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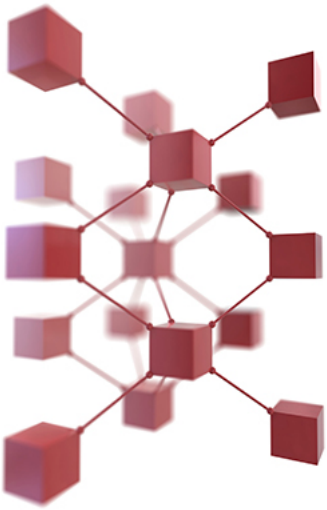
NFV Still Matters: Here's Why



By:

First, the numbers. According to a report by ResearchandMarkets.com "The global NFV market is expected to grow from USD 12,949 million in 2019 to USD 36,324 million by 2024, at a Compound Annual Growth Rate (CAGR) of 22.9 percent during the forecast period."

Moreover, McKinsey estimates that operators who add NFV to any cloud or any 5G network will lower capital expenditures by 40 percent.

NFV is a change from using purpose-built hardware (e.g., routers, firewalls, etc.) to using generic/COTS server hardware to run applications that provide the infrastructure "functions" and run them in a virtual environment. As a result, it is frequently confused or lumped in with other virtualization uses cases like:

Edge Compute: Running user applications near the edge of the network to provide customer services and improved performance (latency).

Software-Defined Networking: Although application- and software-based, NFV focuses on providing individual network functions (e.g., jobs the network infrastructure needs performed in order to manage traffic), whereas SDN is an overall "management" of the network elements themselves, of which NFV instances can be a part.

According to ETSI, the European Telecommunications Standards Institute, the goal of NFV is to "transform the way that network operators architect networks by evolving standard IT virtualization technology to consolidate many network equipment types on to industry standard high-volume servers, switches and storage, which could be located in the data center, in the network or at end-customer premises." NFV replaces traditional, custom-designed network equipment (think black

boxes) that continues to dominate the installed base of networks.