servicenow

The Enterprise Cloud Company

Financial Analyst Day

Mandalay Bay Hotel

Las Vegas, Nevada

April 20, 2015

Safe Harbor

This presentation contains "forward-looking" statements that are based on our management's beliefs and assumptions and on information currently available to management. We intend for such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include information concerning our possible or assumed strategy, future operations, financing plans, operating model, financial position, future revenues, projected costs, competitive position, industry environment, potential growth opportunities, potential market opportunities, plans and objectives of management and the effects of competition.
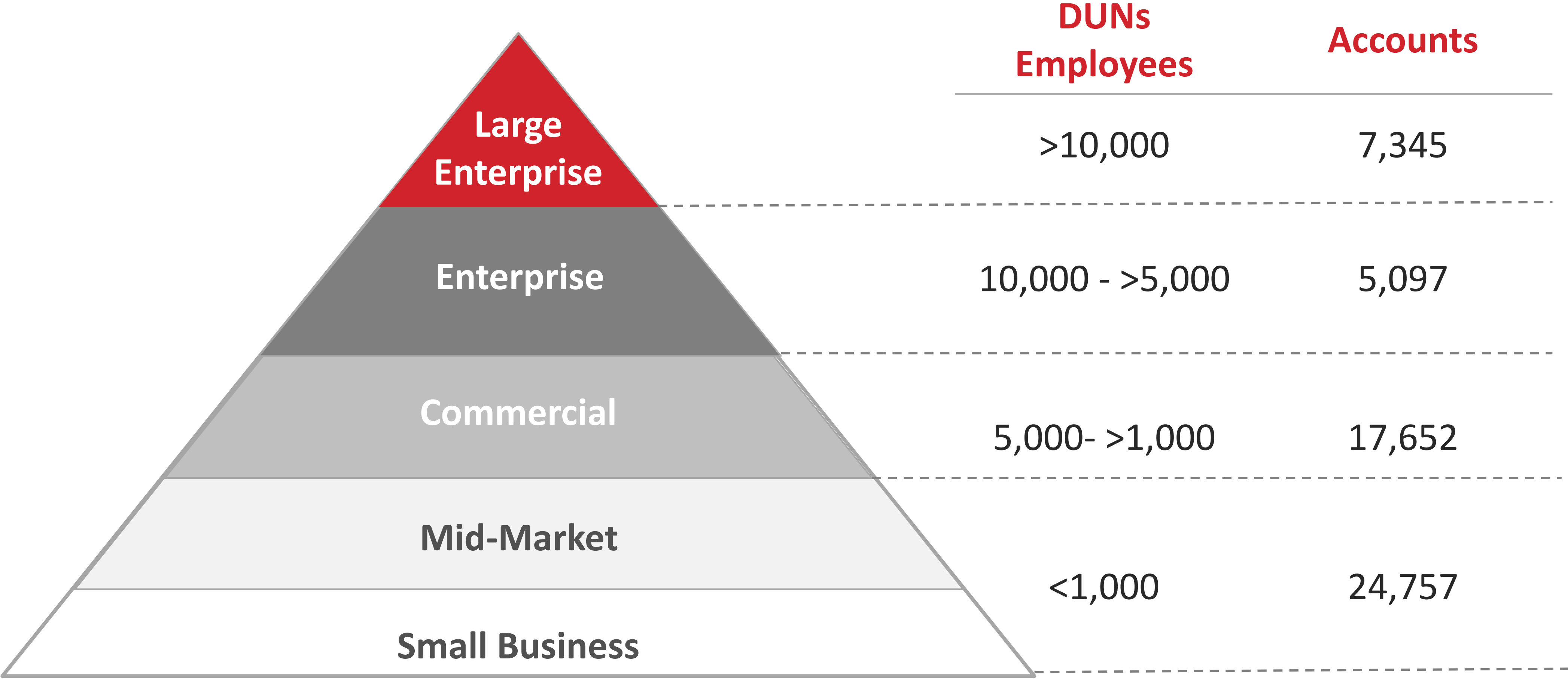
Forward-looking statements include all statements that are not historical facts and can be identified by terms such as "anticipates," "believes," "could," "seeks," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "projects," "should," "will," "would" or similar expressions and the negatives of those terms, although not all forward-looking statements contain these identifying words. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. We cannot guarantee that we actually will achieve the plans, intentions, or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements.

Forward-looking statements represent our management's beliefs and assumptions only as of the date of this presentation. We undertake no obligation, and do not intend to update these forward-looking statements, to review or confirm analysts' expectations, or to provide interim reports or updates on the progress of the current financial quarter. Further information on these and other factors that could affect our financial results are included our filings we make with the Securities and Exchange Commission, including those discussed in our most recent Annual Report on form 10-k.
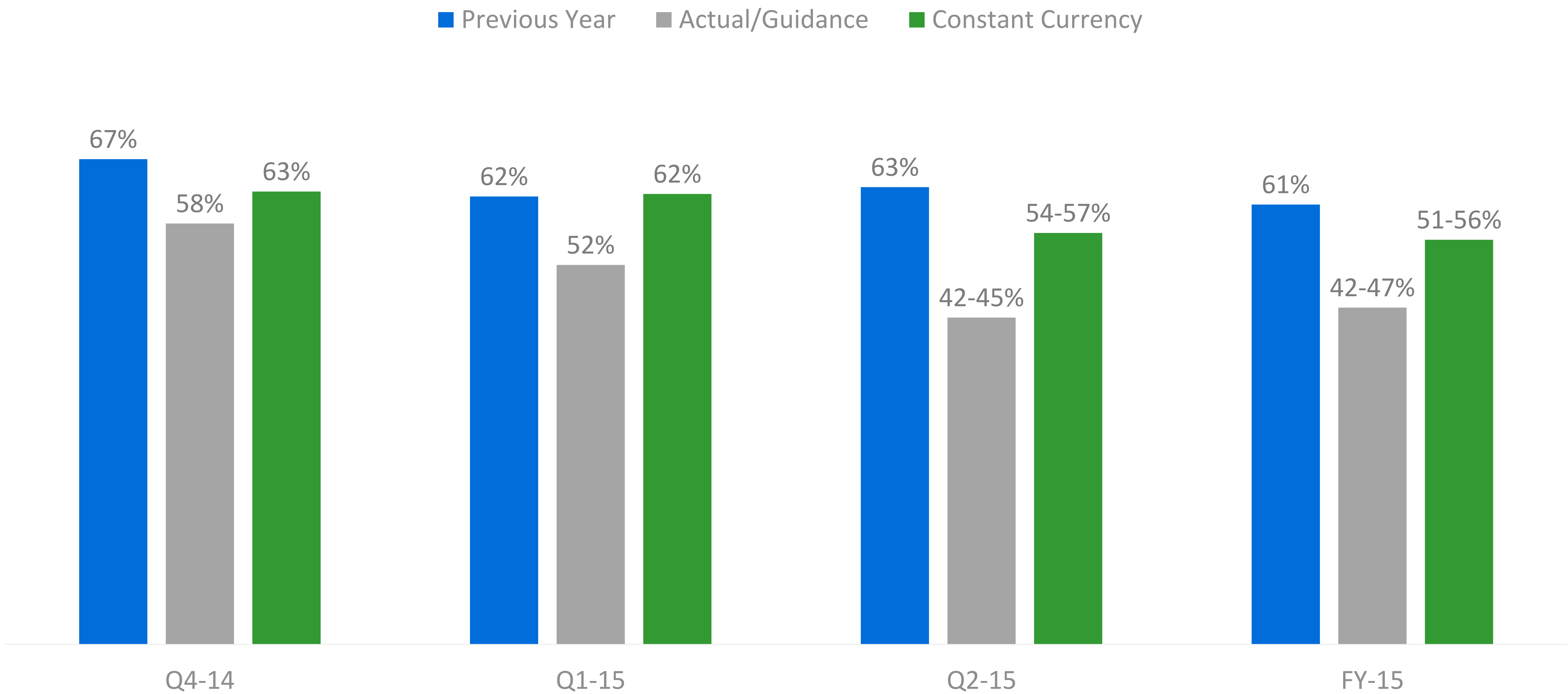
This presentation includes certain non-GAAP financial measures as defined by SEC rules. We have provided a reconciliation of those measures to the most directly comparable GAAP measures in the Appendix. Terms such as "Annual Contract Value" and "G2K Customer" shall have the meanings set forth in our filings with the SEC.

