Cisco WebEx: On-Demand Collaboration
Sherry Chuang
March 28, 2008
Agenda

• Cisco UC, Collaboration & WebEx
• Business Drivers for On-Demand Collaboration
• Impact of On-Demand and SaaS in the Market
• Cisco WebEx Collaboration Services
Cisco and WebEx Strategic Vision

Collaboration is a core Cisco initiative.

WebEx is core to the Cisco UC strategy.

Cisco Partners will play a key role in this growth.
Cisco Unified Communications Plus
Extend Cisco UC with Hosted, On-Demand Services

Unified Communications Leader
On-Premises Focus

UC Applications and Endpoints
Voice and Video Call Control, Presence / IM
IP Network
Infrastructure services

Collaborations Services Leader
On-Demand Focus (SaaS)

Asynchronous Collaboration, Clients
Team spaces, partner applications
Real-time Collaboration
Conferencing, presence/IM
MediaTone Network
Global, real-time, secure, reliable
Cisco + WebEx: Differentiated Value

- Inclusive: extend corporate trust boundaries
- Flexible on-premises, on-demand (SaaS), hybrid deployment
- Streamline Business communications and collaboration
- Leverage customer applications
Cisco Unified Communications + WebEx

Cisco Unified Communications Manager and WebEx

Cisco Unified MeetingPlace and WebEx

Client and Presence Strategy

Additional Integrations
# Customer Choices for Collaboration

<table>
<thead>
<tr>
<th>Customer Need: Solution Type</th>
<th>Examples</th>
</tr>
</thead>
</table>
| Advanced Business Process Support | • Sales  
• Training  
• Event  
• Support centers |
| SaaS Solution | • Deployment speed  
• Outsourced and subscription model |
| Web Conferencing-Focused |  |
| On-Premises Solution | • On-site control  
• Leverage infrastructure |
| Audio/Video Conferencing-Focused | • Require standards-based video |

**WebEx**

**Cisco MeetingPlace**
What Is Software-as-a-Service (SaaS)?

Hosted, On-demand, Web-native Application Deployment

<table>
<thead>
<tr>
<th></th>
<th>SaaS</th>
<th>On-Premises</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment Location</td>
<td>Internet-based, Hosted</td>
<td>On-Premises</td>
</tr>
<tr>
<td>Application access</td>
<td>Internal &amp; External</td>
<td>Primarily Internal</td>
</tr>
<tr>
<td>Management</td>
<td>Outsourced</td>
<td>Customer</td>
</tr>
<tr>
<td>Pricing</td>
<td>Subscription, OpEx</td>
<td>Purchase, CapEx</td>
</tr>
<tr>
<td>Provisioning, Expansion</td>
<td>Low Start-up Costs</td>
<td>Project</td>
</tr>
</tbody>
</table>
Software-as-a-Service: Future of Software

- 5% of new business software in 2005

*Gartner “SaaS Delivery Challenges On-Premise Software”, September 2006
Software-as-a-Service: Future of Software

- 5% of new business software in 2005
- Growing to 25% of new business software by 2010*
- $30-40B opportunity
- Cisco will lead in SaaS
  - WebEx plays a core role

“As software increasingly is delivered as a service, legacy vendors like Microsoft face the innovators dilemma in transitioning not just technology approaches but their own business models.”

*Gartner “SaaS Delivery Challenges On-Premise Software”, September 2006

Credit Suisse on UC, July 2007
On-Demand Growth in Asia Pacific

Market Forecasts

Total Web Conferencing Market: Revenue Forecasts (Asia Pacific), 2006-2013

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues ($ Million)</th>
<th>Growth Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>49.6</td>
<td>21.5</td>
</tr>
<tr>
<td>2007</td>
<td>62.4</td>
<td>25.7</td>
</tr>
<tr>
<td>2008</td>
<td>81.4</td>
<td>30.6</td>
</tr>
<tr>
<td>2009</td>
<td>109.8</td>
<td>34.8</td>
</tr>
<tr>
<td>2010</td>
<td>151.0</td>
<td>37.6</td>
</tr>
<tr>
<td>2011</td>
<td>207.6</td>
<td>37.5</td>
</tr>
<tr>
<td>2012</td>
<td>281.5</td>
<td>35.5</td>
</tr>
<tr>
<td>2013</td>
<td>374.9</td>
<td>33.2</td>
</tr>
</tbody>
</table>

