Monetizing Cloud Computing Services

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1st July 2010
Agenda

- Setting The Context
- Cisco Cloud Strategy
- Monetizing The Cloud - Service Profile, Roadmap And Service Definition
- Conclusion
What is Cloud?

Anywhere, Anyone, Any Service

IT Resources and Services that are abstracted from the underlying infrastructure and provided “On Demand” and “At Scale” in a multitenant and elastic environment.

Source: Cisco IBSG
Consumption Models Evolve with Technology

New Rules. New Game

Classic Resale

- Cisco Customer Premise Equipment

Managed Services

- CPE-based Services
- Hosted Communication Solutions

Managed & Cloud Services

- IaaS
- SaaS

Next Generation Data Center

Consumption Model
Changing Consumption Models for ICT

Figure 1: Most Critical Asian End-User ICT Shifts by 2015

- Cloud/SaaS/Managed Services: 24%
- Security: 11%
- Collaboration/Social Networking: 9%
- Core Infrastructure: 9%
- Virtualization: 9%
- ERP: 8%
- Mobility: 8%
- CRM: 5%
- BI: 4%
- Other: 15%

Q: Please briefly describe the most critical shift you expect to occur with your organization’s IT spending and strategies within the next 5 years. (N=202)

Source: Springboard Research, March 2010
Why Data Centre Managed Services / Cloud Services for SP/Telco

Demands Net Neutrality

Revenue decline from existing service, More Traffic, but NO incremental REVENUE?

Internet Companies ("OTT")

Service Providers / Telcos

Systems Integrators & Server Vendors

Typical Players

Unique Assets

Competitive Advantage

“SPs are the dumb pipe”
- Global Footprint & Scale
- Experience in managing global scale web applications
- Low cost

End-to-end NW & IT control:
- DC, WAN, CPE
- QoS & SLA at application level

1) Network as the platform
2) Experience in multi-tenancy payment models, billing, customer service.
3) Start with IaaS

Host compute and storage platforms and build clouds

- Advanced Systems Integration Capabilities
- Enterprise customer trust on IT advisory
- No E2E service visibility and control

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Iaas Plays To A Strength
But Bigger Opportunities Lie Elsewhere

- Cloud infrastructure is a means to an end, not an end in itself.
- How many cloud Infrastructure providers will there be room to support?
- To avoid being commoditized into just a pipe or platform - Get closer to the customer in the value chain.
- Bigger market in SaaS require either acquisition or partnership with domain experts, ISVs, or geo specific partners
## Cloud Computing Services
### Service Architecture Framework

![Diagram showing service architecture framework with various components and processes]

### End User Features
- **Customer Portal**
- **Scheduling**
- **Ordering**
- **Price**
- **Management Dashboard**
- **Financial**
- **Quality**
- **SLA**

### Infrastructure Management
- **Optimization**
  - Selection (SDLC/BCP)
  - Quality
- **Capacity Planning**
  - Allocate/Entitlement
  - Performance
- **HW/SW Management**
  - Commission/Decommission
  - Problem Detection-RCA
- **Audits**
  - Enablement (On/Off)
  - Security and Governance
- **Operations**
  - Fulfillment
  - Assurance

### Service Delivery
- **Service Catalogue**
- **Asset Inventory**
- **Mappings / Relationships**
- **Human Resources**

### Service Orchestration
- **Service Orchestration**
- **Infrastructure Architecture Abstraction (Includes EMS and Domain Managers)**

### Technology Architecture
- **Network**
- **Compute**
- **Storage**
- **End-to-End Security**
- **CMDB**
Transformation through Automation

Integration of Infrastructure and process

AUTOMATION

CUSTOMER PORTAL

SERVICES CATALOGUE

CMDB

Appns

Compute

Storage

Network

Client

Client

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Cisco’s Cloud Strategy
Addressing Our Customers’ Business Challenges

- Deliver products, solutions & services to organizations to build secure Clouds
- Enable **Service Providers** to deliver secure Cloud solutions & services to their customers
- Advance the market for Cloud by driving technology innovation, open standards and ecosystem development
### Cloud Services Attractiveness For Customer Segments

