

SD-WAN - a boost for retailers' digital transformation journey

By [Hein Witte](#)

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The South African retail landscape is extremely diverse, so there is no 'one size fits all' approach to transformation. However, there are two elements that all retailers in the country have in common.



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Firstly, the contracting local economy is placing retailers under tremendous cost pressure. Managing costs become a point of competitive advantage as cost savings can be passed on to consumers, resulting in greater market share.

Secondly, there is a security challenge around any digital efforts. Cybercrime is a massive industry and it is essential to secure both the centre and the periphery of all networks against attack.

This is important not only to safeguard assets and technologies but also for compliance with various regulations around data privacy.

Retailers cannot afford to 'sit back' and weigh up their options. They need to invest now in order to save more, do more and win more business without compromising security.



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A solid SD-WAN foundation

SD-WAN offers a platform that addresses the core concerns of cost and security, and supports the customisation required for innovative, tailored digital transformation solutions.

With a traditional network design, known as hub and spoke, all connectivity (for example from every retail branch) needs to aggregate at a central point such as a data centre or head office. Most critical applications are housed at these central points. Dedicated capacity is required for these networks, making them overly expensive and increasingly complex as retailers are required to enter into binding agreements to secure the availability of required capacities.

SD-WAN, on the other hand, leverages internet-facing bandwidth for connectivity, making it more cost-effective and agile. This is vital in an environment where an economic downturn impacts consumer spend and heightened competition creates the need to improve the bottom line.

Nevertheless, internet-facing connectivity requires higher levels of security and control to prevent attacks and prioritise traffic based on importance to critical business operations. SD-WAN addresses the challenge of prioritisation by optimising traffic paths using software defined algorithms that fit business needs. A user experience-based management capability is essential for the success of SD-WAN performance. Security can be governed centrally but must be enforced at each peripheral location.

This has several advantages, chiefly that once perimeter security is in place it is possible to leverage applications directly from the Internet and the cloud. It also supports digital transformation and the implementation of a vast array of additional services. Cutting closer to the bone, security is important because fraud and hacking not only impacts the business financially, it also tarnishes the retailer's reputation and can unravel the additional customer benefits that a digital strategy delivers.



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The right partner for success

SD-WAN is a cutting-edge solution and as such there is no standard implementation or agreed-upon best practices for design. There is no one size fits all approach for every retailer and SD-WAN is not an off the shelf product that can simply be rolled out. It needs to be continuously managed and fine-tuned to ensure it continues to deliver as required and can support innovation and digital transformation.

These factors make it essential to partner with a specialist service integrator to assist with the architecture, design, support, maintenance and management of SD-WAN. In addition, the right partner must be carrier-agnostic and have relationships with various carriers to procure bandwidth at preferential rates.

Ensuring that SD-WAN is effectively implemented and managed can help to further reduce costs and bolster security, offering the ideal platform to support the digital transformation journey in the retail sector. Put simply, it underpins a retailer's ability to innovate, deliver more...differently, enhance customer engagement and loyalty and stand out from the rest of the crowd.

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