

VAR Increases Revenue with Managed Services for Small Businesses

Remote management tool lets Far Networks proactively manage support small customers with ongoing service and transitions to advanced technology.

EXECUTIVE SUMMARY
<p>FAR NETWORKS</p> <ul style="list-style-type: none"> • VAR Managed Services • Cernusco Sul Naviglio (MI), Italy • 15 employees <p>BUSINESS CHALLENGE</p> <ul style="list-style-type: none"> • Increase profitability • Improve customer service • Maintain customer networks at peak performance
<p>NETWORK SOLUTION</p> <ul style="list-style-type: none"> • Remote monitoring and management tool
<p>BUSINESS RESULTS</p> <ul style="list-style-type: none"> • Managed services generate recurring revenue • Continuous monitoring helps quickly identify and resolve network issues • Ongoing relationship promotes better planning for future needs

Business Challenge

Like many VARs, Cisco® Partner Far Networks is familiar with the challenges of providing top-quality service to small customers. Although the two-year-old company has only 15 employees, each technical staff member has more than 10 years of experience in networking and IP telephony. Far Networks drew on all of this experience to support its clients, but the business model of reacting to reported problems did not allow the staff to provide the high degree of value that the company believed was possible, or generate the revenue that would match a higher level of service.

This was especially true for the company’s small business customers such as law firms and financial consulting companies. Small businesses often have

little or no IT staff, yet depend on network availability and performance for daily operations. Larger businesses in this situation tend to outsource management to service providers. Far Network’s small customers were hesitant to consider outsourced management because of the confidential nature of their network data and the lack of internal resources to oversee such a solution. They were also uncomfortable with the idea of a permanent virtual private network (VPN) connection with a service provider, and wanted to retain control of their network operations.

“We wanted to provide our small business customers with more cost-effective and proactive services that supported their immediate business requirements, and let us help them plan for future technology needs,” says Nicola Fracassi, president of Far Networks.

Network Solution

When Far Networks learned about a new Cisco solution that would let them provide ongoing support to small customers without a permanent VPN, the company was eager to try it. The Cisco VAR Managed Solution Offering includes Cisco Monitor Manager software for the customer site and Cisco Monitor Director software for the VAR site. The Cisco Monitor Manager collects inventory, topology, and performance data from managed network devices using the Hypertext Transfer Protocol over Secure Sockets Layer, and provides monthly reports and as-needed alerts to the Cisco Monitor Director. The Cisco Monitor Director is a centralized network management tool that can securely support up to 50 customers.

The Cisco VAR Managed Solution Offering does not require a dedicated VPN because the Cisco Monitor Manager communicates with the Cisco Monitor Director through an on-demand, encrypted Secure Sockets Layer connection. The Cisco Monitor Manager establishes this connection to send monthly reports and to transmit alerts.

The alert system can be configured to provide e-mail or e-page alerts. Once the alert appears, the operator at Far Networks can double-click on the alert to see alert details and a comprehensive topology of the customer network that graphically illustrates the problem. Syslog messages provide additional detail about the problem and its possible causes. With that information, the operator can access the network and fix the problem remotely.

In addition to providing fast problem detection and resolution, Far Networks uses the Cisco Monitor Manager and Cisco Monitor Director to prevent problems from occurring. For example, the monthly report helps Far Networks identify network problems that reduce CPU performance, so they can suggest upgrades before users are affected. “The monthly report gives us the information that we need to stay informed about network operations so we can provide true proactive management. We see the network topology, the bandwidth and CPU utilization, and even a log of alerts and alarms that took place throughout the month,” says Fracassi.

Far Networks is currently using its Cisco Monitor Director with a few small customers. A dashboard on the Cisco Monitor Director graphic user interface lets the operator select a customer to view current alarms and alerts.

“This solution gave us instant access to critical network information and a business model of ongoing service. This is what we needed for our small customers.”

—Nicola Fracassi, President, Far Networks

Business Results

The Cisco VAR Managed Solution Offering lets Far Networks provide ongoing, proactive, remote network management so small business customers can focus on their core business objectives instead of on their network. “This solution gave us instant access to critical network information and a business model of ongoing service. This is what we needed for our small customers,” says Fracassi.

Providing ongoing service gives Far Networks a new revenue stream that is easy to administer. The Cisco Monitor Director tracks the numbers of devices that Far Networks monitors and provides network-wide inventory and reporting, which simplifies billing. The tracking capability also includes a link to a database of End of Life and End of Sales information that Far Networks can use to alert customers that a device will soon require updating.

The proactive service model also lets Far Networks become a trusted advisor to its small customers. With detailed, current network knowledge, Far Networks can inform customers about advanced technology and recommend additional value-added services.

Next Steps

The Cisco VAR Managed Solution Offering can add IP telephony management to a data-only environment with support for Cisco CallManager Express, Cisco Unity Express, Cisco IP phones, Cisco voice gateways, and Digital Signal Processors. The integrated voice capabilities support analyses such as whether a customer has enough public switched telephone network trunks to support IP telephony. Far Networks will use the Cisco VAR Managed Solution Offering to expand its voice IP telephony service offerings. "We are very interested in the voice component of the Cisco Monitor Manager and Cisco Monitor Director because we are very focused in the IP telephony world," says Fracassi.

With converged network management through the Cisco Monitor Manager and Cisco Monitor Director software, Far Networks will be even better prepared to help its small business customers become more successful as it creates new revenue streams.

For More Information

For more information about the Cisco VAR Managed Solution Offering, visit <http://www.cisco.com/go/sbnm>.



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