Lumen launches NaaS Platform with Internet On-Demand offering

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IDC's Quick Take

Lumen's first NaaS offering is an aggressive first step to leverage its digital infrastructure capabilities to provide Cloud-like flexibility and scalability to the legacy networking consumption model. It's a clear and concise service offering, in a segment that is often confusing to end-users. Enterprises will find this offering appealing for the rapid onboarding of new sites or providing additional resources to existing sites.

Product Announcement Highlights

On July 31, 2023, Lumen announced their Network-as-a-Service (NaaS) platform, which is intended to rapidly evolve the way customers purchase, deploy, and manage network services. The goal is to allow customers to consume network services as a cloud-like experience with related flexibility and efficiency.

Lumen announced Internet On-Demand as the first implementation of NaaS. This service will allow customers to dynamically establish internet connectivity and pay for it in hourly increments. Customers will be able to use digital portals or APIs to order Lumen Internet On-Demand and future services. Lumen has a roadmap to expand NaaS with additional services including security such as DDoS, SASE, and Edge services.

Lumen's vision for their NaaS Platform is for their customers to connect via a digital portal or APIs and purchase consumption-based Internet On-Demand service as well as future services as and when they are launched.   Some key capabilities of this Internet On-Demand offering are:

- Ability to scale capacity in minutes.

- Internet speeds from 100 Mbps to 10 Gbps.

- A consumption-based billing model.

- Real-time visibility into service performance and network usage.

- Quick enablement of new capabilities.

Lumen NaaS will leverage a broad set of partners to expand its capabilities and market reach. These include data centers, cloud, technology, and managed service providers. Equinix and Digital Realty, two of the first data center providers to join Lumen NaaS.

IDC's Point of View

Lumen is joining a limited number of global communication service providers that are rapidly enhancing the way network resources are purchased, consumed, and managed in a cloud-like experience. With an initial focus on Internet On-Demand service, Lumen is leveraging their large IP footprint and extensive connectivity to cloud providers to simplify the ordering and consumption of internet connectivity. This is

a positive step that will help establish Lumen as an important provider of NaaS services. Their roadmap will expand NaaS into networking services such as SD-WAN, security/SASE, and other Edge services that witness a strong uptake in the future. Lumen needs to move quickly to capture these opportunities.

The goal is to bring the agility of the Cloud model to staid network services, where provisioning and adjustments to the service can take weeks or months. This will complement Lumen's managed service capabilities with additional self-service features that will provide a degree of control and flexibility for end users. Equally important to the success of this offer will be the performance of the customer portal and the ability to provide seamless service and visibility into the offering as well as the users' network configuration and usage. Lumen also must provide additional services to make this an appealing destination for its user base, to provide long-term traction and scale. However, the approach of launching one core service will likely provide a good testbed for Lumen to fine tune its offering in a real work setting, as it gradually builds out its NaaS offerings.

The challenge Lumen faces has to do with articulating the value of NaaS to enterprises. The industry has had to deal with varying definitions of NaaS. Network providers, service providers, and cloud providers have their own take on NaaS to emphasize a particular value they bring. What is generally accepted is that enterprises value flexibility, scalability, and automation in a NaaS consumption model, and in the long run, it will be key to the enterprise network transformation journey.

We believe that Lumen is taking a practical approach to introducing NaaS for its portfolio of managed services. Lumen Internet On-Demand is well articulated and can bring immediate value to customers.

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