

FORRESTER®

New Technology: The Projected Total Economic Impact™ Of Cisco Success Tracks

Cost Savings And Business Benefits
Enabled By Cisco Success Tracks

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Executive Summary

As networks become increasingly more complex, organizations must find a way to quickly adopt new technologies, easily track and manage their devices, and ensure a strong security posture. The Cisco Success Tracks offering empowers organizations to shorten time-to-value, reduce the risk of security breaches and unplanned downtime, and improve operational efficiency.

Success Tracks is a new suite of service solutions delivered via a simple, unified digital experience. Cisco designed this suite of solutions to help customers realize the full value of their Cisco technologies by removing roadblocks and advancing them toward achieving their goals at every step of the technology lifecycle journey.

Cisco commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by leveraging [Cisco Success Tracks](#). The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Success Tracks on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed representatives from four customers at the early stages of using Success Tracks. For the purposes of this study, Forrester aggregated the experiences of the interviewed customers and combined the results into a single [composite organization](#).

Prior to Cisco Success Tracks, interviewed organizations managed their complex networks manually. They did not have the tools to manage their assets and coverage or automate technical support engagements, and they lacked analytics that could inform proactive maintenance and updates to minimize network disruptions.

With Cisco Success Tracks, customers acquired access to Cisco expertise, best practices, insights,

KEY STATISTICS BASED ON THE COMPOSITE ORGANIZATION



Projected return on investment (PROI)
96% to 157%



Projected net present value (NPV)
\$676.1K to \$1.1M

learning, and support available at their fingertips through the CX Cloud portal. Success Tracks provided customers with deeper visibility and a contextual view into and across their network infrastructure, enabled significant cost savings with analytics that provided actionable insights, and improved security posture, operational efficiency, and performance, which resulted in faster time-to-value.

“Success Tracks via CX Cloud serves as a one-stop shop where you can get in and, in just a few clicks, you are able to see your devices at a high level. I can see which devices may be having issues and, of those issues, which need to be mitigated right away versus which can be held off on. You have insight into your whole portfolio instantaneously.”

Manager, global infrastructure engineering, manufacturing

KEY FINDINGS

Quantified benefits. Risk-adjusted present value (PV) quantified benefits include:

- **Resource cost savings from reduced time spent on upgrade management, amounting to \$642K to \$764K.** Interviewed decision-makers described device upgrades as a critical task that was both manual and time-consuming. Success Tracks delivers automatic device scans and targeted software upgrades that significantly reduce engineers' time dedicated to upgrade management.

Time saved on average per device on upgrade management with Success Tracks

25 to 30 minutes

- **Cost savings from a reduction in unplanned downtime of \$442K to \$578K.** Leveraging learning capabilities, product lifecycle management, and timely software updates reduces the risk of failure, translating to a reduced risk of unplanned downtime. When downtime does occur, the length of the outage is reduced.
- **Resource cost savings from product adoption as a result of e-learning between \$48.4K and \$96.9K.** Prior to Cisco Success Tracks, organizations relied on engineers to search the internet for information on new Cisco products the organizations planned to implement. While the information they found was often useful, the search was inefficient and left gaps in engineers' knowledge, which made projects more susceptible to errors. With Success Tracks' advisories, adoption-journey-focused live webinars and Q&As, communities, and self-

guided resources, engineers have all necessary guidance at their fingertips.

- **Reduced risk of a security breach, amounting to between \$222K and \$333K.** Software updates, product alerts, and service alerts prompt network engineers to install the latest updates, protecting them from the latest vulnerabilities. This reduces their risk of a security breach by 20%.

“The learning portion is top-notch. It has helped me with the stuff that I had questions about. That’s a really good place to get [Cisco product] information.”

Senior network administrator, personal care

- **Resource cost savings from reduced time spent on service coverage management between \$20.8K and \$24.2K.** Management of inventory, contracts, and device lifecycles is automated with Success Tracks, saving 60% to 70% of the allocated resource time each month.
- **Resource cost savings from more efficient ticket management between \$3.8K and \$12.4K.** Success Tracks significantly streamlines the support engagement process by automatically filling in the diagnostic data and providing information and status updates on every support case in a single place, saving engineers time.

Unquantified benefits. Benefits that are not quantified for this study include:

- **Faster time-to-value.** With the new learning opportunities and access to Cisco advisories, organizations can shorten their timelines for new product adoption. It allows them to take advantage of their Cisco products weeks faster than before.

- **Improved executive confidence in IT.** Having Success Tracks in place has allowed the interviewed IT decision-makers to feel more confident that their organizations are better protected against security threats and that they can manage their image with executives.

Costs. Risk-adjusted PV costs include:

- **Cisco Success Tracks implementation, training, and management costs.** The organizations initially spent time implementing the software for the portal and training engineers to use it. Throughout the year, engineers spent time working in the tool and managing the relationships with Cisco.
- **Cisco Success Tracks services cost.** Cisco services costs include recurring annual license fees paid to Cisco.

