

Next-Generation Events Case Study: Cisco Global Sales Experience (GSX)



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Overview: Next-Generation Events

With the pressures of globalization, increased competition, and the continually accelerating information explosion, the need for employees, customers, and partners to come together, exchange knowledge, gain fresh perspectives, build networks, and nurture relationships has never been greater. Despite these important benefits, many organizations are questioning whether events deliver business impact commensurate with their costs, especially during an economic downturn. Traditional events suffer from high costs, limited audience reach, low flexibility, and inconsistent outcomes.

Many of the challenges associated with in-person events can be overcome by augmenting a traditional event with a wide range of technology-enabled enhancements. The resulting next-generation event expands options for participation in both space and time, enabling the attendee to choose to attend in person or remotely, live or on a delayed basis, and for the entire program or just selected sessions. This flexibility can help the event organizer attract a wider audience, engage that audience more effectively, and lower costs for both the host and attendees.

Cisco has been a pioneer in creating highly successful next-generation events, and we are sharing our experiences through a series of case studies and a strategic event management framework for getting started.¹ Cisco also provides a wide range of products and services that enable next-generation events under Cisco's Collaboration for Events experience² (see www.cisco.com/go/collaboration4events). In this paper, we have profiled Cisco's next-generation annual sales meeting, which we call the Global Sales Experience (GSX).

Figure 1. How Next-Generation Events Differ from Traditional Events

From Traditional Events To Next Generation Events
Incur cost, lost productivity, and environmental impact of travel	Reduce costs, lost productivity, and environmental impact from travel
One physical location	Multiple physical locations possible
Must attend in person, limiting participation	Can attend remotely, greatly expanding audience
Must attend in real-time	Can view on delayed basis
One-size fits all agenda	Individually tailored agendas
Experience is limited to event itself	Experience extends before and after event
Audience feedback given after event	Real-time feedback given during event
Personal networking is random process	Interest driven networking via social tools
Awareness generation via traditional marketing	Awareness generation amplified via social media

Source: Cisco IBSG, 2010

Cisco Global Sales Experience (GSX) Highlights:

- Reduced cost per attendee from \$4,050 to \$520
 - Increased employee ratings of presentation sessions
 - Avoided 19 hours of travel time per attendee
 - Increased number of breakout sessions by 46 percent
 - Extended event over time (before and after live event)
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Introduction: Cisco Global Sales Experience (GSX)

Our recent global sales meeting (the Global Sales Experience, or GSX) was by far the biggest and most complex next-generation event we have executed, with more than 17,000 employees participating virtually over three and a half days. This meeting also had complex business objectives, extending beyond simply communicating information to recognizing performance and boosting motivation. Overall, the event was highly successful. We also learned where we need to improve and will share our thinking on how the event might be enhanced in the future.

Challenge

The annual Global Sales Meeting is a crucially important event for Cisco. Attendees look to this meeting to gain a better understanding of the company vision, connect with their colleagues, receive recognition for their performance, and boost motivation for the new fiscal year. In surveys from past sales meetings, 93 percent of attendees said the meeting increases confidence in their selling ability. The sales meeting has a demanding audience of hypercompetitive, highly experienced (average age: 39) individuals. Attendees also expect to have fun. The bar was set very high in the past, with attractive locales such as Las Vegas and San Francisco, world-famous business and political leaders, and big-name entertainers. It was a best-in-class program honed over many years.

For our fiscal year 2010 event held in September 2009, sales management decided that incurring the expense of a traditional in-person meeting would not be prudent in the face of the downturn. In pre-meeting focus groups, sales employees were concerned about the feasibility of conducting the meeting virtually. Sales employees expressed concerns about changing the traditional format and emphasized that having a successful meeting was especially important during the downturn to help build momentum. Thus, there was much at stake in making this new format successful.

Pre-event focus groups revealed that attendees gained most of their motivation from presentations by John Chambers and Rob Lloyd (Sales EVP). Most felt that if the presentations are interesting and the speaker is engaging, it doesn't matter that the event is virtual. They also felt, however, that the event could not be 100 percent virtual. They wanted to sit with local peers in the same room to hear at least from John and Rob. They also wanted the sessions to be live, with one focus group member indicating "if it is a VoD, it will never make it to the top of my priority list to watch."

