Sprint Complete Collaboration

EXECUTIVE SUMMARY

Sprint is a major U.S. mobile operator and challenger in the enterprise wireline services market. In 2011, Sprint embarked on a refresh of its wireline offerings by introducing a suite of hosted communications and collaboration services. Sprint's Complete Collaboration Services strengthen its position in the enterprise market and leverage Sprint's mobile assets, programs, and existing customer base.

Experience Innovation

Sprint's Complete Collaboration provides mid-market and large enterprise customers with a differentiated set of services for unified communications and collaboration. By launching unified communications services that integrate network, applications, and services, Sprint is able to explore the full potential of its assets in an end-to-end service proposition. Unified communications is also an expansion of its managed voice service offerings, of which Sprint has a number of existing customers.

Sprint Complete Collaboration also features services based on the Cisco Hosted Collaboration System (HCS). The hosted collaboration offering is designed for large enterprises, and is targeted to Sprint's current base of wireline and wireless customers through its integrated wireline/wireless sales channel.

Differentiators for the Sprint Complete Collaboration offering include:

- SIP Trunking is included in the pricing for the basic offer.
  - Other providers charge for SIP Trunking services as an additional service.
- Sprint will have a single sales team to support the customer.
  - Most providers have two teams: a wireline and wireless sales team.
- Mobile integration is part of the offer.
  - Sprint has included mobile integration and has an unlimited mobile offer.
- The Sprint offer supports two devices and includes a soft client.
  - Most providers support only one device and do not offer a soft client.

- The Sprint offer is end-to-end.
  ◦ Other carriers mix and match other vendor services or limit it to their own services.
- Multiprotocol Label Switching (MPLS)/VPN service offers Class of Service (CoS) levels at no extra charge.
  ◦ Other carriers charge for Cost of Service (CoS) levels; Sprint does not.

Opportunities

- **Differentiate with integrated assets**. Sprint has created a unique offer that combines business-grade cloud computing services with its network communications services (including mobile), applications, MPLS/VPN services (with no-charge for CoS levels), along with its strong reputation for customer satisfaction.
- **Focus on enterprise customers**. Sprint positions itself as a viable alternative to business customers in the mid-market and large enterprise segments. Sprint's enterprise services portfolio is focused on customers that tend to get less attention or support from the incumbent carriers.
- **Leverage existing sales channel**. Sprint has a primary sales group focused on mobile services, and additional sales resources focused on wireline services. Sprint's wireline sales force works with the larger mobile service sales group to create one team supporting its customers. Sprint intends to provide the combined sales force with additional training to sell the new unified communications services.

Figure 1. Sprint Collaboration Services Portfolio
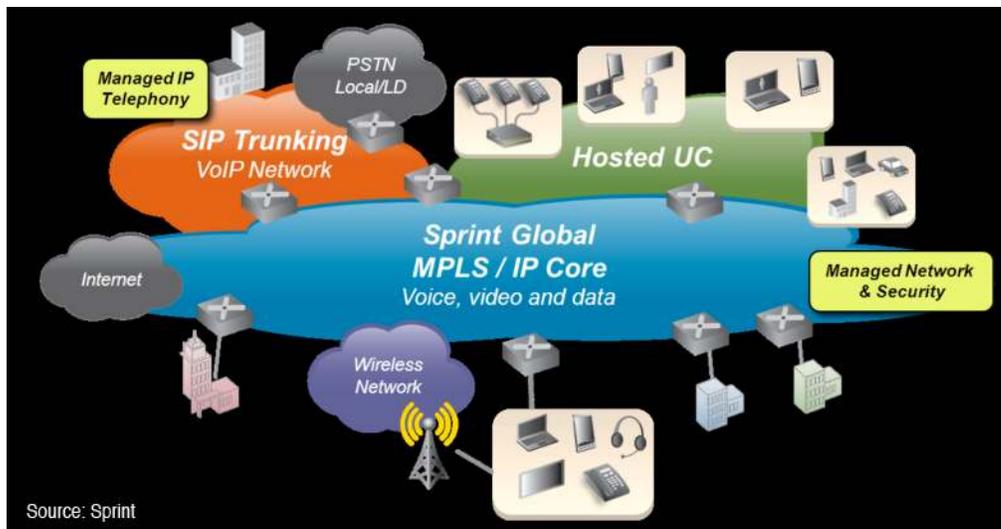
Challenges

- **Develop a broader enterprise offer**. Sprint intends to leverage the cloud platform while maintaining its core competencies in providing enterprise services. Building and managing an ecosystem of cloud partners requires developing strategic relationships to expand upon its existing service offerings.
- **Leverage mobile and enterprise assets**. Sprint has a variety of mobile services and wireline enterprise services, including managed services. Sprint will need to effectively integrate these services to attract mid-market and large enterprise customers.
- **Provide a differentiated offer from incumbent providers**. In the competitive hosted services space, Sprint's strategy will require developing unique service offerings while focusing on an underserved segment of the enterprise market.

Strategic Partnerships

The Sprint Complete Collaboration offer is supported by its in-house capabilities and strategic partnerships with Cisco, VMware, and Microsoft. In addition, Sprint has a strong mobile services alliance program and history of developing partnerships to develop new services and distribution models. Sprint has also used the alliance model to develop and support its wireline service portfolio including voice, data, Internet, and a full range of managed services with its global MPLS/VPN managed data network capability.

> "Sprint Complete Collaboration is a new way of thinking about employee collaboration in an increasingly mobile world. This is the first of several cloud-based services Sprint will launch leveraging our award-winning all-IP network."
>
> **—Mike Fitz, Vice President, Wireline Business Unit, Sprint**

Success Metrics/Monetization

Sprint Complete Collaboration consists of a set of basic services with options and integration alternatives that include Sprint telephony and mobile services.

- Overall goal is to stabilize and increase wireline voice revenues (~US$2B annually), driving growth within Sprint's enterprise market base. Unified communications will also be a new revenue stream for Sprint voice services.
- Initial customer targets include current U.S. enterprise wireline customers and enterprise mobile customers. Sprint intends to "grow the existing spend," then move towards new customer acquisition.

- Pricing for unified communications services packages: (SIP Trunking and local and on-net calls included)
  - Voice Centric (Mid-$30s/seat): call control, basic UC (video, voicemail, video telephony); includes support for two devices, soft-client and mobile integration
  - Standard (Mid-$40s/seat): above + IM/presence, desktop sharing
  - Premium (Mid-$50s/seat): above + mobile client; 10 devices supported

"Sprint is the first Cisco partner to bring to market a Cisco HCS solution that integrates both enhanced mobility and SIP Trunking in a fully managed bundle that enables collaboration for all employees. Coupled with our superior managed services, we make it simple for Sprint customers to harness the industry's most powerful UC portfolio: one comprehensive solution, one account team, and one service/support team."
—Mike Fitz, Vice President, Wireline Business Unit, Sprint

Company Background

- Sprint Complete Collaboration

Case study source: Cisco sponsored research developed by Ovum.