

# Better MANRS for Service Providers

## SECURITY BRINGS BETTER BUSINESS TO THE TABLE

It can be challenging for Internet service providers to differentiate themselves in the market today. Customers are often confused about capabilities and performance differentiation between providers, and it can be difficult to clearly express the value that a provider offers. Concrete distinctions are possible in the area of security, which has well established value with enterprises and can significantly impact customer procurement and decision processes. The Mutually Agreed Norms for Routing Security (MANRS) project can provide a mark of security proficiency and community involvement for those providers that are able to participate. That distinction can add competitive value to a provider and can also enhance operational effectiveness. A new study from 451 Research has detailed what that value is and how service providers can put it to work.

## ENTERPRISE VALUE

As enterprises look to select infrastructure partners, they are juggling a collection of requirements that can be difficult to manage. Where they have trouble determining the value of competing aspects of various providers' offerings, their focus often lands on pricing. To move the decision point beyond price alone, providers need to have qualities that can be easily identified and can differentiate them. The 451 Research study showed that the security posture of a service provider is important to enterprises and that MANRS participation is something that has value. While MANRS isn't well known by enterprises, the ideas that the project represents are held in high regard and come with real value to enterprise buyers.

The study included a brief introduction to the project and then asked respondents how they valued what MANRS participation offered and which of the project directives and outcomes were most valuable to them. The first of these valuations was an assessment of how much more they would be willing to spend, if anything, for services from a provider that was a MANRS participant. The median value of the price premium was 15% – a considerable valuation for what's con-

sidered a commodity service by many buyers. In addition, 13% of respondents said they would use MANRS participation as an exclusive criterion for vendor selection, if it were available. A full 97% were interested in putting MANRS participation in RFP and tender requirements.

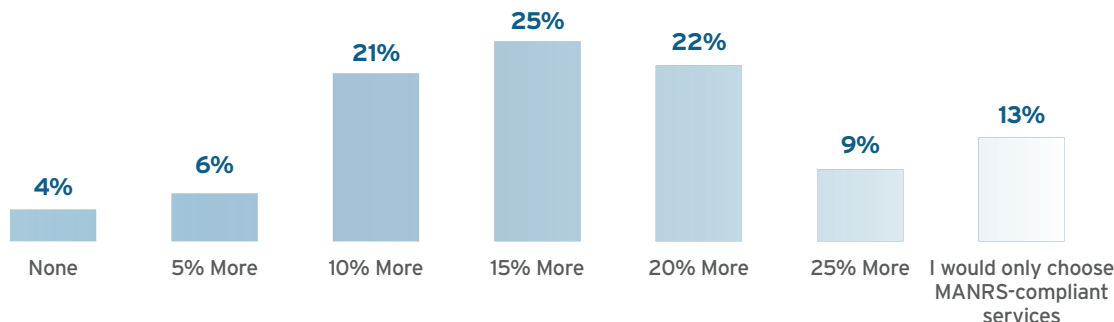
This valuation means that MANRS participation can convey a set of benefits for service providers:

- Improved competitive positioning in the RFP and tender process
- Increased customer retention and lower churn
- Opportunities for value-added services

All of this is in addition to the internal benefits that service providers can achieve with MANRS. Service providers can improve their operational efficiency by establishing better communications paths with their peers. They also have the potential to improve security operations by identifying problems with clients and peers earlier, and there is the added value of contributing to the overall security of the Internet community.

Figure 1: Enterprise Pricing Premium for MANRS

Source: 451 Research study: MANRS Perception and Action, July, 2017



## MONETIZING MANRS

There are a number of ways in which service providers can put the value of MANRS participation to work for them:

- Include MANRS in proposals
- Publicize MANRS values to customers
- Offer value-added services

Capitalizing directly on the value of MANRS with increased prices is problematic. The reality of most markets is that pricing comparisons will occur regardless of other aspects of a buying decision. Where MANRS participation can be useful is in reducing levels of discounting required to win contracts. Participation in MANRS can be used to increase the likelihood of selection in a competitive process. It can be used as a means to eliminate competitors who are not qualified. The study results have shown that enterprises are enthusiastic about including MANRS as a selection criterion. Additional analysis has shown that improvements in competitive position and reductions in necessary discounts could add as much as 7% to longer-term revenue.

Customers value MANRS participation, and service providers can leverage that by publicizing their involvement. By

including information and branding in marketing and communications to customers and the broader market, service providers can establish a strong impression in an area that customers see as valuable. Publicizing MANRS can refresh the understanding customers have that their providers have valuable capabilities and can reduce the likelihood that they would consider switching vendors. That customer bond can be strengthened with security-focused communications and community building. The 451 Research study also showed that being part of a larger community that is working toward improving the security of the Internet is another aspect of MANRS that's important to customers.

Service providers can gain additional revenue by adding MANRS-derived services to their portfolio. Anti-spoofing controls that log activity can be used to generate periodic reports for customers. These reports can be part of an intelligence feed that alerts customers to misconfigurations or potential attacks. This type of service can be inexpensive to operate, if appropriately automated, and can provide additional customer binding, in addition to generating revenue.

## CONCLUSIONS

For service providers, there are considerable benefits to participating in the MANRS project. It can increase their value to customers and potentially increase revenue. The MANRS directives are a useful guide to increasing operational efficiency while contributing to the improvement of the security of the Internet community. The combination of customer impact and internal benefit should be sufficient motivation for providers to become part of this growing community.

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