

# Managed Services for SMBs: Create Long-Term Value and Customer Loyalty

## Introduction

Service providers have new opportunities to offer their small- and mid-sized-business (SMB) customers innovative ways to elevate efficiency and productivity. As the business world becomes increasingly global and connected, SMBs rely on their networks for more effective communication, enhanced collaboration, improved customer service interactions, increased productivity, and more secure business transactions.

The SMB customer is primarily concerned with how best to:

- Connect offices and employees
- Serve customers better
- Work from anywhere
- Secure their business
- Increase employee productivity

Solutions for the workspace are arising from these concerns, as business customers seek to maximize productivity and competitive advantages. At the same time, SMBs are facing a newly empowered end user with high service and collaboration expectations – anytime and anywhere. Today's end users have explored and experienced new technologies on their own. They are now bringing this experience into their workspaces, demanding the tools and applications that can make them most productive. Ultimately, businesses want technology delivered as a service that is secure and adaptive to their ever-changing business requirements and beneficial to their profit line.

Historically, adding a new application or technology in the SMB increases cost and complexity. An integrated services solution, which is based on a single platform to deliver data, voice, and video services, mitigates these factors by providing a cost-effective and less complex solution for this segment. Integrated managed services offered by a service provider allow customers to take advantage of all applications and technologies despite limited IT resources, and ease the deployment of converged voice, video, and data services.

Service providers have traditionally provided scaled-down versions of enterprise services to SMBs. These services are typically too costly, inappropriate, and cumbersome to adopt. Service providers have also previously struggled to provide complete business solutions tailored to the SMB. But, when managed services are tailored for the SMB and provide fully integrated security, voice, video, wireless, and data solutions, they give SMBs the ability to collaborate more effectively with customers and employees. The strength of SMB-focused managed services based on a Cisco® solution is that all these capabilities are enabled in one package. Additionally, SMB-focused managed services are flexible enough to support unlimited business innovation and growth.

## Benefits of Delivering Integrated Managed Services to the SMB

Cisco solutions for managed services enable your service provider organization to:

- Deliver a complete business communications solution – beyond transport.
- Address current and emerging business challenges while furthering SMB capabilities and productivity.
- Increase your value with SMB customers, from transport provider to business partner. The results are increased revenue, greater competitor differentiation, higher margins, and reduced turnover of the customer base because of increased customer satisfaction and loyalty.

## Managed Services for the Small and Medium-Sized Business

The revenue opportunity associated with managed services enabled by Cisco and tailored to the SMB customer arises from the integrated services platforms that form the customer premises equipment (CPE) foundation. These platforms include the comprehensive and feature-rich Cisco Integrated Services Routers and the Smart Business Communications System.

Services built on these integrated services platforms offer service providers easy “up-sell” opportunities and new revenue streams. In turn, these platforms and their ability to support bundled solutions on the same hardware allow for CapEx and OpEx savings with less devices and reduced onsite installations and maintenance.

Managed services built on Cisco integrated services platforms accelerate time to market and revenue capture by supporting diverse integrated services, with features tuned to the needs of the SMB. This reduces turn-up time and accommodates multiple deployment options (such as partnering with VARs) to reach SMB customers more efficiently and effectively. The following sections provide an overview of the types of managed services that can be created by a service provider using an integrated Cisco platform.

### Foundational Network Services

The Cisco Integrated Services Router provides a fast, secure, and reliable network foundation for the SMB and enables connectivity to business applications, remote sites, and the Internet. With this solid network foundation, service providers can cost-effectively deliver basic business services and offer new enhanced services as business needs evolve. Basic network services allow the SMB to operate more efficiently and lay the foundation for enhanced communication solutions.

Managed services in this category include managed routers, managed perimeter security (such as firewall), VPN services, and options for integrated managed LAN services to lay the foundation for future converged services support.

### Enhanced Convergence Services

Convergence capabilities on the Cisco Integrated Services Router and the Smart Business Communications System deliver integrated data and voice services as well as enhanced communication options such as video and messaging. Businesses are beginning to receive unified communications services over the same IP network they use for data, attracted by productivity gains as well as cost savings. To avoid the capital and operational costs of separate voice and data networks, companies can add a managed unified communications service to their IP VPN to support telephony services as well as to integrate additional options such as video.

Managed services in this category include managed unified communications tailored for the SMB.

### Enhanced Security Services

Securing company assets must be inherent in successful and productive business communications. In order to remain competitive, SMBs need more advanced security features to help protect business assets, protect against intrusion, and secure transactions with remote workers. Enhanced security services are easily integrated with the foundational and convergence services already deployed.

Managed services in this category include managed intrusion detection, enhanced security options to secure content and endpoints, and secure remote access for mobile employees.

