



Making the First Sale

Cisco Systems Technical Support Services for the Commercial Segment

A Learning Module for Cisco Partners

In this Module...

- **More Sales, Higher Margins**
- **Selling Services**
- **Cisco Technical Support Services**
- **Finding the “Sweetest” Spot**
- **Service Sales Best Practices**
- **Handling Objections**
- **More Resources**



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More Sales, Higher Margins

Selling Cisco Technical Support Services can help you

- **Enhance cash flow and margins**
- **Penetrate new markets**
- **Improve competitive advantage**
- **Increase customer retention**
- **Expand your relationship with your customer**



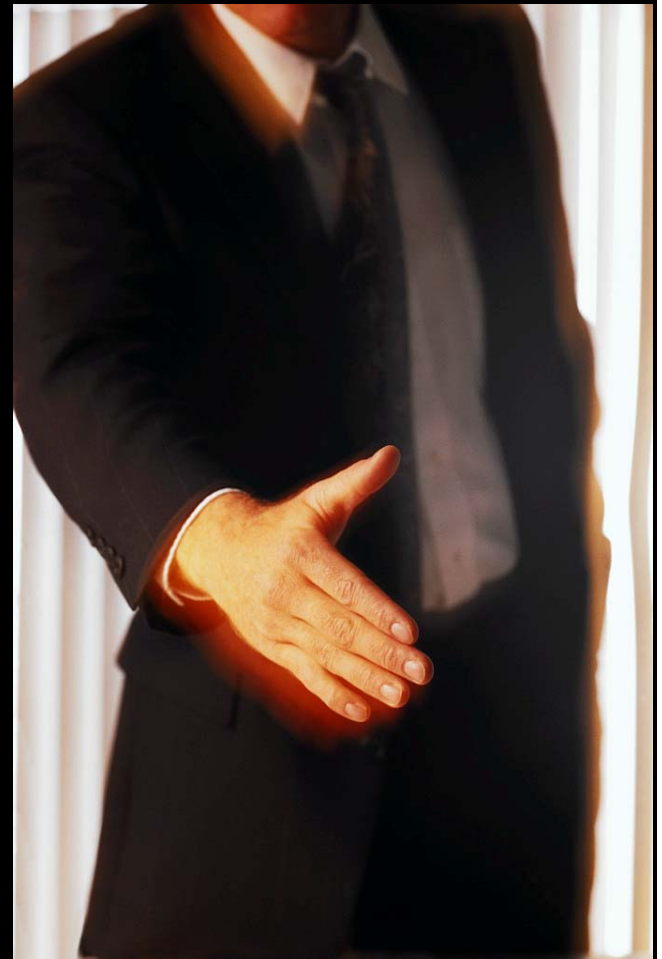
Making the First Sale

Sell at the **very first sales opportunity** to:

- Maximize opportunity for revenue & margin
- Enhance customer satisfaction
- Provide customer with the greatest value

Waiting to sell services until later in the sales process will:

- Make it difficult to introduce value of service at a later point
- Inaccurately set your customer's budget expectations
- Make it difficult to secure multiyear service agreements that provide greater value



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Selling Services to Commercial Customers

Understand the business issues that drive the need for technical support services



Tailor the sales approach and objection handling to the needs of commercial customers

Commercial customers with up to 1000 employees have specific requirements

Selling Services: Providing Incremental Value to Commercial Customers

- **Most businesses cannot compete effectively without some form of network**
- **Nearly every business will need networking service and support**
- **Avoid positioning service as an insurance policy**
- **Avoid scenarios designed to scare customers into buying**