New Approach: Process

Realizing it would be challenging to conduct such a large-scale event virtually, we developed a number of *core principles* that we believed would help promote a successful outcome:

- Create a sense of occasion and immediacy, so that employees would choose to participate in real time, rather than (maybe) watching a VoD replay later
- Harness the competitive spirit of the sales team to drive interactions among attendees and make them comfortable in the virtual environment in advance of the event
- In the absence of the typical celebrity guests, highlight our internal “stars,” John Chambers and Rob Lloyd, as much as possible
- Given the challenges in maintaining focus and attention remotely, include significant breaks in the scheduling of event sessions
- Since attendees were participating from their offices, reduce the required time commitment to two to four hours a day to enable them to continue to conduct business
- Recognizing attendees needed time to adapt to this new way of meeting, conduct a marketing campaign to build awareness of the changes and create excitement for the concept

Figure 2. GSX Virtual Environment Homepage



To mitigate the specific concerns mentioned in the focus groups regarding engagement, motivation, and recognition, we took the following steps in planning the event:

- **Engagement:** A number of games, including an extended Alternate Reality Game (The Threshold), provided fun ways to begin engaging with the GSX virtual platform and content several weeks prior to the event. Attendees had to comb through educational content to get information needed to play the games. We focused on **making the**

meeting easily accessible—for example, enabling attendees to participate live in the main sessions at a convenient time for their geography. Power Sessions (smaller breakouts on focused topics) were held throughout the day, so attendees could participate on a flexible schedule. This meant that while some presenters had to get up in the middle of the night, attendees did not. There were many options for attendees to provide real-time feedback to presenters, and to interact in chat zones and public forums. This event was also the first time content, information, and resources were made available to attendees at the same time sessions were held.

Figure 3. GSX Alternate Reality Game—The Threshold



- Motivation:** While we understood that nothing could compare to the energy of sitting in a room with 17,000 other Cisco employees, we took a number of steps to help create a sense of connection. Key aspects included encouraging attendees to connect with each other, enabling dialogue between attendees and speakers, and promoting group viewing of the event in local offices. Many opportunities were provided for social networking with other attendees to help maintain existing relationships as well as build new ones. Success in The Threshold game required assembling a team of experts from different disciplines. A leader board provided visibility into game winners, and there were both modest instant prizes, as well as a grand-prize trip that included meeting with John Chambers and Rob Lloyd. Local teams were encouraged to assemble and watch the event together in conference rooms, and socialize over snacks. Organizations that planned these types of informal interactions achieved better results.
- Recognition:** At the sales meeting, Cisco recognizes three levels of top performers: Achievers (reached 100 percent of quota), Sales Champions (top 10 percent), and Chairman's Club (top 1 percent). Attendees in each group received virtual icons visible to other participants that differentiated their status. Names of winners were

continuously scrolled across the event homepage. John Chambers and Rob Lloyd individually recognized Chairman's Club winners from each theater during the closing session. Sales Champions were granted access to special chat sessions with senior Cisco executives. High performers were given gift cards ranging from \$100 to \$500. Also, the sales meeting is only one component of Cisco's Sales Recognition Program. For example, Chairman's Club winners still receive a company-funded trip with their spouses.

To avoid information overload, GSX was spread over three and a half days, whereas previous sales meetings spanned two and a half days. General sessions of global interest were held at two different times, so that everyone around the world could attend in real time without being inconvenienced. Theater sessions were held once, at a time convenient for that theater. The number of Power Sessions (breakouts) offered increased from 37 to 54, and each of these sessions was given at four different times, as opposed to twice in past events.

This structure provided much greater flexibility for participants to attend the sessions of most relevance to them. By staggering sessions over a 24-hour period, attendees could participate in additional sessions that would not have been possible under the previous format. For example, a U.K. account manager selling to service providers could attend both the European and the U.S. service provider sessions.

We also recorded all of the sessions for later viewing. In the past, while we videotaped the large general sessions, most breakouts were not recorded. At GSX, we captured videos and transcripts (e.g., of chat) from all sessions.

Figure 4. GSX War Room



To ensure a high-quality user experience during the event, Cisco staffed a “war room” of core team experts in San Jose to monitor all “live” transmissions worldwide. A collaborative workspace was used to resolve issues in real time. This team also tracked and provided reports on all essential activities for the event.

New Approach: People

Switching from an in-person format to a virtual sales meeting required adaptations by several groups of people: the event planning team, event support groups (e.g., IT), event presenters, and perhaps most important, event attendees.

