



You make **possible**



Cloud Managed Service Opportunities

B2B Services with Cisco's Provider Partners

Ken Seitz | Director, Cloud & Managed Services Innovation Team
Aarti Gurnani | Partner Director, EMEAR Partner Organization

PSOSPG-2554

CISCO *Live!*

Barcelona | January 27-31, 2020



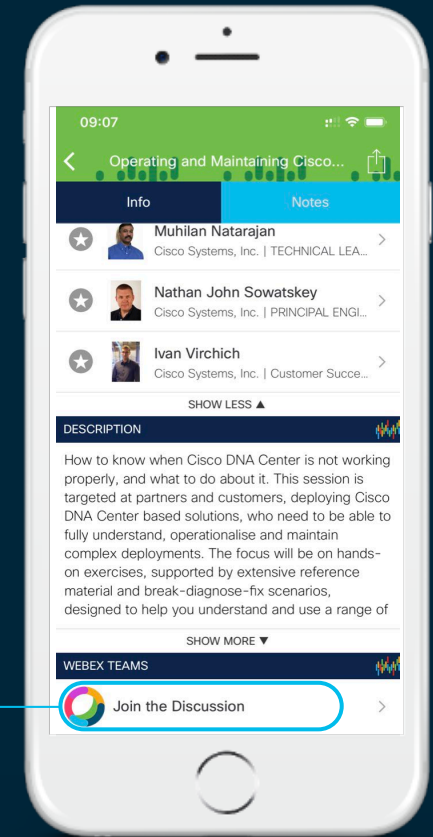
Cisco Webex Teams

Questions?