<table>
<thead>
<tr>
<th>Cloud Service</th>
<th>Enterprises</th>
<th>SMEs</th>
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</thead>
<tbody>
<tr>
<td><strong>SaaS</strong></td>
<td>- Level of customization required makes SaaS suitable only to certain Corporate needs</td>
<td>- Standardized applications meet most SMEs needs</td>
</tr>
<tr>
<td></td>
<td>- Cost effective way of getting scalable and advanced virtual infrastructure</td>
<td>- Attractive to a niche market using the development platforms to reach customers (tech segment)</td>
</tr>
<tr>
<td><strong>PaaS</strong></td>
<td>- Relative value in services enabling integration with current systems (enabler of SaaS)</td>
<td>- Cost effective way of getting scalable and advanced virtual infrastructure</td>
</tr>
<tr>
<td><strong>IaaS</strong></td>
<td>- Useful to manage “demand peaks”</td>
<td>- Standardized applications meet most SMEs needs</td>
</tr>
<tr>
<td></td>
<td>- Advanced infrastructure virtualization meet enterprises demand</td>
<td>- Lower implementation costs and hurdles</td>
</tr>
</tbody>
</table>

Sources: Gartner, March 2009, IDC 2009 report on Cloud markets
Top 5 Services for IaaS Delivery

Possible Portfolio

- Business Continuity
  - Hot – Cold
  - Hot – Hot
- Outsource One-time Needs
- Special Workgroup Needs
- Special Technology Needs

Business Process

Application Led Offer

Basic Offer

Disaster Recovery

DevTest Quality Assurance Environment

Virtual Desktop VDI

High Performance Computing

No frills storage

Compute as a Service

Virtual Desktop VDI
Example: Small & Medium Enterprise (SME)
One Stop Shop Portfolio For ICT
Example: SME Bundle

Cloud Computing Services

With Software and Infrastructure as a Service, you just need to subscribe to the service and plug in and you're ready to go!

Learn more

What is SaaS?
SaaS is a model of software deployment where an application is hosted as a service across the internet.
Find out more.

How can SaaS help me?
SaaS can help you save cost on hardware and software.
Find out more.

Getting Started
Getting started with Service Provider's Go-Office Suite of services is just a few clicks away.
Read more.

Go-Office Suite

Manage MY Productivity
Business Productivity Online Suite
Web Conferencing
Web Mail
Microsoft Exchange Online
Single Number Reach / Follow Me
Instant Messaging / Chat Board

Manage MY Security
Data Online Backup / Storage
Email security (e.g. Anti-Spam)
Web security
Desktop Security
Firewall, IPS

Managed MY Communication
Web Conferencing
- Integrated over iphone
- Integrated over Blackberry
Web Mail
Unified Communication (Presence, Instant Messaging)

Manage MY Business Processes
Human Resources
Accounting (e.g. Sage UBS)

Manage MY Customers
SugarCRM
Example: Vertical Marketplace

Portal, productivity applications, directory and trading platform

Manufacturing SMEs

Training, Consulting, Marketing

Broadband

Field Support

Call Center

CPEaaS

Webex Sales

Customers

Sales, Marketing and Customer Care

Service Provider

Malaysia SME Federation

SMB applications, such as Sage UBS, SugarCRM

Gold Certified – Direct Partner – Virtual Service Provider

Cisco Distis

Cisco Capital Financing

Cisco Services CBF

Webex, Webex Connect

3rd Party App vendors. E.g.
Sage UBS, Sugar CRM

Operations & Managed Services

Technology Vendors

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Joint Journey in Developing Cloud Services

Stages

Define the Opportunity

Customer engagement

MS / Cloud Services Envision

MS / Cloud Services Build

MS / Cloud Services Market & Sell

FY Strategy / Planning

CxO Meeting

Value Proposition

Demo / Baseline workshop

Discovery Workshop

MOU sign-off

Business Case

Delivery Model

Managed Service Lifecycle

Governance

Partner qualification

Partner(s) Selection

Key

- CISCO driven
- Joint CISCO and SP
- Partner and/or CA driven

CISCO Capital

Solution and processes Design

NOC/SOC build and operate

Marketing plan

Marketing

Sales Enablement

Sales Engagement

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Most Important Part Of Cloud as-a-service
Isn’t “I, P or S” It’s “Service”!