The information in this presentation on new products, features, or functionalities is intended to outline ServiceNow's general product direction and should not be included in making a purchasing decision. The information on new products, features, functionalities is for informational purposes only and may not be incorporated into any contract. The information on new products is not a commitment, promise, or legal obligation to deliver any material, code or functionality. The development, release, and timing of any features or functionality described for our products remains at ServiceNow's sole discretion.
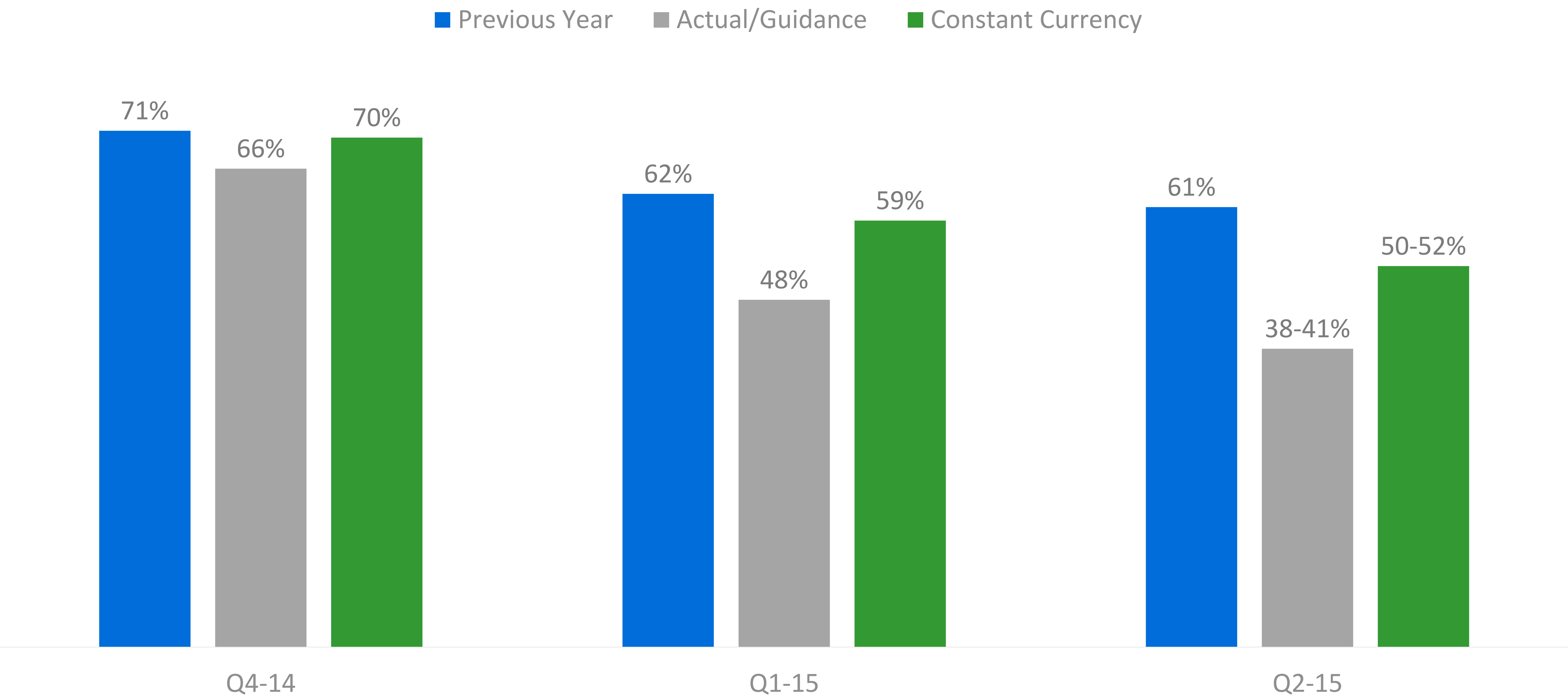
Salesforce Segmentation

	DUNs Employees	Accounts
Large Enterprise	>10,000	7,345
Enterprise	10,000 - >5,000	5,097
Commercial	5,000- >1,000	17,652
Mid-Market	<1,000	24,757
Small Business		

Billings Y/Y Growth

Legend: ■ Previous Year ■ Actual/Guidance ■ Constant Currency

Q4-14: 71% (Previous Year), 66% (Actual/Guidance), 70% (Constant Currency)

Q1-15: 62% (Previous Year), 48% (Actual/Guidance), 59% (Constant Currency)

Q2-15: 61% (Previous Year), 38-41% (Actual/Guidance), 50-52% (Constant Currency)

(in millions)

Q1'15 GAAP revenue @ avg. Q1'15 EUR/USD rate (1.14)	$212
x Estimate foreign currency revenue	30%
= Foreign currency revenue @ avg. Q1'15 EUR/USD rate (1.14)	$64
÷ Avg. Q1'15 USD/EUR rate	1.14
= Foreign currency revenue @ avg. Q1'15 EUR/USD rate (1.14)	€ 56
x Avg. Q1'14 EUR/USD rate	1.37
= Foreign currency revenue @ avg. Q1'14 EUR/USD rate (1.37)	$76
- Foreign currency revenue @ avg. Q1'15 EUR/USD rate (1.14)	$64
= Q1'15 revenue FX headwind	$13
+ Q1'15 GAAP revenue @ avg. Q1'15 EUR/USD rate (1.14)	$212
= Q1'15 CC revenue @ avg. Q1'14 EUR/USD rate (1.37)	$225
÷ Q1'14 GAAP revenue @ avg. Q1'14 EUR/USD rate (1.37)	$139
= Q1'15 Y/Y CC Growth %	62%
- Reported CC Y/Y Growth %	62%
= Difference	0%

Back of the Envelope CC Math – Q1 2015 Billings

Method 1 (SCF Reconciliation)
(in millions)

	Change in DR @ avg. Q1'15 EUR/USD rate (1.14)	$56
+	Q1'15 GAAP revenue @ avg. Q1'15 EUR/USD rate (1.14)	$212
=	Q1'15 calculated billings	$268
	Change in DR @ avg. Q1'15 EUR/USD rate (1.14)	$56
x	Estimate foreign currency change in DR	30%
=	Foreign currency DR @ avg. Q1'15 EUR/USD rate (1.14)	$17
÷	Avg. Q1'15 EUR/USD rate	1.14
=	Foreign currency DR @ avg. Q1'15 EUR/USD rate (1.14)	€ 15
x	Avg. Q1'14 FX EUR/USD rate	1.37
=	Foreign currency DR @ avg. Q1'14 EUR/USD rate (1.37)	$20
-	Foreign currency DR @ avg. Q1'15 EUR/USD rate (1.14)	$17
=	Q1'15 change in DR FX headwind	$3
+	Change in DR @ avg. Q1'15 EUR/USD rate (1.14)	$56
=	Q1'15 CC change in DR @ avg. Q1'14 EUR/USD rate (1.37)	$59
+	Q1'15 CC revenue (from previous slide)	$225
=	Q1'15 CC calculated billings	$284
÷	Q1'14 calculated billings	$181
=	Q1'15 Y/Y CC Growth %	57%
-	Reported CC Y/Y Growth %	59%
=	Difference due to use of high level assumptions	(2%)

Method 2 (Balance Sheet Reconciliation)
(in millions)

	Q1'15 GAAP revenue @ avg. Q1'15 EUR/USD rate (1.14)	$212
+	Ending DR @ 3/31/15 EUR/USD rate (1.08)	$463
-	Beginning DR @ 12/31/14 EUR/USD rate (1.22)	$422
=	Q1'15 calculated billings	$253

Ending DR

	Ending DR @ 3/31/15 EUR/USD rate (1.08)	$463
x	Estimate foreign currency ending DR	30%
=	Foreign currency ending DR @ 3/31/15 EUR/USD rate (1.08)	$139
÷	3/31/15 EUR/USD rate	1.08
=	Foreign currency ending DR @ 3/31/15 EUR/USD rate (1.08)	€ 128
x	3/31/14 EUR/USD rate	1.38
=	Foreign currency ending DR @ 3/31/14 EUR/USD rate (1.38)	$176
-	Foreign currency ending DR @ 3/31/15 EUR/USD rate (1.08)	$139
=	3/31/15 ending DR FX headwind	$37
+	Ending DR @ 3/31/15 EUR/USD rate (1.08)	$463
=	3/31/15 CC ending DR	$501

Beginning DR

	Beginning DR @ 12/31/14 EUR/USD rate (1.22)	$422
x	Estimate foreign currency beginning DR	30%
=	Foreign currency beginning DR @ 12/31/14 EUR/USD rate (1.22)	$127
÷	12/31/14 EUR/USD rate	1.22
=	Foreign currency beginning DR @ 12/31/14 EUR/USD rate (1.22)	€ 104
x	12/31/13 EUR/USD rate	1.38
=	Foreign currency beginning DR @ 12/31/14 EUR/USD rate (1.38)	$144
-	Foreign currency beginning DR @ 12/31/14 EUR/USD rate (1.22)	$127
=	12/31/14 beginning DR FX headwind	$17
+	Beginning DR @ 12/31/14 EUR/USD rate (1.22)	$422
=	12/31/14 CC beginning DR	$439

	Q1'15 CC revenue (from previous slide)	$225
+	3/31/15 CC ending DR	$501
-	12/31/14 CC beginning DR	$439
=	CC Calculated billings	$286
÷	Q1'14 calculated billings	$181
=	Q1 2015 Y/Y CC Growth %	58%
-	Reported CC Y/Y Growth %	59%
=	Difference due to use of high level assumptions	(1%)

Agenda

2020 Vision of $4 Billion	**Mike Scarpelli**
Changing the Way People Work	**Frank Slootman**
The Enterprise Cloud	**Dan McGee**
Create at the Speed of Business	**Pat Casey**
From Supporting to Running the Business	**Envision Healthcare, REI, RMIT**
Building the ServiceNow Ecosystem	**Kalyan Kumar, HCL**
Q&A	**Frank Slootman & Mike Scarpelli**

2020 Vision of $4 Billion

Mike Scarpelli

Chief Financial Officer
ServiceNow

ServiceNow is Modernizing the Enterprise...

IT Service
Management
$6B

ServiceNow is Modernizing the Enterprise…

IT Service Management
$6B

IT Operations Management
$10B

ServiceNow is Modernizing the Enterprise...

Business Management
$9B

IT Service
Management
$6B

IT Operations Management
$10B

ServiceNow is Modernizing the Enterprise...