Use Cisco Webex Teams to chat with the speaker after the session

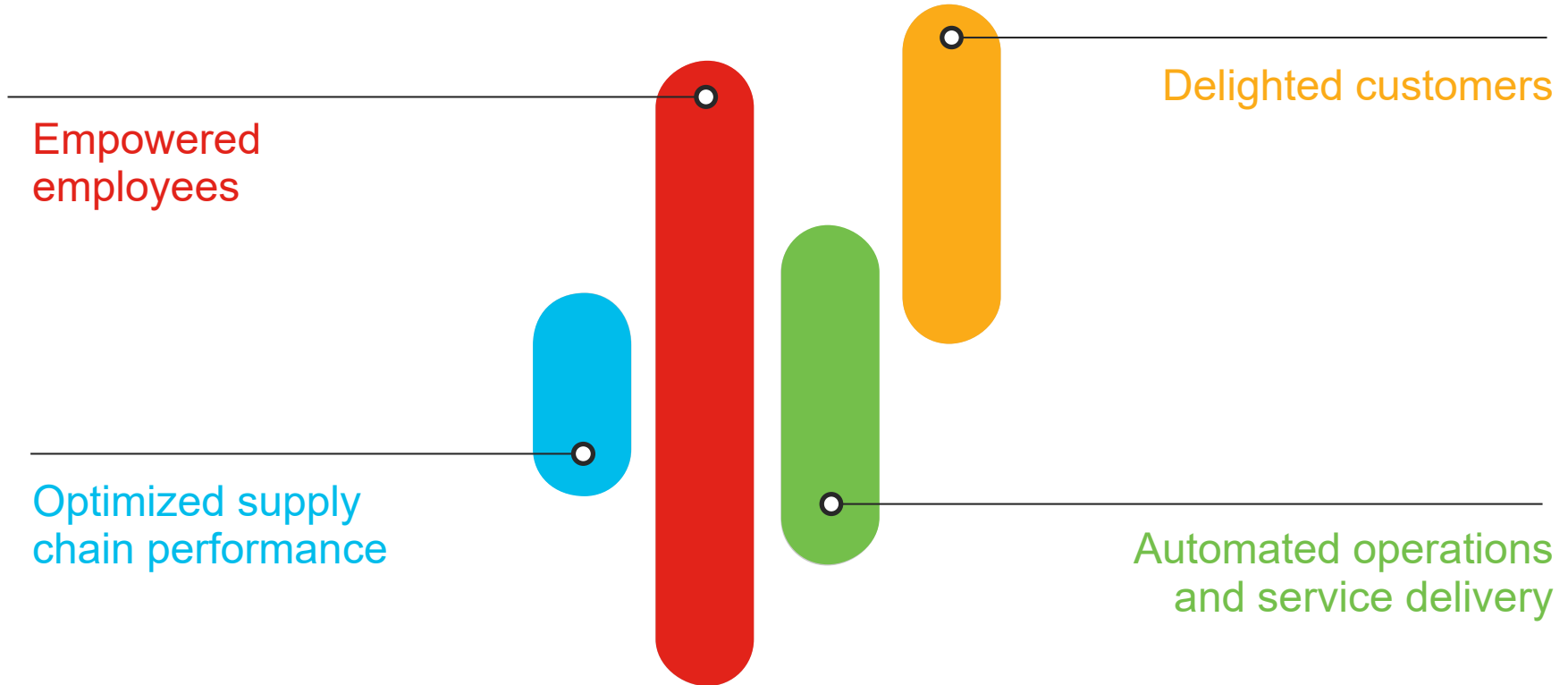
How

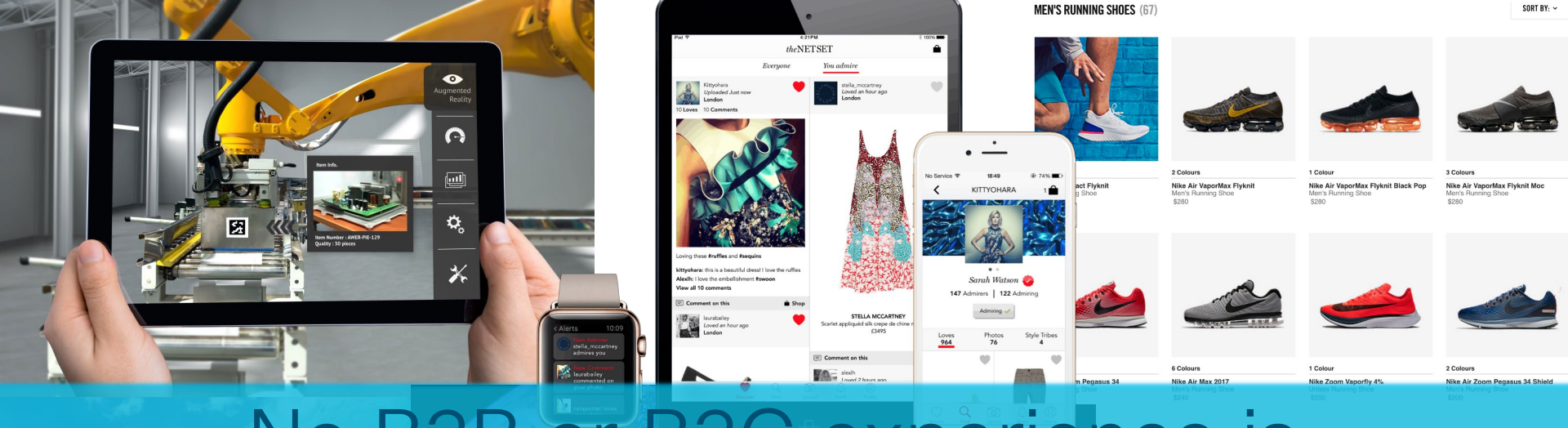
- 1 Find this session in the Cisco Events Mobile App
- 2 Click “Join the Discussion”
- 3 Install Webex Teams or go directly to the team space
- 4 Enter messages/questions in the team space



Digital Transformation Brings Your Customers Tremendous Opportunities ... and Challenges

Businesses are seeking transformation enablers





No B2B or B2C experience is untouched by digital transformation



Resulting in evolving enterprise networking needs



Apps and data continue moving to the cloud