- Service orchestration, service catalog and customer portal – E2E enablement of SP Cloud Services
- Customer: Easy to buy, easy to order and easy to measure
- SP: Easy to operate (eg lifecycle mgmt of various apps delivered as SaaS), easy to track and easy to chargeback
Leverage on your current network and data centre advantage, IaaS as enablers

- Extend your network and data centre advantage to build IaaS platform
  Coverage, economies of scale
  Branding, experience in utility, performance-based service model

- Develop IaaS as a pre-requisite, leverage on Cisco ecosystems partners and proven GTM to build relevant PaaS and attract ISVs to incubate SaaS portfolio
Identify Segments, Profile and Monetize

- Understand personas and profile of cloud buyers
- Pick your battle
- ROI / Business case modeling
- Community Specific / Vertical Specific
Cisco : Cloud Enablement


“What architecture maximizes virtualization, orchestration speed & designs chargeback capability?”

“How do we realize our Cloud architecture – on-time, within budget and in our environment?”

“How do we ensure Cloud evolution and ongoing cost reduction?”

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**Cloud Strategy Service**
- Assess Strategy
  - Technology & Security
  - Management Tools
  - Operational Readiness
  - Chargeback Approach
  - Program & Architecture Management Offices

**Cloud Planning & Design Service**
- IaaS Design
  - Technology & Security
  - Tools Architecture
  - SLA Design
  - Chargeback Design
  - Program & Architecture Management Offices

**Cloud Implement & Integrate Service**
- Implement & Integrate
  - Technology & Security
  - Tools
  - Staging & Validation
  - Program & Architecture Management Offices

**Cloud Optimization Service**
- Optimize via...
  - Architectural reviews
  - Security Audits
  - Cost reduction exercises
  - Process Improvements
  - Tool customization

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**Accelerate Time to Value**
**Worldwide Expertise Worldwide Presence**
**Proven Delivery Capability**
**Delivering Unique Cisco Insight**
Summary
New approach required for success in the cloud economy

- **Competition is here and now, Urgency to market**
  - Leveraging on Service Provider’s End to End ownership and reach of local Data Centre & IP VPN infrastructure to deliver comprehensive SLAs
  - Understand persona Of Cloud Buyers and monetize accordingly
  - Programs And Support For Joint Service Creation And Delivery

- **Why Cisco?**
  - Clear Cloud Strategy – Partner/Enable, not compete
  - Proven GTM Ecosystem (including service catalog and portal)
  - Proven Global Best Practice coupled with local execution
  - Proven customers deployed
  - Proven innovation
Cloud Definition from NIST

Visual Model of NIST’s Working Definition of Cloud Computing

Essential Characteristics

- Measured Service
- Rapid Elasticity
- On-Demand Self Service
- Broad Network Access
- Resource Pooling

Service Models

- Software as a Service (SaaS)
- Platform as a Service (PaaS)
- Infrastructure as a Service (IaaS)

Deployment Models

- Public
- Private
- Hybrid
- Community

http://www.csrc.nist.gov/groups/SNS/cloud-computing/index.html
# Cloud Delivery Models

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<thead>
<tr>
<th>Application (SaaS)</th>
<th>Applications at Scale (End users)</th>
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<tbody>
<tr>
<td>Platform as a Service</td>
<td>Execution Platforms at Scale (Developers)</td>
</tr>
<tr>
<td>Infrastructure as a Service</td>
<td>Infrastructure at Scale (System Administrators)</td>
</tr>
</tbody>
</table>

**Enabling Technology**

**Cloud Service Delivery at Scale (Public / Private Cloud Providers)**

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<th>Cloud Deployment Models</th>
<th>Description</th>
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<tr>
<td>Public Cloud</td>
<td>Cloud infrastructure made available to the general public.</td>
</tr>
<tr>
<td>Private Cloud</td>
<td>Cloud infrastructure operated solely for an organization.</td>
</tr>
<tr>
<td>Hybrid Cloud</td>
<td>Cloud infrastructure composed of two or more clouds that interoperate or federate through technology</td>
</tr>
<tr>
<td>Community Cloud</td>
<td>Cloud infrastructure shared by several organizations and supporting a specific community</td>
</tr>
<tr>
<td>Virtual Private Cloud</td>
<td>Cloud services that simulate the private cloud experience in public cloud infrastructure</td>
</tr>
</tbody>
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...and one other