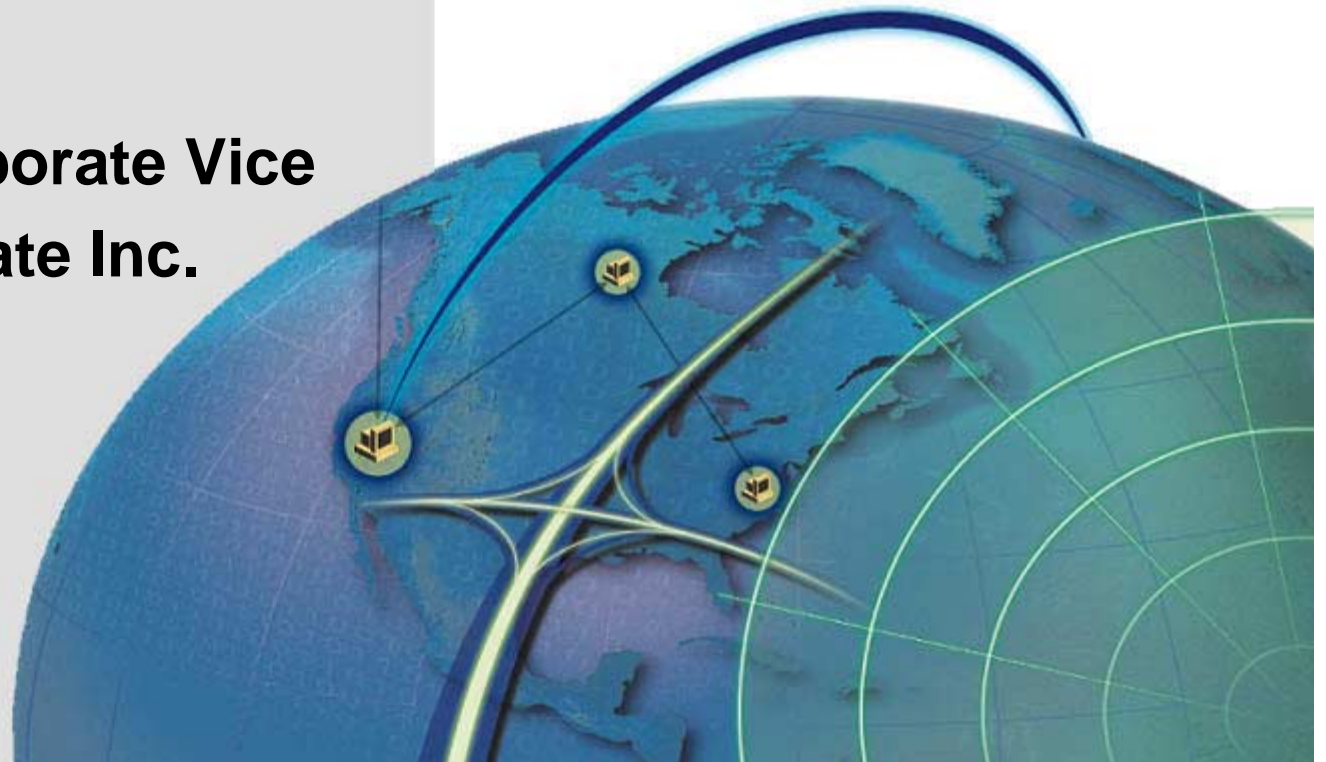


Maximizing Service Levels in Today's Complex E-Business Environment

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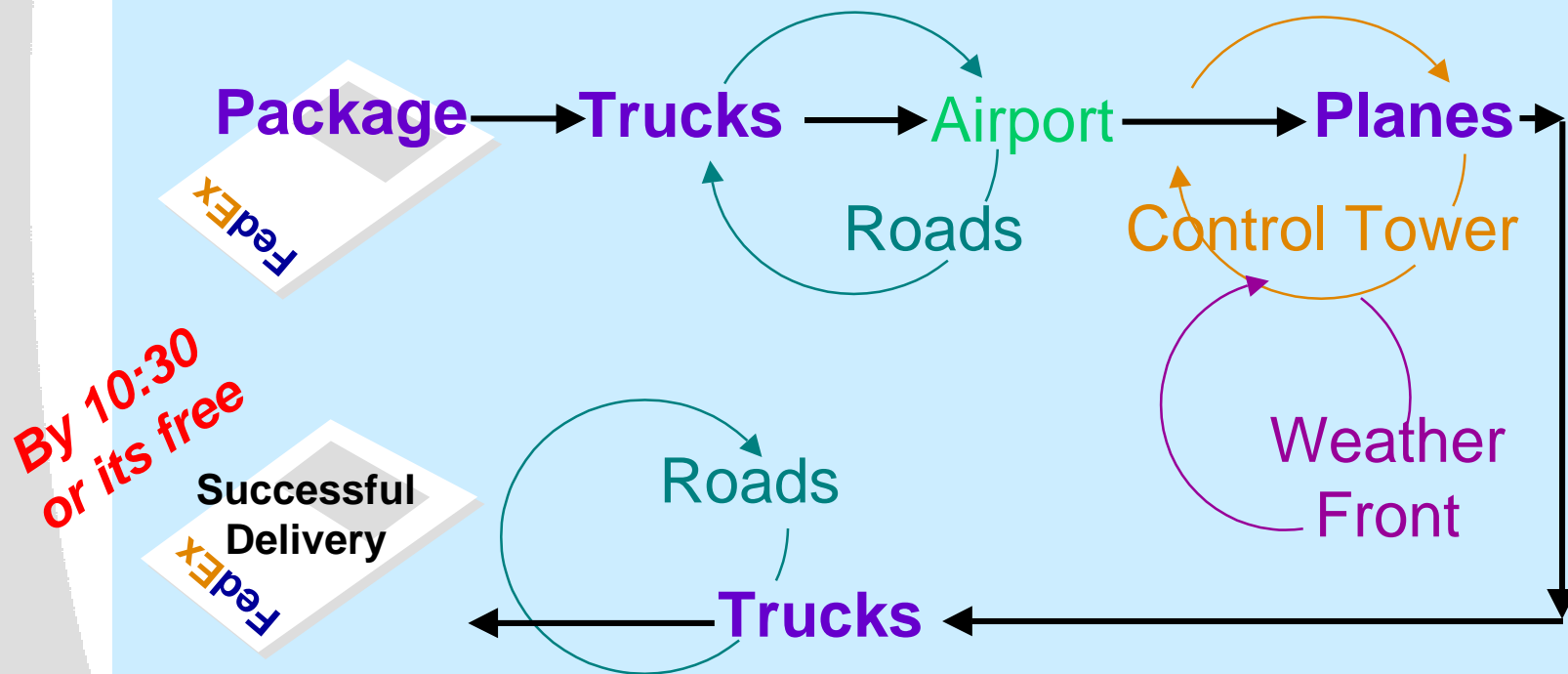
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Challenge: Controlling Performance of Delivery Service