**Business Management
$9B**

SMB Service Management $1B

**IT Service
Management
$6B**

**IT Operations Management
$10B**
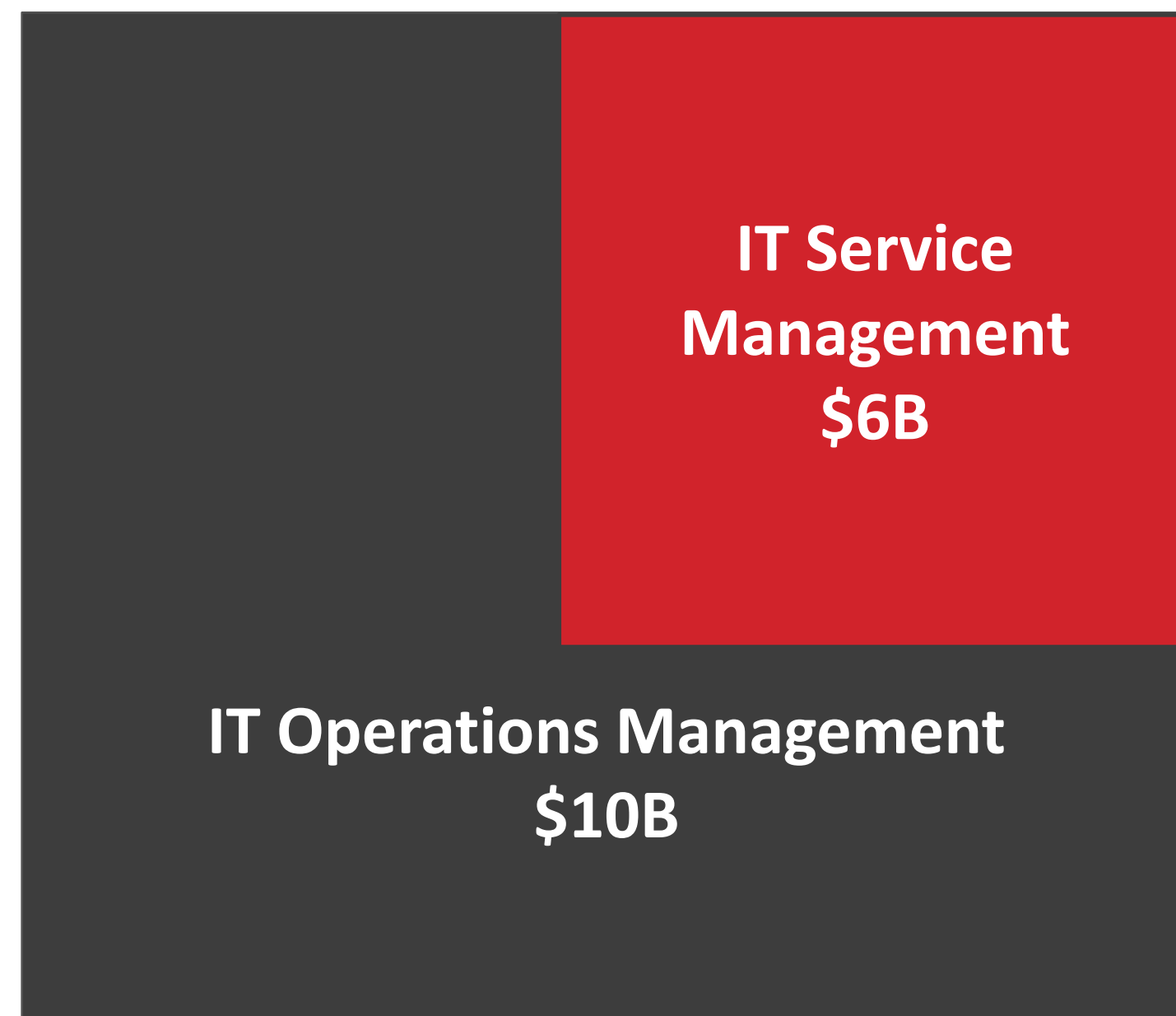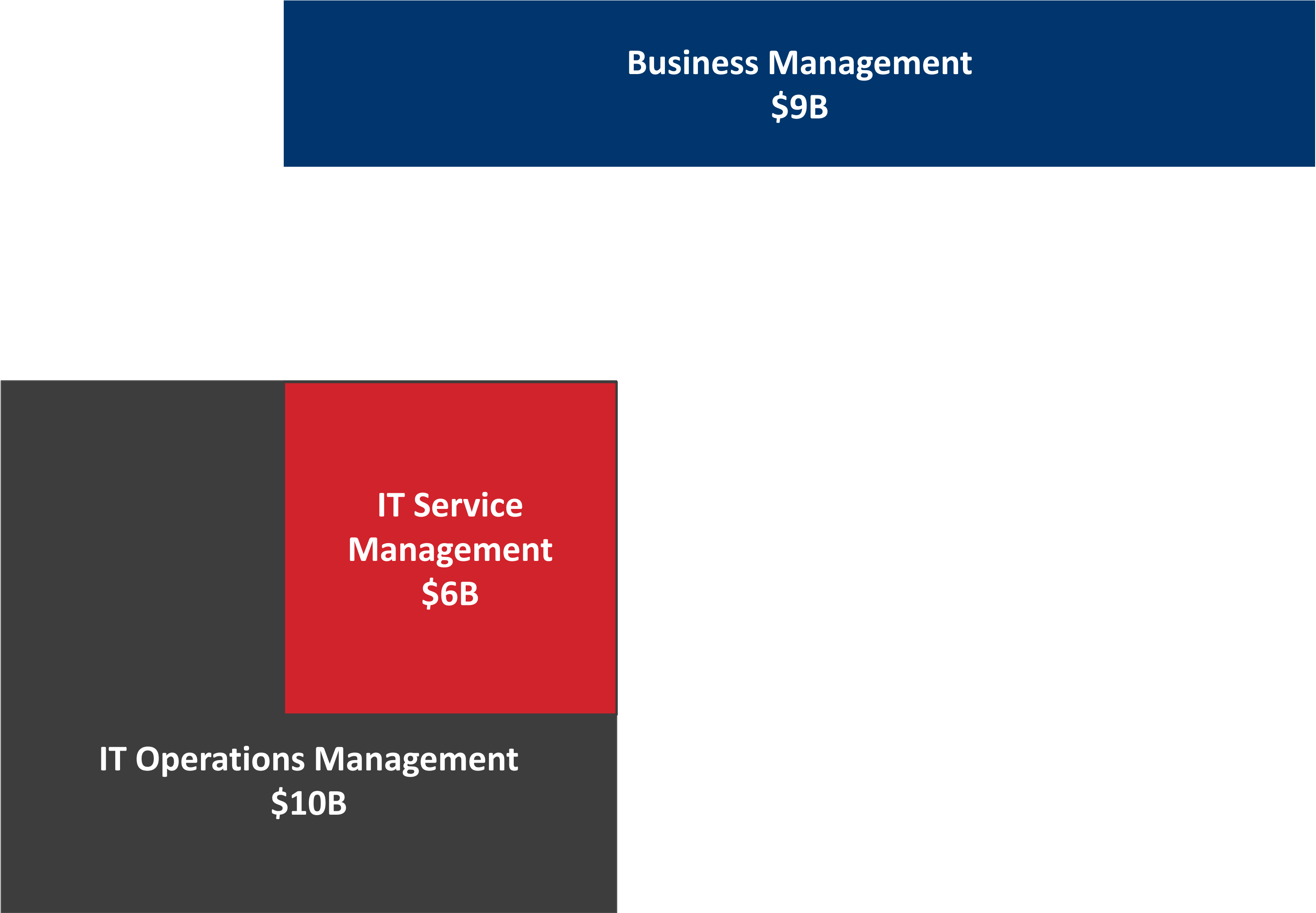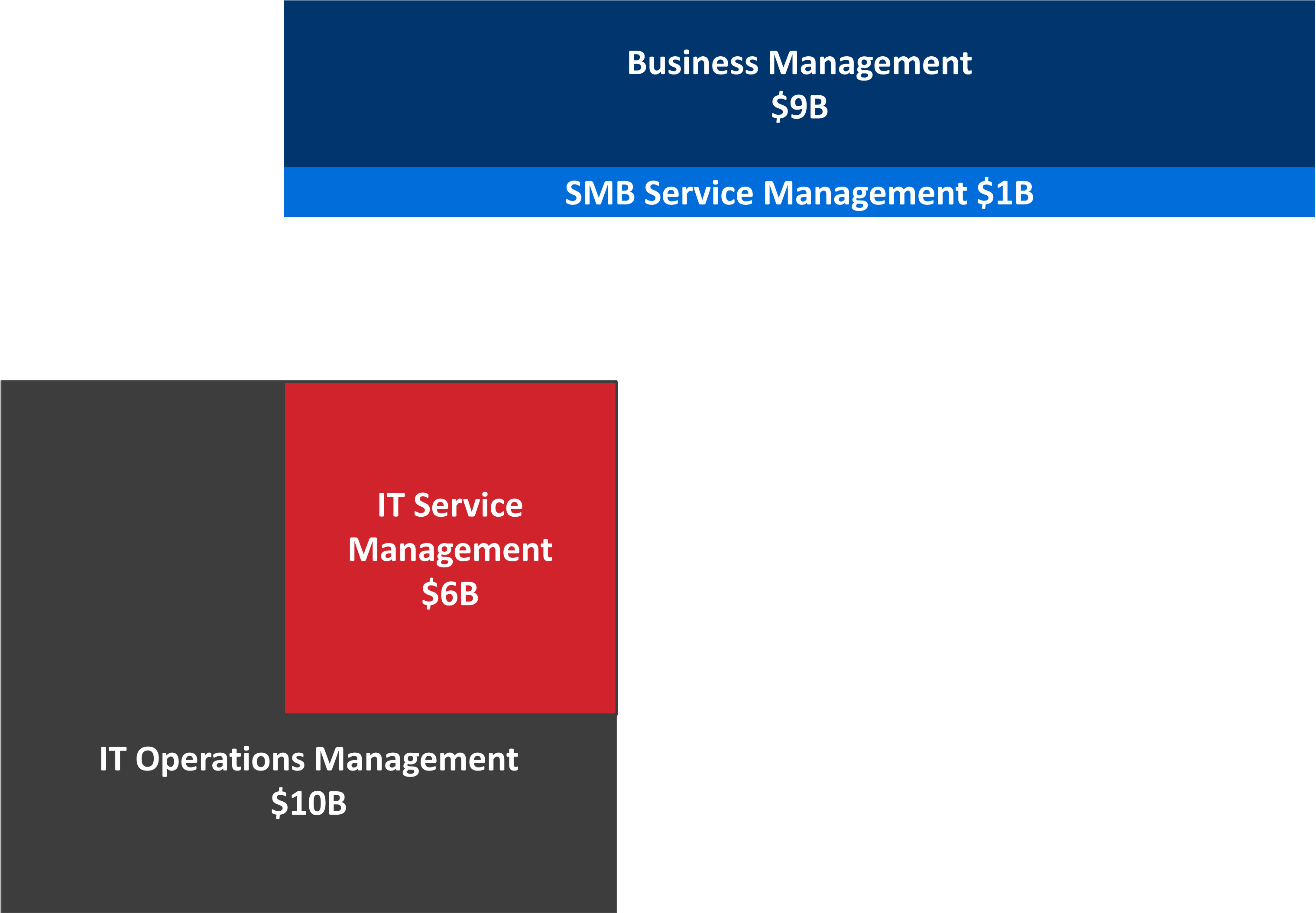
Note: Estimates of market size are internal ServiceNow estimates.