The customer interviews and financial analysis found that a composite organization experiences projected benefits between \$1.4M and \$1.8M over three years versus costs of \$703.5K, adding up to a projected net present value (NPV) between \$676.1K and \$1.1M and a PROI of 96% to 157%.



PROI
96% to 157%

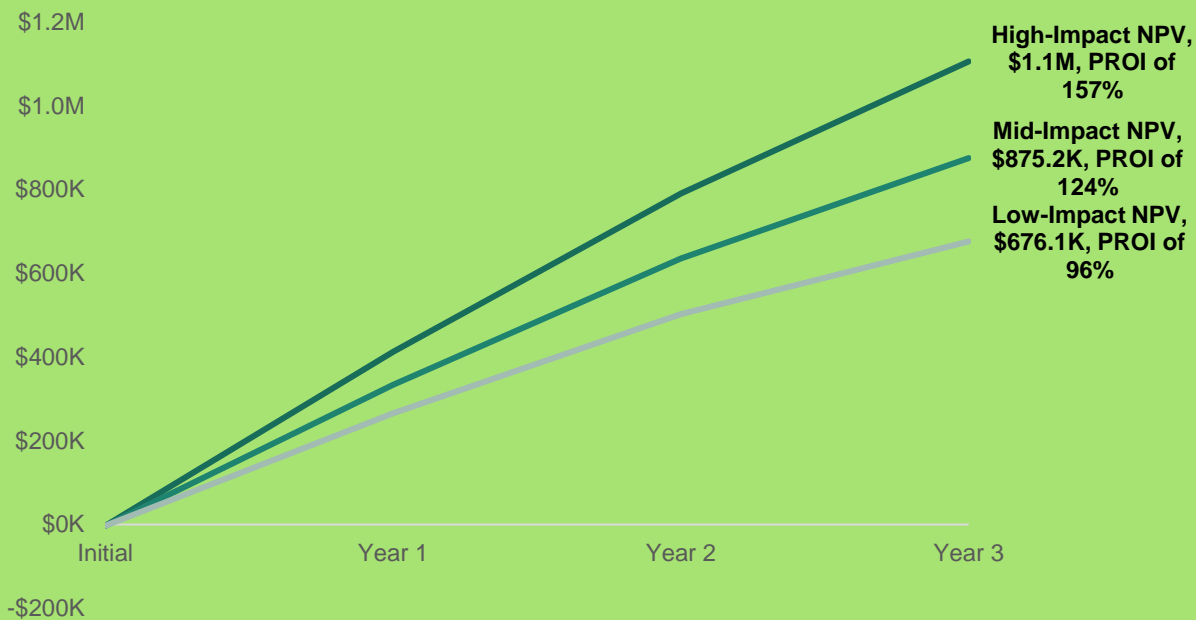


PROJECTED BENEFITS PV
\$1.4M to \$1.8M



PROJECTED NPV
\$676.1K to \$1.1M

Three-Year Projected Financial Analysis for the Composite Organization



For benefit calculations, Forrester incorporates risk by developing a range of projected outcomes—low impact, medium impact, and high impact—based on the range of data values acquired during customer interviews. The estimates are included for each input variable in the benefit financial models. This creates a potential benefit range.

TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a New Technology: Projected Total Economic Impact™ (New Tech TEI) framework for those organizations considering an investment in the Cisco Success Tracks.

The objective of the framework is to identify the potential cost, benefit, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the impact that Cisco Success Tracks can have on an organization.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by Cisco and delivered by Forrester Consulting. It is not meant to be used as a competitive analysis.

Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the report to determine the appropriateness of an investment in Success Tracks.

Cisco reviewed and provided feedback to Forrester, but Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning of the study.

Cisco provided the customer names for the interviews but did not participate in the interviews.



DUE DILIGENCE

Interviewed Cisco stakeholders and Forrester analysts to gather data relative to the Success Tracks.



EARLY IMPLEMENTATION CUSTOMER INTERVIEWS

Interviewed four decision-makers at organizations using Success Tracks to obtain data with respect to projected costs, benefits, and risks.



COMPOSITE ORGANIZATION

Designed a composite organization based on characteristics of the interviewed organizations.



FINANCIAL MODEL FRAMEWORK

Constructed a financial model representative of the interviews using the New Tech TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewed organizations.



CASE STUDY

Employed four fundamental elements of New Tech TEI in modeling the projected investment impact: benefits, costs, flexibility, and risks. Given the increasing sophistication of ROI analyses related to IT investments, Forrester's TEI methodology provides a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the New Tech TEI methodology.

