

# Cisco Capital and Datamatrix

Datamatrix increases sales success by embedding Cisco Capital financing within the bid process



**Partner:** Datamatrix

**Location:** Norway

**Number of Employees:** 240 employees



## Challenge:

- Make customer proposals more attractive
- Increase sales and balance sheet impact

## Solution:

- Cisco Capital™ financing solutions

## Results:

- Easier for customers to implement pay-as-you-go IT models and refresh projects
- Financing to sales revenue ratio of 1:5
- Payment terms accelerated by over 90 percent
- Effective approach for reducing sales cycles and customer churn



## Challenge

Formed in 1982, Datamatrix became a Cisco® partner seven years later and was bought by the Norwegian incumbent, Telenor in 2008. Today, the company is one of Cisco's largest partners in Scandinavia with around 240 employees and operations in Oslo, Bergen, Drammen, Stavanger, Trondheim, Tromsø and Ålesund.

"We've been doing business with Cisco for over 20 years," says Jostein Kirkerød, Sales Director for Datamatrix. "In that time we've grown and entered new markets together."

Datamatrix prides itself on providing customers with the highest levels of Cisco expertise and support. Along with Cisco Gold Partner status it holds numerous Advanced Technology Partner and Master Certification awards.

Recently, the company has created another powerful marketplace differentiator. "Technical leadership is one way to stand out from the competition," says Kirkerød. "But, this advantage is even more effective when it is combined with financing from Cisco Capital."

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Jostein Kirkerød, Sales Director  
Datamatrix

## Solution

Initially the partner decided to target large enterprise customers challenged by shrinking CapEx budgets with attractive OpEx-based alternatives. The subsequent introduction of Cisco Capital **easy**lease enabled Datamatrix to make financing available to a wide selection of customers and small businesses in Norway.

"It's really easy to include finance within sales proposals," says Kirkerød. "Every time one of our key account managers creates a customer quote, they simply click to add a financing option. The Excel-based tool takes care of everything else."

The partner introduced Cisco Capital into the conversation when talking to customers about network and security upgrades as well as unified communications (including IP telephony and contact centre) projects. More recently, financing has proved to be a dealmaker for Cisco TelePresence and Data Center (Cisco UCS and Nexus) opportunities by providing a natural pay-as-you go model

## Results

Datamatrix believes financing has become an intrinsic part of the customer buying decision. "Although IT departments tend to have a budget and want to use it up, they still get hit with unforeseen projects and like the idea of a payment deferral period," says Kirkerød. Also, we found that pitching Cisco Capital to the customer's procurement or finance department really helps to close deals faster."

Weekly meetings between Cisco Capital and Datamatrix sales teams have helped to increase awareness and sales success. "Knowing when and how to introduce financing into the customer conversation requires a particular set of skills, so we've arranged for our AMs to receive regular training and briefings," says Kirkerød.

And this investment in time is already paying back. Deals financed by Cisco Capital currently account for around 20% of all enterprise and SMB sales revenue.

Embedding Cisco Capital within the sales process has helped the partner to improve its balance sheet in other ways. The Cisco partner also benefits from faster time to revenue. "We're getting paid quicker," says Kirkerød. "Instead of standard settlement terms, Cisco Capital pay one or two days after the equipment has been delivered to site." In addition, financing has made it easier to retain accounts. Now customers can swap out technology and upgrade by simply adding to their existing contract with Cisco Capital."

Looking ahead, Datamatrix is in a strong position to maximise emerging trends. "In future we'll be selling less phones and more video endpoints, placing even greater importance on network assessments and support services" says Kirkerød. "We're also seeing growing interest for cloud services as well as borderless networks that allow secure device independence. Adding Cisco Capital into the equation makes those Cisco solutions more affordable and speeds up return on investment. And that's a massive advantage for customers."

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## For More Information

Details of Cisco Capital financing solutions are available at:

[www.ciscocapital.com/emea](http://www.ciscocapital.com/emea)