FedEx

- Guarantees service levels though it neither owns nor controls all parts of the infrastructure



Business = e-Business

Charles Schwab

- Started eSchwab in 1995 as a response to new competitor, e*Trade
- Became largest on-line broker by Internet enabling existing accounts
- eSchwab branding disappeared, on-line trading became inherent feature of all Schwab accounts
- Customer Service expectations have *increased*

Ensuring the Transaction

Integrating business and technology through electronic access and end-to-end automation of applications to ensure maximum service levels for all transactions

Business Drivers & Technology Challenges

Drivers

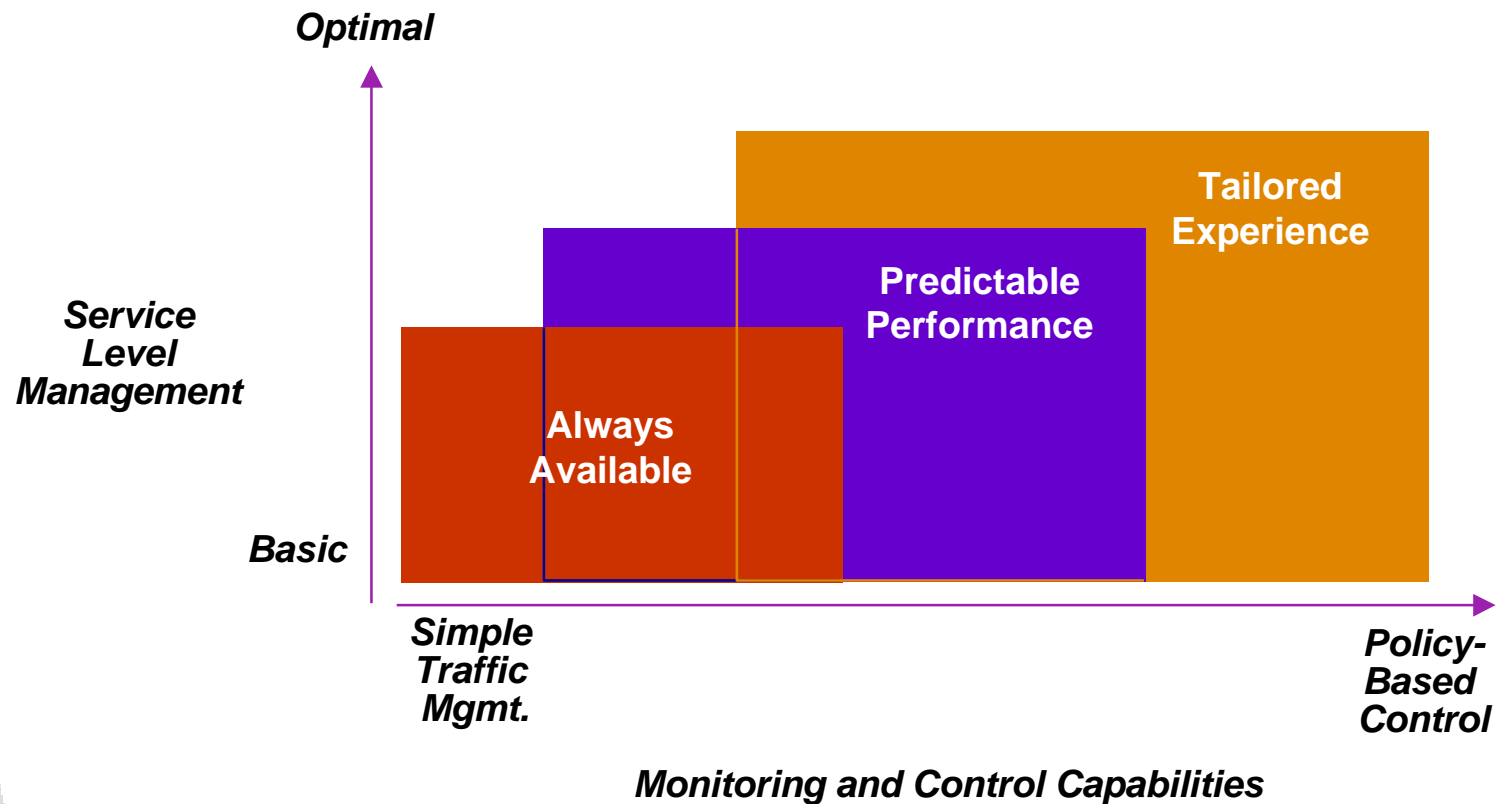
Key Challenges

GROWTH	Support large and growing customer and employee base
QUALITY	Ensure maximum service levels for internal and external customers
COST	Optimize the IT Infrastructure for total cost of ownership
SPEED	Phased transition from stand-alone, legacy systems to web-enabled, front-end systems
INTEGRATION	Evolve a heterogeneous Infrastructure to a seamless and global Infrastructure

