

Primary vendor solution

THERE IS A DEFINITE TREND AMONG SMALL AND MEDIUM BUSINESSES TO MOVE AWAY FROM MULTI-VENDOR NETWORKING SOLUTIONS TO PRIMARY-VENDOR SUITES. THE REASON FOR THIS LIES IN THE THREE Cs – CONSOLIDATION, CONVENIENCE AND COST

As networks proliferate and add on application muscle, managing them becomes an increasingly awesome task for IT managers. According to recent research conducted by Frost & Sullivan on the small and medium businesses (SMB) market across five Asia-Pacific geographies, network complexity is no longer an issue for just the large enterprises, but also a growing concern for SMBs. The research shows that SMBs are today forging ahead in the adoption of newer networking technologies, having realized the business benefits behind new generation networks that offer converged data, voice and multimedia.

However, there is a fundamental difference in the way large enterprises and smaller ones approach newer technologies. While large enterprises are prepared to adopt technology for technology's sake, SMBs do look for short- to medium-term business benefits from their investments. Both have varying capabilities in terms of managing such network complexity. Seldom do SMBs indulge in the luxury of maintaining huge in-house IT teams to manage these networks. In a multi-vendor network, each of the applications is supported by different vendors on diverse platforms and operating systems. However, application diversity, which in turn results in vendor and network diversity, need not necessarily cause inefficiency in their management. A possible answer to this could be the primary vendor option.

A solution that offers the benefits of consolidation, convenience and cost could prove to be the silver bullet for SMBs.

Why Cisco Solution?

A number of enterprise solutions have today become a compelling proposition to SMBs. To deliver an integrated suite of solutions to this market requires cutting edge technology, expert local support, scalable solutions suites and lower total cost of ownership (TCO). Cisco has achieved remarkable mind share among SMBs by offering them simplicity, integration, control, performance and cost advantages by its sheer ability to integrate

voice, data and multimedia over a single device, the integrated services router (ISR). The ISR also fits into Cisco's concept of self-defending networks, with its embedded security applications.

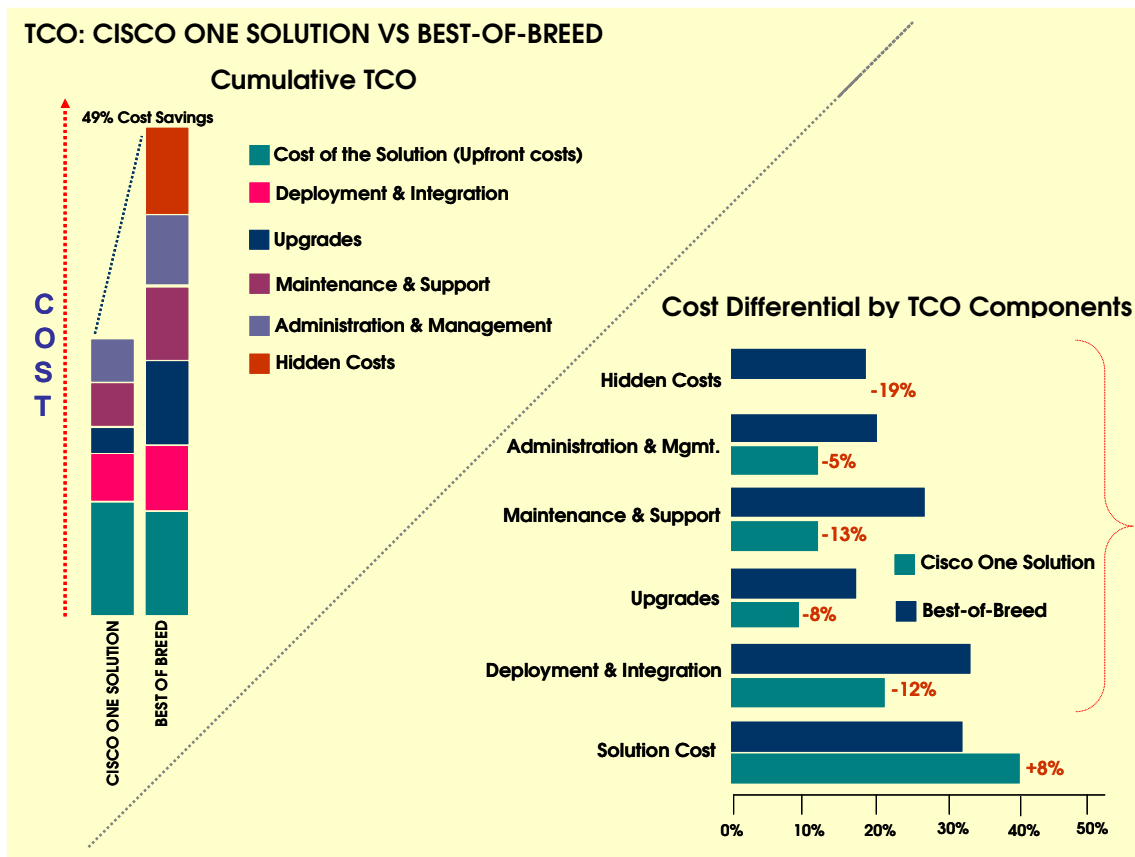
Such an integrated solution offers users the following advantages:

- Consolidation of disparate network elements into a single suite/product
- Convenience in terms of management and ease-of- use and
- Cost – As much as 49% cost savings with Cisco Solution in comparison with best-of-breed solutions.

A TCO Analysis of Cisco Solution

What does the ISR mean for SMBs? The most compelling proposition is the drastic reduction in costs, bringing cutting-edge technology and its associated business benefits within the reach of SMBs. A TCO analysis of Cisco's products for a suite of 4 solutions (IP Telephony, Switching, Routing and Network Security) with best-of-breed products shows the compelling benefits of Cisco products over the multi-vendor option:

- Overall savings of 49% over comparable best-of-breed solutions over a period of 3 years
- 0% hidden costs compared to 19% hidden costs in best-of-breed solutions
- Savings across all the TCO components, with the exception of upfront costs



The ISR forms the core of a Cisco initiative to address the growing needs of SMB customers. Apart from offering the unique values of end-to-end integration across a network, cost benefits and ease of managing, Cisco has ensured that such advantages are well within the reach of SMBs by offering leasing and finance options*.

Though traditionally focused on large enterprises, Cisco has now successfully forged enduring partnerships with several SMB customers across the region by offering an integrated networking solutions suite that ensures great customer experience. Channel and VAR partnerships to ensure service breadth have helped in retaining and growing the SMB clientele. Though vendors tend to forge partnerships that are no more than thinly-disguised price discount programs, Cisco’s partnerships are built around two key criteria: delivering new values, and facilitating business excellence.

"Cisco is committed to helping small and medium-sized businesses become more productive, more efficient, and more effective by enabling them to maximize the return on their investment in information technology," says John Chambers, president and CEO, Cisco Systems. "It's about helping them create value that extends to their customers and, ultimately, to competitive differentiation and the bottom line. An existing \$2 billion

investment, which will continue over the next two years, will help strengthen our portfolio of SMB Class solutions, enhance our award-winning channel partner programs, and help build awareness about the role of networking solutions in SMB success."

*Leasing option is currently available in Australia, Hong Kong, India, New Zealand, Korea, Taiwan and Singapore.