

Cisco Customer Experience (CX)

Renewals for Partners

Frequently Asked Questions

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Customer experience is the new competitive differentiator and companies who lead in customer experience can achieve five times the revenue growth compared to laggards.¹ Cisco® partners who have built lifecycle practices are driving more than 2.5 times increase in revenue through additional product and service revenue, renewals, and their own professional services. A focus on lifecycle includes all stages of the customer's journey as they invest, use, adopt, and renew their technology investments.

According to Bain and Company, attracting new customers can cost your company five to 25 times more than keeping an existing customer, while a five-percent increase in customer retention can increase a company's profitability by 75 percent. Loyalty renewal economics are real. You can maximize renewals with greater efficiency and predictability by building a sustainable renewals operations team. Cisco has invested in resources, tools, and processes to help our partners drive renewals.

To help you better understand our commitment to helping you increase recurring revenue through renewals, following are answers to the most common questions you've asked us.



How is Cisco helping partners increase renewal rates?



Cisco has made significant investments in four key areas, each of which support our partners' efforts to increase their renewal rates:

- 1. Resources** – Since the beginning of FY2020, Cisco has developed a team of hundreds of Renewals Managers, who work in peered relationships with our partners, and focus exclusively on closing CX services contract renewals. Renewals Managers work collaboratively with Cisco sellers and partners on the renewal of recurring offers for a defined set of accounts.
- 2. Data accuracy and availability** – In addition to the significant improvements in the accuracy of our core renewals data, Cisco publishes [a library of more than 20 commerce APIs](#) that automate our partners' renewal processes, including quoting, contract management, and install base updates.
We also offer every partner a free IT-led engagement to map these APIs against specific renewals processes and platforms. Partners can contact [Global Partner Organization Renewals team](#) to learn more about how API adoption increases partner renewal rates and lowers operational costs.
- 3. Simplification** – Cisco's customers expect simplicity and greater ease of doing business with Cisco and our partners. We've responded with enhanced assets that draw install base data from Cisco Ready. This provides our partners with insights to co-terminate and consolidate disparate contracts, while reducing risk by covering the uncovered active estate. Partners can schedule their install base workshop with their renewals manager.
- 4. Incentives and enablement** – The renewals event is certainly an important step along the customer lifecycle, and it's best optimized when delivered as part of a holistic journey, including customer activation, adoption, and utilization. We've built a Lifecycle Incentive program that combines all these elements and rewards our partners along each step. Learn more about the [Lifecycle Incentives program](#).

Customers are increasingly moving to software as a service (SaaS) and recurring offers, requiring them to work with trusted providers to enable their digital transformation. This makes a focus on customer experience critical to your success. To complement the Lifecycle Incentives program, we launched the [Customer Experience Specialization](#), which supports and rewards partners for building customer success practices and skills. With these specializations, you can differentiate your business, sell more of your services, and improve renewal rates.

¹ Forrester, Improving CX Through Business Discipline Drives Growth

Q How do I interact with the Cisco Renewals Manager?

A

Cisco employs hundreds of Renewals Managers and Renewals Specialists to engage with our customers and partners to drive the end-to-end renewals process at a customer, territory, or regional engagement level. Within Cisco, the Renewals Manager has responsibility for the renewal event, and their charter is perfectly aligned with the drivers of our partners' profitability. Consider these professionals to be an extension of your team; they're additional resources to help you drive customer adoption.

- **Cisco Renewals Manager**

The Renewals Manager is a quota carrying role that collaborates with the sales team and partners on the renewal of all recurring offers for a defined set of accounts or an assigned territory. Renewals Managers work collaboratively to develop a holistic view of customer renewal requirements and objectives to define a strategy for on-time renewals. Renewals Managers possess strong knowledge of negotiation strategies and orchestrate cross-functional resources to secure every renewal, minimizing risk and annual recurring revenue attrition. We encourage our partners to leverage this expertise towards positioning incremental sales opportunities and customer value.

- **Cisco Renewals Specialist**

The Renewals Specialist is a quota carrying role that collaborates with renewals managers and Cisco business entities on the renewal of all recurring offers for a defined technology area. The Renewals Specialist works collaboratively to develop a holistic view of product renewal requirements and addresses objections specific to a technology to achieve on-time renewals. Renewals Specialist professionals possess deep knowledge in an assigned technology area and develop strategies to help secure complex renewals, minimizing risk and annual recurring revenue attrition. The Renewals Specialist also defends both Cisco and our partners from competitive takeout attempts.

Q How do I know which Renewals Manager I should work with?

A

In response to partner demand, we've launched the "Find My Renewals Manager" utility within the [Partner Self Service portal](#). By entering the name of your customer, you can now locate the name and contact information of the Cisco Renewals Manager responsible for that renewal, and with whom you'll work to develop the comprehensive renewals strategy for that account. In the event a customer search does not reveal an assigned Renewals Manager, the partner can request that information by sending an email message to automationworkshop@external.cisco.com.

Q What if I don't want help from a Renewals Manager?

A

Depending on customer, partner, or territory circumstances, there may be occasions when a partner prefers to pursue a renewal opportunity without the assistance of a Cisco Renewals Manager. There is no policy mandating that a partner work with their Renewals Manager, and the Renewals Manager will remain available to validate any quotes, ensure accuracy of the renewal data, assist with upsell opportunities, and answer any questions you might have.

Q **How do you measure a partner's renewal rate?**

A Effective Q2 FY20, Cisco measures a partner's renewal rate based on the renewal occurring within the same quarter as it expired. We call this the In-Quarter Renewal Rate (IQRR), and because this definition excludes multi-year contracts from its calculation, the IQRR is a more accurate reflection of our collective ability to renew.

To calculate a partner's IQRR, we divide the total of customers Available to Renew (ATR) by the value of the contracts renewed during the quarter. Under the term of the Cisco Services Partner Program (CSPP), renewals that occur within 30 days of the expiration date count as renewed within the quarter. Learn more details about the [Services Partner Program](#).

Q **How does a partner earn incentives based on their renewal rate?**

A The CSPP rewards partners for delivering performance against certain quarterly metrics related to services attach, services renewal, and services delivery. Upon meeting program eligibility requirements, a CSPP partner earns rebates based on their ability to attain IQRR performance above a minimum threshold. Rebates increase as the partner's renew rate increases, with an additional incentive tied to renewing multi-year support contracts.

Learn how you can increase renewals with a four-step process highlighted in the [Cisco Renewals Playbook for Partners](#).