...And Changing the Way People Work

Business Management
$9B

SMB Service Management $1B

Enterprise Service Management
$25B

IT Service Management
$6B

IT Operations Management
$10B
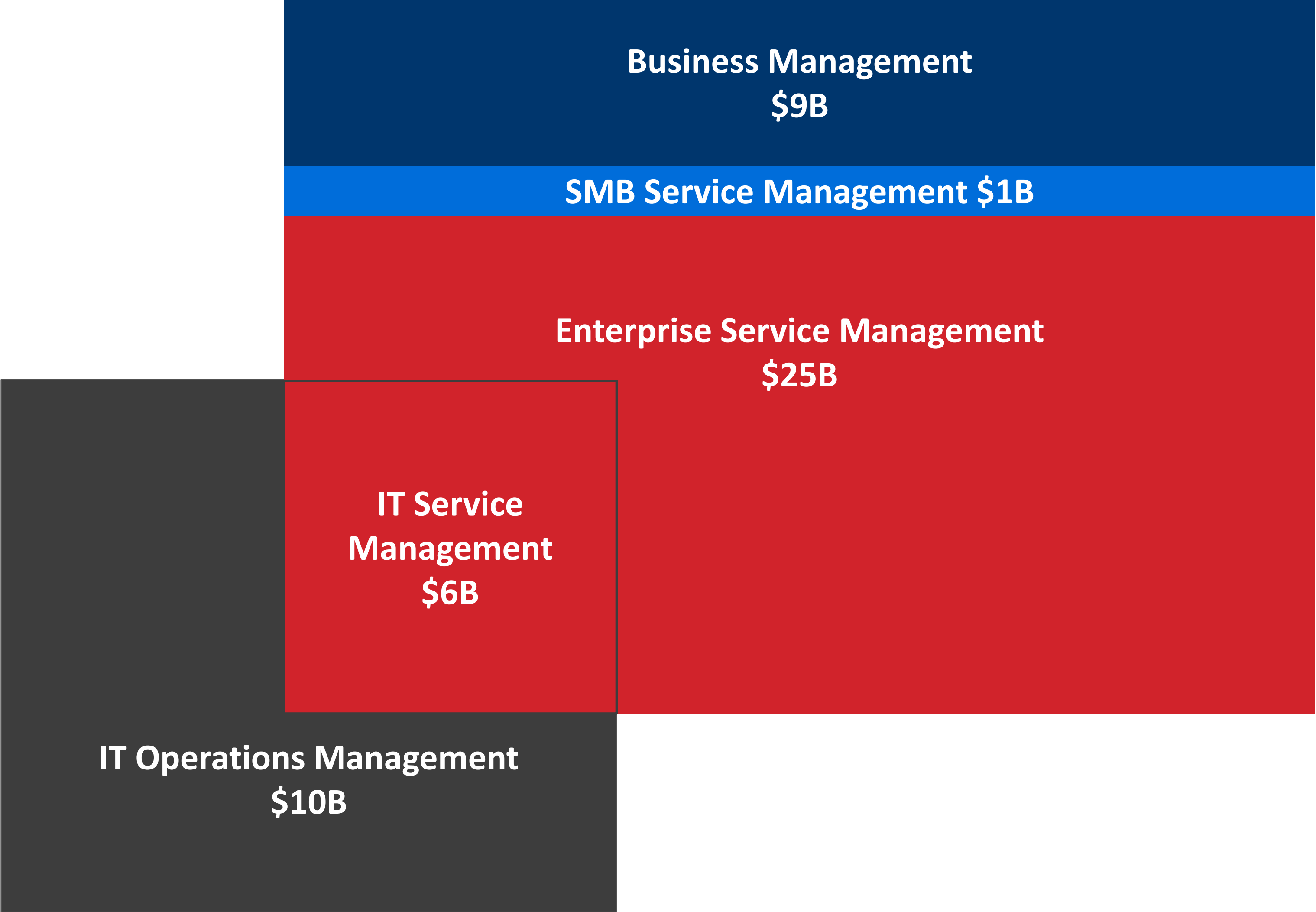
Note: Estimates of market size are internal ServiceNow estimates.

Vision of $4 Billion of Revenue in 2020

	Today
G2Ks	**545**
✖ACV / G2K	**$746K**
÷G2K Rev Mix	**50%**
Annual Rev	**$0.8B**

Vision of $4 Billion of Revenue in 2020

	Today		2020
G2Ks	**545**	20 new logos / quarter	**1,000**
✖ACV / G2K	**$746K**	4% sequential growth	**$2M**
÷G2K Rev Mix	**50%**	Maintain mix	**50%**
Annual Rev	**$0.8B**		**$4B**

Continued Focus on G2K Opportunities

Number of G2K Customers

■ Beginning Quarterly Balance
■ Net G2K Adds

Quarter	Beginning Balance	Net Adds	Total
Q1-11	18		173
Q2-11	22		195
Q3-11	17		212
Q4-11	24		236
Q1-12	22		258
Q2-12	22		280
Q3-12	26		306
Q4-12	29		335
Q1-13	24		359
Q2-13	21		380
Q3-13	26		406
Q4-13	24		430
Q1-14	22		452
Q2-14	20		472
Q3-14	18		490
Q4-14	32		522
Q1-15	23		545
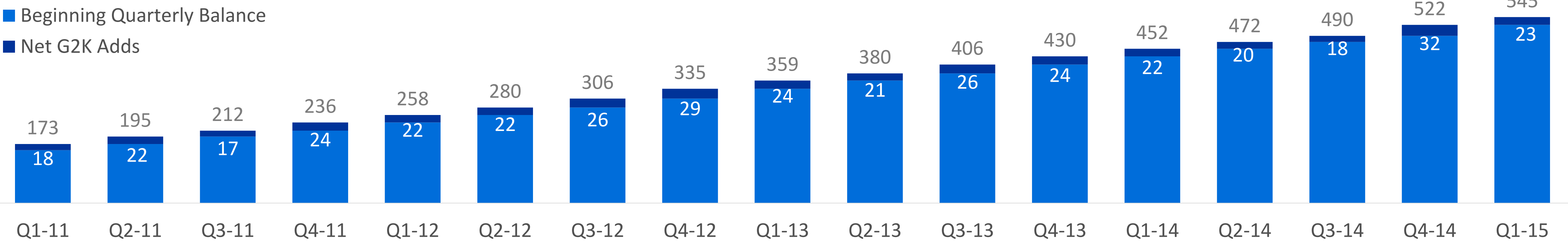
Average ACV Per G2K Customer

■ ACV/G2K ($k)
— Q/Q Growth

Quarter	Q/Q Growth	ACV/G2K ($k)
Q1-11	7%	$256
Q2-11	5%	$273
Q3-11	6%	$286
Q4-11	11%	$303
Q1-12	10%	$336
Q2-12	4%	$370
Q3-12	6%	$384
Q4-12	5%	$406
Q1-13	6%	$425
Q2-13	2%	$451
Q3-13	11%	$462
Q4-13	8%	$514
Q1-14	8%	$555
Q2-14	8%	$600
Q3-14	10%	$649
Q4-14	4%	$715
Q1-15		$746
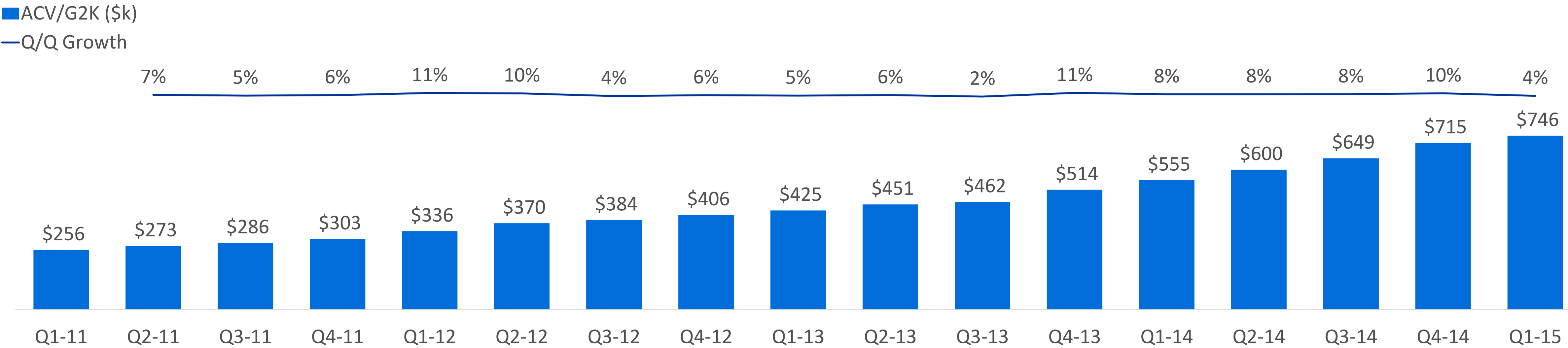
Massive Opportunity Remains Within G2K...