Growing Number of Interactions

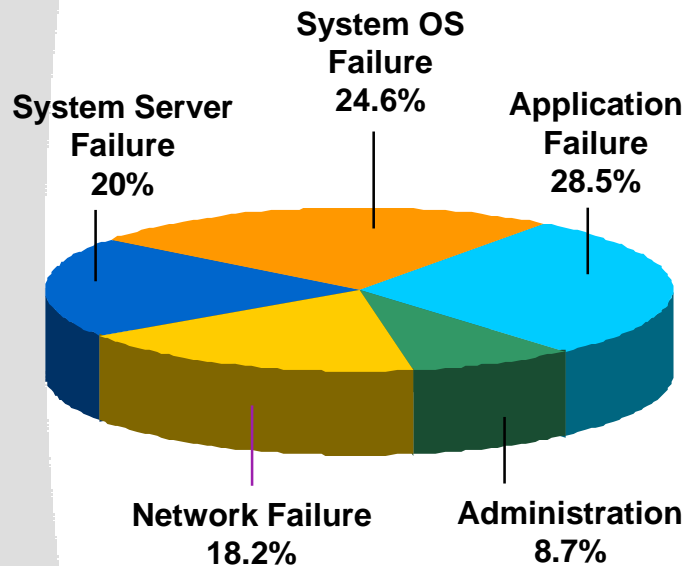
- **Internet users grow to 900 million by 2004 (IDC)**
 - Up from 400 million in 2000
 - 54% of Internet use will be via mobile devices, 750 million phones and appliances in use by 2004
- **\$500 billion in B2C e-commerce by 2004 (IDC)**
- **The volume of non-financial goods and services sold through B2B e-commerce to reach \$7.29 trillion worldwide in 2004. (Gartner)**
- **Ubiquitous, automated B2B collaboration will be satisfied by a "digital dial tone" that uses XML schema to automate business information exchange over the Web infrastructure. (Gartner)**

Customer Needs Drive Change



Downtime: Cause and Effect

Cause



Sources: IDC

Effect

Mission-Critical Service	Downtime Ave. Cost / Hour
Brokerage	\$6,500,000
Credit Card Authorization	\$2,600,000
CRM	\$345,000
E-Mail	\$315,000
Financial Systems	\$ 77,500
Supply Chain	\$ 64,500

Sources: Dataquest , Contingency Resource

**Loss of satisfaction,
loss of customer, loss of revenue**

What Are Your Minimum Requirements?

- Availability: 99.99% Uptime
- Performance: 5 sec. Response time
- Flexibility: Change orders completed within 24 hrs.

SLAs Should Cover...

GartnerGroup has advised that customers should look into three areas of an SLA that ASPs should cover:

Performance

- **Network:** availability, latency, integrity, throughput
- **System:** CPU Utilization, redundancy, disaster readiness
- **Applications:** software hangs, number of users supported

Procedure

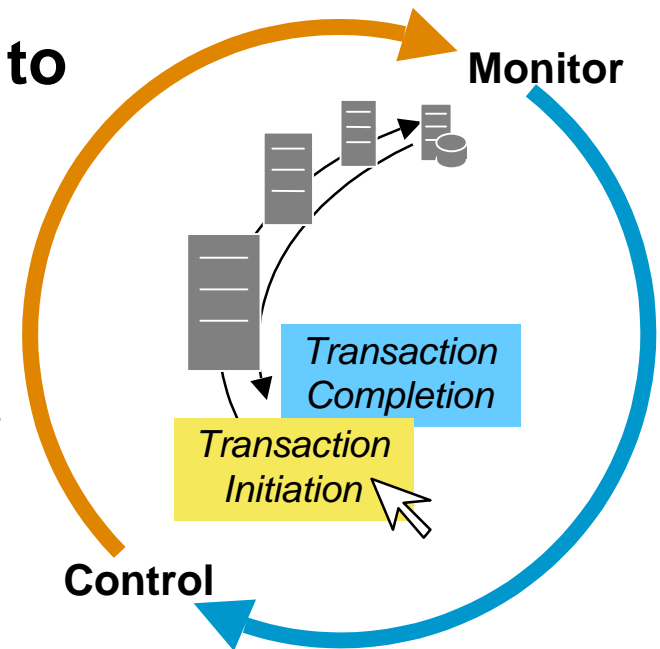
- **Upgrades, emergencies, changes in configuration**

Reporting

- **Performance measurement and real-time reporting for the network, systems, and applications**

What is *Active* SLM?

- Creates a **services model** to ensure delivery of organization's e-business
- **Monitors** services components to assess performance and availability
- Provides pro-active, intelligent **control** to alert or take action

