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Allot Research Reveals Shift Toward Quality of Experience as Telecom Industry Prepares for 5G

November 13, 2019

Survey Results Illustrate the Role of Intelligent Network Congestion Management in Enhancing QoE

Hod Hasharon, Israel, Nov. 13, 2019 (GLOBE NEWSWIRE) -- Allot Ltd. (NASDAQ: ALLT) (TASE: ALLT), a leading global provider of innovative network intelligence and security solutions for service providers and enterprises worldwide, today released findings from its latest <u>Telco Smart Trends</u> <u>Report</u>. The report identifies the attitudes of Communication Service Providers (CSPs) toward Quality of Experience (QoE) and the evident need for intelligent network congestion management solutions to ensure customer experience, even as the industry transitions to high-capacity 5G.



Cover: Allot Research Report - Driving QoE



The Allot research report contains results and analysis from a recently conducted survey conducted among senior engineering managers from 106 CSPs worldwide. The report explores the metrics and tools CSPs use to measure QoE, how they augment it, what threatens QoE and where customers see its greatest value. It also shows how CSPs can actually reduce infrastructure-related costs while improving QoE. Key findings include:

QoE is More Central to Customer Satisfaction than Price

- CSPs ate network QoE as their top business objective (26%), followed by competitive pricing (25%), churn reduction (18%), capital expenditures (CAPEX) reduction (17%) and market share (14%).
- When asked to explain the importance of measuring QoE, 69% said it was to evaluate customer satisfaction, followed by customer retention (19%), regulatory requirements (9%) and resource planning (3%).

Browsing Takes Number One Spot in Churn Concern

Asked to rank the activities where poor QoE causes customer churn, the number one reason was browsing, which 77% put among the top 3 reasons, followed by content upload (66%), video and voice (tied at 60%) and gaming (36%).

Congestion and DDoS Are QoE Killers

- 48% of CSPs report that DDoS accounts for 3-5% of their traffic and an additional 11% report it accounts for 6-10% of the traffic, which contributes to congestion.
- There is high concern that growing IoT deployment will create more traffic; 66% of CSPs are very concerned that IoT will

Effective Congestion Management Can Deliver Customer Satisfaction While Reducing Costs

- Survey respondents noted they need to expand capacity of 20% of cells annually and at an approximate cost of \$30,000 per cell.
- However, according to Allot benchmarks, by optimizing congestion management, CSPs can gain back up to 20% of inefficiently utilized bandwidth

"CSPs are keenly aware of the need to become more customer-centric and are prioritizing quality of experience for end-users," said Mark Shteiman, VP Product Management at Allot. "However, growing network congestion, the launching of new services and the transition to 5G, coupled with the increasing number of unwanted DDoS traffic – itself fueled by IoT and 5G – requires advanced technology solutions that use machine learning and artificial intelligence to detect encrypted traffic, evaluate end user QoE and manage congestion in real-time. Once CSPs have these tools, they not only improve QoE, but can also save a lot of CAPEX."

CSPs need visibility of both network performance and customer experience, and need to take control of their bandwidth consumption. If they combine real-time QoE visibility with the ability to prioritize traffic to deliver optimal QoE at minimal bandwidth cost, they can protect their bottom-line profitability while keeping their customers happier. The full report is available <u>here</u>.

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Additional resources:

Q4 2019 QoE Research Report:

https://info.allot.com/telco_quality_of_experience_report.html?utm_source=pr&utm_medium=external&utm_campaign=TST_QoE_Q4_2019

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About Allot

Allot Ltd. (NASDAQ: ALLT, TASE: ALLT) is a provider of leading innovative network intelligence and security solutions for service providers and enterprises worldwide, enhancing value to their customers. Our solutions are deployed globally for network and application analytics, traffic control and shaping, network-based security services, and more. Allot's multi-service platforms are deployed by over 500 mobile, fixed and cloud service providers and over 1000 enterprises. Our industry leading network-based security as a service solution has achieved over 50% penetration with some service providers and is already used by over 21 million subscribers in Europe.

Allot. See. Control. Secure.

Forward Looking Statement

This release contains forward-looking statements, which express the current beliefs and expectations of company management. Such statements involve a number of known and unknown risks and uncertainties that could cause our future results, performance or achievements to differ significantly from the results, performance or achievements expressed or implied by such forward-looking statements. Important factors that could cause or contribute to such differences include risks relating to: acceptance of our products by our reseller and customer in EMEA, our ability to compete successfully with other companies offering competing technologies; the loss of one or more significant customers; consolidation of, and strategic alliances by, our competitors, government regulation; lower demand for key value-added services; our ability to keep pace with advances in technology and to add new features and value-added services; managing lengthy sales cycles; operational risks associated with large projects; our dependence on third party channel partners for a material portion of our revenues; and other factors discussed under the heading "Risk Factors" in the company's annual report on Form 20-F filed with the Securities and Exchange Commission. Forward-looking statements in this release are made pursuant to the safe harbor provisions contained in the Private Securities Litigation Reform Act of 1995. These forward-looking statements are made only as of the date hereof, and the company undertakes no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

Attachment

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