G2K Penetration

Worldwide

545

2000 Companies

North America

700 Companies — 42%

EMEA

600 Companies — 35%

APAC & Other

700 Companies — 10%

G2K Saturation

~5M

~30M Employees
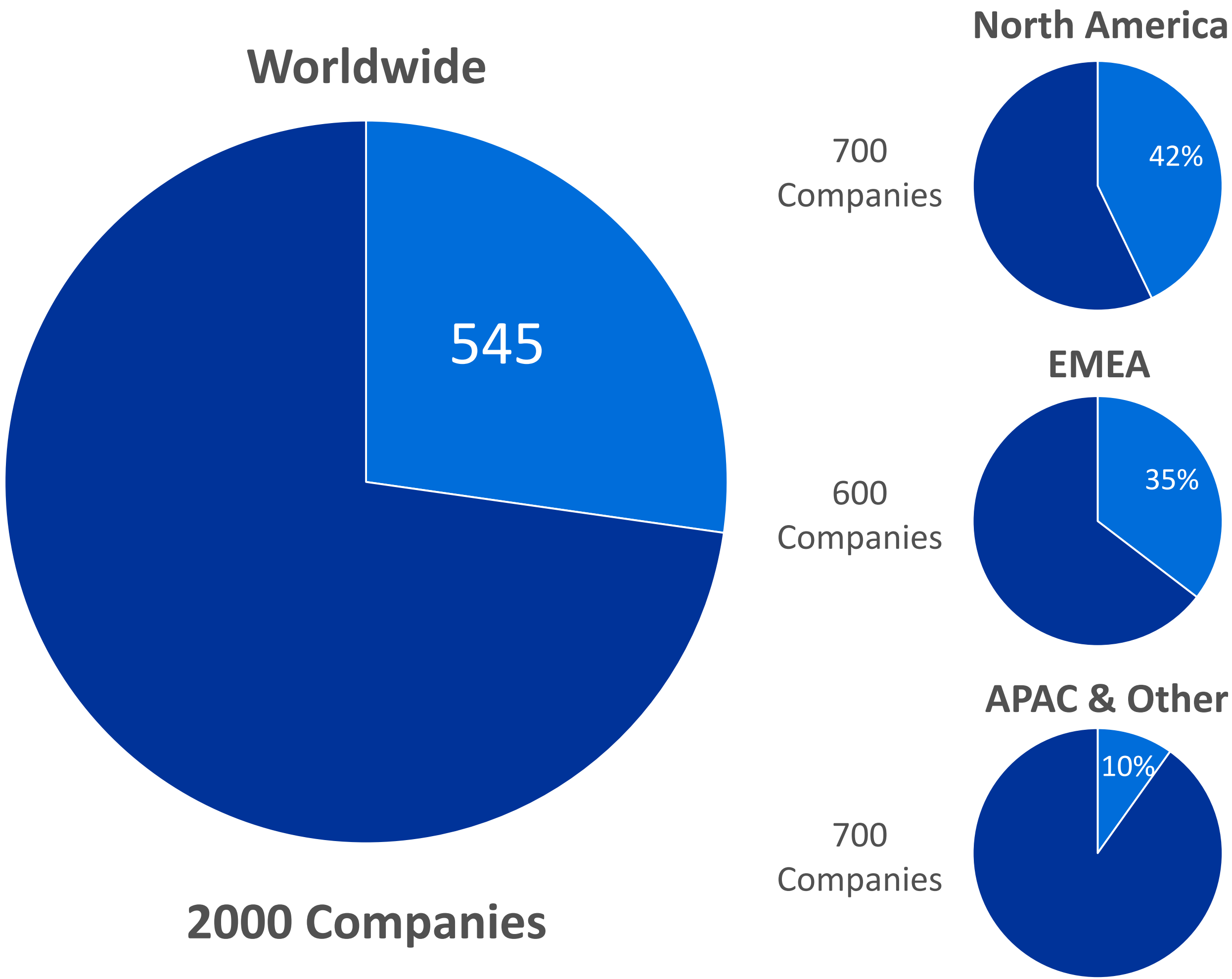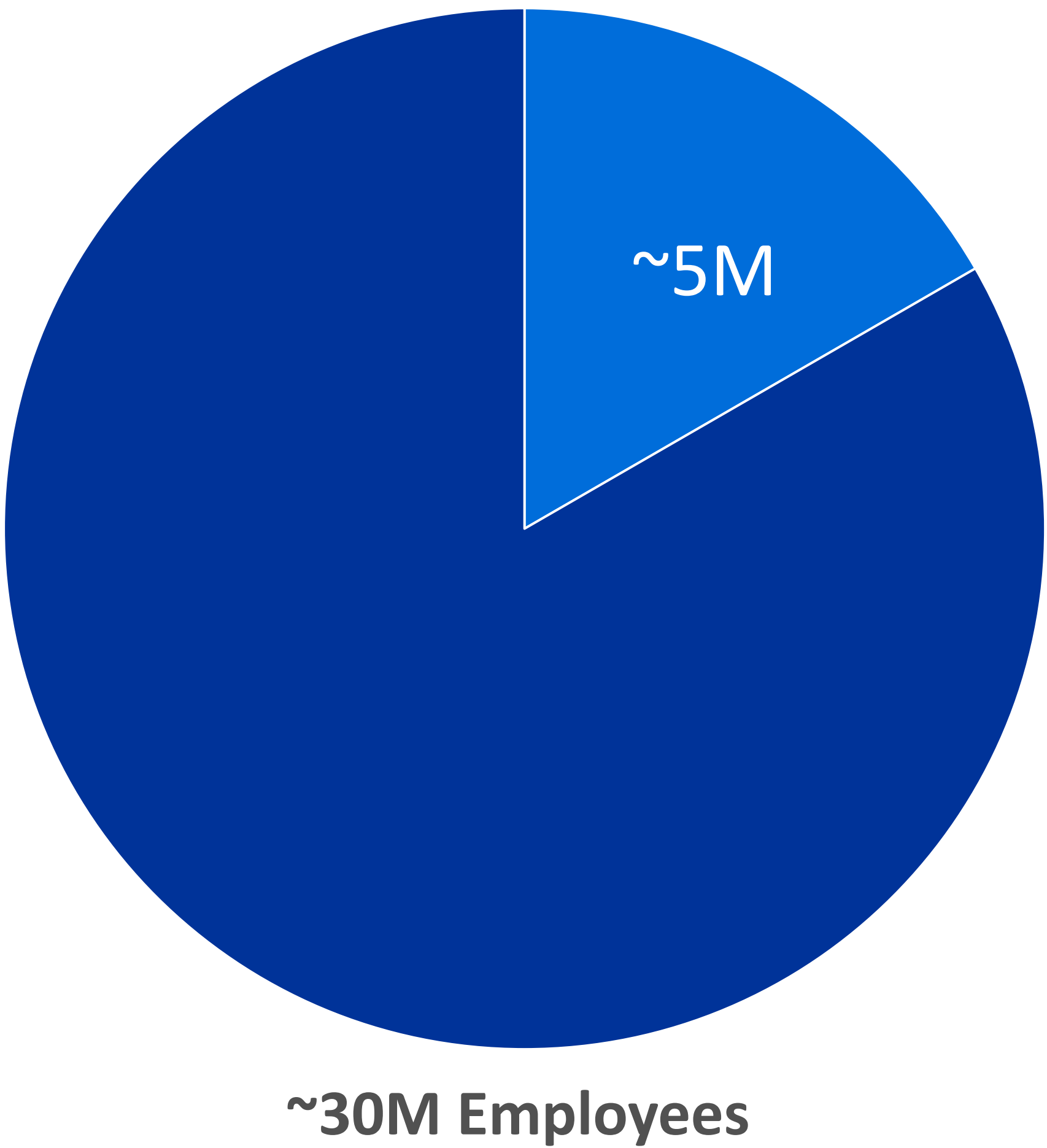
...And Within Other Large Accounts

■ Customers Paying $1M+ ACV

— Avg. ACV/Customer Paying $1M+ ACV ($M)

	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14	Q2-14	Q3-14	Q4-14	Q1-15
Customers Paying $1M+ ACV	53	60	67	81	96	111	127	153	168
Avg. ACV/Customer Paying $1M+ ACV ($M)	$1.6	$1.6	$1.6	$1.7	$1.8	$1.8	$1.9	$1.9	$2.0
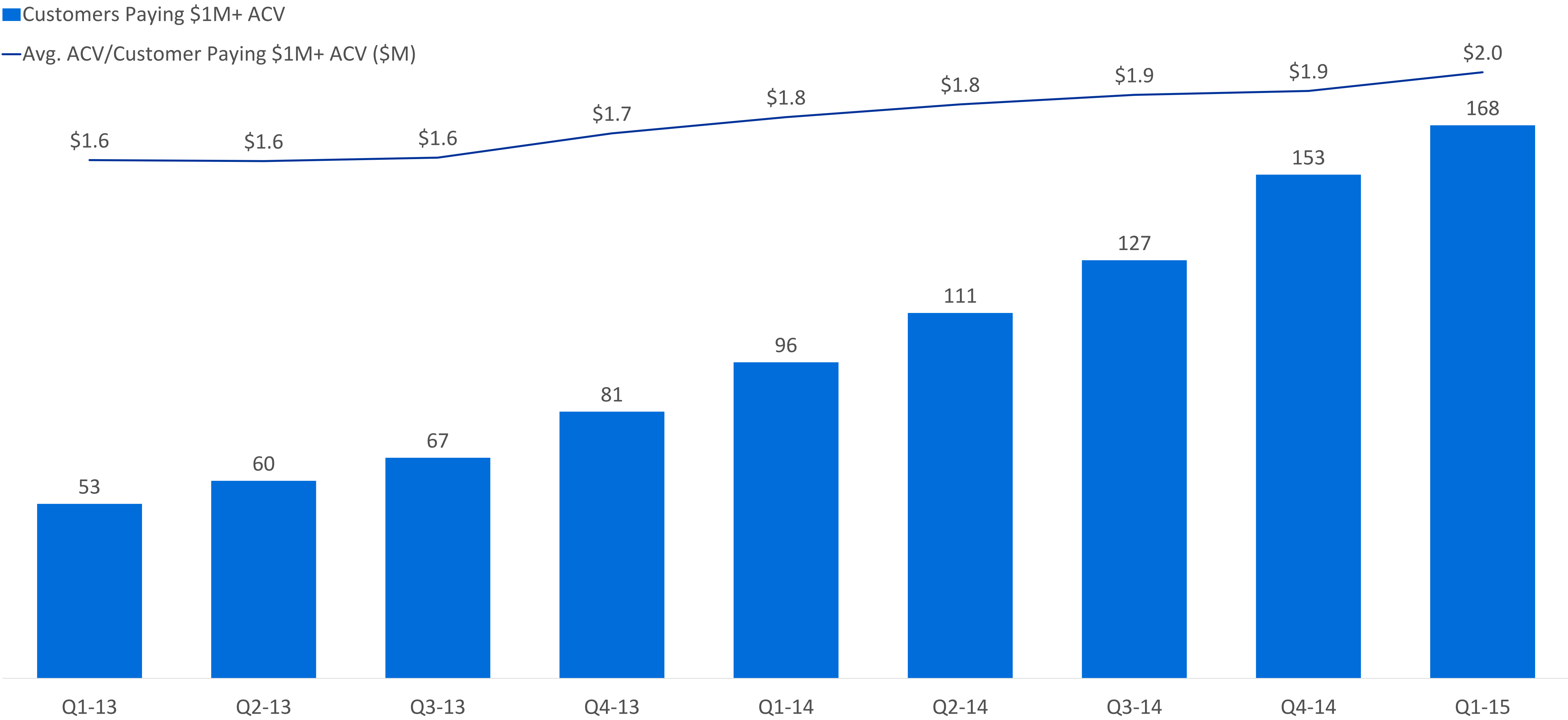
Consistent Growth in All Stages Of Customer Maturity