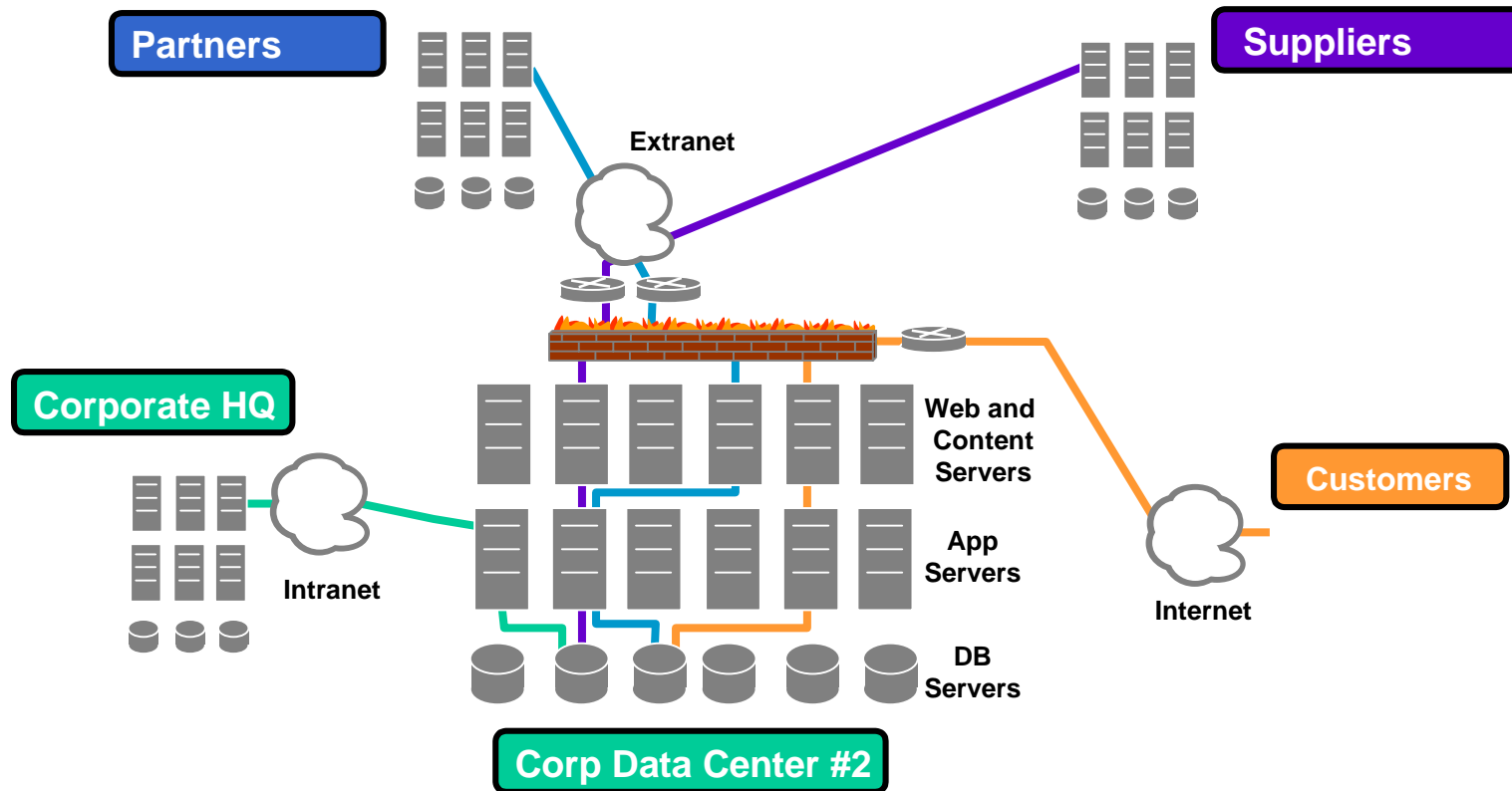


Greater ROI Across Organization

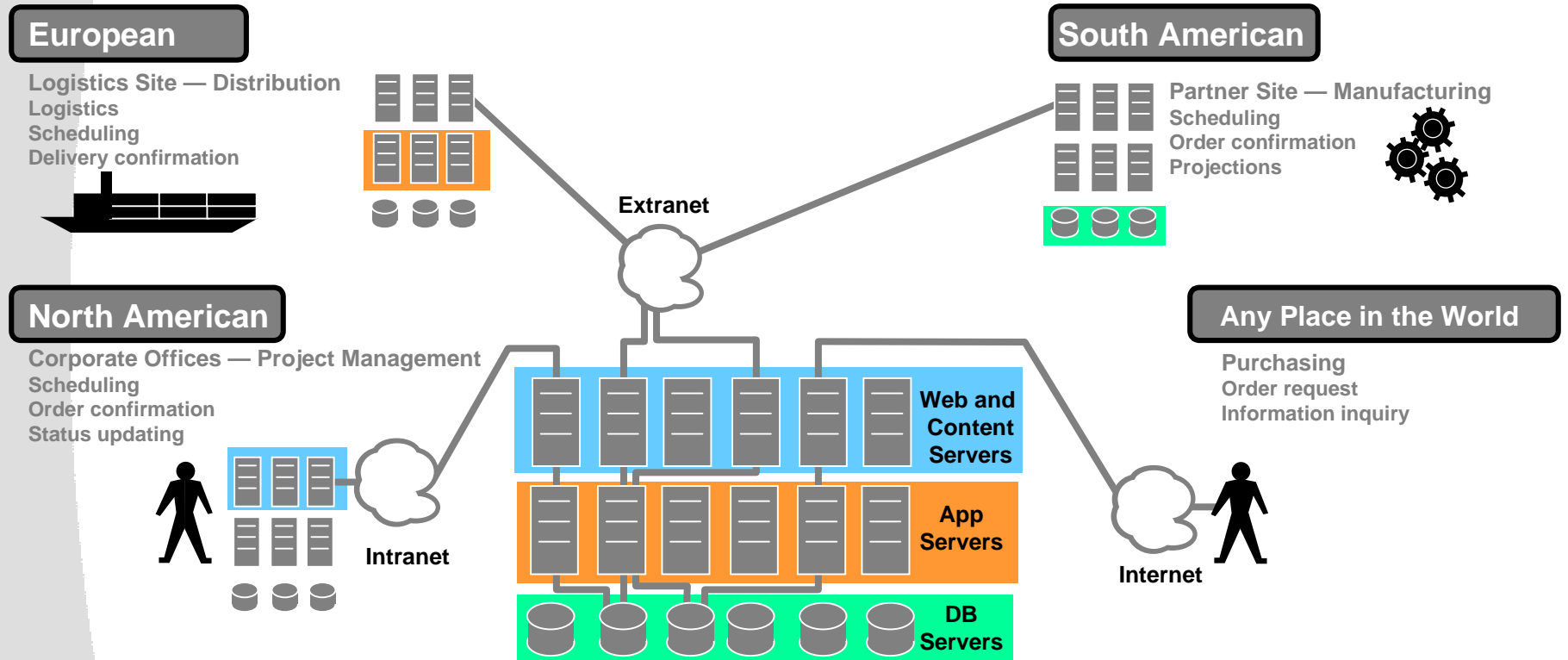
- **Ensures organization realizes full value of its e-business solutions**
 - Business solutions are always available
- **Enables intelligent control of environment**
 - Increasing benefits of performance to cost
- **Improvements in operational efficiency**
 - Greater Return on Assets (ROA)
 - Improved personnel utilization
 - Reduced administration
 - Greater on-line efficiencies
- **Quick Deployment**