Focus on delivering value by helping to solve business problems



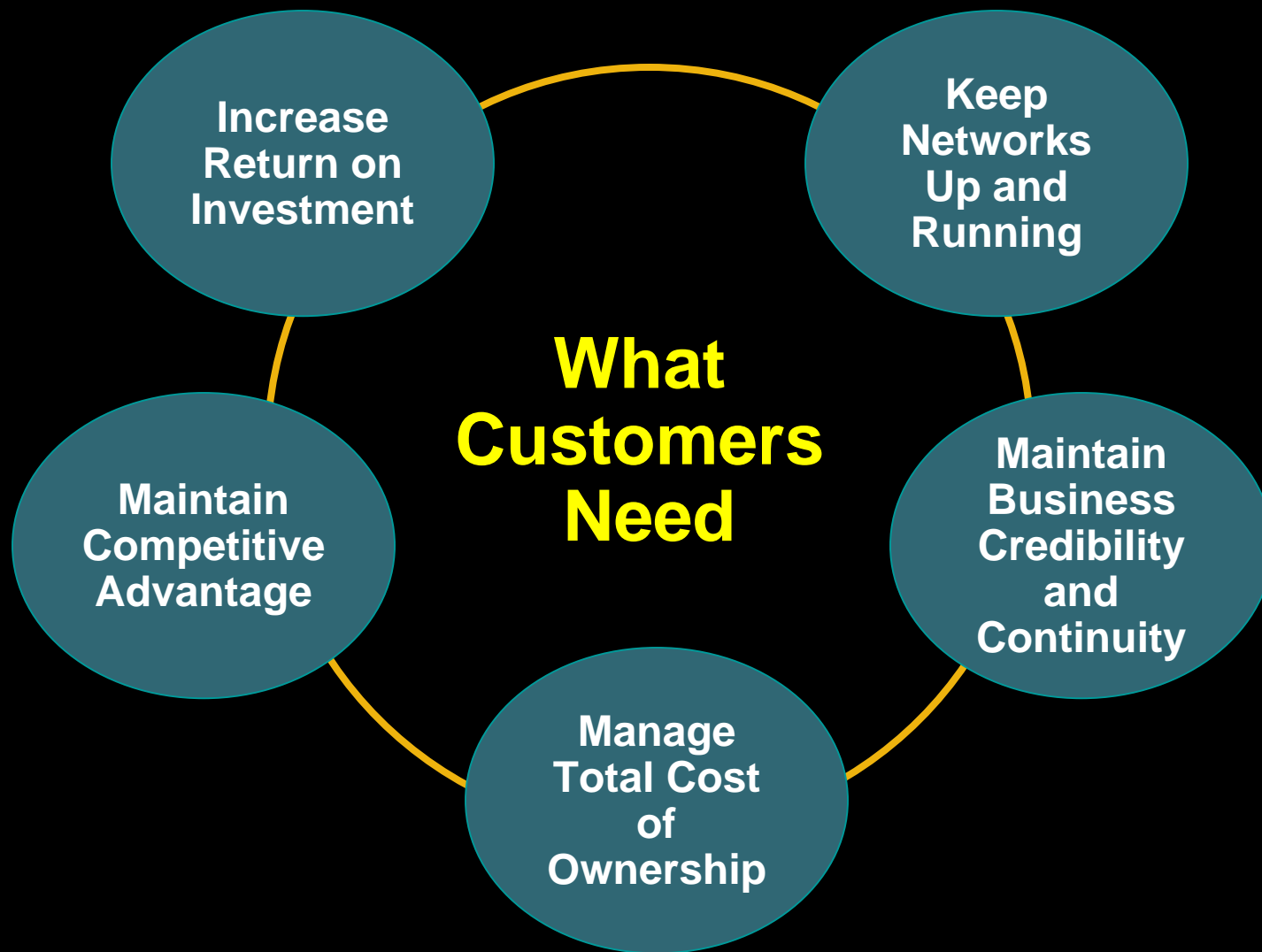
Scaring customers into buying service creates barriers of resistance

Are you saying that the solution is unreliable?

Surely, nothing will happen that I cannot fix myself.