Total Annual Contract Value By Cohort

Annual ACV Growth

Legend:
- 2015
- 2014
- 2013
- 2012
- 2011
- 2010

Chart annotations:
- 1.2X — 27%
- 1.9X — 51%
- 2.5X — 55%
- 2.9X — 51%
- 3.6X — 55%

X-axis: 2010, 2011, 2012, 2013, 2014, 2015
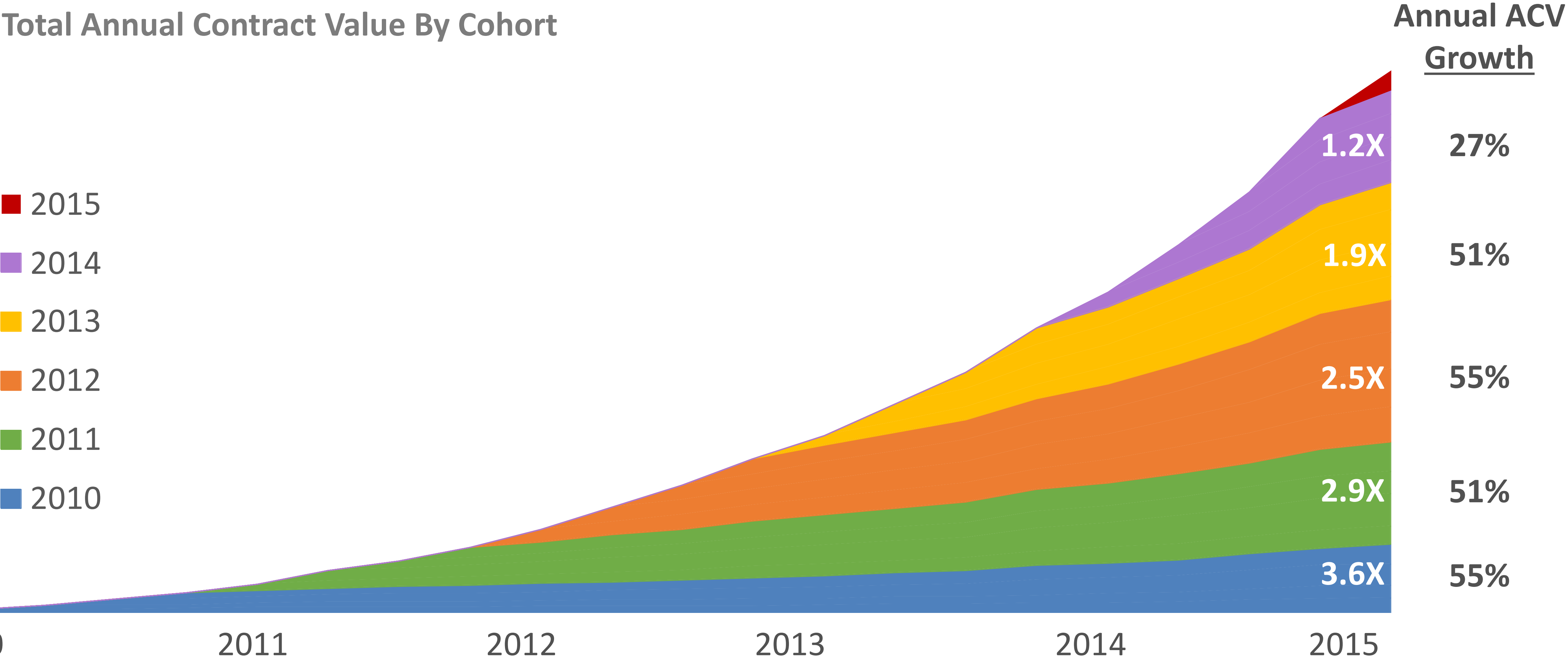
Note: Chart reflects growth in total annual contract value over time, inclusive of losses, for the group of customers that joined ServiceNow in each respective year. Growth factors represent increases in total annual contract value after the initial contract of each customer.

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4x ROI Over Customer Lifetime

- █ Revenue
- █ Subscription Cost of Sales
- █ Sales (*Year 0 = Inside Sales, Sales Quota Rep, Sales Mgr, Solution Consultant; Year 1-10 = Sales Quota Rep, Solution Consultant*)
- █ Marketing

Chart data (Revenue / Sales & Subscription Cost):

Year	Revenue	Cost bar
YR 0	$0	$0.4
YR 1	$1.0	$0.4
YR 2	$1.5	$0.6
YR 3	$2.0	$0.8
YR 4	$2.5	$0.8
YR 5	$3.0	$1.0
YR 6	$3.5	$1.0
YR 7	$4.0	$1.1
YR 8	$4.5	$1.1
YR 9	$5.0	$1.3
YR 10	$5.5	$1.3
YR 11	$6.0	$1.4
YR 12	$6.5	$1.4
YR 13	$7.0	$1.5
YR 14	$7.5	$1.5
YR 15	$8.0	$1.6

Key Assumptions:
1) Initial contract is 3 years, renewal contract is 2 years, upsell contracts are co-termed
2) ACV increases 0.5x annually over the initial contract (includes ACV churn) based on customer cohort data
3) Subscription gross margins begin at 75% and increases 0.5% annually
4) Direct sales expenses include commissions for inside sales, sales reps, sales managers and solutions consultants (amortized over the life of the contract)
5) Marketing expenses include Knowledge conference and lead generation

Greater Focus on Operating Leverage…

	FY-12A	FY-13A	FY-14A	Q1-15A		Long Term Target
Subscription Gross Margin	71%	77%	79%	81%	Data center density, improved economies of scale	83-85%
PS & Other Gross Margin	0%	16%	19%	9%	Productized & scalable offerings, utilization, ramp time	20-22%
Total Gross Margin	60%	67%	69%	70%		79-81%
S&M % of Revenue	38%	41%	42%	41%	Greater renewal mix, improved mix of ramped reps, marketing spend	32-34%
R&D % of Revenue	14%	15%	15%	16%	Continue to invest in R&D, but at slower pace than revenue growth	10-12%
G&A % of Revenue	12%	11%	10%	9%	Improved economies of scale	5-7%
Operating Margin	(4%)	0%	2%	3%		~28-30%

Note: All figures are calculated on a non-GAAP basis. See appendix for reconciliation of non-GAAP financial measures

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...And On Free Cash Flow Generation

$M

$161

$81

Annualized

$85

$40

Q2-15
Guide

$7

$16

$41

Q1-15
Actuals

2012

2013

2014

2015

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23
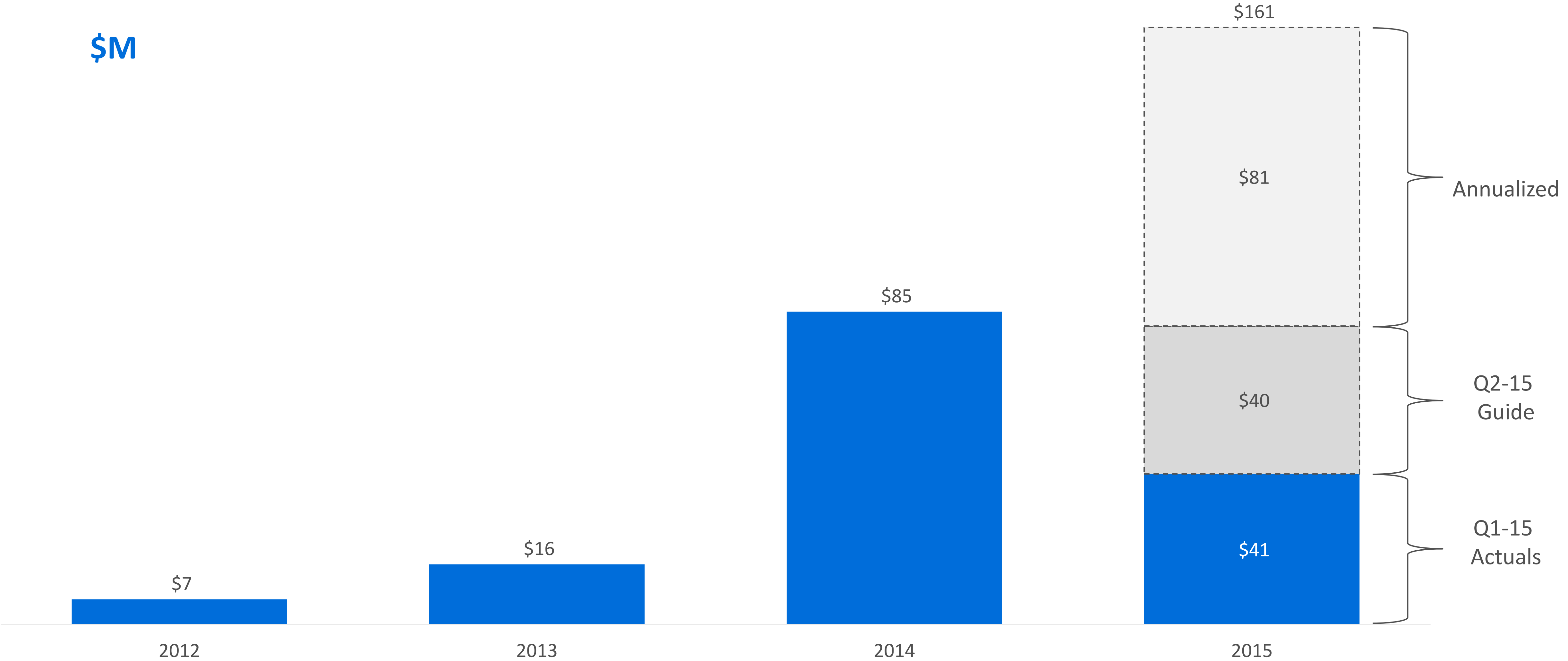
2015 Investment Priorities

