
Three overlapping, light orange outlined diamond shapes are positioned in the upper right quadrant of the page.

Understanding the Value of Bank Branch Network Optimization with Palo Alto Networks

While ensuring exceptional user experience for both bank customers and staff, Prisma SD-WAN facilitates cost reductions for the branch network and simplifies network operations too. This business case illustrates the quantifiable value of Prisma SD-WAN for a retail bank with 1,000 branch locations.

Digital channels have absorbed many of the routine bank transactions. However, bank branches still provide an important in-person channel for high-touch interactions. Customers visiting the branch deserve a high level of service for both staff-initiated and self-service transactions. A superior and innovative experience for these transactions is now key to customer acquisition, satisfaction and retention.

However, digital transformation initiatives are causing rapid acceleration in data and network traffic growth in retail bank branches due to increasing demand for media-rich applications and digital services. Additionally, data and network usage patterns have changed with more traffic moving toward the cloud and the internet. The “hub-and-spoke” network design for branches built from traditional wide area network (WAN) technologies (e.g., MPLS) is no longer optimal. Broadband internet and 4G/5G cellular services offer compelling options from both a cost and resiliency perspective. Prisma® SD-WAN provides a networking solution to optimize application performance across disparate underlying WAN technologies to better meet the needs of branch customers and staff, too.

Quantifiable Business Benefits

- Reduced WAN costs from the replacement of MPLS with broadband internet.
- Increased overall application performance due to additional WAN bandwidth, traffic prioritization, optimal real-time path selection, and direct internet access.
- Increased branch staff productivity and client satisfaction through improved user experience and application response times for both corporate and cloud-based services.
- Improved uptime for the bank branch supported by multiple WAN technologies and carriers—including 4G/5G cellular for even greater resiliency.
- Reduced operational costs stemming from the replacement of legacy network routers and reduction in WAN-related trouble tickets.

Strategic Benefits

- Transformation to the digital branch of the future (e.g., video ATMs, media-rich applications) for exceptional and tailored customer experiences.
- Telecommunications carrier independence for vendor diversity.
- Branch network technology consolidation.
- Seamless support of multicloud and on-premises data center strategy.

Anticipated Improvements¹

- Cost savings from hardware and WAN connectivity with an ROI of up to 243%.
- Reduced network management costs of remote sites by 50%.
- Improved efficiency of branch staff by 12%.

Example Business Case

A consumer bank is considering moving away from MPLS to broadband internet as a wide area network transport for their retail branches. The primary drivers are operational expense cost reductions and improved application response times—especially for internet-based services. The latter has become more critical with the introduction of more media-rich applications and the growing dependency on public cloud resources (e.g., Zoom® and Microsoft 365®). The retail banking unit generates over US\$2.7B in revenue from its network of 1,000 branch locations and nearly 8,000 employees. Idle wait time for applications and branch downtime impact the productivity of the branch staff as they service customers’ needs. Palo Alto Networks Prisma SD-WAN can optimize application traffic across disparate WAN services during hard failures and brownout conditions.

1. *The Total Economic Impact™ of Palo Alto Networks for Network Security and SD-WAN*, Forrester, January 2021, <https://www.paloaltonetworks.com/resources/research/2021-forrester-tei-report-network-security>.

Table 1: Benefit Calculations (Three-Year Period)		
Reduce WAN infrastructure and connectivity costs	\$32M	<ul style="list-style-type: none"> 50 Mbps MPLS replaced with 200 Mbps broadband internet 2,000 legacy branch routers retired
Avoid branch employee idle and/or downtime	\$4.1M	<ul style="list-style-type: none"> 7,500 branch employees Idle wait time reduced 50% to 1.25 minutes/day Annual downtime reduced 50% to 26.3 minutes per branch US\$40/hr. fully burdened rate
Avoid network troubleshooting and remediation time	\$2.1M	<ul style="list-style-type: none"> 7,200 network-related trouble tickets per year 90 minutes for mean time to investigate and repair per incident US\$85/hr. fully burdened rate
Total benefits (3 years)	US\$38.2M	

Note: The quantifiable benefits shown in table 1 require an investment of US\$11.6M, which includes 2,000 Prisma SD-WAN ION appliances, maintenance and licenses for three years. This yields a 187% ROI, US\$21.7M in net present value (NPV), and a 14-month payback period.

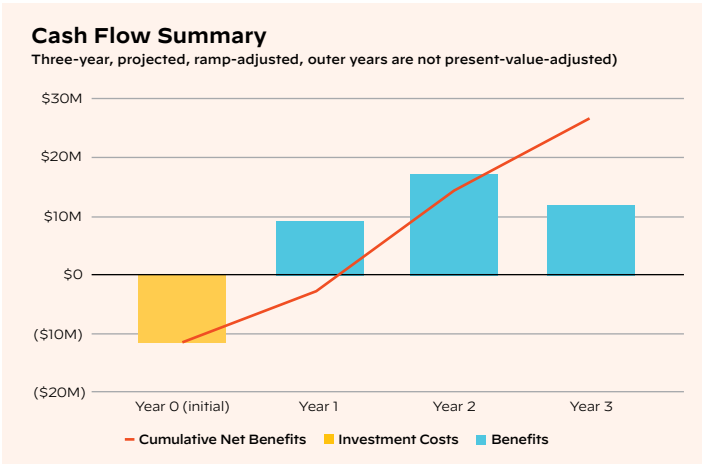


Figure 1: Prisma SD-WAN investment vs. benefits

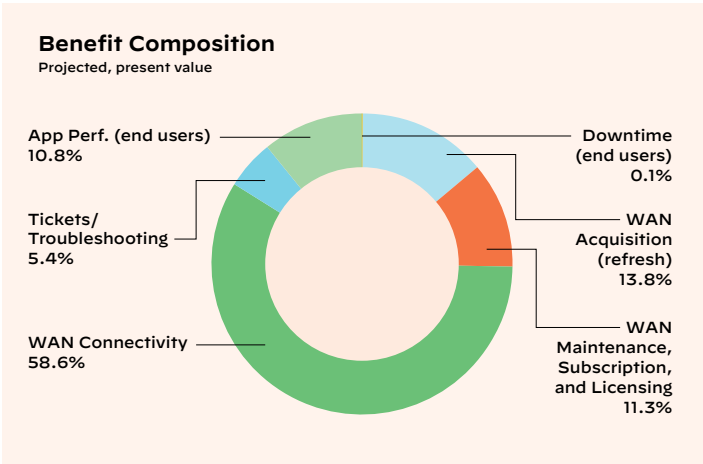


Figure 2: Breakdown of benefit

Learn More About Prisma SD-WAN in Financial Services

- Watch On Demand: [Why Branches in Financial Services Need Next-Generation SD-WAN](#) (featuring Investors Bank)
- Read Use Case: [Enabling Bank Branch Transformation with SD-WAN](#)
- Read Case Study: [JAX Federal Credit Union and Prisma SD-WAN](#)

To experience Prisma SD-WAN for yourself, join us for a [free trial](#), or contact your sales representative.



3000 Tannery Way
Santa Clara, CA 95054
Main: +1.408.753.4000
Sales: +1.866.320.4788
Support: +1.866.898.9087
www.paloaltonetworks.com

© 2021 Palo Alto Networks, Inc. Palo Alto Networks is a registered trademark of Palo Alto Networks. A list of our trademarks can be found at <https://www.paloaltonetworks.com/company/trademarks.html>. All other marks mentioned herein may be trademarks of their respective companies. parent_sb_branch-network-optimization_112221