The Cisco Success Tracks Customer Journey

■ Drivers leading to the Cisco investment

Interviewed Organizations			
Industry	Geography	Interviewee	Revenue; network size
Personal products	Global	Senior network administrator	\$3.6B; 10,000 users
Manufacturing	Global	Manager, global infrastructure engineering	\$6B; 18,000 users
Government	Europe	Infrastructure architect	Did not provide
Education	North America	Director of network services	\$200M; 40,000 users

KEY CHALLENGES

Prior to investing in Cisco Success Tracks, interviewees' organizations managed their complex networks and assets manually and aimed to resolve the following common challenges:

- **Lack of full visibility into their asset inventory led to inefficiencies.** With thousands of assets to manage, interviewees needed a convenient way to monitor networks and manage projects and contracts in one place. In cases when organizations did not catch expired warranties or products nearing end of life, they were at higher risk of unplanned downtime.
- **Keeping up with security upgrades was slow and inefficient.** Managing upgrades and patches to the infrastructure was manual and time-consuming, often leaving organizations vulnerable to security risks.
- **New projects took a long time to implement.** Engineers relied on finding technical information and advice in publicly available sources, including video-sharing platforms, forums, and white papers, and did not have a way to connect directly to Cisco experts.

“We used to have a solution that just monitored our devices, but it was too reactive and spread out. We needed to monitor from a centralized location that took care of all our inventory.”

Manager, global infrastructure engineering, manufacturing

COMPOSITE ORGANIZATION

Based on the interviews, Forrester constructed a TEI framework, a composite company, and a ROI analysis that illustrates the areas financially affected. The composite organization is representative of the four companies that Forrester interviewed and is used to present the aggregate financial analysis in the next section. The composite organization has the following characteristics:

Description of composite. The composite is a global company with \$2 billion in annual revenue and has 10,000 employees spread across multiple locations. The organization has 10 network support engineers, operating inside a larger IT organization, and their responsibilities include contract, inventory, and lifecycle management.

Prior to Cisco Success Tracks, network engineers had to troubleshoot network issues on their own. When they implemented new products or when issues surfaced, engineers searched the internet for advice from peers or tracked down more senior engineers within the organization, which resulted in more effort and a slower time-to-resolution. Engineers also searched for relevant product and security alerts, which raised both costs and the risks of a security breach or unplanned downtime. Once Cisco made Success Tracks available, the organization implemented it to improve network visibility and engineers' productivity.

Key assumptions

- **\$2B revenue**
- **10,000 users**
- **10 network engineers**
- **Cisco client**

Analysis Of Benefits

■ Quantified benefit data as applied to the composite

Total Projected Benefits					
Projected Benefits	Year 1	Year 2	Year 3	Total	Present Value
Total projected benefits (low)	\$541,586	\$552,844	\$572,827	\$1,667,257	\$1,379,621
Total projected benefits (mid)	\$616,084	\$631,875	\$660,742	\$1,908,701	\$1,578,712
Total projected benefits (high)	\$703,244	\$723,689	\$761,565	\$2,188,499	\$1,809,578

TIME SAVINGS FROM SIMPLIFIED SOFTWARE UPGRADE MANAGEMENT

Evidence and data. All interviewees described keeping devices upgraded as a priority; however, before Success Tracks, the upgrade process was primarily manual.

“We would try to upgrade on a regular basis, but sometimes that’s just not possible or we miss a device, and it will sit there for a year or two before being upgraded. It was all manual,” said a senior network administrator at a personal care company.

Success Tracks’ automatic device scans and targeted software upgrades to the right version removed pressure from IT and significantly reduced time dedicated to upgrade management.

“With thousands of devices, engineers wasted probably a good hour or two every day digging into the information about a piece of equipment and its software version,” remarked the manager and global infrastructure engineer at a manufacturing company.

With Success Tracks, engineers save time in identifying devices that are running on nonoptimal software versions. Success Tracks displays the top OS versions to consider for upgrade based on features available and issues resolved in latest releases, and engineers can then review details behind each recommended target OS version and decide whether they are ready to upgrade.

“CX Cloud helps me understand and prioritize my maintenance cycles, on where I need to focus my attention on doing upgrades and fixing things. Our annual upgrades were kind of done almost with a hammer. Today, we do it with a scalpel because I know the issues and which version of software fixes that. Now we are doing upgrades more tactically because CX Cloud provides the information about security or bugs that are potentially impactful to our configuration and our platform.”

Director of network services, education

Modeling and assumptions. For the composite organization, Forrester assumes:

- The organization manages 10,500 devices in Year 1; this number grows 1% YoY.
- Each device requires, on average, one upgrade per year.
- Engineers save, on average, 25 to 30 minutes per day on upgrade management, as a result of relying on Success Tracks Insights and Analytics.

- The average hourly burdened salary for an infrastructure engineer is \$58.

This benefit yields a three-year projected PV ranging from \$642K to \$764K.