- Data center equipment refresh (every 3 years)

- Facilities Expansion

  – Headquarter re-location (New building in Santa Clara)

  – Amsterdam build-out

  – London build-out

- Strategic investments in private companies to accelerate platform development

Tax Forecast

Non-GAAP Tax Rate

2014A	2015E	2016E	2017E	2018E	2019E	2020E
172%	61%	41%	37%	34%	31%	28%

Cash Taxes ($M)

2014A	2015E	2016E	2017E	2018E	2019E	2020E
$2	$4	$6	$10	$16	$32	$57
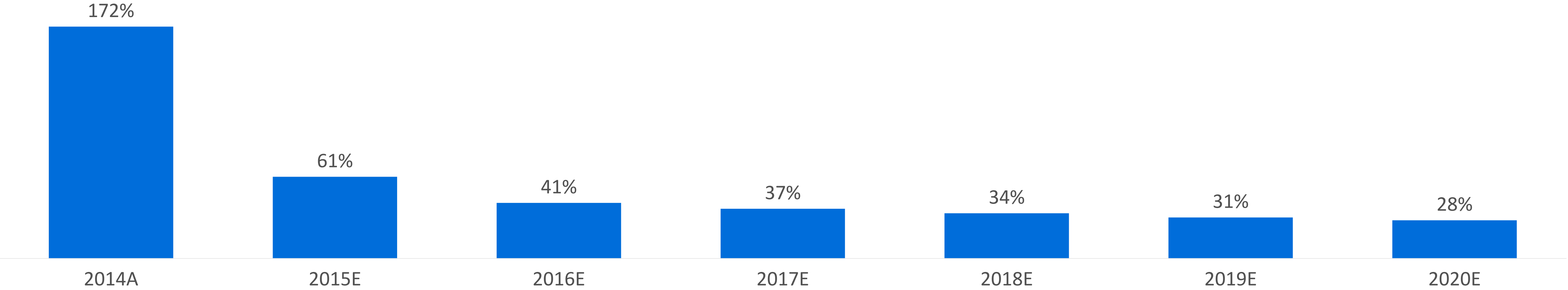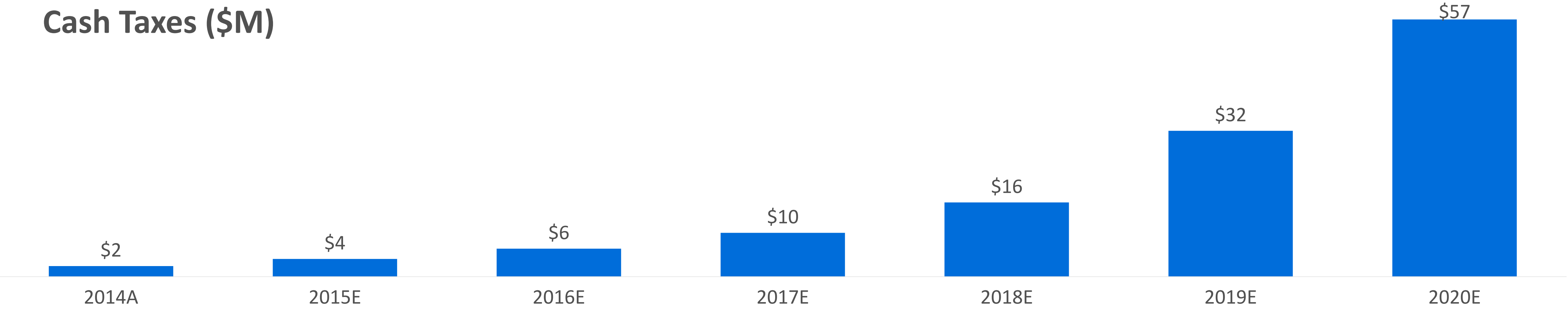
Fully-Diluted Gross Share Count (Treasury Stock Method Not Applied)

Share Count (M)

Share Count Increase (%)

3.1% 2.4% 4.2% 4.0% 3.8% 3.2% 3.1% 2.5% 2.9%

164 168 175 182 189 195 201 206 212

2012A 2013A 2014A 2015E 2016E 2017E 2018E 2019E 2020E
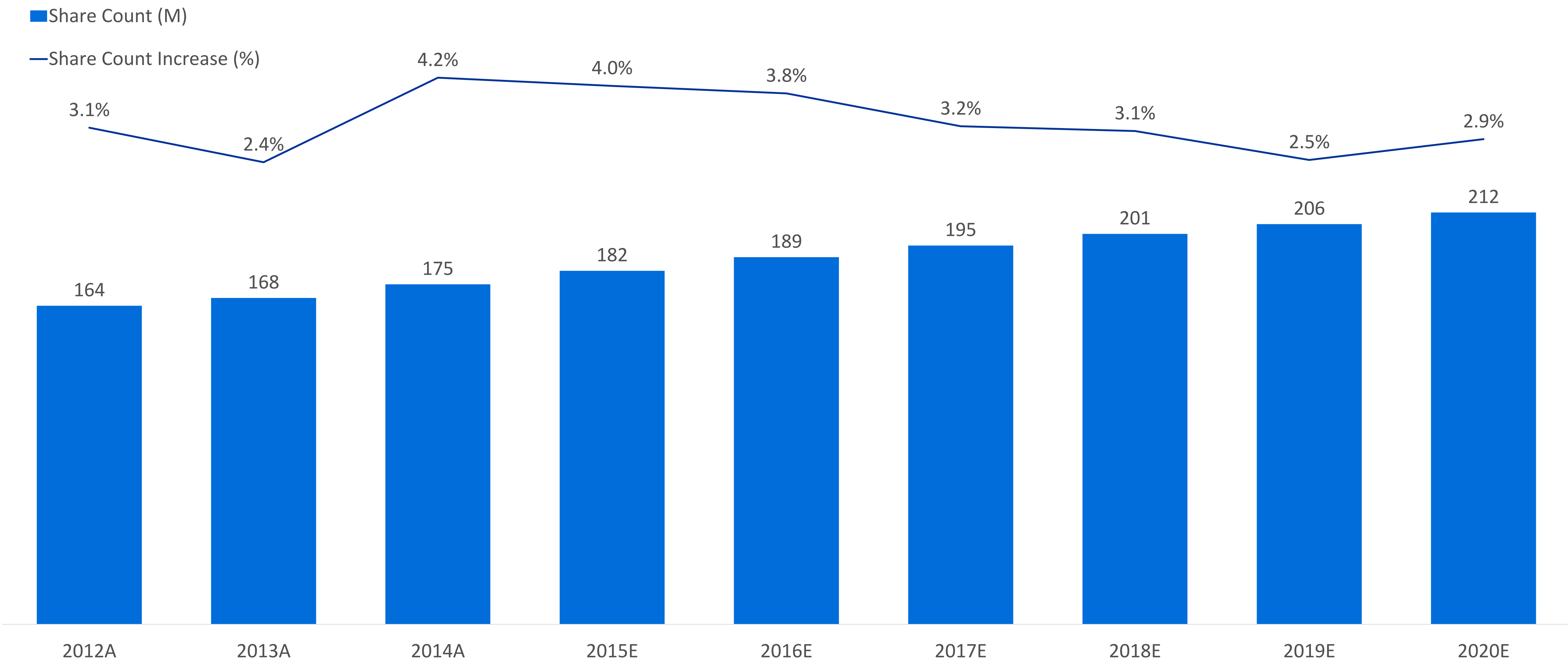
Changing the Way People Work