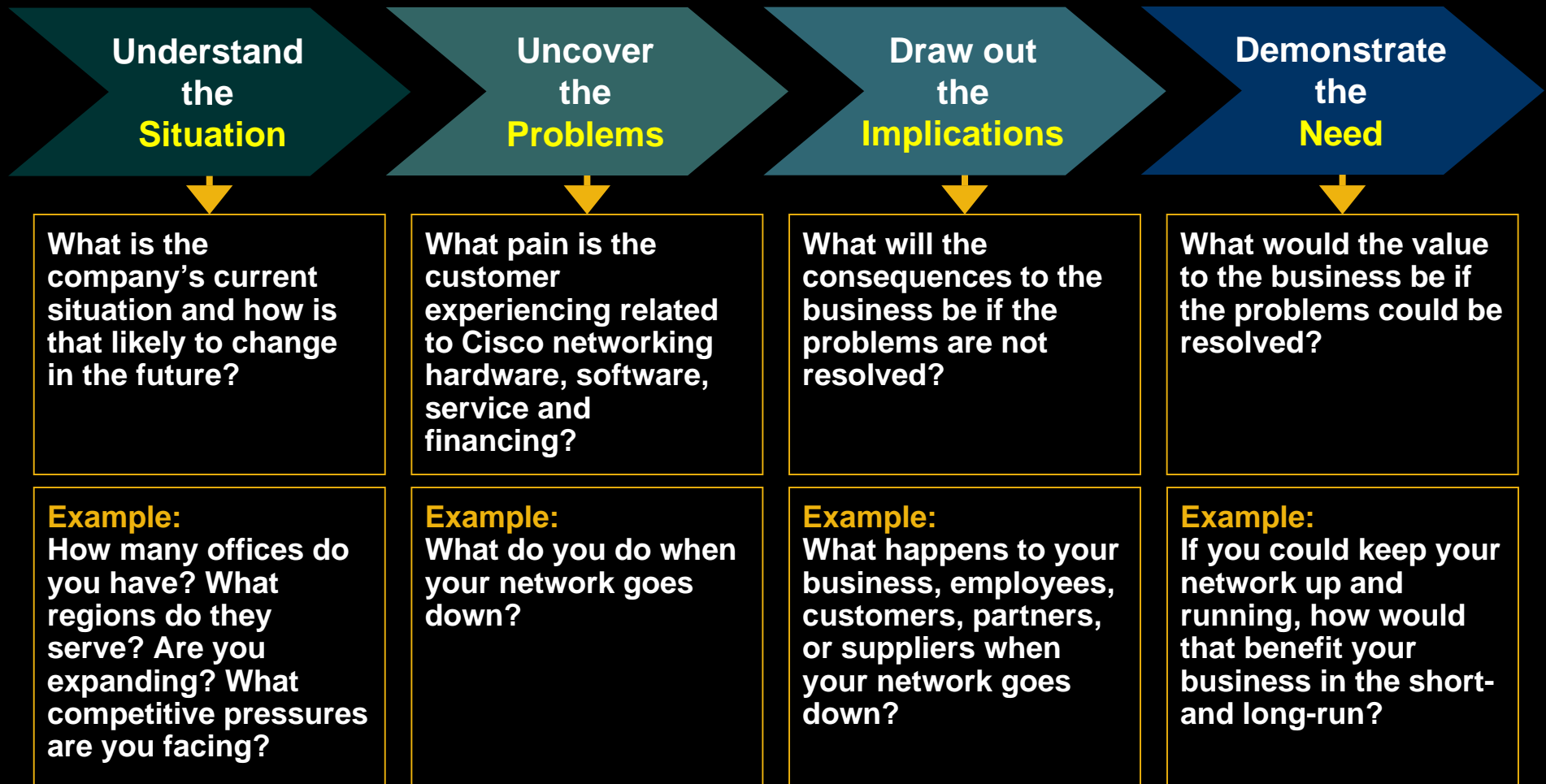
If things do go wrong, I'll just call you anyway.

Driving the Business Need



Using the Solutions Selling Approach

Ask Questions to Uncover the Solution Your Customer Needs



Demonstrating Value

Customers will buy service more readily if you

- Show them the value it can deliver as part of a complete solution
- Focus on the positive benefits of the Cisco service programs
- Map benefits of service to higher-level business objectives

Integrate Services into an Overall Solution

Hardware

Software

Services

Financing

Integrating Services into the Overall Solution

Ask your customer about:

- **Factors affecting total cost of ownership**
- **The impact of unexpected downtime**
- **The need to show a return on technology investments**
- **What a reliable network solution means to the long-term success of their business**

What are the Costs of Downtime?

