



Insight

Monitoring the Internet: Dyn Acquires Renesys

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IDC OPINION

Real-time actionable insight is essential to the robust infrastructures that underpin today's digital experience. But truly real-time and useful intelligence tends to focus on network outcomes or be limited to corporate application infrastructures. Further:

- The mobile user experience as well as the mobility of corporate requirements is not well served by today's approach to network assurance.
- Traditional large-scale and high-end network assurance offerings need to embrace a real-time approach to monitoring. Dyn's acquisition of Renesys illustrates the value of the linkage between critical service-enabling infrastructure and the customer experience.

IN THIS INSIGHT

This IDC Insight examines the acquisition of Renesys by Dyn.

SITUATION OVERVIEW

On May 21, 2014, Dyn announced the acquisition of Renesys and the launch of a new Performance Assurance product line from Dyn that is based on the Renesys assets and product offerings. The Renesys suite of intelligence products will be the first offering in Dyn's new Performance Assurance product line, which will be offered independently of Dyn's Traffic Management and Message Management services. Dyn also plans to integrate Renesys' globally unique Internet performance and geographic intelligence into its Traffic Management and Message Management platforms to enable its customers to deliver a consistent and superior Web and email experience to their end users.

Dyn, born of an undergraduate student project, was founded in 2001 as a DNS services company. Dyn has since developed strong adjacent offerings in traffic and message management as well as remote file access. Dyn's "as a service" offerings within these areas are a key differentiator for Dyn, providing an alternative to on-premise appliances. While offering solutions for enterprise and home office users, Dyn has shown particular strength in the communications service provider (CSP) market.

Dyn's new Performance Assurance offering uses Renesys data – collected from a global sensor network of real-time probes and business relationships with more than 300 providers across the world

– and is now expanded with telemetry from Dyn's global network. The insights from the Dyn Performance Assurance offering are designed to help with a variety of infrastructure elements and domains that are dependent upon Internet performance, such as network planning, traffic management, CDN optimization, cloud optimization, and datacenter optimization.

Renesys was a 40-person company that operates a real-time global sensor grid that continuously monitors, collects, analyzes, and correlates Internet routing and performance data. The current suite of Renesys products monitor the current state of the Internet, which enables enterprises to see beyond their network's perimeter into the cloud. Renesys' team of specialized scientists, researchers, and analysts have been recording the state of the Internet 24 x 7 for more than a decade. Renesys is a company that was founded in 2000 to deliver situational and operational awareness, real-time business, and competitive intelligence.

FUTURE OUTLOOK

Customer experience will remain a top priority for networked organizations globally. Dyn's investment in Renesys is an example of the need for end-to-end visibility to serve today's digital enterprises.

To serve growing customer requirements for visibility and transparency, the operations of global network infrastructure will continue to require insights into adjacent networks and especially the global Internet. Despite the openness of the Internet, customers of CSPs will continue to need visibility into the end-to-end infrastructure.

Leading communications organizations increasingly understand that the integration of connectivity with infrastructure visibility is essential. The older approach of using passive and historical monitoring is no longer enough to drive today's digital experience. Instead, intelligence-based insights need to be integrated with decision making in real time.

In the CSP operational support systems (OSS) community, the increased use of network analytics since 2009 has reshaped the approach to network performance monitoring. The instrumentation of networks, underway for well over a decade, has provided higher-quality information but at a high cost of deploying and maintaining what can sometimes amount to a separate network of collection devices. At the same time, the usefulness of application monitoring services such as Compuware's (Gomez) and Keynote Systems' has grown for businesses looking to optimize the digital experience for their customers.

Demand for end-to-end network visibility is also becoming more prevalent in the enterprise, and Dyn's acquisition of Renesys should manifest benefits in this space as well. Larger enterprises stand to benefit from the proactive traffic monitoring capabilities for their datacenters. As mentioned previously, cloud services are becoming preferable to on-premise appliances in many enterprises. Dyn can further capitalize on this trend by adding performance assurance to its cloud-based DNS, traffic monitoring, and message monitoring services for the enterprise.

The potential sources of network intelligence will continue to expand. However, the ability of end-user organizations in CSPs and elsewhere to consume and act on the intelligence will remain a work in progress for many suppliers of assurance solutions. Clearly aligning the intelligence with specific sets

of infrastructure decision making, as Dyn proposes to do with its new Performance Assurance offering, will help end users better execute on the insights.

Dyn clearly sees performance assurance as a solution that will have considerable appeal for Web-scale players (such as AWS), cloud service providers, and larger enterprises adopting private cloud. The analysis and intelligence inherent to the company's Performance Assurance offering will enable these customers to make WAN-path selection changes based on dynamic network conditions, such as availability, latency, and performance. In some cases, customers will use Dyn's performance assurance insights to shift traffic from one service provider's network to that of another provider. Consequently, Dyn, in some respects, is now selling a provider-agnostic technology that could be offered through a sales process and value chain that does not directly involve CSPs.

Considering that Dyn today derives a large percentage of its current revenue from CSPs, the move into enterprise-oriented performance assurance will necessitate a different sales strategy and new channel partnerships. It is likely to also entail partnerships in a broader ecosystem (tools, management/policy platforms, WAN optimization, orchestration, etc.) with which Dyn might have varying degrees of familiarity.

There's no question, however, that the growth of hybrid cloud will generate commensurate demand for tools and solutions that allow enterprises to control and harness a hybrid WAN encompassing a potentially wide range of connectivity options, technologies, and service providers.

ESSENTIAL GUIDANCE

Participants in the largest networked infrastructures should keep an eye on the capabilities and role of service-enabling infrastructure. For IT experts looking to learn from the Internet infrastructure and telecom experience, the operations of service-enabling infrastructure serve as a useful example. For the CSP community and CSP suppliers, the combination of insights with service-enabling infrastructure remains important. While the concept of insights into the Internet and service-enabling infrastructure is not new, real-time decision-oriented solutions highlight the need to make operational processes truly agile and real time.

The CSP community should consider the extent to which Dyn's customers are engaging with actionable intelligence. Both the mission-critical infrastructure services like Dyn and the online services offered by Dyn's customers are poised to benefit from real-time network intelligence. Process-driven assurance, as discussed in traditional OSS contexts, is increasingly out of step with the business goals of the most competitive digital services players.

Web-scale players (such as AWS), cloud service providers, and larger enterprises adopting private cloud should consider the potential benefits of assurance information for WAN-path optimization. For enterprises working to optimize the customer experience of their infrastructure, Dyn's service provider-independent approach may be useful.

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