

Cisco Channel Chief Sets Course for Transformation

Written by Alice Marshall
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Recently appointed Cisco Global Channel Chief Oliver Tuszik takes the stage for the first time at the company's Partner Summit event in Las Vegas-- and his message urges partners to follow in the transformation from hardware to software.



Formerly Country Leader for Germany, Tuszik took over from Cisco veteran Wendy Bahr little more than a month ago at the tail end of September 2018. His keynote teases a set of incentives and specialisations for partners, including a simplified recurring revenue structure and the addition of an "activation bonus" for the DNA Centre software as part of the Value Incentive Program (VIP).

"There are a huge amount of new products coming to market and a lot of models are changing for our customers," Tuszik says. "Customers want a business partner who helps them use technology. This is where we are going. We need to find a program for the future to allow partners to find their own speed for the challenge."

The channel chief warns partners need to add more value to their proposition-- or, as he puts it, customers will pay less for a mere hardware delivery. As such, Cisco has big changes in the works, and partners have 12 months to get ready. Partners can use the time frame to invest in lifecycle services, ahead of the July 2019 launch of Lifecycle Advisor, a programme rating partners on how they serve customers through the entire Cisco product lifecycle.

Lifecycle Advisor had a soft launch 2 years ago with a select number of partners. Tuszik says the participants are growing two and a half times faster, with a 20% increase in recurring revenue mix compared to partners outside the programme. Such numbers mean Lifecycle Advisor will continue, together with solutions such as Lifecycle Advantage, a platform for the

management of renewals and adoptions.

Further additions include a Business Specialisation and an updated Architecture Specialisation. Both are designed to help partners take advantage of previously untapped opportunities in hardware and software, with an emphasis on lifecycle services.

As mentioned earlier, Cisco also plans to simplify incentives with a move to an annuity-based model measuring partners on monthly recurring revenue, growth and renewals. The change moves services from a performance-based incentive to a recurring revenue strategy, one Cisco hopes will be more predictable while allowing for an annuity-based services portfolio.

Finally Tuszik points out an still untapped opportunity for Cisco customers-- security. The company is making big investments in the sector (such as the \$2.35 billion acquisition of Duo Security), but not enough companies are putting emphasis in protection. Tuszik urges partners to teach customers how to go digital while managing the associated risks.

"When you speak to businesses, big or small, they all say they want to use their data in a better way: faster and more secure," he adds. "Someone needs to listen and tell them where to start. But not everyone is able to capture their vision."

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