- **Productivity loss**
- **Damaged reputation**
- **Revenue loss**
- **Impaired financial performance**
- **Other**

Travel expenses

Overtime

Industry Averages for Costs of Downtime

- **Per employee cost of downtime**
One day = \$1644/person
- **More than just revenue impacted**
 - Impaired performance
 - Damaged reputation
 - DSR expenses
 - Employee frustration
 - National/international security



Industry Sector	Revenue/ Hour	Revenue/ Employee-Hour
Energy	\$2,817,846	\$ 569
Telecommunications	\$2,066,245	\$ 186
Manufacturing	\$1,610,654	\$ 134
Financial institution	\$1,495,134	\$1,079
Insurance	\$1,202,444	\$ 370
Retail	\$1,107,274	\$ 244
Transportation	\$ 668,586	\$ 107
Average	\$1,010,536	\$ 205

Source: META Group *Comprehensive View of HA Data Center Networking* (4/2004)

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Cisco Technical Support Services: A Complete Offering

Cisco SMARTnet™ and SMARTnet Onsite

Cisco SMARTnet coverage includes **S**oftware **M**aintenance (Cisco IOS updates), **A**dvanced **R**eplacement (of hardware), **T**echnical support (access to the world-class Cisco Technical Assistance Center (TAC)), and **net** access to an online suite of technology-specific tools to help customers support their networks.

The **Cisco SMARTnet Onsite** option provides a Cisco field engineer to install replacement parts at a customer site.

Cisco SMB Support Assistant

Cisco SMB Support Assistant is a service option that provides technical support to small- and medium-sized businesses using select SMB Class products targeted to organizations of up to 250 employees. Cisco SMB Support Assistant includes online installation, setup, configuration, troubleshooting, and access to Cisco technical support resources. Customers have remote support via telephone and advance replacement of hardware.

Cisco Software Application Support (SAS) plus Upgrades (SASU)

Cisco Software Application Support (SAS) includes minor software updates, minor version releases, and comprehensive technical support.

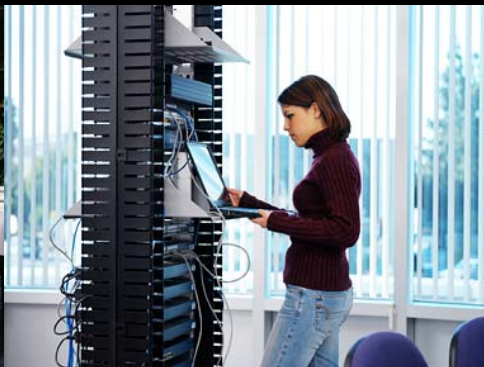
Cisco Software Application Support plus Upgrades (SASU) additionally gives customers new software features and functions contained in major releases, so customers never have to pay extra to keep applications current.

Key Features at a Glance

Product	Cisco Technical Assistance Center (TAC) Telephone Hotline	Cisco.com Web Support	Software Upgrades	Hardware Replacement (Without Engineer)	Engineer Onsite	Equipment Covered
SMARTnet	Unlimited	Full Access	OS	Next Business Day 4 Hours, 5 or 7 Days a Week 2 Hours 7 Days a Week	No	All
SMARTnet Onsite	Unlimited	Full Access	OS	Next Business Day 4 Hours, 5 or 7 Days a Week 2 Hours 7 Days a Week	Next Business Day 4 Hours, 5 or 7 Days a Week 2 Hours 7 Days a Week	All
SMB Support Assistant	Within 1 Business Day from SMB TAC	SMB Support Assistant Portal	OS Minor Software Updates	Next Business Day or Same Day Ship Where Available	No	Limited
Software Application Support (SAS)	Unlimited	Full Access	Minor Releases	Not Applicable	Not Applicable	Not Applicable
Software Application Support plus Upgrades (SASU)	Unlimited	Full Access	Major Releases	Not Applicable	Not Applicable	Not Applicable

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Finding the “Sweetest” Spot

The most compelling moment to make a case for services is when you begin working with a customer to determine overall business needs.

Use solutions selling tactics to discover the complete solution that will best fit the customer’s overall needs — hardware, software, service, and financing.



The Advantage of Multiyear Options

Benefits to Customers

- Lower support costs
- Opportunity to lock in prices
- Ability to match service contract to lease terms

Benefits to Cisco Partners

- Increase gross margins and cash flow
- Lower sales administration costs
- Boost renewal rates

**Sell
multiyear
service options
at the
very
first sales
opportunity**

Financing and Leasing Solutions

Financing is one of the most important tools you have to manage a customer's budget concerns and promote multiyear contracts



- **Faster deployment**
- **Budget management**
- **Improved cash flow**

Cisco Systems Capital® financing solutions provide straightforward, flexible leasing options, competitive rates, and fast credit processing (funding in 24 hours or less).

