Measuring Service Value Through Research

In December 2012, Cisco commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study to help customers understand the business benefits and potential return on investment of Cisco® Network Optimization Service. This proactive support service focuses on optimizing your network to drive business innovation using Cisco expertise, network assessments, leading practices, and smart service capabilities.

Using the Total Economic Impact™ methodology developed by Forrester Research, which includes in-depth customer interviews and financial analysis, Forrester Consulting developed a composite organization, Organization A, and determined a risk-adjusted return on its service investment of more than 200%.

The study outlines Organization A’s experience with the service over the course of three years.

“"The recommendations that they come up with on the modernization of our technology help drive the innovation we make today.”

Senior Manager
Network Engineering, Healthcare Services Organization

Independent consulting study reveals how a composite customer achieved more than 200% return on investment1 from Cisco Network Optimization Service.

Highlights from the TEI™ Study

More than 200% Return on Investment1
Cisco Network Optimization Service helped Organization A see more than 200% return on investment with almost immediate payback. See complete TEI™ study for details.

Productivity Gains
Working with Cisco Network Optimization Service improved the productivity of Organization A’s network engineering team by 25%. By outsourcing such tasks as lifecycle management, troubleshooting, and issue resolution to Cisco, Organization A benefitted from reduced downtime and its engineers were able to spend more of their time on strategic projects.

Resource Augmentation
Organization A was able to avoid hiring three additional highly skilled network engineers because of its Cisco engineer support and access to smart service capabilities and best practices. This resource augmentation resulted in a total savings of $1,188,000.

Leveraging New and Dormant Technology Assets
Organization A had been paying for extra bandwidth protection that it wasn’t using. They saved $3 million over three years when Cisco Network Optimization Service engineers recommended the network be configured to load-share across telco carriers.

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Overview

Avoiding Costs
By using Cisco Network Optimization Service to help support configuration design, implementation planning, and testing, Organization A was able to avoid the cost of additional professional services at a savings of $150,000 per year, totaling $450,000 over three years.

Reduced Downtime
Standardizing its network with help from Cisco, Organization A was able to reduce downtime in its core systems by one hour per year. Over three years, this resulted in a total savings of $923,077.

Get Started Today
Learn how Cisco Network Optimization Service can help you solve business needs and get the most out of your IT investment. Register for our on-demand webcast "Get the Most Value from Your Network Investments" and download a copy of the Forrester Consulting Study.

Visit www.cisco.com/offer/optimize.

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Dollar Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost avoidance of IT resource headcount</td>
<td>$1,188,000</td>
</tr>
<tr>
<td>IT productivity savings</td>
<td>$2,400,000</td>
</tr>
<tr>
<td>Improved ability to leverage technology</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>Cost avoidance of additional professional services</td>
<td>$450,000</td>
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<tr>
<td>Cost avoidance due to risk mitigation and improved compliance</td>
<td>$600,000</td>
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<tr>
<td>Downtime reduction</td>
<td>$923,077</td>
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<tr>
<td>Total</td>
<td>$8,561,077</td>
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<tr>
<td>Cost of Cisco Network Optimization Service</td>
<td>($2,000,000)</td>
</tr>
<tr>
<td>Net Economic Benefits</td>
<td>$6,561,077</td>
</tr>
</tbody>
</table>

*Not risk-adjusted

1. Based on a three-year risk-adjusted return on investment. Source: “The Total Economic Impact™ of Cisco Network Optimization Service,” a commissioned study conducted by Forrester Consulting on behalf of Cisco, March 2013. Total Economic Impact™ (TEI) is a standard methodology developed by Forrester Research that captures and quantifies the voice of the customer relative to technology investments.

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