

Cisco Capital and Viju

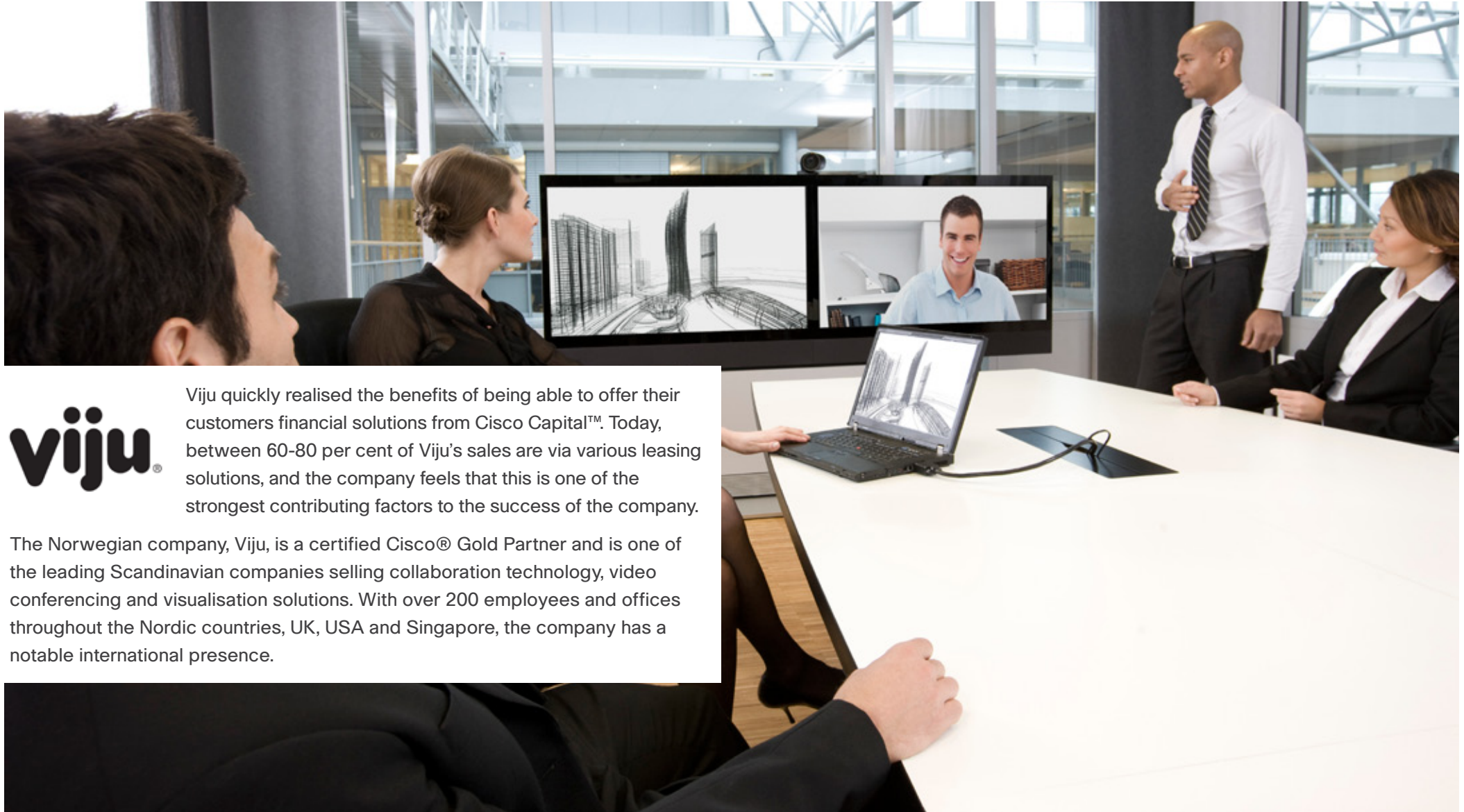
Cisco Capital helps Viju to offer their clients financial solutions



Customer: Viju

Industry: Technology

Location: Norway



Viju quickly realised the benefits of being able to offer their customers financial solutions from Cisco Capital™. Today, between 60-80 per cent of Viju's sales are via various leasing solutions, and the company feels that this is one of the strongest contributing factors to the success of the company.