Financing solutions spread capital outlay over a number of years and can enable your customers to deploy state-of-the-art network solutions to help enable more productive, collaborative business environments – without having to worry about how they are going to pay for it.

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Service Sales Best Practices

Sell complete solutions, not just products or services

Your customer has business needs that Cisco solutions can address. Be sure that your focus is always on the business issues that influence the need for a range of products or services. Make sure that your discussions of products, services, and financing always map back to the higher-level business needs that your customer must address.

Sell service at the beginning of the sales process

Your customers typically define budgets once at the beginning of a sales cycle. Put service into the offer right at the beginning, as a fundamental component of a complete solution.

Prepare your customer for the cost of service

Cisco Technical Support Services provide valuable benefits to customers. Prepare your customers for the additional expense of these valuable services so they can plan appropriately.

Lead with the right offering

Doing your research is important, so you can lead with the right service package. You can use the following guide to help you determine which program to propose.

Be flexible—match the service level to the budget

Adopt a flexible approach to the design of the solution you propose. Understand your customers' needs in order to build a service proposal that adequately matches their requirements. If the budget will not stretch, consider leasing and financing options available from Cisco Systems Capital.

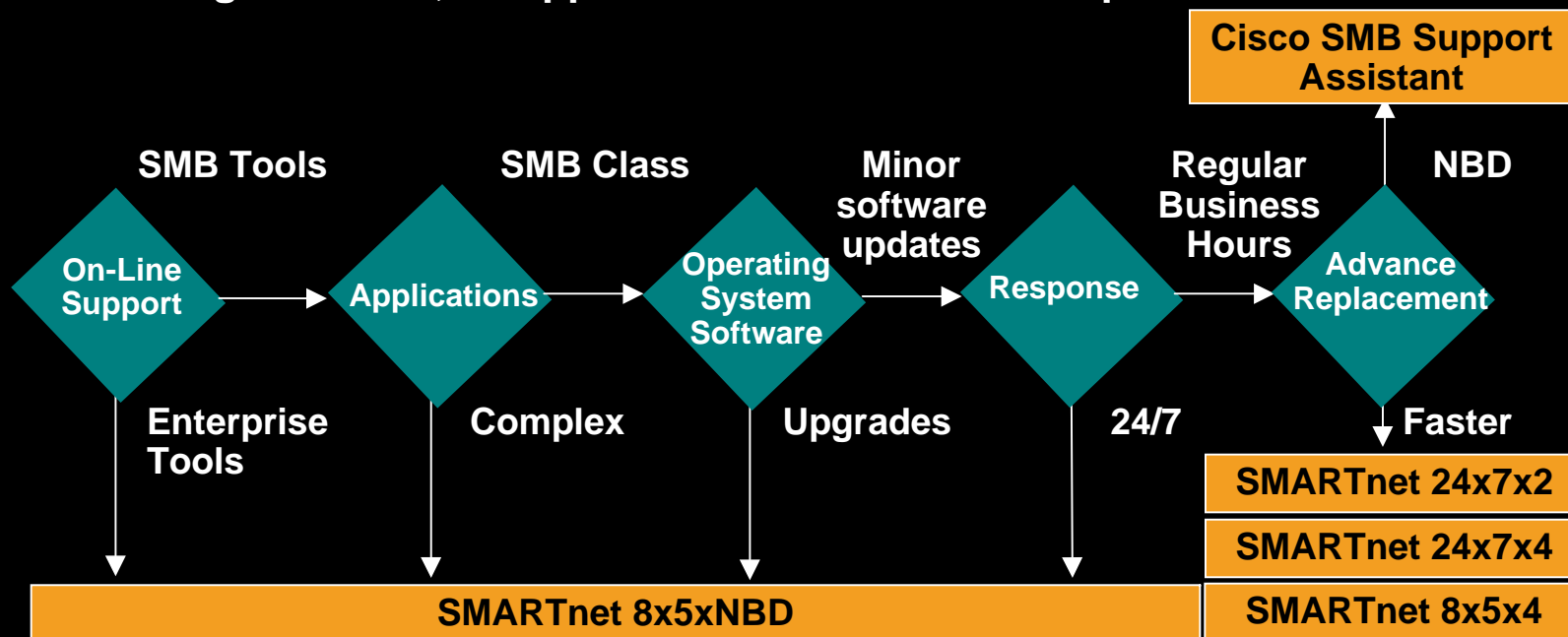
The right service program is the one that best fits your customer's overall needs in terms of online support, application complexity, future requirements for operating system features and functions, response times, and requirements for time of day/day of week coverage.