We recognized the importance of preparing our employees in advance for this dramatic change from the past. Attendees had to get comfortable in a new virtual environment, learn

how to network in new ways, and realize that GSX would offer a different experience from the physical locations of the past on an emotional level. They also needed to understand how they could get what they wanted from the event (e.g., conversing with experts from a particular product group, or meeting colleagues with a vertical industry or geographical focus). We prepared employees by implementing a cascading messaging strategy that delivered a cadence of communications, touchpoints, and experiences.

The timing of GSX coincided with the launch of a new collaboration platform for the sales organization, the Global Platform for Sales (GPS). GPS is intended to be a “one-stop-shop” where sales personnel can quickly and easily find the content they need to do their jobs. Since it can be challenging to change behavior, GSX provided a great opportunity to encourage the sales organization to adopt GPS.

To promote GSX and help educate attendees on GPS, the event planning team devised an integrated, four-step approach:

- Promote (April-August): promote awareness, inspire interest, encourage participation
- Engage (August 24-Sept. 14): orient employees to the new Global Platform for Sales, provide registration and orientation for GSX, promote participation in Alternate Reality Game
- Deliver (Sept. 14-17): execute three-and-a-half-day GSX program; deliver content and networking
- Reinforce (Sept. 18-Oct. 17): gather feedback; promote retention and application of key knowledge through the Global Platform for Sales

We also coached the speakers on how to modify their presentation approach for this new medium. The most important change by far was to shorten the presentations. In the past, presentations could be up to two hours long. For GSX, we advised limiting the total session to 45 minutes or less, and making a large portion of that time interactive (e.g., panel discussions, attendee Q&A). We also recommended limiting prerecorded videos to a maximum of 15 minutes.

Speakers were also coached to focus on speaking directly to the camera—a significant departure from their normal presentation styles. Ultimately, most speakers chose to use a combination of prerecorded video, a live presentation (video and slides), and a live interactive session with attendee Q&A.

New Approach: Technology

While there were a number of risks associated with conducting a virtual event of this scale for the first time, we did not want to take risks with technology. Thus, we chose to use proven technologies, most of which were Cisco products that had already been extensively used for other Cisco events. Live sessions were broadcast using Cisco TelePresence, Cisco IPTV, and WebEx Event Center. Recorded content from live sessions and VoDs was delivered over Cisco IPTV. Cisco’s Enterprise Collaboration Platform provided the infrastructure for the Global Platform for Sales, which also serves as a permanent repository for GSX content. The one new technology component was from software company InXpo, which provided a rich, visual, virtual environment for the event.

A separate Cisco IT case study is available that provides an in-depth look at the technologies deployed and the preparation and testing undertaken by our IT staff.³

Results

Overall, our first virtual sales meeting went very well. Attendees understood the key messages, and rated the formal sessions as highly or higher than past events. On the motivation front, however, we must acknowledge that it's difficult to compete with the energy, excitement, and buzz that an in-person celebration with 17,000 colleagues can generate. While many employees rated the overall event highly, other employees felt that they couldn't be motivated or inspired virtually. Some employees had the perception that it couldn't be done and didn't give it a chance. Thus, while the communication objective was clearly met, we did not fully achieve all of our goals around recognition and motivation.

At the highest level, the most relevant outcome metric is whether the sales meeting ultimately helps our salesforce sell. By this criterion, GSX was very successful. Ninety-two percent of attendees indicated they are using the information and resources received at the meeting to grow customer opportunities (up from 89 percent in the prior year). Eighty-one percent of those responsible for increasing sales believed they would be able to boost sales over the next six months as a result of information received at GSX; the average predicted sales increase was 18 percent. (Note: this is an indicator of very positive views of individual sales team members, not a forecast of Cisco revenue.)

Moving to a virtual format reduced total event costs from \$65 million to \$9 million, a savings of \$56 million. These savings came from eliminating travel and venue costs, and reflect a small increase in the planning, preparation, and technology costs. Additionally, by avoiding travel, participants saved time worth \$19 million.

Given the cost savings compared to a fully in-person event, and the infeasibility of holding a traditional event during the economic downturn, we believe our return on investment for GSX was phenomenal. Furthermore, we demonstrated that Cisco technologies could support a global event of this scale and scope.