IP-enabled devices are proliferating



The Internet edge is shifting to the branch



Complexities and risks are continuing to rise



Bandwidth needs are rising while IT budgets are flat



Critical applications require prioritization and control

Partnering with Providers to Capture Resulting Opportunities in Managed Service

Cisco's strategy is to partner with MSPs in delivering high value business outcomes



Grow Revenue

Make money through B2B and B2C plays and offers



Reduce Costs

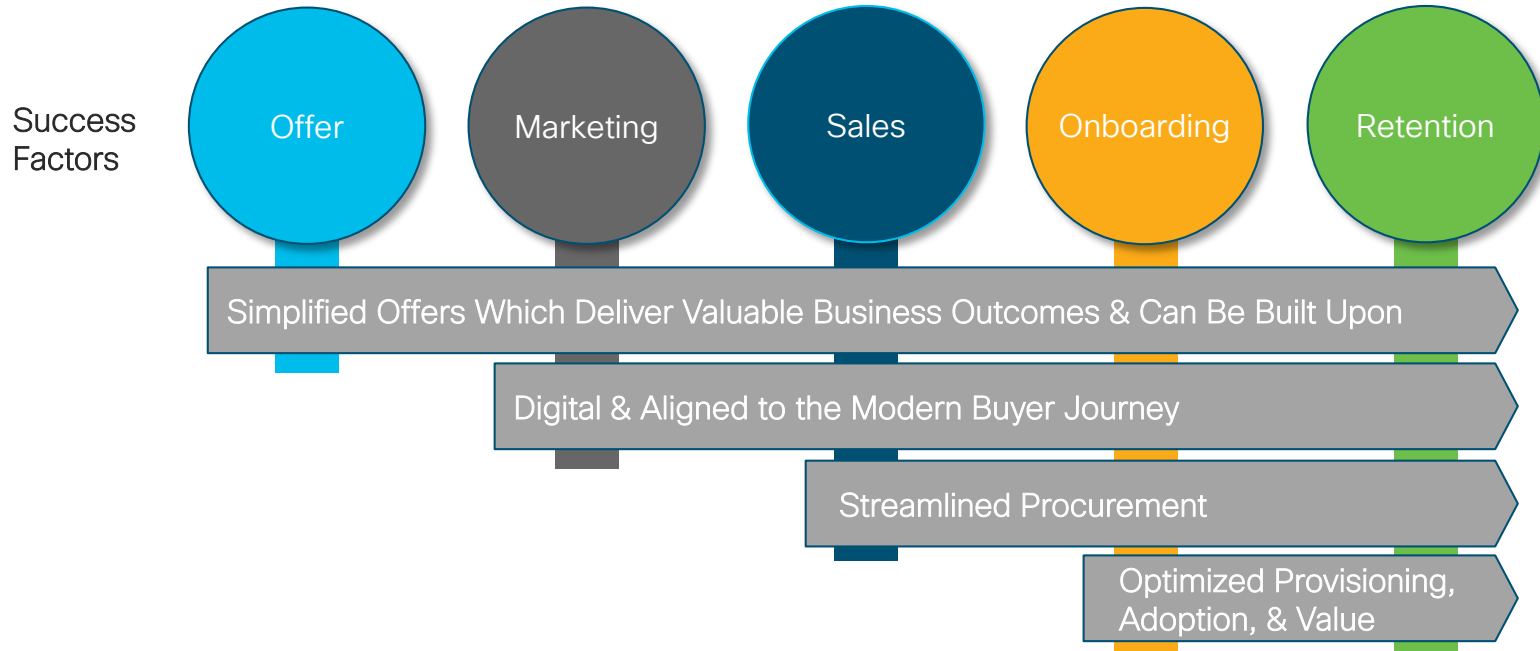
Save money by taking cost and complexity out of the operating environment