Note: Compound Annual Growth Rate (2006-2013): 33.5%

Note: All figures are rounded; the base year is 2006. Source: Frost & Sullivan
On-Demand Growth in Asia Pacific

Total Web Conferencing Market: Revenue Forecasts (Asia Pacific), 2006-2013

*Note: Hosted Services CAGR: 37.8%  Source: Frost & Sullivan
On-Demand Growth in Asia Pacific

Market Forecasts (Contd…)

Total Web Conferencing Market: Revenue Forecasts by Segment Type (Asia Pacific), 2006-2013

Note: Compound Annual Growth Rate in Hosted Services (2006-2013): 37.8%
Compound Annual Growth Rate in On-premise (2006-2013): 30.4%

Note: All figures are rounded; the base year is 2006. Source: Frost & Sullivan
Current Trends

- Moving to a day when most enterprise applications will be delivered as a service
- Moving to a Web2.0 where service delivery over internet will be the key strategic value of the web to businesses
- Web Delivers on its promise as a true business platform
- Great Equalizer: businesses large and small have same access
- Shared Services will create many opportunities
Why Is This Happening? Customer Trends

• Reduce Cost of Maintenance
• Free Up Money for Innovation
• Adoption of Open Source, SOA, Web Services, SaaS, Mashups
  – SMB find a valuable affordable way to get enterprise grade apps
  – Enterprises find a valuable way for external interactions
• Global Collaboration thru Web & Voip enable global reach
• Less Transaction, More “Tacit Interactions” & BI Needs
• Purchasing Power Shift
**Impact to Businesses & End Users**

- Success-based Revenue Model, pay as you go
- Demanding the Web2.0 availability, reliability, and global reach
- Demanding Best of Breed, but solutions that are oriented around an integrated business process
- Can Do Own Mashups to solve a certain business problem
- Gain Trust in web services provider’s infrastructure & platform
**Impact to Suppliers**

- Success-based Revenue Model demands service excellence
- Service Quality is more important than ever
- Speed and Innovation required to be competitive
- Licensing & revenue model changes the cashflow model
- Cost should go down
  - Reduce cost of localization
  - Reduce cost of maintaining backwards compatibility
  - Customers are all in one controlled environment
- Security and platform Investment
- Partnering and value-add relationships are critical to delivering the best web services to your end user
Cisco WebEx Market Share
2x market share than next leading vendor for 5+ years

Large majority of industry reports verify Cisco WebEx as a leader

**Hosted** Web Conferencing (Frost & Sullivan)
- Other: 25%
- Microsoft: 18%
- WebEx: 57%

**Total** Web Conferencing (Gartner)
- Other: 46%
- Microsoft: 11%
- Cisco + WebEx: 43%
WebEx Products and Services

- Business process oriented applications
- That enable cross-company collaboration
- Delivered on-demand around the world
• 5th generation of MediaTone architecture
• Tenth year of technology investment
• $180 million invested in R&D
• 2,000 people-years of effort
• Designed for 99.99% availability
• 36 globally linked collaboration clusters

The World’s Most Secure, Reliable and Scalable On-Demand Platform
WebEx MediaTone Network

The World’s Most **Secure, Reliable and Scalable** On-Demand Platform

Seamless Global Back-up for Data, Audio & Video

Over 100,000 WebEx Sessions a day

Sessions Held in Over 85 Countries
A Complete Suite of Business Process Applications

- Generate Leads
- Close Deals
- Educate Customers
- Build Loyalty

[Images of people in business settings associated with the above processes]
WebEx for General Collaboration

Prospect Concerns
- Complex collaborative environment
- Geographically dispersed employees, partners, customers
- Difficult to make timely decisions

WebEx Offers
- Connect people anywhere, anytime
- Highly productive team meetings over the web
- Continue collaboration even after the meeting

“WebEx has allowed us to remove time and geographic barriers. We no longer consider ourselves a distributed organization. It’s given us the ability to meet face-to-face more frequently”