### Roadmap for SMB Success

Increasingly, SMB customers will look to managed services to help them remain competitive in their markets as they – like the enterprise customers – choose to focus their IT resources on strategic business issues rather than the classic management and security aspects. For service providers focused on this market, the Cisco Integrated Services Router and the Smart Business Communications System are the platforms for managed service creation in the delivery of integrated data, unified communications, security, and wireless solutions.

Offering a portfolio of managed services that reflect the business solution packages shown in Figure 1 allows service providers to meet their SMB customers' unique near-term business needs while planning for longer-term growth. Viewing the customer from a business-evolution perspective, as well as a right-sized perspective, can reveal opportunities for up-selling and cross-selling additional value-added services.

**Figure 1.** Solution Packages and Managed Services for the SMB

Basic Business Network	Foundational Services
Enhanced Customer Service <i>Customer Responsiveness</i>	Enhanced Convergence Services
Anytime, Anywhere Access <i>Cost Containment</i>	
Boost Business with Enhanced Communications <i>Operational Efficiency</i>	
Secure Business	Enhanced Security Services

### Summary

Today's SMB is looking for complete and effective business solutions that increase productivity and scale for the long term. They need services created for their specific needs. Managed services play a critical role here as they allow SMBs to take advantage of productivity-enhancing technology and applications without the hassle and dedicated expertise required to manage them. Service providers can tap into the growing service opportunity for the SMB by creating a portfolio of managed services oriented to enable efficient business communications no matter where the workspace resides. A managed services portfolio for the SMB is tailored to meet the needs of evolving communication requirements.

To successfully deliver managed services to the SMB, service providers need technology partners whose platforms offer the scale, efficiency, and services innovation to support the growing communication needs of the SMB. Cisco is taking a lead role in unifying workspaces with the breadth, diversity, and flexibility of its integrated services platforms and its strong community of third-party development and technology partners. Service providers can overlay these managed services on their IP Next-Generation Network to provide the required network intelligence and scalability of a complete SMB business solution.

### For More Information

To find more detailed information about Cisco integrated services routers and how you can deploy integrated managed services, please refer to the following:

- [Cisco Integrated Service Router Product Information](#)
- [Cisco Smart Business Communications System Product Information](#)
- [Cisco SMB Managed Services](#)



**Americas Headquarters**  
 Cisco Systems, Inc.  
 170 West Tasman Drive  
 San Jose, CA 95134-1706  
 USA  
[www.cisco.com](http://www.cisco.com)  
 Tel: 408 526-4000  
 800 553-NETS (6387)  
 Fax: 408 527-0883

**Asia Pacific Headquarters**  
 Cisco Systems, Inc.  
 168 Robinson Road  
 #28-01 Capital Tower  
 Singapore 068912  
[www.cisco.com](http://www.cisco.com)  
 Tel: +65 6317 7777  
 Fax: +65 6317 7799

**Europe Headquarters**  
 Cisco Systems International BV  
 Haarlerbergpark  
 Haarlerbergweg 13-19  
 1101 CH Amsterdam  
 The Netherlands  
[www-europe.cisco.com](http://www-europe.cisco.com)  
 Tel: +31 0 800 020 0791  
 Fax: +31 0 20 357 1100

Cisco has more than 200 offices worldwide. Addresses, phone numbers, and fax numbers are listed on the Cisco Website at [www.cisco.com/go/offices](http://www.cisco.com/go/offices).

©2008 Cisco Systems, Inc. All rights reserved. CCVP, the Cisco logo, and Welcome to the Human Network are trademarks of Cisco Systems, Inc.; Changing the Way We Work, Live, Play, and Learn is a service mark of Cisco Systems, Inc.; and Access Registrar, Aironet, Catalyst, CCDA, CCDP, CCIE, CCIP, CCNA, CCNP, CCSP, Cisco, the Cisco Certified Internetwork Expert logo, Cisco IOS, Cisco Press, Cisco Systems, Cisco Systems Capital, the Cisco Systems logo, Cisco Unity, Enterprise/Solver, EtherChannel, EtherFast, EtherSwitch, Fast Step, Follow Me Browsing, FormShare, GigaDrive, HomeLink, Internet Quotient, IOS, iPhone, IP/TV, iQ Expertise, the iQ logo, iQ Net Readiness Scorecard, iQuick Study, LightStream, Linksys, MeetingPlace, MGX, Networkers, Networking Academy, Network Registrar, PIX, ProConnect, ScriptShare, SMARTnet, StackWise, The Fastest Way to Increase Your Internet Quotient, and TransPath are registered trademarks of Cisco Systems, Inc. and/or its affiliates in the United States and certain other countries.

All other trademarks mentioned in this document or Website are the property of their respective owners. The use of the word partner does not imply a partnership relationship between Cisco and any other company. (0711R)