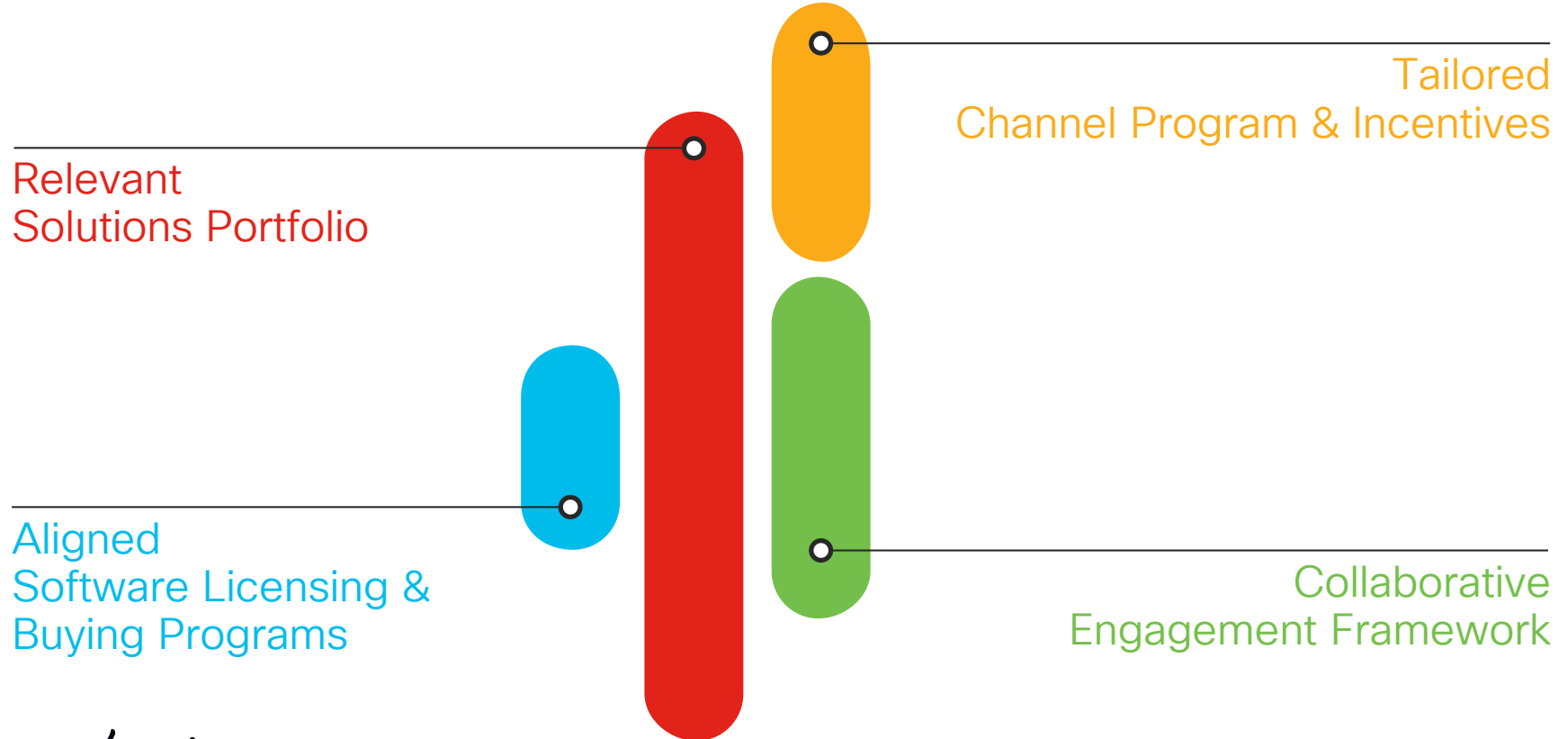
Mitigate Risk

De-risk the business with security, support, and financial breadth

Critical success factors in managed services

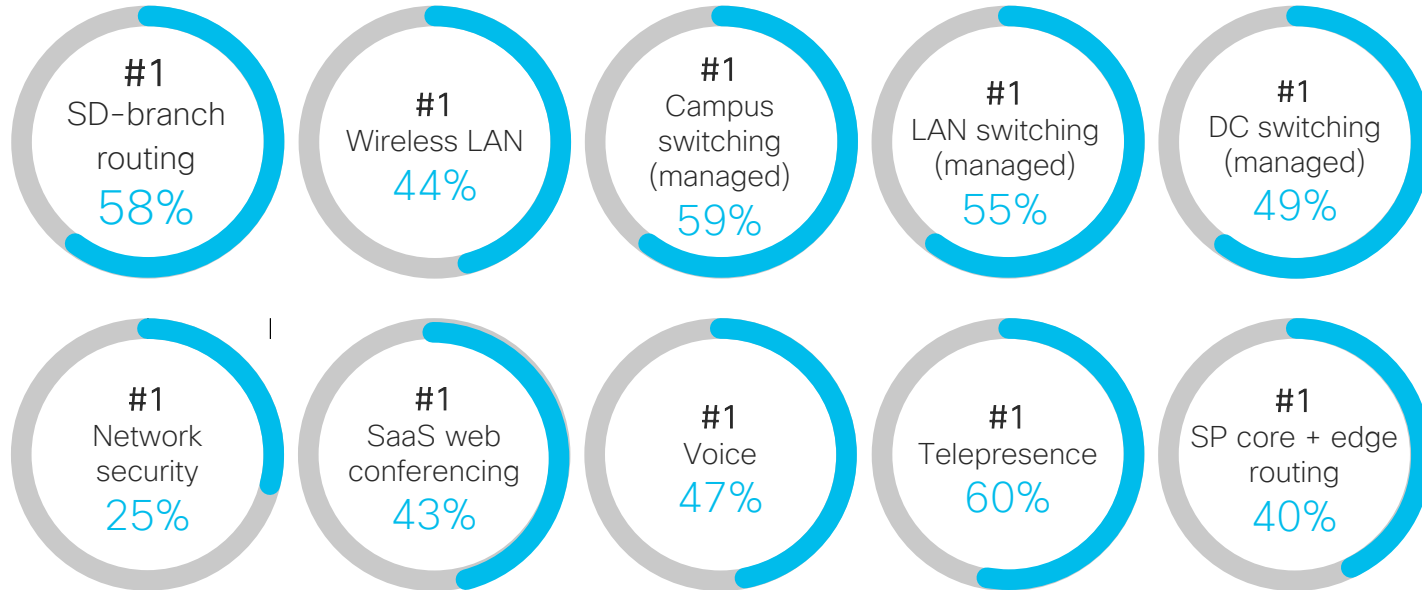


Which informs our multifaceted investments in provider partnerships



Investments in Provider Partnerships: Relevant Solutions Portfolio

Building on a market leading portfolio, which crosses all major ICT domains

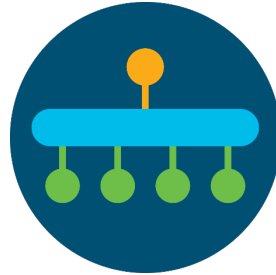


We're undergoing transformation of all major network architectures and applications



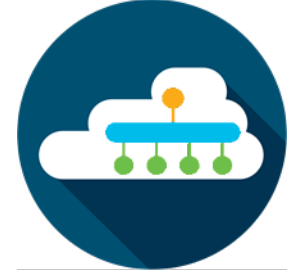
Cloud Hosted

or



Controller-based

or



Cloud Managed

Resulting Intent-based networks create new opportunities & enhance managed service delivery



Unprecedented Scale

Capture and activate business intent. Software and API enabled automation used to reduce volume complexities.



Managed Experiences

Assure business intent, including prioritization and segmentation, networkwide. Adapt as needed.