Time Savings From Simplified Software Upgrade Management					
Ref.	Metric	Calculation	Year 1	Year 2	Year 3
A1	Number of managed devices	Increases by 1% YoY	10,500	10,605	10,711
A2	Average number of times a device requires an upgrade		1.0	1.0	1.0
A3 _{Low}			0.42	0.42	0.42
A3 _{Mid}	Average time savings per device with Success Tracks (hours)	25 to 30 min	0.45	0.45	0.45
A3 _{High}			1.00	1.00	1.00
A4	Infrastructure professional average hourly rate (rounded)	\$120,000/2,080 hours	\$58	\$58	\$58
At _{Low}			\$255,780	\$258,338	\$260,921
At _{Mid}	Time savings from simplified software upgrade management	A1*A2*A3* A4	\$274,050	\$276,791	\$279,558
At _{High}			\$304,500	\$307,545	\$310,620
Three-year total:			Three-year present value: \$642,064 to \$764,361		
\$775,039 to \$922,665					

COST SAVINGS FROM A REDUCTION IN UNPLANNED DOWNTIME

Evidence and data. Through surveys and multiple client engagements, Forrester has found that most organizations have experienced some type of network downtime in the past three years. Interviewed decision-makers thus aimed to reduce the risk of downtime and shorten the length of the outage when it inevitably happened.

With Cisco Success Tracks, organizations could proactively detect faults into which they previously had no visibility. Software updates reduced the risk of bugs, and teams performed risk mitigation checks to reduce the possibility of critical business outages. Proactive contract and asset lifecycle management enabled by Success Tracks helped organizations take care of their end-of-life products before they malfunctioned.

“Through the CX Cloud, Success Tracks has predictive failure with the logs, so I have much more visibility into problems such as bugs. We are also able to understand how to prioritize our maintenance cycles so I can focus my attention on doing upgrades and fixing things when they need to be done. We now have a better understanding of what’s to come.”

Director of network services, education

A manager at a manufacturing company told Forrester: “[Before Success Tracks], maybe once a month, something came up that we were not aware of. But that could happen to any piece of equipment when you have that much stuff running globally. It could be a couple of hours. In some cases, it might be a day or so.”

Modeling and assumptions. For the composite organization, Forrester assumes:

- Without Success Tracks, the risk of downtime was 35%.
- Success Tracks enables a proactive approach to asset and contract management, which leads to a 20% reduction in risk.
- Timely access to insights into the health of the infrastructure and centralized support shortens the length of the outage to 4 hours.
- A conservatively estimated hourly cost of downtime is \$228,000.

This benefit yields a three-year projected PV ranging from \$442K to \$578K.

Cost savings from a reduction in unplanned downtime					
Ref.	Metric	Calculation	Year 1	Year 2	Year 3
B1	Risk of downtime without Success Tracks		35%	35%	35%
B2 _{Low}			22%	22%	22%
B2 _{Mid}	Risk of downtime with Success Tracks		20%	20%	20%
B2 _{High}			18%	18%	18%
B3	Length of downtime without Success Tracks (hours)		10	10	10
B4	Length of downtime with Success Tracks (hours)		4	4	4
B5	Hourly cost of downtime		\$228,000	\$228,000	\$228,000
Bt_{Low}			\$177,840	\$177,840	\$177,840
Bt_{Mid}	Cost savings from a reduction in unplanned downtime	(B1-B2)*(B3-B4)*B5	\$205,200	\$205,200	\$205,200
Bt_{High}			\$232,560	\$232,560	\$232,560
Three-year total: \$533,520 to \$697,680			Three-year present value: \$442,262 to \$578,342		

VALUE OF TIME SAVED FOR PRODUCT ADOPTION AS A RESULT OF LEARNING

Evidence and data. Prior to Cisco Success Tracks, all interviewees’ organizations relied on their engineers to find the necessary information and educate themselves on new Cisco products the organizations planned to implement. This informal research usually took the engineers through available search sites to public video-sharing platforms, forums, and white papers. While the information they found was often useful, the searches took a long time, and the information was not always detailed and specific enough, which inadvertently led to gaps in engineers’ knowledge and made them more susceptible to errors.

“Doing our own research] exposes us to risk because during that research or our due diligence, we can miss how something interacts with existing systems. When we get insights directly from Cisco Success Tracks, it just makes the whole experience much safer.”

Infrastructure architect, government organization

With Success Tracks, engineers gained access to advisories, use-case adoption-journey-focused live webinars and Q&As, communities, and self-guided resources. “Before Success Tracks, I had to do a lot more research. Now we get information we want

several weeks faster. It’s quick,” said the infrastructure architect at a government organization.

Modeling and assumptions. For the composite organization, Forrester assumes:

- The organization has five Success Tracks users in Year 1, 10 in Year 2, and 20 in Year 3, as the portal becomes available to more engineers.
- The organization introduces, on average, three new Cisco projects every year.

- Engineers save, on average, 10 to 20 hours in learning time per project, as a result of relying on Success Tracks learning tools.
- The average hourly burdened salary for an infrastructure engineer is \$58.

This benefit yields a three-year projected PV ranging from \$48.4K to \$96.9K.