The Norwegian company, Viju, is a certified Cisco® Gold Partner and is one of the leading Scandinavian companies selling collaboration technology, video conferencing and visualisation solutions. With over 200 employees and offices throughout the Nordic countries, UK, USA and Singapore, the company has a notable international presence.

Cisco Capital Contributes to Growth

From day one, Viju's vision has been to offer its customers solutions that make everyday life easier, more efficient and more profitable. Cisco Capital financial solutions quickly became an important factor in achieving this for both customers and for Viju as an organisation.

Viju was established in 1998 and grew both organically and through acquisitions. One of these acquisitions was Frontbase, who were then the audio visual partner of Tandberg. Patrik Forsberg, the previous owner and founder, said that Cisco Capital in the form of Tandberg Finance contributed to the company's fast growth. "When we started Frontbase, we received orders that were greater than our net worth. With the help of financial solutions, we could transfer the risk from ourselves as providers to Tandberg Finance, who carried out thorough credit checks on our customers and paid invoices earlier than they would under our standard payment terms. Cisco Capital currently offers the same services, and at Viju we make maximum use of them. In a way, you could say that Cisco Capital is helping us to finance our own growth."

Kurt S. Helland, group chief executive at Viju, adds that the integration of Cisco Capital's financial solutions into the sales process contributes to greater profitability for Viju. "Our sales team can win more contracts and, in addition, achieve better margins without the customer being liable for the costs".

Support From Cisco Capital

"One trend that we brought with us from Frontbase to Viju was precisely this focus on finance", says Patrik Forsberg. "Our sales team undergo training to learn the basic aspects of financing, but you do not need to be an expert to be able to offer it during a sales meeting. I think that this is what 'scares' so many people", Forsberg continues. "Not a single sales meeting takes place where we do not offer financing, and many of our sales team only sell solutions that involve financing. Our Cisco Capital colleagues often get involved in our customer meetings, providing that additional expertise where required. Naturally what is most important is the customer and, our experience has been that they react very positively to alternative payment solutions."

Why Offer Financing?

"There are countless reasons for offering your customers financial solutions", Forsberg says. "A financial solutions break down the total cost of the solution into monthly payments and this makes it easier to see their return on investment. Customers can see the savings immediately and also compare the video costs with the monthly travel costs. Normally, the monthly payments do not amount to more than the cost of an international flight", Forsberg argues.

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Patrik Forsberg, Previous Owner and Founder
Viju

One of the main arguments for offering financing is that alternative payment solutions provide customers with the flexibility to purchase the technology that the business needs and not just what the current budget allows. "I know of many cases where the customer was able to afford bigger systems or implement video in several locations as a result of financing. In this way, the customer achieves a better and quicker return on the total video investment, as the more people that use the video, the greater the return will be", Patrik Forsberg explains.

Torunn Bækken of Cisco Capital Nordics and Baltics supports him on this. "Capital expenditure will be less and budgeting will be easier as the costs can be spread out. Pressure on liquidity and the immense competition for budgets often makes investing in new technology difficult. Financing solves this problem and gives greater flexibility. In addition, at the end of the lease period, the customer can decide whether to keep the equipment or upgrade to something new and more advanced."

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Customer Focus

"The customer is always our main focus, and our goal is to be able to provide them with competitive advantage." Patrik Forsberg stresses. He also believes that the financing contracts help Viju to have better control of its margins. In addition, the lease agreements, which often extend from three to five years, contribute to more stable and long-term customer relationships. "Cisco Capital meets our needs as partners and helps us achieve better contracts for our customers. This is a situation that benefits all parties", Forsberg says in conclusion.

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For More Information

Details of Cisco Capital financing solutions are available at:
www.ciscocapital.com/emea