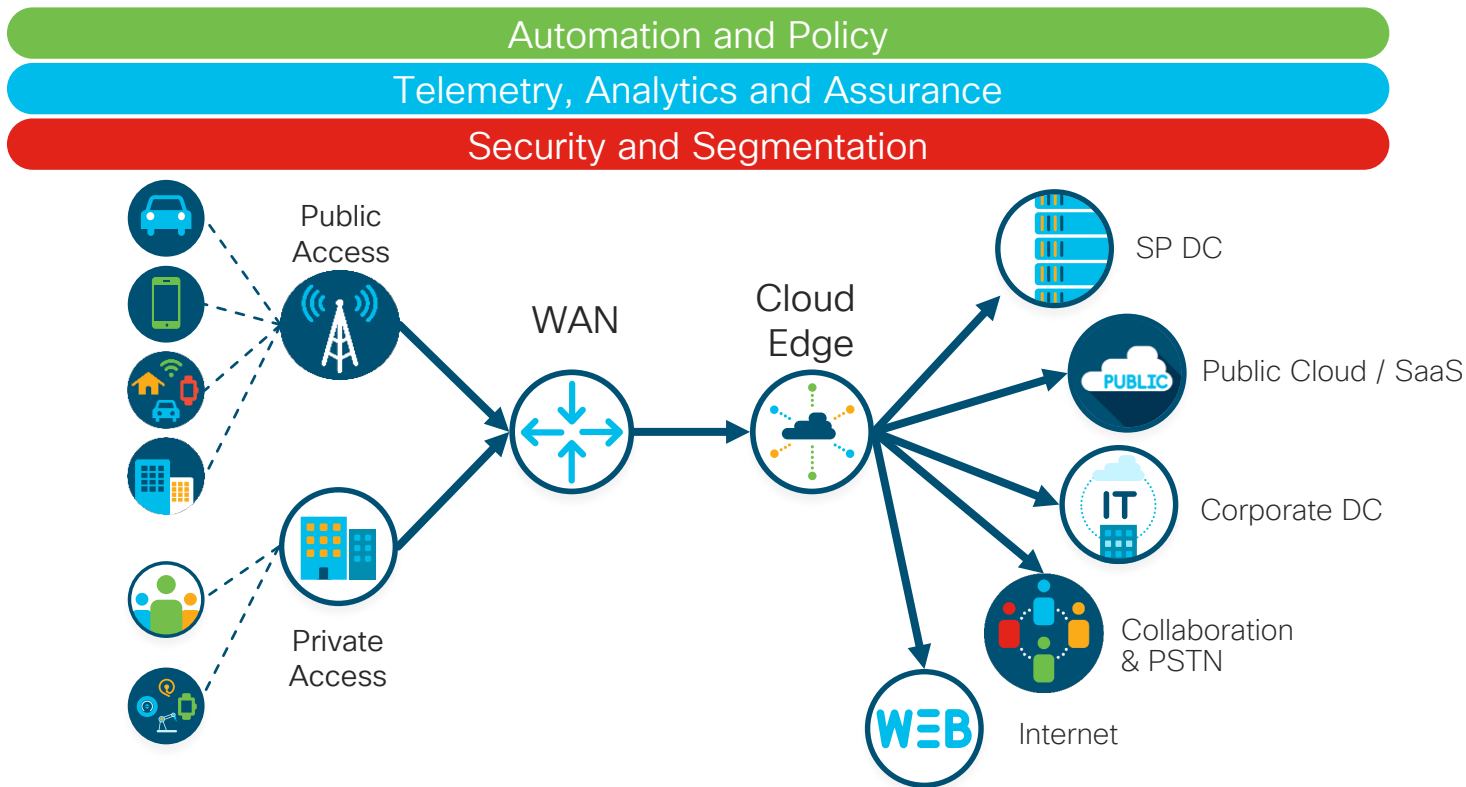


Pervasive Security

Leverage layered security and employ the network as a sensor to enhance what was once only at the MPLS edge.

And we're just getting started...

Connecting any device to any application, securely



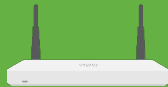
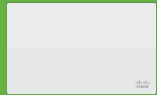
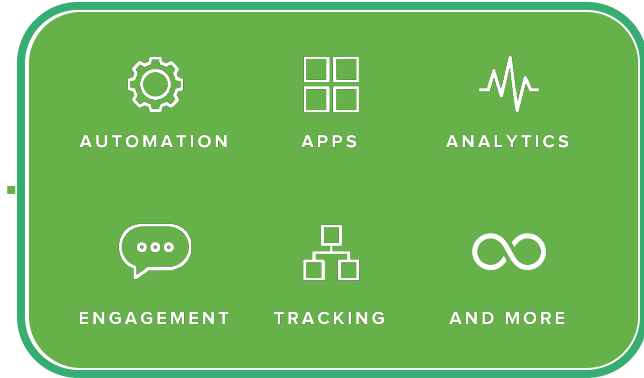
Our Meraki portfolio unlocks the promise of multi-domain, cloud managed services today

OUT-OF-THE-BOX MANAGEMENT & ANALYTICS















INTEGRATIONS & BUSINESS SOLUTIONS

POWERED BY MERAKI



Enabling segment optimized, multi-service offers

Offer	Secure Broadband with Umbrella for SPs Easy Protect	Secure Wi-Fi	Secure Network	Cloud Managed CPE	Cisco Cloud Collaboration + Networking	Cloud Managed Network Refresh
Product Line						
Customer Needs	Basic security with my business broadband connectivity	Wi-Fi and content filtering for Wi-Fi connected devices	Remote access, app aware control and intrusion detection...more than basic security	Router for connectivity termination now, and more later...	A modern collaboration experience on a network that can support it	Modernized network to support business agility and digital transformation
Target Segment	 Microbusiness	 Small (10-100)	 Small (10-100)	 SMB to Midmarket (20-1000)	 Small to Medium (10-250)	 Distributed Location SMB

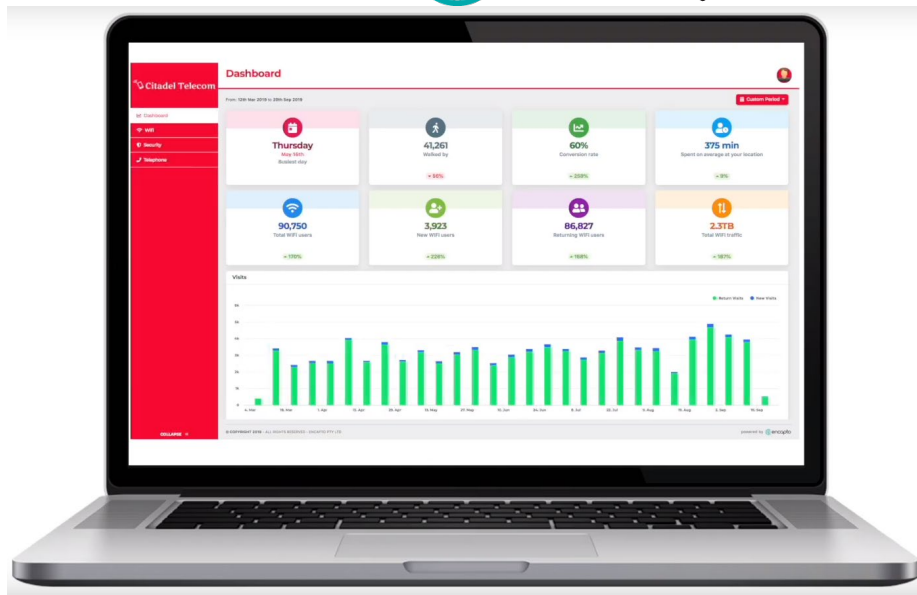
Cisco's ecosystem partners can help you further differentiate and unlock new opportunities, too



Including tailored, cross-architectural interfaces for users and operators

- Simplified ordering
- Simplified fulfillment
- Simplified self-service
- Simplified support
- Simplified multi-customer config updates

Resulting in simplified delivery of valuable business outcomes...