Value of time saved for product adoption as a result of Success Track’s learning capabilities:					
Ref.	Metric	Calculation	Year 1	Year 2	Year 3
C1	Number of Success Tracks users		5	10	20
C2	Average number of Cisco project introductions		3	3	3
C3 _{Low}	Average time saved per project adoption with Success Track’s learning capabilities (hours)		10	10	10
C3 _{Mid}			15	15	15
C3 _{High}			20	20	20
C4	Infrastructure professional average hourly rate (rounded)	\$120,000/ 2,080 hours	\$58	\$58	\$58
Ct _{Low}	Value of time saved for product adoption as a result of Success Track’s learning capabilities	C1*C2*C3*C4	\$8,700	\$17,400	\$34,800
Ct _{Mid}			\$13,050	\$26,100	\$52,200
Ct _{High}			\$17,400	\$34,800	\$69,600
Three-year total: \$60,900 to \$121,800			Three-year present value: \$48,435 to \$96,870		

REDUCED SECURITY RISKS WITH SUCCESS TRACKS

Evidence and data. In a Forrester survey in 2019, 57% of enterprise respondents reported that they suffered at least one data breach in the preceding 12 months.¹ Why? Though the causes vary, asset management is likely the biggest vulnerability for any organization.²

Unsurprisingly, improving network security was among top priorities for the decision-makers interviewed for our study. Prior to Success Tracks, identifying and addressing network vulnerabilities was a drawn-out, entirely manual process. “We need

to take action for all of the known bugs and issues that are in the lower versions of the OS on the switches and access points, and it takes months to upgrade all of them in the company,” said the manager of global infrastructure engineering at a manufacturing company.

The senior network administrator at the personal care company added: “With Success Tracks, everything’s right here in front of me. It is telling me the summary of exactly what the vulnerability does and what severity it is. It tells me the affected systems and the *potentially* affected systems. And not only does it tell us what version of OS, it tells us the IP address of the

device, it tells us the host name of the device and what the device actually is with a switch router, what version of switch router, etc. Having this one-stop shop for all the information that you need in one place — it’s a huge benefit.”

An educational organization had a dedicated part-time resource dedicated to keeping up with the newly released information about security bugs, what was impacted, what versions, and what specifically needed fixing. “It took hours to investigate an email that we get weekly. Essentially now, you just log on, couple of clicks, and here’s my security posture,” said the director of network services.

Modeling and assumptions. For the composite organization, Forrester assumes:

- The average cost of a security breach is \$3.92 million, per the 2019 Ponemon Institute survey.³
- The risk of a breach is 57%.
- The use of Cisco Success Tracks provides the organization with the instant visibility into security vulnerabilities, affected assets, and upgrades, decreasing the probability of a breach by between 4% and 6%, depending on level of adoption.

This benefit yields a three-year projected PV ranging from \$222.3K to \$333.4K.

Reduced security risks with Success Tracks

Ref.	Metric	Calculation	Year 1	Year 2	Year 3
D1	Average cost of a data breach		\$3,920,000	\$3,920,000	\$3,920,000
D2	Risk of experiencing a data breach		57%	57%	57%
D3 _{Low}	Decrease in risk of a data breach with Success Tracks		4%	4%	4%
D3 _{Mid}			5%	5%	5%
D3 _{High}			6%	6%	6%
Dt _{Low}			\$89,376	\$89,376	\$89,376
Dt _{Mid}	Reduced security risks with Success Tracks	D1*D2*D3	\$111,720	\$111,720	\$111,720
Dt _{High}			\$134,064	\$134,064	\$134,064
Three-year total: \$268,128 to \$402,192			Three-year present value: \$222,265 to \$333,397		

RESOURCE COST SAVINGS FROM IMPROVED LIFECYCLE MANAGEMENT

Evidence and data. Tracking their assets’ lifecycles — which products were nearing end of life or end of support and which products needed attention — was important across interviewed decision-makers. These critical activities ensured they were prepared for the right upgrades and maintained support coverage, both of which contributed to sustaining system availability.

“One of the worst issues you can have in a production environment is when something comes out of maintenance and you don’t know it. So, if it fails and you need support, you call support, and that’s when you find out that it is no longer supported,” said the director of network services at an education company. Success Tracks enables proactive inventory management and helps organizations identify critical assets to prioritize maintenance activities.

According to the manufacturing manager, it took weeks to ensure that they had everything “up, running, and under the warranty.” For the educational organization, it took at least 10 hours per month to do the inventory management and plan operational support.

Modeling and assumptions. For the composite organization, Forrester assumes:

- Prior to Cisco Success Tracks, a network engineer spent 20 hours each month managing contracts, inventory, and product lifecycles. This included updating data on each piece of

hardware and confirming its location and contract status in complex spreadsheets.

- With complete milestone and asset visibility available in the Success Tracks portal, day-to-day management, audits, and annual contract management are faster and easier, resulting in a 60% to 70% reduction in time dedicated to lifecycle management.
- The average hourly burdened salary for an infrastructure engineer is \$58.

