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Featured Application

Innovation in Managed Services



Cisco Partner Managed Services: An Innovative Operating Model and Platform for Service Provider High Velocity Offers

Overview




Today, the pace of change is unprecedented. In our connected world, customers expect outcomes and experiences and ease of consuming IT, but they are faced with increased complexities of managing IT, securing the infrastructure, and flexibly adapting to new ways to work and collaborate. This is particularly substantial for small and medium size businesses (SMBs) who need to innovate quickly, operate efficiently, and optimize limited IT resources. As such, many organizations turn to managed services as the best way to abstract complexity and drive the outcomes the way they want. That's why "Managed Services Eats Everything," according to TSIA June 2021.

Service Providers are best positioned to drive meaningful business outcomes for their SMB customers as the market for managed services accelerates. However, to take advantage of this opportunity, Service Providers need to develop their portfolio of solutions to meet the expanding needs of their SMB customers and clearly articulate how their technology solutions translate to real world outcomes. They also need a simplified way to create solutions to address customer needs. Cisco's Partner Managed and as-a-Service team recognized the opportunity that Service Providers have in the SMB market and developed a "High Velocity model" to rethink how Cisco could align to our Service Providers across the entire partner lifecycle.

What have we solved for?

The Partner Managed and as-a-Service Sales team developed a unique success framework to create managed-ready offers, accelerate Service Provider go to market, and maximize revenue sales and revenue velocity. This includes an innovative go-to-market approach with a new service offer creation, packaging and fulfillment process, as well as new sales, enablement, and go to market tools and resources.

We started out by engaging with our Service Providers to understand how they do business and service their SMB customers. We identified opportunities where we could jointly package additional products with a Service Provider connectivity offer. This resulted in a new operating model and the creation of a purpose-built, managed-ready portfolio of High Velocity offers that Cisco Provider partners could easily integrate into their connectivity-based service catalogs. We created a standardized process for service creation and sales acceleration that each Service Provider could uniquely use for how they wanted to package their offers. We changed our fulfillment model, using a bulk buy model to accommodate how Service Providers want to deliver services.

 Strategy	 Success Factors	 Impact
<ul style="list-style-type: none"> Align to natural sales motion Drive seamless integration into providers operation & business processes Platform approach to deploy multiple services through one development cycle 	<ul style="list-style-type: none"> Center of Excellence Framework includes 30+ templated partner-ready resources across service lifecycle Simplified fulfillment model AI enabled management & analytics dashboard with open API 	<p>"We were able to build a modular managed network portfolio based on the Cisco Meraki platform that meets a variety of client needs...connectivity, Wifi, routing, security, SD-WAN and video and unified communications." VP Product Management and Marketing, Spectrum Enterprise¹</p> <p>"The OpEx model really resonates with our customers. Instead of selling a product, we offer multiple layered solutions and solve customer problems..." Chief Innovation Officer, CBTS²</p>

Sources: ¹Spectrum Enterprise. <https://www.youtube.com/watch?v=31clIXJ3Jal> | ²CBTS. <https://cloud.cioreview.com/vendor/2020/cbts>

The High Velocity managed-ready offers use the Cisco Meraki platform with an out-of-the box management and analytics dashboard with built-in AI/ML to power insights and automation, as well as APIs to manage integrations and scale partner solutions. The platform created an easy, powerful way for partners to quickly integrate ready-managed solutions into their offer portfolio. Cisco combined cloud-managed technologies to create outcome-focused High Velocity use case solutions, including Secure Wi-Fi, Secure Network, Cloud Managed Security, Cloud Managed Network Refresh and Cloud Managed Video Surveillance. We initiated a high-touch engagement with several top tier



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Service Providers globally to jointly develop their packaged solutions, train and enable their sellers, and take their offerings to market. The Service Providers leveraged one or more of the managed-ready offers to create their packaged solution and manage the stack from a simplified dashboard experience.

Business Impact

The High Velocity packaged offers were transformative to Service Providers, enabling them to differentiate their business, speed time to market, and strengthen customer relationships with added-value connectivity solutions. Using a simplified, powerful dashboard with one integration and touch point, Service Providers can create multiple offers and product bundles that could be developed at a pace never seen before. One provider **accelerated their time to go to market from over eight months to less than two months**. Along with faster time to build and launch offers, Service Providers also realize cost efficiencies with a complete portfolio of managed-ready offers available to integrate into service catalogs. With an easier way to package services and a comprehensive set of go to market assets that accelerated sales motions, managed services sales velocity increased across all Service Providers. One Tier 1 Service Provider **doubled their monthly recurring revenue** since launching their High Velocity solutions and **increased sales participation rate by almost 4x**.

The High Velocity model not only benefited our Service Providers, but it created a unique new way for Cisco to go to market with partners and service the needs of small and medium-size businesses with accessible digital transformative solutions. Using an agile approach to creating and integrating new processes into operational models encourages 'out-of-the-box', innovative thinking ingrained within the team's culture.

Most importantly, Cisco strengthened its commitment to Service Providers as a fundamental route to market to drive managed service recurring revenue streams. We invested not only in offer creation, but also in post-launch collaboration and engagement with Service Providers to support sales enablement and acceleration. Dedicated, high-touch teams with ready-to-go-to-market sales assets were available to speed time to market and have now become a standardized investment across the Partner Managed and as-a-Service Sales team to fuel partner success. The go to market investment makes it easier for Service Providers to package and sell transformative outcome solutions, while also driving additional cross-sell and upsell opportunities. For example, a Tier 2 Service Provider in the Americas has achieved **over 70% of new sales opportunities** leveraging the full stack of Security, WiFi and Switching managed-ready offers, and a Tier 1 Service Provider has **more than doubled their overall managed services business** using more than two high-velocity product offers.

Customer Impact

The new services provide SMBs with an easy way to consume cloud-based, value-added services by a single trusted Provider, as well as provide an accessible path for digital transformation. A single point of contact for SMBs helps to reduce the complexity and costs associated with multiple vendor solutions, often a challenging obstacle for customers of any size.

Lessons Learned

Key to the success of Cisco's High Velocity offers was an 'outside-in' approach to thinking creatively, collaborating across operational teams, and implementing with speed and agility. Importantly, it was understanding how Service Providers sell and win the market and creating offers and a go to market plan that capitalized on their strengths and capabilities. Fundamentally, it is about the agility to change business and operational processes – from fulfillment models and seller enablement, making the right investments in resources and assets, and making it easy for Service Providers to do business with Cisco.

We're never done innovating. We're creating new innovative offers, bundling smart cameras, environmental sensors and secure network technologies and standardizing on best practices to scale efficiently.



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