Investments in Provider Partnerships: Aligned Software Licensing & Buying Programs

Cisco Software Licensing Programs

Addressing the needs of the entire market

Subscription Agreement

All customers

Manage multiple subscriptions and user enrollments

Managed Service License Agreement (MSLA)

Partners delivering managed services

Scale license capacity based on consumption

Enterprise Agreement (EA) through Providers

Enterprise (Large & Medium)

Commitment to Enterprise-wide purchase of Cisco software architecture(s)





















Service Provider Network Agreement (SPNA)

Service Providers

Commitment to Cisco SP software technology(s)

Cisco's MSP Relevant Software Buying Programs

Side-by-side comparison

	Subscription Agreement	Managed Service License Agreement	Managed Service License Agreement Committed*	Enterprise Agreement (EA) through Providers
Agreement term	Product Dependent	Utility – no term	3-year	3 or 5-year or 3+1+1
Cisco field comp alignment				
Pricing				
Flexibility				
Periodic payments				
Integrated into a managed service				

Cisco Meraki Per Device Licensing

New features & capabilities aligned to managed services

Partial
renewals



Move
licenses
between
organizations



90 day
license
activation
window



Licensing
APIs



Individual
device
shutdowns



Grow your managed services business faster with payment solutions from Cisco Capital



Cash flow optimization

Immediate generation of free cash flow



Increased Credit Capacity

An alternative source of funds that can be accessed when its needed



Lifecycle Management

Keep you customers on the latest technology platforms through refresh programs



Total Solution Financing

Bundle all hardware, software, support and multi-vendor solutions into a single invoice

Close more deals, close larger deals and grow your business

Investments in Provider Partnerships: Tailored Channel Program & Incentives

Cisco incentives portfolio



Discounts

- Earn special pricing – win competitively
- Protect your investments
- Buy our products at a discount



Rebates

- Money back for selling our solutions
- Bonuses for subscriptions renewals
- Grow your midmarket practice



Rewards

- Drive customer adoption
- Rewards for subscription renewals
- Grow professional services



Funding

- Meet sales goals – earn MDF
- Grow Cloud, software and service sales
- Reinvest in your business



Financing

- Make your offers more attractive with Cisco Capital...
- Leases and loans, pay for what you need, no upfront costs



Marketing

- Reach new customers
- Use our digital marketing campaigns
- Differentiate your offers

Cisco Cloud & Managed Service Program

Holistically supporting your managed service business



Offer Differentiation

Cisco Partner logo

The Cisco Powered
Service logo

Marketing Velocity
Central



Portfolio Innovation

Service creation
resources

Invitation only Provider
Investment Fund



Sales Acceleration

Simplified Pricing

Market Development
Funds

Invitation only Provider
Investment Fund



Higher Profitability

Simplified Pricing
stacked with Migration
Incentives

Or VIP with "CMSP
kicker" (selected
SKUs)

Aligning Incentives to a Lifecycle-first Approach

Managed Services lifecycle

New Offer Introduction

- Service creation resources
- Provider Investment Fund

Offer Expansion / Iteration

- Service Creation Resources
- Provider Investment Fund



Customer Retention

- CX Specialization
- Perform Plus

Customer Acquisition

- Market Development Funds
- Provider Investment Fund
- Marketing collateral from Marketing Velocity Central
- Perform Plus

Aligning Incentives to a Lifecycle-first Approach

End-Customer lifecycle

Choosing

- VIP rebates or CMSP Simplified Pricing
- Migration Incentive Program
- Cisco Services Partner Program
- Perform Plus for cross-architectural and Small incentives
- Promotions



Managed
Service
Customer

Loving

- Services Renewal Rebate (in-quarter)
- Services MY rebates
- Software Accelerator Rebate

Using

- VIP Use / Activate / Adopt incentives

Investments in Provider Partnerships: Collaborative Engagement Framework

Cisco's engagement framework aligns to the critical factors for success in managed services



Cisco's engagement framework aligns to the critical factors for success in managed services



Cisco Agile Service Creation Framework

Used for bringing new services to market

Service creation commences after an executive commitment has been secured with an interactive workshop that initiates five codependent workstreams



Each of the five business entities must be represented in the service creation process to produce optimal outcomes

Product Management Tools and resources for service launches

Secure Wi-Fi + Internet Bundle

Cash Flow Table				
	Year 1	Year 2	Year 3	Total
PROJECT INFLOWS				
Revenues from Packages without Circuits				
Revenues from Package 1	183,527	775,734	1,427,856	2,387,118
Revenues from Package 2	66,155	279,625	514,692	860,473
Revenues from Package 3	120,573	509,639	938,068	1,568,281
Revenues from Package 4	1,331,387	5,627,511	10,358,280	17,317,178
Revenues from Package 5	479,918	2,028,521	3,733,799	6,242,238
Revenues from Package 6	874,690	3,697,144	6,805,149	11,376,983
Revenues from Circuits				
Revenues from HIS	181,367	766,602	1,411,045	2,359,014
Revenues from FIOS	1,406,019	5,942,968	10,938,926	18,287,913
TOTAL INCOME	4,643,637	19,627,744	36,127,815	60,399,197
PROJECT OUTFLOWS				
Costs from Packages without Circuits				
Installation Costs All Packages (Internal)	889,560	1,310,931	1,373,356	3,573,848
Network Operations Costs All Packages (Internal)	149,730	632,879	1,164,909	1,947,518
Software Costs All Packages (Vendor)	2,997,721	4,417,694	4,628,061	12,043,476
Hardware Costs All Packages (Vendor)	3,980,400	5,865,852	6,145,178	15,991,430
Costs from Circuits				
Costs from HIS	149,364	631,333	1,162,063	1,942,760
Costs from FIOS	1,128,705	4,770,815	8,781,403	14,680,923
TOTAL OUTFLOWS	9,295,480	17,629,504	23,254,970	50,179,954
Net Cash Flow	-4,651,843	1,998,240	12,872,846	10,219,243
Gross (Operating) Margin (Per Year)	-100%	10%	36%	
Gross (Operating) Margin (Cumulative)	-100%	-11%	17%	17%
Positive Net Cash-Flow (Month)	M2			
Payback Period (Month)	M11			
Cumulative Gross Margin 3 Years	48%			
Internal Rate of Return (IRR) 3 Years	#NUM!			