This benefit yields a three-year projected PV ranging from \$20.7K to \$24.2K.

Resource cost savings from improved lifecycle management					
Ref.	Metric	Calculation	Year 1	Year 2	Year 3
E1	Previous monthly hours required to manage inventory and contracts		20	20	20
E2 _{Low}	Reduction in monthly hours required to manage inventory and contracts with Success Tracks		60%	60%	60%
E2 _{Mid}			65%	65%	65%
E2 _{High}			70%	70%	70%
E3	Hourly fully loaded cost for a network engineer		\$58	\$58	\$58
Et_{Low}	Resource cost savings from improved lifecycle management	E1*E2*E3*12 months	\$8,352	\$8,352	\$8,352
Et_{Mid}			\$9,048	\$9,048	\$9,048
Et_{High}			\$9,744	\$9,744	\$9,744
Three-year total: \$25,056 to \$29,232			Three-year present value: \$20,770 to \$24,232		

VALUE OF FASTER TICKET INITIALIZATION AS A RESULT OF CISCO AUTOMATION

Evidence and data. For all interviewed organizations, Success Tracks significantly streamlined the support engagement process. Previously, engineers who were opening a support ticket had to pull the information about the affected asset in one system, fill it out in another, and then track progress of each of the opened cases separately. With Success Tracks, when a technical support case is opened, Cisco automatically fills in the diagnostic data, saving engineers time and effort.

Additionally, information and status updates on every support case are available in the portal for engineers to monitor.

“I have visibility into all of my assets. I have the ability to see when they’re expiring, what their support is. I have direct visibility into where in the product lifecycle the product is. With CX Cloud and Success Tracks capabilities, I can go into lifecycle management of products because these are things that did take time.”

Director of network services, education

The senior network administrator at a personal care company explained to Forrester, “Ticket generation has been a big help: If you put it in a serial number of the device that you’re having an issue with, it immediately brings that device up and then it allows you to go and create a ticket without having to go to the Cisco website, which saves a ton of time.”

For the director of network services, visibility into the case progress was a great improvement: “Before, if I needed information about a tech case, I had to call

my assistant engineer or my account manager. Now, I can see what cases are open in the portal. I can see the case notes. I can see what was closed. It’s the executive dashboard toward managing the issues that I never had before.”

Modeling and assumptions. For the composite organization, Forrester assumes:

- Prior to Cisco, the engineers submitted three to five Cisco support tickets per week.
- With Success Tracks, they save 10 to 20 minutes per ticket in switching systems, providing issue descriptions, and monitoring case progress.
- The average hourly burdened salary for an infrastructure engineer is \$58.

This benefit yields a three-year projected PV ranging from \$3.8K to \$12.4K.

Engineers’ time saved as a result of using Success Tracks to initiate Cisco support tickets

26 to 87 hours

Value of faster ticket initialization as a result of Cisco automation					
Ref.	Metric	Calculation	Year 1	Year 2	Year 3
F1 _{Low}			3	3	3
F1 _{Mid}	Average number of Cisco-related support tickets per week		4	4	4
F1 _{High}			5	5	5
F2		Number of weeks		52	52
F3 _{Low}			0.17	0.17	0.17
F3 _{Mid}	Time saved per ticket (hours)	10 to 20 min	0.25	0.25	0.25
F3 _{High}			0.33	0.33	0.33
F4 _{Low}				27	27
F4 _{Mid}	Time saved as a result of using Success Tracks to initiate Cisco support tickets (hours)	F1*F2*F3	52	52	52
F4 _{High}			86	86	86
F5			Infrastructure professional average hourly rate (rounded)	\$120,000/2,080 hours	\$58
Ft _{Low}			\$1,538	\$1,538	\$1,538
Ft _{Mid}	Value of faster ticket initialization as a result of Cisco automation	F4*F5	\$3,016	\$3,016	\$3,016
Ft _{High}			\$4,976	\$4,976	\$4,976
Three-year total: \$4,614 to \$14,929			Three-year present value: \$3,825 to \$12,376		

UNQUANTIFIED BENEFITS

Additional benefits that customers experienced but were not able to quantify include:

- **Faster time-to-value.** With the new learning opportunities and access to Cisco advisories, organizations have shortened their timelines for new product adoption. They can now take advantage of their Cisco products weeks faster than before. “Earlier, we didn’t have a single place we could get that information and quickly. Now, we get the benefit of getting access to Cisco resources much more quickly, allowing us to make good use of the technologies we have,” said the infrastructure architect at a government organization.
- **Improved executive confidence in IT.** Having Success Tracks in place has elevated the confidence of the IT teams across interviewed organizations; they now feel their organizations are better protected against security threats and can communicate this to their leadership. The director of network services said, “My boss asks me, ‘Are we all patched up?’ Now I can actually say with confidence, ‘Here’s where we are and here’s what still pending.’ And it also builds perception, right? That’s something that’s very hard to put a value on, but that’s huge.”

FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement Cisco Success Tracks and later realize additional uses and business opportunities, including:

- **More IT time for new value-add projects.** Cisco helped the interviewed organizations improve productivity for the network engineers. With Success Tracks, they no longer have to spend hours on inventory and contract management, upgrades and patching, and managing support cases. Instead, they can use the time to work on new projects that optimize network performance and better support businesses. “We’re planning more and more automation in a lot of different places. And the way that my staff spends their time is just changing,” said the director of network services of an educational organization. “We have more time for projects. We are able to get a lot more done now with less staff.”

Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in [Appendix A](#)).

Analysis Of Costs

■ Quantified cost data as applied to the composite

Total Costs							
Ref.	Cost	Initial	Year 1	Year 2	Year 3	Total	Present Value
Gtr	Implementation, training, and ongoing management costs	\$2,984	\$47,502	\$66,381	\$138,852	\$255,719	\$205,350
Htr	Cisco Success Tracks annual license fees	\$0	\$198,450	\$200,435	\$202,439	\$601,323	\$498,153
	Total costs (risk-adjusted)	\$2,984	\$245,952	\$266,816	\$341,291	\$857,042	\$703,503

IMPLEMENTATION, TRAINING, AND ONGOING MANAGEMENT COSTS

Interviewees described the implementation process and ongoing management as simple and a relatively minimal time investment: “It took a couple of days to implement the system and a couple of calls to discuss the technology,” said the infrastructure architect at a government organization. The ongoing work in the portal also required limited resources.

For the composite organization, Forrester assumes that:

- It takes an engineer three days to set up the system.
- The organization originally provides access to five users and trains them on the Success Tracks portal for 5 hours. In Years 2 and 3, the organizations adds and trains five and 10 additional users, respectively.
- In Year 1, the users spend, on average, 3 hours per week working in the portal. As the number of users goes up, the average per users goes down to 2 hours per week.

“I want the engineers to use the CX Cloud portal several times a week to make sure we check to see if there’s any new patches that we need to do, any critical alerts or anything that we need to react to.”

Director of network services, education

- The average hourly burdened salary for an infrastructure engineer is \$58.

Management costs vary from organization to organization, based on system complexity, number of assets, locations, etc. To account for this uncertainty, Forrester risk-adjusted this cost up by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$205,350.

Implementation, training, and ongoing management costs						
Ref.	Metric	Calculation	Initial	Year 1	Year 2	Year 3
G1	Time to set up Cisco Success tracks (hours)	8 hours*3 days	24			
G2	Success Tracks training (hours)		5		5	10
G3	Success Tracks average usage per week (hours)			3	2	2
G4	Number of Success Tracks users		5	5	10	20
G5	Infrastructure professional average hourly rate (rounded)	\$120,000/2,080 hours	\$58	\$58	\$58	\$58
Gt	Implementation, training, and ongoing management costs	$(G1*G5)+(G2*G4*G5)+G3*G4*G5*52$ weeks	\$2,842	\$45,240	\$63,220	\$132,240
	Risk adjustment	↑5%				
Gtr	Implementation, training, and ongoing management costs (risk-adjusted)		\$2,984	\$47,502	\$66,381	\$138,852
Three-year total: \$255,719			Three-year present value: \$205,350			

CISCO SUCCESS TRACKS LICENSE FEES

The composite organization incurs license fees for Success Tracks. These are annual recurring fees based on support level and the type and number of Cisco assets supported by Success Tracks.

Support costs vary from organization to organization, considering different licensing agreements, what other products may be licensed from the same vendor, volume of hardware, locations, and

discounts. To account for these differences, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$498,153.

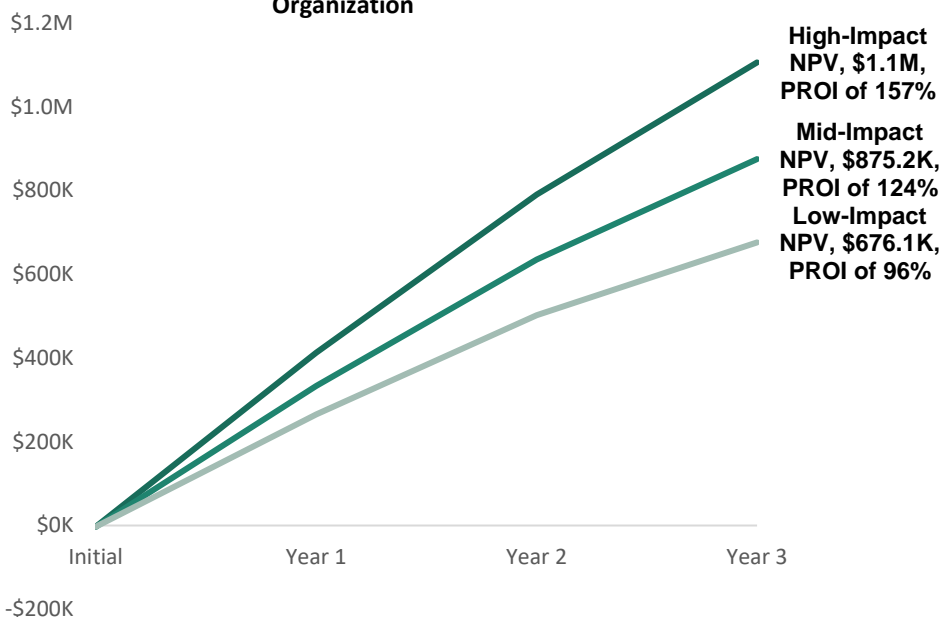
For more information regarding pricing specific for your organization and use case, please contact your Cisco representative.