Increasing Complexities of SLM

More Users, More Locations, More Tiers, More Technologies

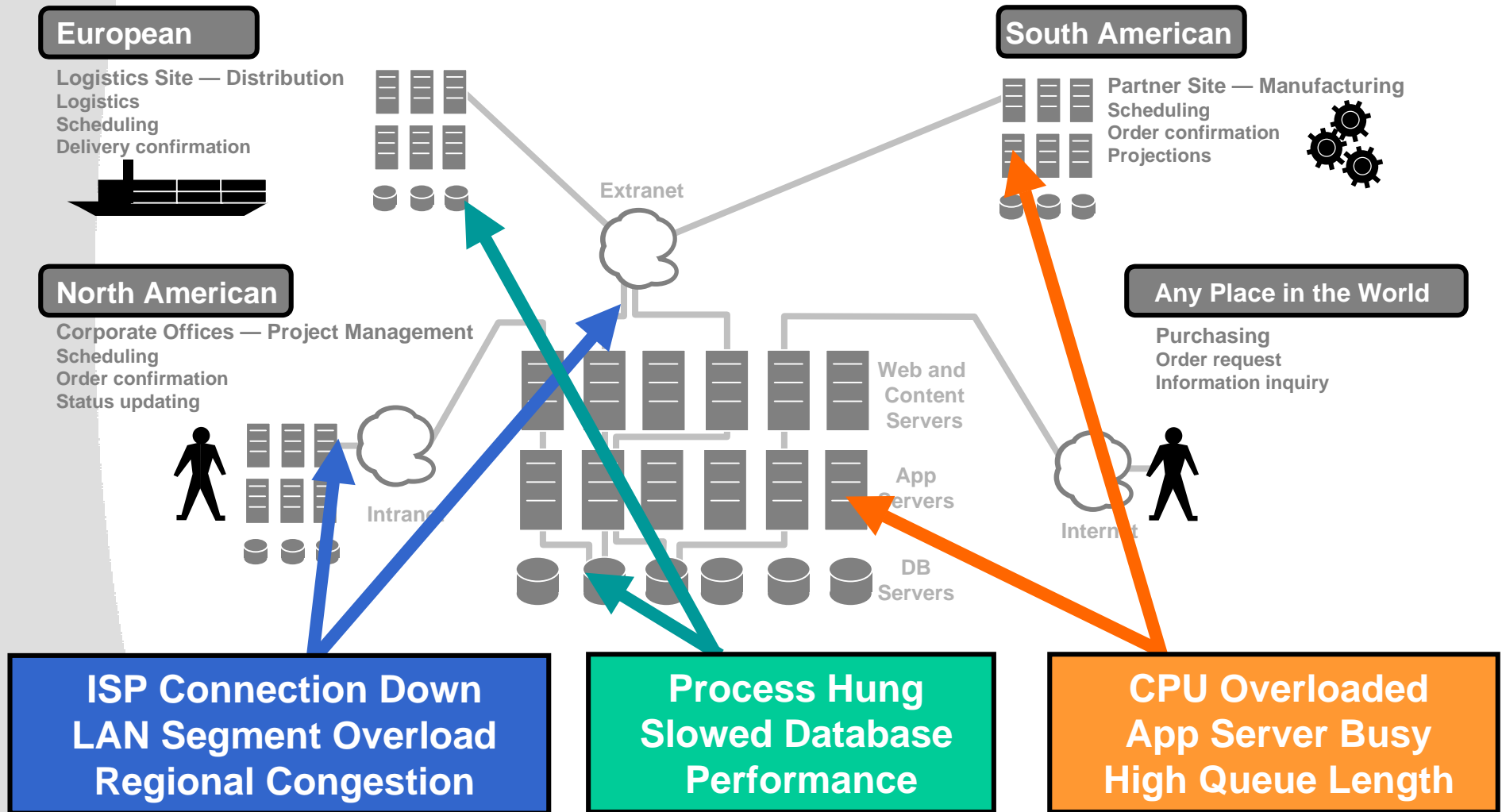


Active SLM: Services-Centric Perspective vs. Tiered Approach

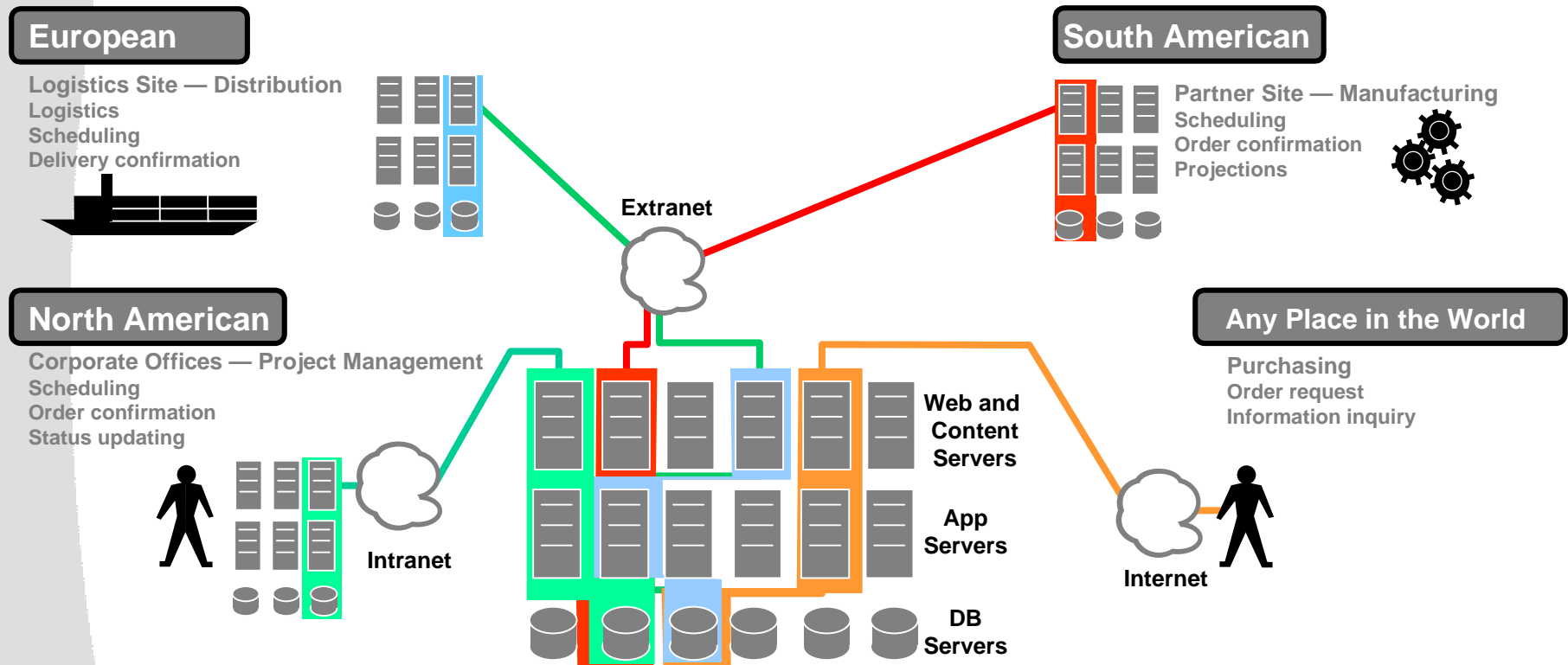


**Tiered view limits perspective,
and ability to manage service levels**