Secure Gateway with SD-WAN

Cash Flow Table				
	Year 1	Year 2	Year 3	Total
PROJECT INFLOWS				
Revenues from Packages				
Revenues from Package 1	11,039	25,517	37,992	74,548
Revenues from Package 2	99,838	295,142	489,403	884,383
Revenues from Package 3	22,241	72,864	125,142	220,247
Revenues from Package 4	6,358	24,758	44,673	75,789
Revenues from Package 5	136,053	545,471	991,457	1,672,981
Revenues from Package 6	59,792	242,158	441,242	743,192
Revenues from Package 7	1,194,283	6,785,931	10,945,230	18,925,444
Revenues from Package 8	3,307,316	23,638,737	45,213,585	72,159,638
Revenues from Package 9	704,344	5,617,602	11,422,785	17,744,731
TOTAL INCOME	5,541,265	37,248,179	69,711,510	112,500,954
PROJECT OUTFLOWS				
Costs from Packages without Circuits				
Installation Costs All Packages (Internal)	1,793,883	7,239,670	7,592,749	16,626,301
Network Operations Costs All Packages (Internal)	121,573	1,297,107	2,994,700	4,413,379
Software Costs All Packages (Vendor)	4,948,159	19,195,800	20,131,469	44,275,427
Hardware Costs All Packages (Vendor)	2,457,486	9,530,933	9,995,501	21,983,920
TOTAL OUTFLOWS	9,321,100	37,263,508	40,714,419	87,299,027
Positive Net Cash-Flow	Year 1			
Payback Period	Year 1			
Cumulative Gross Margin 3 Years	57%			
Cumulative Net Cash Flow 3 Years	\$ 8,567			
Internal Rate of Return (IRR) 3 Years	#NUM!			

cisco *Live!*

Sales and Marketing Operations

Tools and resources for service launches

Start here



Offer Definition



Enablement & Campaigns



Offer selection:



Offer 1:
Meraki SD-WAN



Offer 2:
Secure Networking



Offer 3:
Secure Wi-Fi



Offer 4:
Secure Broadband



Offer 5:
Collaboration on Meraki

Agree on the offer
messaging, focusing on the
following:

✓ End Customer Persona(s)

✓ Micro-segments(s)

✓ Target Verticals(s)

✓ Bundles Value
Proposition

✓ Competitive Positioning

Decide on the scope and practice for
internal and external/outbound campaigns
with the following:

✓ Marketing assets to
assist with initial launch
as well as ongoing
campaigns

✓ Sales assets to support
the entire customer
purchase journey

Service Delivery

Tools and resources for service launches

Standard WiFi Service Blueprints

	Example 1 - Standard Wi-Fi- Guest Friendly such as retail	Example 2 - Standard Wi-Fi- Guest Usage Enforcement
Network General		
Org Admin	• MSP Admin	• MSP Admin
Time zone/country	• MSP setting	• MSP setting
Analytics	• Enabled	• Enabled
Syslog	• MSP syslog server address	• MSP syslog server address
SNMP	• MSP SNMP setting	• MSP SNMP setting
Firmware	• MSP sets firmware upgrade setting	• MSP sets firmware upgrade setting
Alert	• MSP setting for notification	• MSP setting for notification
Wireless		
SSID	• 2 default SSIDs (Private and Guest)	• 2 default settings (Private and Guest)
Access Control		
Radio setting	• Auto / default	• Auto / default
Splash page	• None for Private • Click-through for Guest	• None for Private • Click-through for Guest

Golden Network Base - SD-WAN Example

	One Internet + LTE	Dual Internet	Dual Internet + LTE
Ports enabled	WAN1, LTE	WAN1, WAN2	WAN1, WAN2, LTE
Uplink Configuration (speeds)	WAN1 speed LTE speed	WAN 1 and WAN 2 speed	WAN1, WAN2 speed LTE speed
Primary Uplink	WAN 1 as primary	WAN1 as primary	WAN1 as primary
Load balancing	Disabled	Enabled	Enabled
Flow Preference	Set to default	Set to default	Set to default
Custom Performance Classes	Set to default	Set to default	Set to default
Traffic shaping rules	Customer configuration	Customer configuration	Customer configuration