Cisco Success Tracks license fees						
Ref.	Metric	Calculation	Initial	Year 1	Year 2	Year 3
H1	Success Tracks annual license fees	Grows 1% YoY		\$189,000	\$190,890	\$192,799
Ht	Cisco Success Tracks annual license fees	F1	\$0	\$189,000	\$190,890	\$192,799
	Risk adjustment	↑5%				
Htr	Cisco Success Tracks license fees		\$0	\$198,450	\$200,435	\$202,439
Three-year total: \$601,323			Three-year present value: \$498,153			

Financial Summary

CONSOLIDATED THREE-YEAR RISK-ADJUSTED METRICS

Three-Year Projected Financial Analysis for the Composite Organization



The financial results calculated in the Benefits and Costs sections can be used to determine the PROI and projected NPV for the composite organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

These risk-adjusted PROI and projected NPV values are determined by applying risk-adjustment factors to the unadjusted results in each Benefit and Cost section.

Cash Flow Analysis (Risk-Adjusted Estimates)

	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	(\$2,984)	(\$245,952)	(\$266,816)	(\$341,291)	(\$857,042)	(\$703,503)
Total benefits (low)	\$0	\$541,586	\$552,844	\$572,827	\$1,667,257	\$1,379,621
Total benefits (mid)	\$0	\$616,084	\$631,875	\$660,742	\$1,908,701	\$1,578,712
Total benefits (high)	\$0	\$703,244	\$723,689	\$761,565	\$2,188,499	\$1,809,578
Net benefits (low)	(\$2,984)	\$295,634	\$286,028	\$231,536	\$810,215	\$676,118
Net benefits (mid)	(\$2,984)	\$370,132	\$365,059	\$319,452	\$1,051,658	\$875,209
Net benefits (high)	(\$2,984)	\$457,292	\$456,874	\$420,274	\$1,331,456	\$1,106,075
PROI (low)						96%
PROI (mid)						124%
PROI (high)						157%

Appendix A: New Technology: Total Economic Impact

New Technology: Projected Total Economic Impact (New Tech TEI) is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value of their products and services to clients. The New Tech TEI methodology helps companies demonstrate and justify the projected tangible value of IT initiatives to senior management and key business stakeholders.

TOTAL ECONOMIC IMPACT APPROACH

Projected Benefits represent the projected value to be delivered to the business by the product. The New Tech TEI methodology places equal weight on the measure of projected benefits and the measure of projected costs, allowing for a full examination of the effect of the technology on the entire organization.

Projected Costs consider all expenses necessary to deliver the proposed value of the product. The projected cost category within New Tech TEI captures incremental ongoing costs over the existing environment that are associated with the solution.

Flexibility represents the strategic value that can be obtained for some future additional investment building on top of the initial investment already made. Having the ability to capture that benefit has a PV that can be estimated.

Risks measure the uncertainty of benefit and cost estimates given: 1) the likelihood that estimates will meet original projections and 2) the likelihood that estimates will be tracked over time. TEI risk factors are based on "triangular distribution."



PRESENT VALUE (PV)

The present or current value of (discounted) cost and benefit estimates given at an interest rate (the discount rate). The PV of costs and benefits feed into the total NPV of cash flows.



NET PRESENT VALUE (NPV)

The present or current value of (discounted) future net cash flows given an interest rate (the discount rate). A positive project NPV normally indicates that the investment should be made, unless other projects have higher NPVs.



RETURN ON INVESTMENT (ROI)

A project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits less costs) by costs.



DISCOUNT RATE

The interest rate used in cash flow analysis to take into account the time value of money. Organizations typically use discount rates between 8% and 16%.



PAYBACK PERIOD

The breakeven point for an investment. This is the point in time at which net benefits (benefits minus costs) equal initial investment or cost.

Appendix B: Endnotes

¹ Source: Forrester Analytics Global Business Technographics® Security Survey, 2019.

² Source: “Now Tech: Network Analysis And Visibility, Q2 2020,” Forrester Research, Inc., June 23, 2020.

³ Source: “2019 Cost of a Data Breach Report,” Ponemon Institute, 2019
(<https://www.ibm.com/security/databreach>).

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