Limitations with Tiered Approach



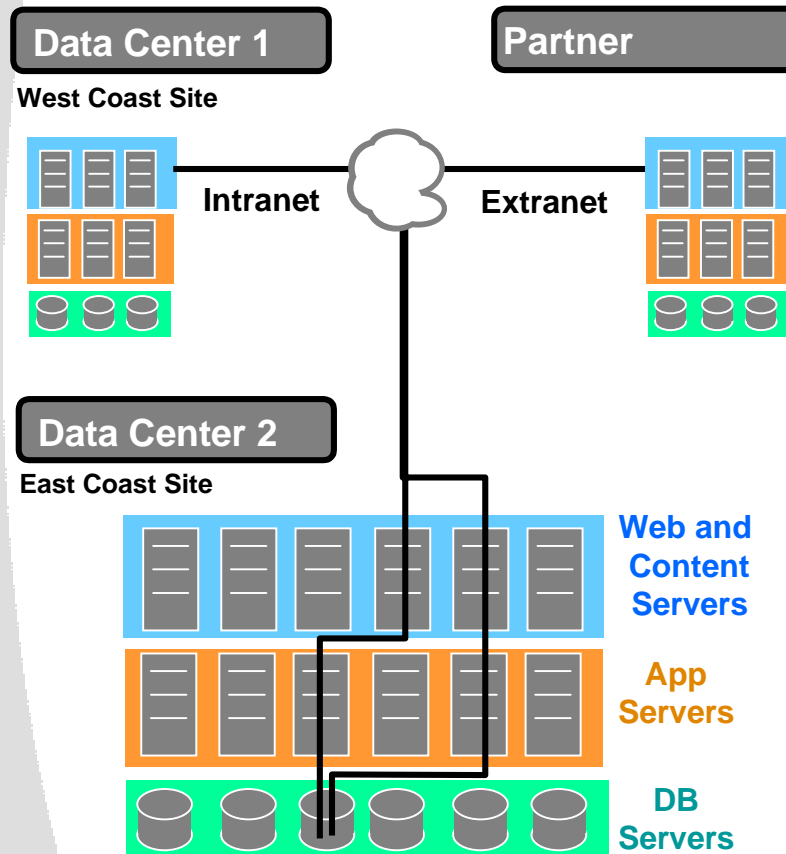
Active SLM Services Perspective



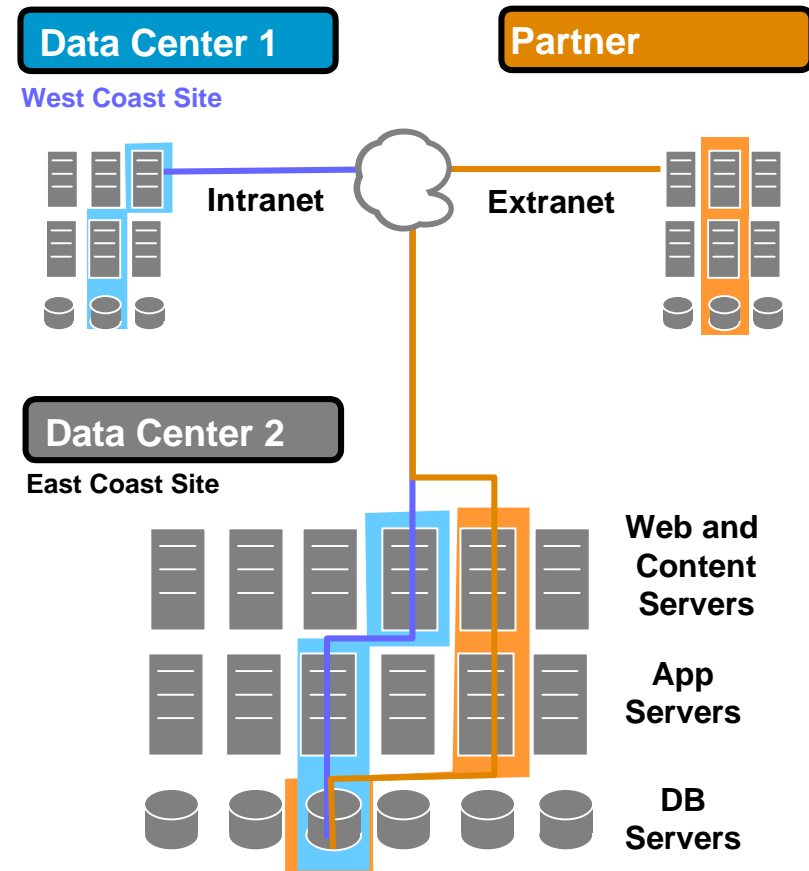
Service perspective enables service level management and efficient resource utilization for optimal service levels