MaryEm Musser, Assistant Director, Center for Professional Development
**WebEx Meeting Center**

- Documents, applications, desktops sharing
- Rich multimedia with multipoint video
- Integrated telephony and VoIP
- Active Talker
- On-demand record, edit and playback
- PowerPanels™
- Chat, polls, notes, annotation tools
- File transfer
WebEx for Selling / Product Demonstration

Prospect Concerns

• Missing revenue targets
• Long sales cycle
• Tracking activity and pipeline

WebEx Offers

• “Qualify out” the wrong prospects sooner
• Reduce cost of sales by maximizing resources
• Keep prospects involved
• Integration with existing SFA to maximize efficiency

“When customers see our product through WebEx, they always ask us for a proposal. In one instance, it took just one phone call and one WebEx meeting to close the sale.”

David Farmer, Founder and CEO
**WebEx Sales Center**

- Attention Indicator
- Sales Portal
- Team-based selling
- Coaching, training and monitoring
- CRM integration
- Activity tracking
- SME presence
- Join as a group
WebEx for Training Buyer

Prospect Concerns

- Meet increased demand for training with fewer resources
- Make learning available & accessible to learners anytime, anywhere
- Align learning processes & programs with business initiatives

WebEx Offers

- Slash the time and cost needed to deliver training & maximize the value of existing resources
- Enable employees, customers, & partners to learn at their convenience with on-demand learning
- Measure the impact of training on business processes and initiatives

“Because WebEx allows us to train large numbers of dealers effectively, we’ve accelerated our time-to-market at a rate that our competitors can’t match.”

Mitch Bardwell
Director & Assistant General Manager, Sales Training Division
Canon Imaging Systems Group
WebEx Training Center

- Custom registration
- Break-out rooms
- Hands-on lab
- Training specific tools
- Integrated testing
- LMS integration
- Multiple roles
Prospect Concerns

• Trouble generating enough quality leads/reaching target prospects
• Traditional marketing tactics are expensive and inefficient
• Difficult to track and measure marketing effectiveness

WebEx Offers

• Target & engage a dispersed audience
• Generate high quality opportunities, keeping cost per lead low
• Increase speed to results
• Measure marketing effectiveness

“By converting to online events we saved time, reduced our costs 60-80 percent, broadened our client reach, and increased the frequency of our client events.”

Diane Paul
Director of Marketing Communications
WebEx Event Center

- Customized registration fields
- Custom enrollment options
- Custom email templates
- Interactive Q&A
- Lead scoring and reporting
- Multiple roles
- Polling
## WebEx for Customer Support

<table>
<thead>
<tr>
<th>Prospect Concerns</th>
<th>WebEx Offers</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Escalating support cost</td>
<td>• Remotely support systems anywhere, anytime</td>
</tr>
<tr>
<td>• Low customer satisfaction</td>
<td>• Better utilize existing resources</td>
</tr>
<tr>
<td>• Ineffective support</td>
<td>• Provide low touch and no touch support</td>
</tr>
<tr>
<td>• Unable to support remote customers/employees</td>
<td>• Decrease resolution time</td>
</tr>
</tbody>
</table>

After deploying WebEx in its Global Support Center, Lawson estimates it’s saving about $600,000 per year, for an ROI in excess of 700%.
WebEx Support Center
Remote Support and Remote Access

- Full remote control
- Web-based ACD
- Multiple customers and TSRs
- File and directory transfer
- Permission-based access
- Unattended machine control
WebEx – More Than Just Applications

Applications

Client Services
24x7 Support
Meeting Assists
Expert Production Services
Comprehensive Training Courses
Unique Business Process Consulting
Best Practice Seminars
Communities
Next-Gen “Information Workspace”

- Meeting/Presence Management
- News Feeds
- Video Conferencing

- Team Spaces
- Event Notifications
- Calendar, Email, Threaded Chat
- 3rd Party Applications
Cisco Collaboration Solutions

In summary ...

- Cisco is committed to on-premises and on-demand collaboration solutions
- Cisco Unified MeetingPlace and WebEx are integrated to provide deployment flexibility, cost savings and productivity
- Integrated solutions will help grow Unified MeetingPlace & WebEx sales
Collaborate to WIN

Thank You