service to access the latest technology features with no major CAPEX investment
- In the Netherlands, [Future Mobility Park](#) uses our [NaaS infrastructure and network management offerings](#) for traffic light and bus control at a test and certification site for autonomous vehicles to accelerate introduction of driverless buses
- Along the Mediterranean Sea coast, an innovative and fast-growing group of luxury beachfront resorts chose our [NaaS model](#) to ensure it could keep pace with rapid technology advances with minimal upfront investment and predictable ongoing costs.



Learn more

To learn more about:

- The benefits of Purple on Demand for unified communications and collaboration, read our brochure, [“Accelerate your digital transformation with on demand business communications.”](#)
- The benefits of NaaS and its critical role in digital transformation, read our white paper, [“Accelerating digital transformation with Network as a Service”](#)
- The role and benefits of customer success managers when moving to as a Service subscriptions, read our white paper, [“Grow your business with technology subscriptions and customer success teams”](#).
- Ensuring secure digital interactions and connections, visit the [ALE Security web page](#).

For more insight into our as a Service offerings and their benefits, [visit our webpage](#) or [request a call from our sales team](#).

