

Comcast Business Discovers How to Win with Cloud Solutions



CASE STUDY

AppDirect helped Comcast Business incubate a SaaS business that successfully complements its core connectivity business.

Challenge

Comcast Cable is the United States' largest video, high-speed Internet, and phone provider to residential customers under the XFINITY brand. Part of the secret of this success is the company's Comcast Business unit, which is one of the largest contributors to the growth of the parent company. Delivering award-winning service and solutions to more than one million companies across the U.S., Comcast Business is a key player in the US small and mid-size businesses (SMBs) market.

It's the SMB market that Comcast Business was thinking of when it recognized early in the cloud services revolution that selling software in addition to the core Internet, phone, and video services could drive new revenue, increase customer loyalty, and customer lifetime value. "Selling software is very adjacent to selling connectivity," says James Mumma, Executive Director of Product Management at Comcast Business.

Comcast Business previously included free email, web hosting, and security software with its Internet service as value-added offerings. However in order to transition SaaS into a revenue-generating business, Comcast ceased this practice – and it had no impact on their core business. Instead, Comcast Business decided to approach the SaaS effort as a mini, start-up business separate from the rest of the company, outsourcing as much as possible and relying on operational expenses versus capital expenditures to fund it.

EXECUTIVE SUMMARY

COMPANY: Comcast Business
INDUSTRY: Communications and Media
LOCATION: Philadelphia, Pennsylvania

CHALLENGE

- › Turn a value-add business model for software into a sustainable sales model
- › Experiment with SaaS sales without disrupting the core business
- › Create new adjacent business model with zero capital funding

SOLUTION

- › AppDirect Monetization Suite
- › AppDirect Management Suite

RESULTS

- › Learned how to be successful selling SaaS products
- › Demonstrated the value of the SaaS sales model for the broader business
- › Expanded SaaS sales to new channels within the business



“We intentionally decided to incubate this new business of selling cloud solutions,” says Mumma. “We wanted the ability to experiment in a fiscally responsible way in order to discover the right approach to selling and supporting a SaaS-based business without disrupting our core business.”

Solution

Mumma and his team had a three-pronged approach to the new cloud services start-up: operational excellence, digital transformation, and customer experience. With those pillars in mind, Comcast Business chose AppDirect as the platform to power its new SaaS sales channel.



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Working with AppDirect, the SaaS start-up within Comcast Business introduced 10 products in 10 months to its SMB customers. Almost immediately, the Comcast Business team decided to create a small team of sales and support representatives called Cloud Desk Agents, led by Thomas Sweeney, Executive Director of Sales. “Our Cloud Desk Agents are SaaS experts who know everything that customers might be interested in knowing about the cloud services we’re selling,” says Sweeney.

“We always like to say, ‘If there’s one thing we got right when we started, it was choosing AppDirect.’”

JAMES MUMMA
EXECUTIVE DIRECTOR OF PRODUCT MANAGEMENT,
COMCAST BUSINESS

“We introduced our Cloud Desk Agents because we quickly learned that SaaS doesn’t sell itself, it needs to be sold,” says Sweeney. “While every small business in the country needs Internet, they have different sources for software. Our value proposition needed to be very clear.”

The value that Comcast Business offers includes a focus on the SMB customer, a carefully curated SaaS catalog of products and the simplicity of having a single bill and contact for support. Adds Mumma, “We can support SMBs’ end-to-end needs, regardless of whether it’s a network problem, a phone issue, a forgotten password, or they have a question about their software. The customer has only one phone call to make—to Comcast Business.”

Results

Four years into its experiment with selling SaaS solutions, the “start-up” inside Comcast Business has solidified into a proven business model and is expanding into further channels within the company. With the lessons learned over the past few years, Sweeney’s team knows exactly what it takes to make those channels successful selling SaaS software to businesses.



“The sales channels who sell our core services are experts at what they do and have time-sensitive quotas to meet in order to continue to grow our core business at double-digits year-over-year. Software sales cycles can take more time to develop, require a consultative approach, and a strong familiarity with the software,” says Sweeney. “That’s where our Cloud Desk can help.” The company’s Cloud Desk approach to sales and support “has really been our key to success” adds Mumma. “It’s our secret weapon.”

“The success of AppHelp services has been a very pleasant surprise and has led us to consider expanding our professional services catalog.”

THOMAS SWEENEY
EXECUTIVE DIRECTOR OF SALES AND SALES OPERATIONS,
COMCAST BUSINESS



CASE STUDY

Another lesson learned from its SaaS start-up approach is the need for an anchor application, which for Comcast Business is Microsoft Office 365. Support is critical for driving SaaS activation, usage, and overall satisfaction, which is why the team also selected an additional AppDirect product, AppHelp, to offer high-touch 24/7 technical support for Office 365 and its other SaaS products under the Comcast Business brand. “We are now selling AppHelp services with a significant percentage of the Office 365 licenses we sell,” says Mumma. “It’s just another way we can differentiate our offering with the help our customers need to be successful with the software.”

One lesson that Mumma’s team didn’t have to learn was choosing the right platform from the start for their SaaS sales channel. “We always like to say, ‘If there’s one thing we got right when we started, it was choosing AppDirect,’” says Mumma.

ABOUT APPDIRECT

AppDirect is the cloud service commerce leader, making software and products accessible to businesses globally. The AppDirect cloud service commerce platform unites providers, developers, and business consumers into a single ecosystem for buying, selling and managing cloud services, ultimately helping businesses gain access to the services they need to thrive.

AppDirect-powered marketplaces, billing and distribution, and reselling services help providers — including Comcast, ADP, Zendesk, Deutsche Telekom and others — connect more than 30 million businesses to solutions from Microsoft, Google, GoDaddy, and more. AppDirect is headquartered in San Francisco with 13 global offices.

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