Tiered Approach vs. Services Model

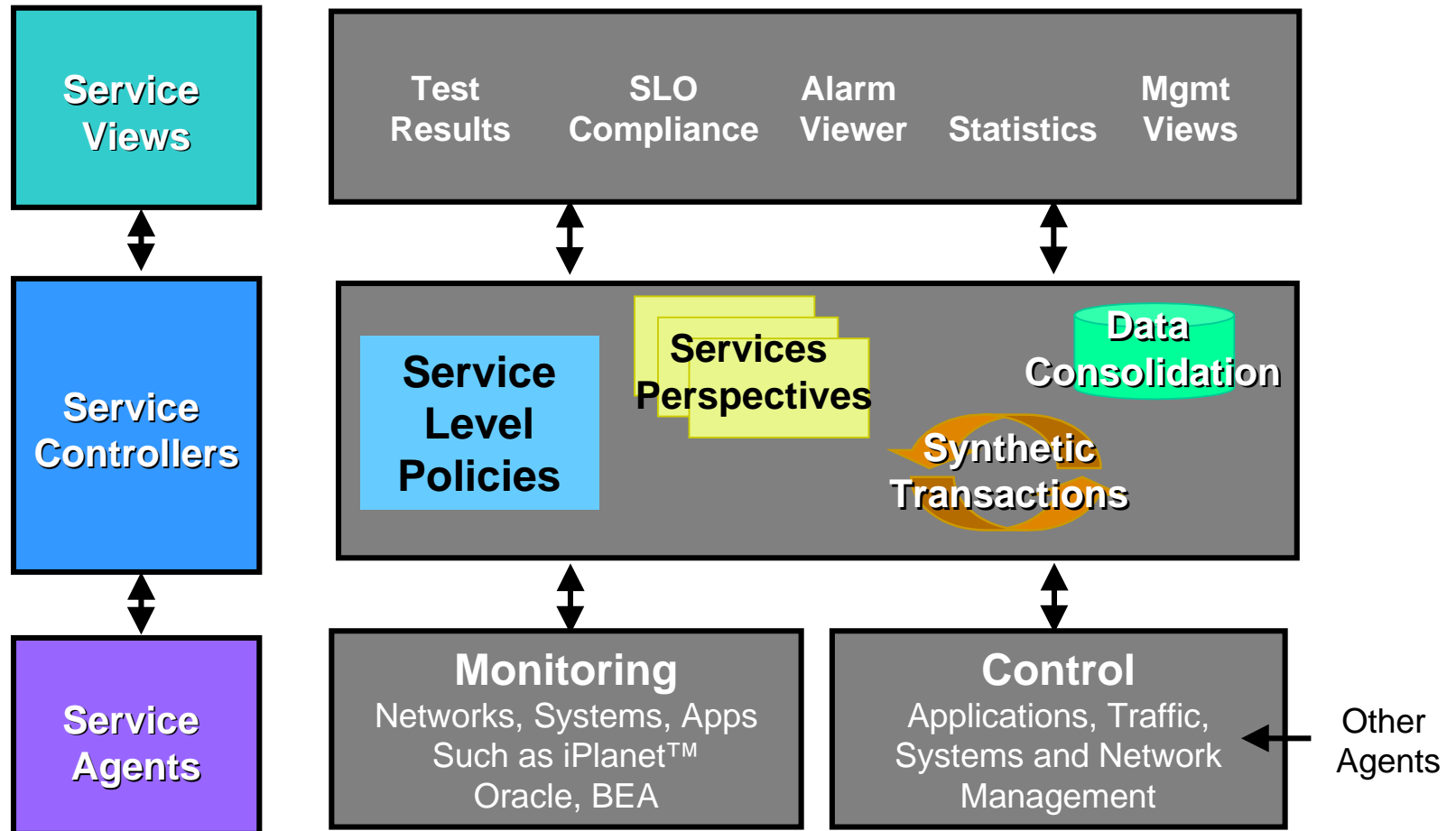
Traditional Model



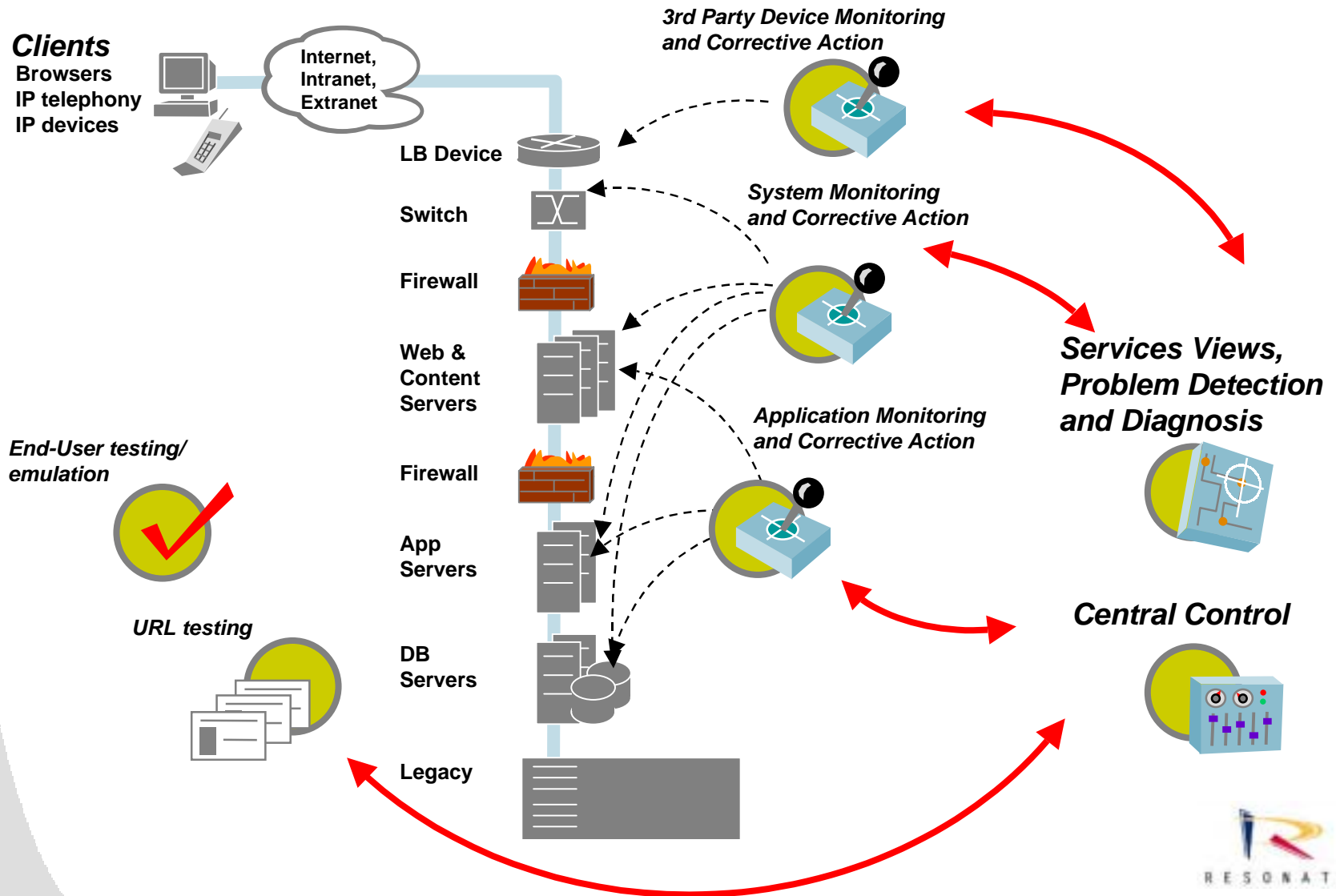
Resonate Services Model



Resonate Commander Solutions Architecture

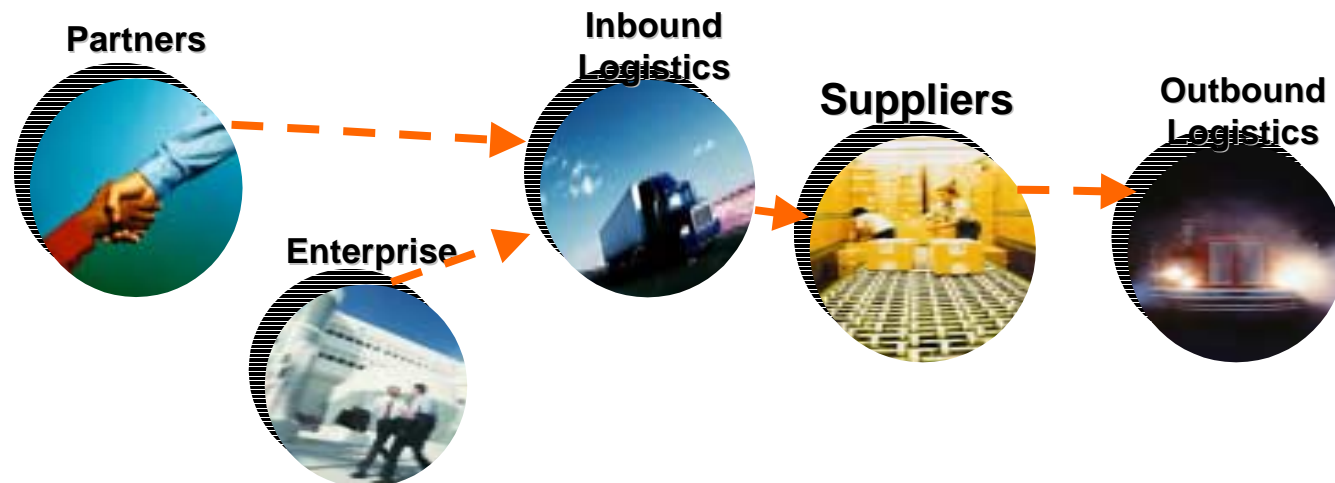


Monitoring and Controlling All Components

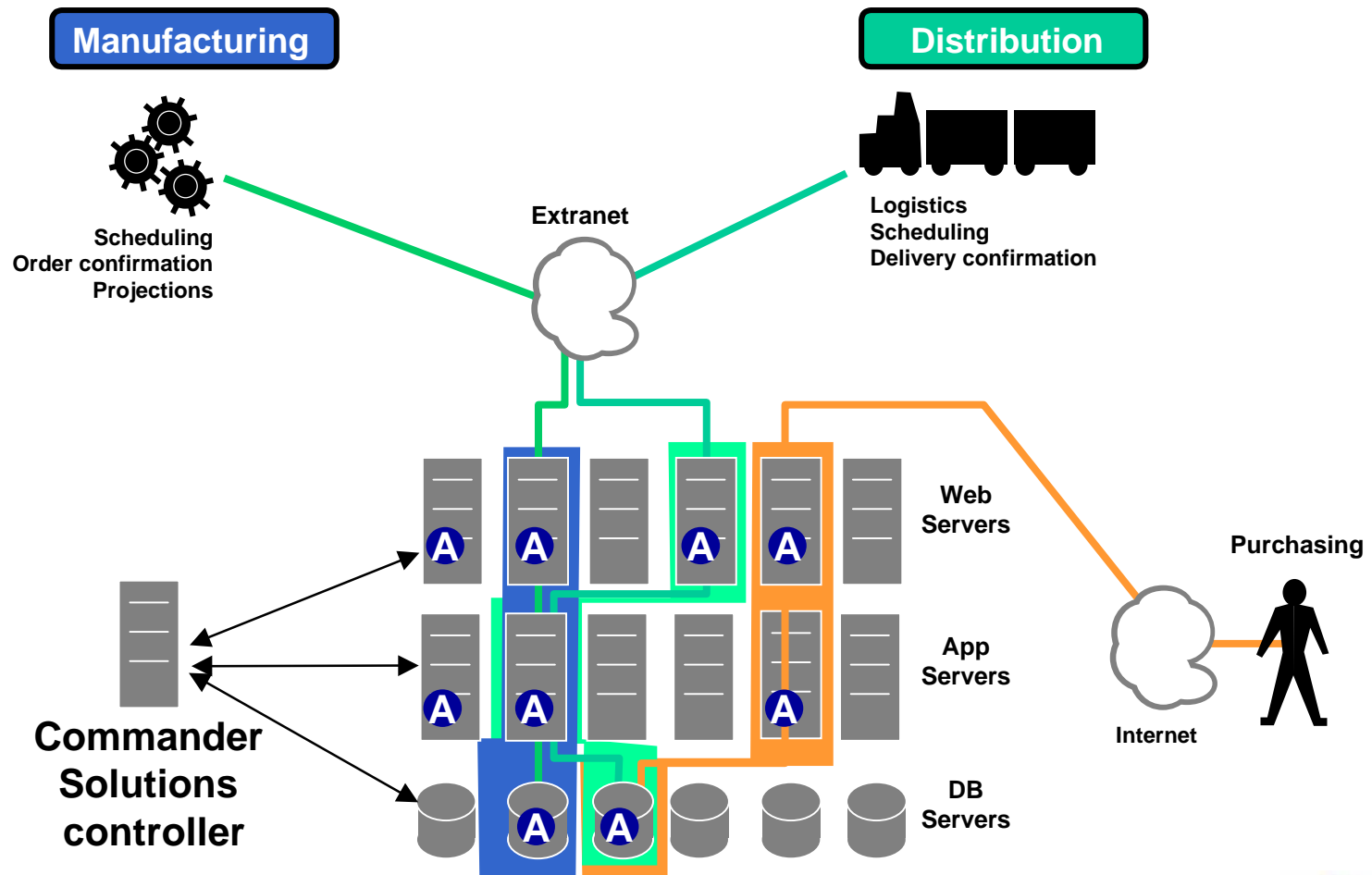


Logistics Provider

- Objective: Provide “just-in-time delivery” of automotive parts from vendors to assembly line
- Issue: Financial penalties for failure to meet service levels



Resonate Commander Solution for Logistics Customer



Resonate Uniquely Delivers...

- **Ability to define and deliver on service provided to their customer**
- **Ability to monitor and actively control service levels to ensure compliance**
- **Increased ROA on e-business infrastructure used to deliver these service levels**
- **Reduced administration costs**

Resonate Solutions for the Enterprise

LEHMAN BROTHERS

Bank of America



MetLife®

Johnson & Johnson

FedEx®



Maximizing ROI of
e-business initiatives
by ensuring optimal
service levels.



EXTRADE®



Lucent Technologies
Bell Labs Innovations



Morgan Stanley



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