Design Guides

Addressing & VLANs

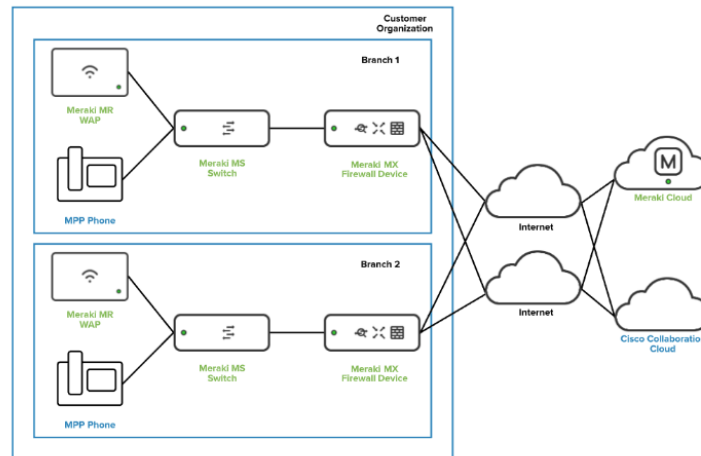
Deployment Settings

Mode

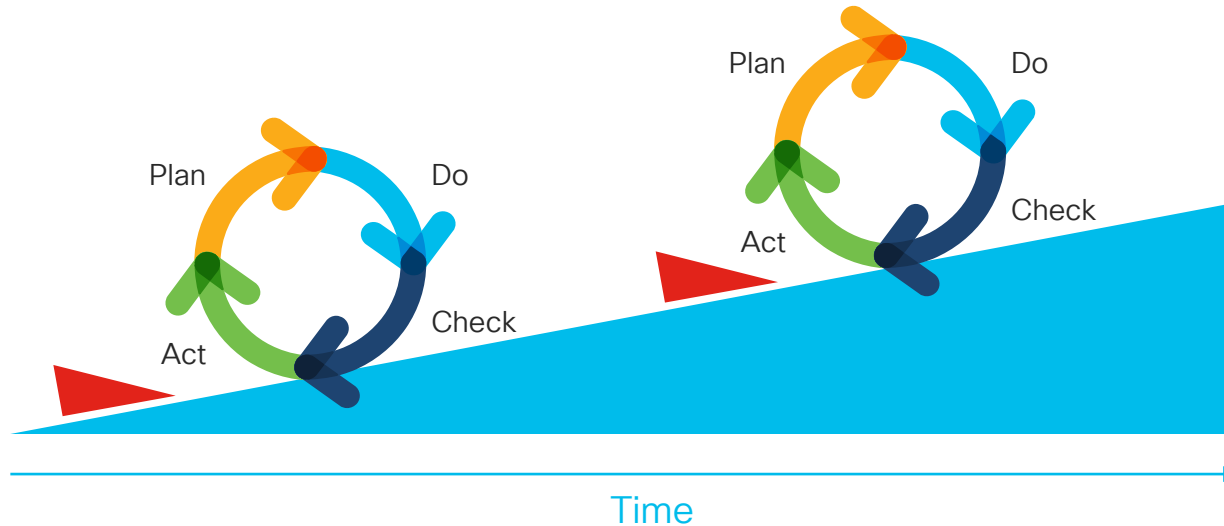
Routed

In this mode, the MX will act as a layer-3 gateway between the subnets configured below. Client traffic to the Internet is translated (NATed) so that its source IP becomes the uplink IP of the security appliance. Configure DHCP on the [DHCP settings page](#).

Basethrough or VPN Administrator



Combined with PDCA management method to iterate on services over their lifecycle



Service's Value Contribution:

- Retention
- Customer count
- Customer lifetime value
- Profitability
- Share of wallet
- Market share

Sales and Marketing Operations

Tools and resources for service lifecycle

Assess



Before beginning the strategy discussion, Cisco & Provider establish the following:

- ✓ KPIs & Success Factors
- ✓ Campaign Governance
- ✓ Workstreams
- ✓ Calendar

Essential Enablement



Provider's marketing & sales enablement team(s), use Cisco provided launch kits to build minimum viable launch content:

- | | | |
|-----------|---|----------------------------------|
| Sales | ✓ | Selling guide |
| | ✓ | Training content (decks, videos) |
| | ✓ | Outbound call scripts |
| Marketing | ✓ | Basic offer web page |
| | ✓ | Email marketing |
| | ✓ | Announcement blog post |
| | ✓ | Social media promotion |
| | ✓ | 00:60 video |

Needle-mover Enablement



Next, build a campaign across the customer journey bringing together launch kits, marketing teams, and sales teams

- | | | |
|-----------|---|--|
| Sales | • | Sales Blitz, (e.g. <i>Meraki Day</i>) |
| | • | Follow up emails |
| | • | Battlecards |
| Marketing | • | Content marketing & use cases |
| | • | Webinars |
| | • | Vertical messaging |
| | • | Display ads |
| | • | SEO |
| | • | Try & buy program |

Customer Success

Best practices for service lifecycle



Cisco wants to be your **trusted partner** in the ideation, development, marketing, sales, delivery, and ultimate success of your managed services practice.

Thank you

Complete your online session survey



- Please complete your session survey after each session. Your feedback is very important.
- Complete a minimum of 4 session surveys and the Overall Conference survey (starting on Thursday) to receive your Cisco Live t-shirt.
- All surveys can be taken in the Cisco Events Mobile App or by logging in to the Content Catalog on ciscolive.com/emea.

Cisco Live sessions will be available for viewing on demand after the event at ciscolive.com.

Continue your education



Demos in the
Cisco Showcase



Walk-In Labs



Meet the Engineer
1:1 meetings



Related sessions



Thank you





You make **possible**