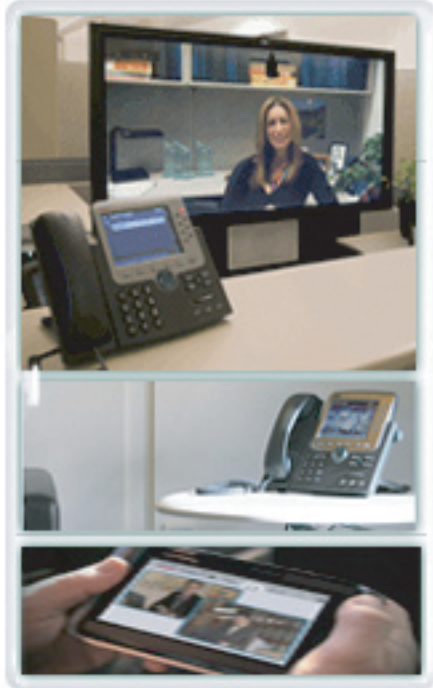




Business Issue



Cisco needed to determine how the integration of applications impacted the sales of Cisco IP Communications (IPC) products and the profitability of the Cisco Channel Partners worldwide.

The CBG team analyzed how Cisco Channel Partners perform financially based on three types of business models:

1. Product Resell Only
2. Systems/Network Integration
3. Bundled Solutions

CBG reviewed the long term profitability associated with these business models and developed tools to give Cisco visibility to evaluate the impact of applications integration on the financial performance of current and potential Channel Partners.

CBG Delivers

The CBG team interviewed a wide range of Cisco Channel Partners throughout the world. After gathering the data, the team developed case studies outlining the sales approach, the solutions offered and the value of the customer to Cisco and the Partner. A probability based ROI Calculator was developed to determine the profitability of the three types of transactions and the value of the customer to Cisco and the Channel Partner over a six year lifetime. Based on the results of the survey, the CBG team was engaged to help design and implement a repeatable process for helping Cisco Channel Partners develop more solutions-centered business models.

- Data Gathering & Strategic Analysis
- Case Study Development
- Financial Impact Modeling
- Creation of Powerful Analysis Tools such as the Lifetime Value Calculator
- Design & Implementation of a Partner Practice-Building Model
- Design & Implementation of a Customer and Channel Partner Valuation Model
- Process Template Creation for Developing Solutions-Centered Channel Partners

Results

This process, released by Cisco as the Partner Practice Portal, includes methods, tools and templates for their Partners. This new portal is the foundation for a sustained profitability model for Cisco Channel Partners to build a true application and professional services practice around Cisco solutions.

