Wharton-Stanford Service Supply Chain Thought Leaders Forum

Dillard Myers
Director, Global Product Services
“The top priority of Cisco is helping our customers succeed.
Customer satisfaction is the heart and soul of our company.”

John Chambers
President and CEO
Go-To-Market Strategy

Cisco = Productivity

Consumer / SoHo
- Wireless

Commercial
- Security
- Telephony
- Wireless

Enterprise
- Public Sector
- Security
- Telephony
- Wireless
- Storage Networking

Service Provider
- Incumbents
- Cable
- VPN Services
- Metro Ethernet
- Optical

Intelligent Information Network

Routing, Switching, Software, Service
Cisco Services Portfolio

Accelerate Customer Success

- Network Virtual Organization
- Advisory Services
- Vision to Reality
- Speed of Migration
- Advanced Services
- Network to Application
- Investment Optimization
- Technical Support Services
- Device to Network
- Investment Protection

Cisco.com
Cisco Systems Service Offerings

- **Global Delivery Reach**
  - 116 Countries/ 40 Languages
  - 24 X 7 Tech Assistance
  - 24 X 7 Advance Service Parts Replacement
  - 24 X 7 Self-service Software

- **Range of Services: Traditional to Advanced**
  - Technical Assistance Center (TAC)
  - Web-site Technical Assistance
  - Advance Hardware Replacement
  - Software Updates & Upgrades
  - On Site Field Engineer Services
  - Knowledge Transfer Services
  - Rapid Deployment Services
  - Engineering Staff Augmentation
  - Carrier Class Availability
  - Professional Services Consulting

- **Service Delivery Capacities**
  - 600+ Replacement Inventory Locations
  - Follow the Sun Technical/Logistics Centers- 5 major sites
  - 180K cases/mo (70K via TAC)
GPS Business Model
Service Parts

• GPS provides global contract support for advance spares replacement for system failures.

• Contractual service levels supported:
  - 2 to 4 hour delivery
  - next business day delivery
  - 8 to 10 day delivery
  - 10 day delivery for return-to-factory
  - consigned / on-site spares

• Delivery commitment executed through a global depot network:
  - 6 major depots
  - 13 country depots
  - 600 rapid fulfillment depots
External—Global Market Trends

- Capital Expenditures (Capex) expected to be flat to down
- Significant pressure to lower Operations Expense (Opex)
- Business Applications continue to drive need for optimized and highly available networks
- Increased trend towards outsourcing of network operations
- Demand for tangible TCOs and ROIs
Challenges

- Rising customer expectations
- Foundational systems and processes
- Operations alignment and teaming
- Pricing pressure
- Productivity
Customer Experience: Make the Customer Experience Extraordinary

- **Improve the current experience**
  - Focus on alignment and process improvement
  - Team for success

- **Define the future customer experience**
  - Focus on a segmented approach
  - Focus on differentiation & innovation
Operational Excellence: Three Key Areas

- Policy, processes, tools and foundational systems
  C3…SPO…PSD
- Customer Advocacy governance
- Operations organizational alignment
People:
Our People Make Us Great

• Leadership Development (CLDP, BLP, ELP, 360’s…)
• Career Development (3-5 year plan…GPS)
• Pulse Survey…we listen…we respond
Customer Advocacy
FY 2004 Strategy… Goals 3–5 Years

Accelerating Our Business

- **Number one** in Customer loyalty
- **Productivity** leader in the networking services industry
- Defined and **segmented customer experiences**—driven by **differentiation and innovation**
- Leader in driving a closed-loop, customer experience driven **quality system**
- Highly **profitable** service and support **revenue** growth
- Implement **Adaptive Networking** environment
- Leader in creating and leveraging services **intellectual property** for Customers and Partners
- **Number one** in **employee loyalty**—driven by best in class leadership practices, programs and culture