Finding the Right Fit

Select the Right Support Package by Determining:

- The type of self-help tools best aligned to the customers' needs
- The technologies and applications they run
- Future operating system software features and functions they will need
- Time of day they will need live support/response time for h/w replacement
- IT need for access to high-level, step-by-step tools and resources designed for IT generalists, as opposed to Cisco network experts



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Handling Objections

Why do I need services? Doesn't my warranty cover me?

There are significant differences between the standard Cisco warranty and Cisco services. The Cisco warranty covers repair and replacement of defective parts, while Cisco service contracts cover the life and functionality of the solution once it is installed and working.

I just paid extra for Cisco quality. Why should I pay even more?

Service can increase return on investment and can help reduce total cost of ownership over time. It enables your customers to benefit from Cisco expertise to help them make the most of the equipment they have purchased.

I have in-house staff who can handle any network issues.

Ask the customer if servicing equipment is really the best use of their in-house team. Emphasize that the best solution is to have coverage to help technicians when they need it, and free their team to focus on work related to their core business.

Your customer does not see the value of purchasing a SAS or SASU service contract to support their network software applications.

Getting patches and upgrades as new features are added is critical for any software application to keep it current. Emphasize the speed of software evolution, particularly in the area of security, and that warranty does not cover software upgrades or minor software updates.

Refer to the “Making the First Sale” sales guide for more information about handling objections
www.cisco.com/ca/go/arm/resources

The Right Support Features

	SMARTnet	SMB Support Assistant	SASU	Warranty
Hardware Warranty Duration	Renewable Contracts	Renewable Contracts	No	90 Days/1 Year/Limited Lifetime
Software Warranty Duration	No	No	Renewable Contracts	90 Days
Technical Support	Yes	Within 1 Business Day from SMB TAC	Yes	No
Cisco IOS® Updates Maintenance releases	Yes	Yes	No	Yes
Minor releases and major releases	Yes	No	No	No
Application Software Updates	No	No	Yes	No
Registered Access to Cisco.com	Yes	SMB Support Assistant Portal	Yes	No
Parts Replacement	Standard: Next Business Day Deliver Options: 2-Hour, 4-Hour Onsite	Next Business Day or Same Day Ship	No	RTF (10 Days)
Equipment Covered	All	Limited	None	All

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More Resources

Cisco Technical Support Services Portfolio Introduction

http://www.cisco.com/en/US/partner/products/svcs/ps3034/ps2827/serv_group_home.html

SMARTnet and Cisco SMARTnet Onsite

http://www.cisco.com/en/US/partner/products/svcs/ps3034/ps2827/ps2978/serv_home.html

Cisco SMB Support Assistant

http://www.cisco.com/en/US/partner/products/ps6193/serv_home.html

Cisco Software Application Support (SAS) plus Upgrades (SASU)

http://www.cisco.com/en/US/partner/products/svcs/ps3034/ps2827/ps2993/serv_home.html

Cisco Systems Capital information

<http://www.cisco.com/ca/channels/financing/>

Campaign Builder from Cisco Systems, Inc.

www.cisco.com/go/campaignbuilder

To Learn More

“Making the First Sale” sales guide

15-page guide provides an overview of the services market, Cisco® Technical Support Services, sales best practices, and objection handling tailored to the specific requirements of selling to commercial customers with up to 1000 employees. You’ll also find marketing resources to help jump start marketing campaigns to promote the value of services and generate demand

www.cisco.com/ca/go/arm/resources

“Making the First Sale” At-a-Glance Guide

2-page quick reference tool provides easy access to service program overviews, service sales best practices, objections handling, and more

www.cisco.com/ca/go/arm/resources

NOTE: Access to Website where tools are published requires partner-level access

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