The scale of GSX was vast, with 600 locations spanning 24 time zones, and 88 hours of continuous sessions. Engagement and participation levels were remarkable:

- 17,306 employees attended, representing 93 percent of the 18,388 registrants
- 450,000 hours were spent in the virtual environment (before, during, and after the event), or 26 hours per attendee
- 13,445 employees played The Threshold (Alternate Reality Game)
- 10,133 participated in the mini games, with 73,092 total views
- 8,289 interacted in group chats in Chat Zone

Attendees indicated they liked the expanded opportunities for interaction via text chat on the virtual platform. In the past, they might have been sitting in a room with thousands of others, unable to interact with their colleagues.

One of the most popular additions to GSX was the executive chat forum with John Chambers and Rob Lloyd. This session gave every attendee the opportunity to ask questions and offer comments in a public forum. More than 1,400 questions were asked

during the session, and after they were grouped and prioritized, 100 questions were answered on the spot by the two executives, with the remainder answered after the live session.

This high level of participation and engagement contributed to success in meeting our communication objective. Generally, the virtual sessions at GSX received ratings that were similar to, or higher than, previous in-person sessions.

Figure 5. Attendee Feedback on GSX Sessions

Session	Session Evaluations on Scale of 1 to 5		
	Traditional, In-Person, FY09	Next-Generation (GSX), FY10	Change: FY10 vs. FY09
Keynote Perspective	4.86	4.84	- 0.02
Sales Opening Review	4.69	4.69	0
Technology Directions	3.86	4.69	+0.84
Theater (Geographic/Segment)	4.47	4.63	+0.16
Power (Focused Topics)	4.51	4.75	+0.24

Source: Cisco IBSG, 2010

While the feedback on individual sessions was positive, several broader measures for GSX didn't fare as well. Lower employee satisfaction with recognition and motivation contributed to a decline in the overall event rating. We believe this resulted in part because employees missed certain aspects of the in-person event. The timing of GSX coincided with a general downturn in business, however, which has colored employees' perspectives and influenced their appraisals of the event. Over the last 10 years, we have seen a consistent correlation between GDP growth and the overall rating for the sales meeting. Thus, some of the decline in the overall rating is clearly attributable to the economic downturn.

This correlation speaks to the need to manage employees' expectations and perceptions proactively during the downturn. There is now a "new normal" around travel and entertainment, and most employees understand this. As employees adjust to this new environment, and we continue to make enhancements in how we utilize virtual capabilities, we expect employee perceptions to improve.

Looking Forward

We have a number of ideas on what we may do differently in future years. The main focus of change is to create more interactions. At a minimum, this might include more structured in-person activities at the local level for all attendees. While local interaction occurred in some places last year, we want to ensure this happens consistently on a global basis. Additionally, we are considering a hybrid model (in-person plus virtual elements) in which we would gather larger groups of employees at regional hubs. While we haven't finalized plans yet for FY11, some of the ideas under consideration for future years include:

- Creating regional hubs within each geographical theater, with John Chambers personally visiting the highest performing theater
- Bringing all the Sales Achievers (top 10 percent) to one location (e.g., New York), where they would be recognized by John Chambers and have additional access to Cisco executives
- Assembling core front-line sales team members physically, with sales support functions attending virtually
- Alternating between a completely virtual and a hybrid model every other year to maintain morale

Figure 6. Key Metrics for Sales Meeting

	Traditional, In-Person Event, FY09	Next-Generation Event, FY10
Date	August 2008	September 2009
Attendees:		
- In Person	16,057	0
- Remote	0	17,306
- Total	16,057	17,306
Total Event Costs	\$65 million	\$9 million
Cost Per Attendee	\$4,050	\$520
Duration	2.5 days full-time	3.5 days part-time
Attendee Travel Time Avoided, Hours	-	334,000
Value of Time Savings from Avoided Travel	\$0	\$19 million
Carbon Emissions Avoided, Tons	-	34,000
Power Sessions (Breakouts)	37	54
Real-Time Interaction	No	Yes, via text chat
Attendees Who Will Use Information from Sales Meeting To Grow Customer Opportunities, %	89%	92%

Source: Cisco IBSG, 2010

Under any of these scenarios, there would be common global elements as well as specialized local sessions, and everyone would be able to interact via a virtual platform.

Cisco's next-generation events have also been recognized externally by *Event Marketer* magazine, the leading publication covering the event marketing industry. From more than 600 entries submitted in the 2010 competition, Cisco's Global Sales Experience won first place in the Best 100% Virtual Event category.³

Additional details on Cisco's first virtual global sales meeting can be found in a case study that addresses the IT perspective,⁴ and in a brief video profile.⁵

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