Frank Slootman

President and Chief Executive Officer
ServiceNow

Everything as a Service

SaaS — End Users

PaaS — Developers

IaaS — Operations
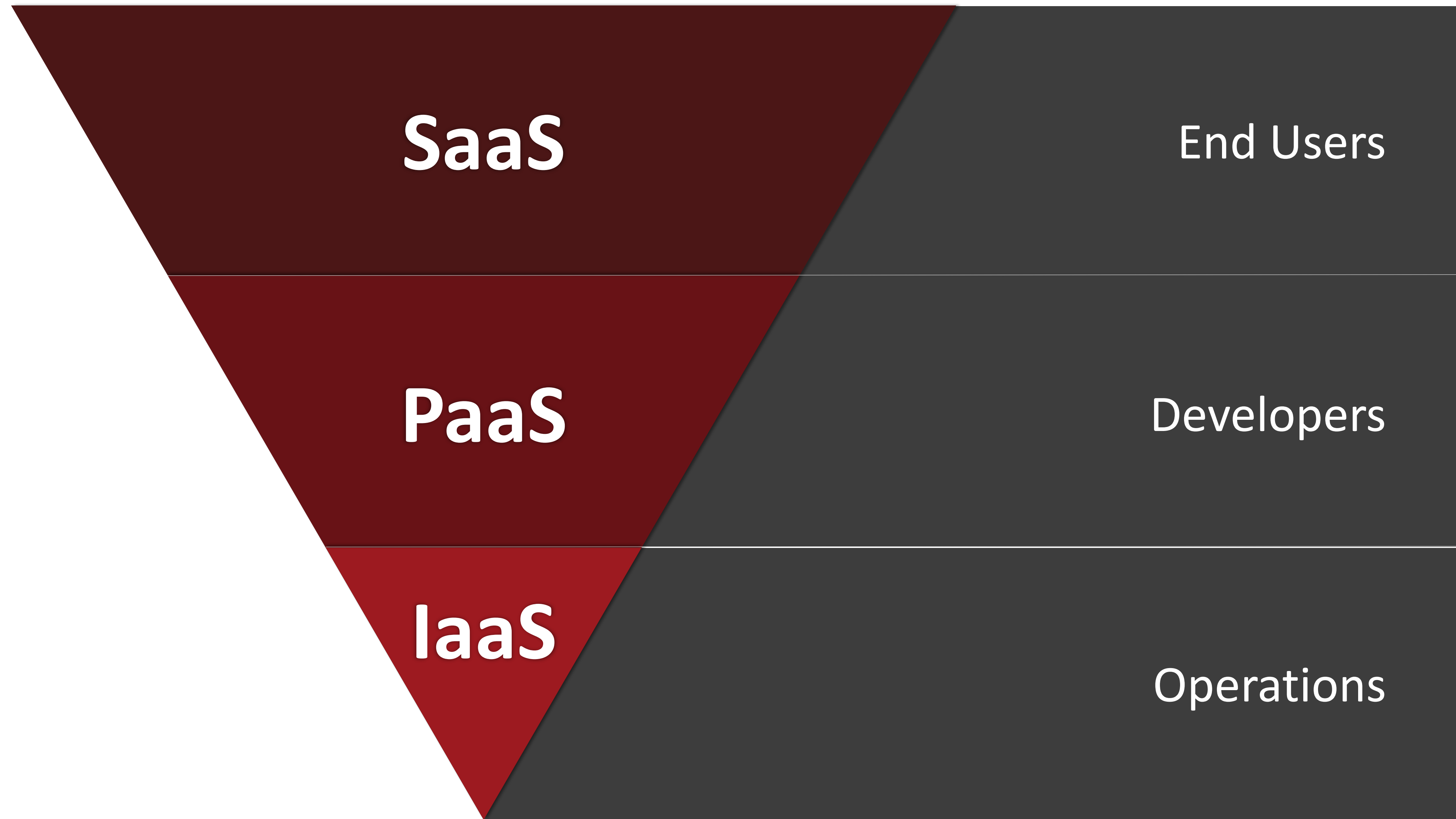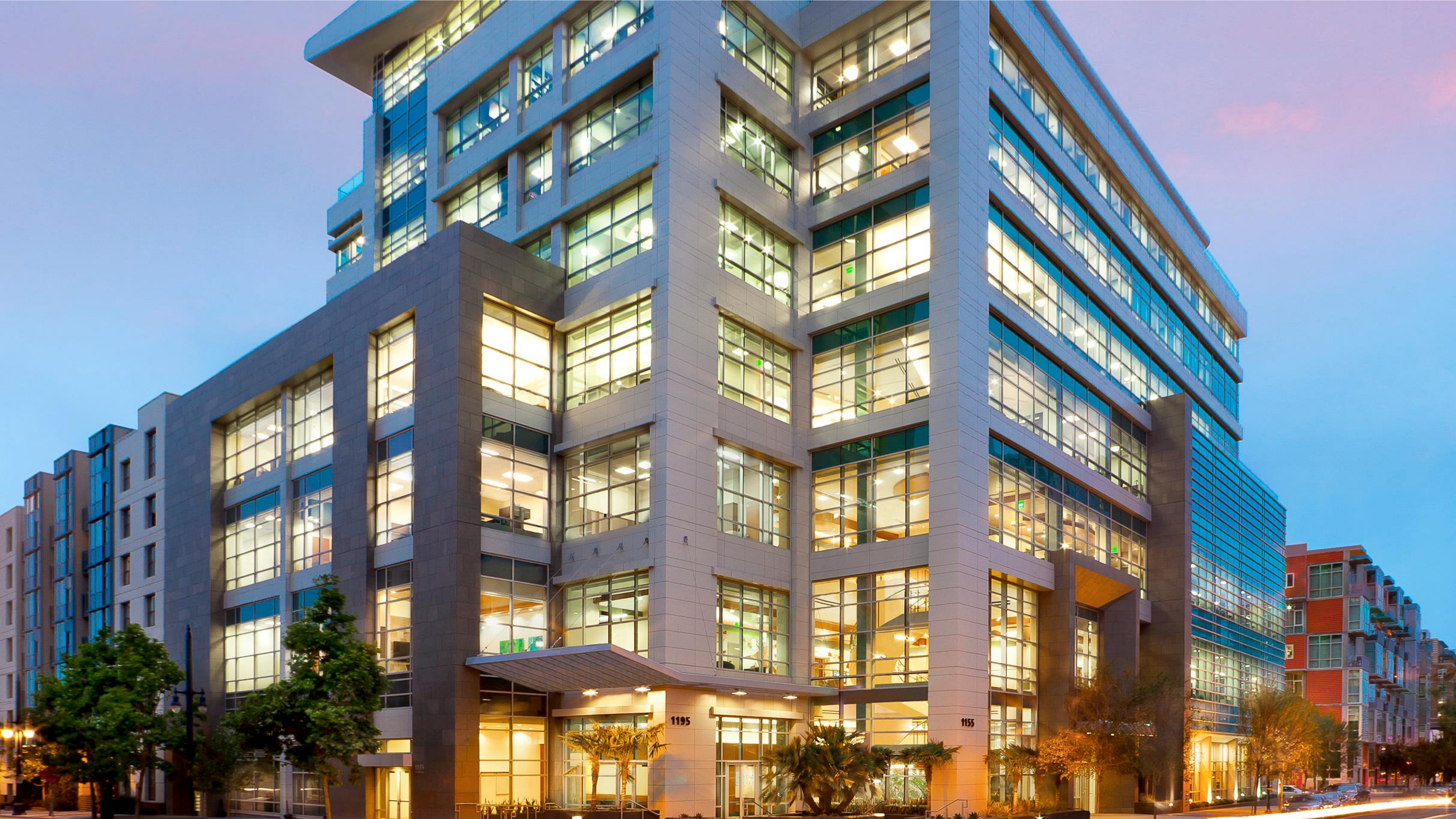
INTER-OFFICE ENVELOPE

This envelope is designed for multiple Inter-office use. Please use each box consecutively to write the recipient's address. Ensure the envelope is empty and previous address has been crossed out before re-using.

eBusiness?
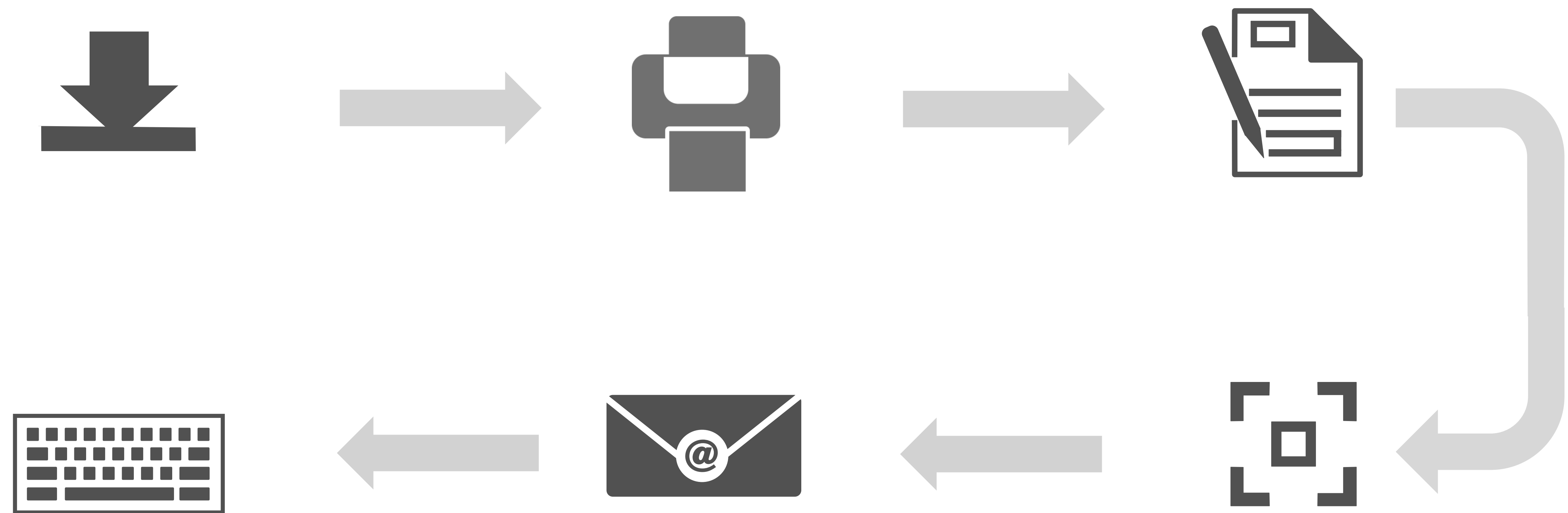
Apple iPhone 6

Product Information
The iPhone 6 features a 4.7-inch retina HD display, the new A8 chip for faster processing and longer battery life, the M8 motion coprocessor to track speed, distance and elevation, and with an 8MP iSight camera, you can record 1080p HD Video at 60 FPS.

Product Identifiers
- Brand: Apple
- MPN: MD644LL/A
- Type: Smartphone

Key Features
- Storage Capacity: 64 GB
- Network Generation: 2G, 3G, 4G
- Network Technology: GSM / EDGE / UMTS / HSPA+ / DC-HSDPA / LTE
- Band: GSM/EDGE 850/900/1900/1900 UMTS/HSPA+ / DC-HSDPA 850/900/1900/2100 LTE 4/17
- Camera: 8.0 MP
- Operating System: iOS

Battery
- Battery Type: Rechargeable Li-Ion Battery
- Battery Talk Time: Up to 480 min
- Battery Standby Time: Up to 225 hr

Allocated carrier

AT & T Mobility

Color

Black

Storage

64 GB

Price: $799.99

Recurring price: $34 Monthly

✔ **Submit**
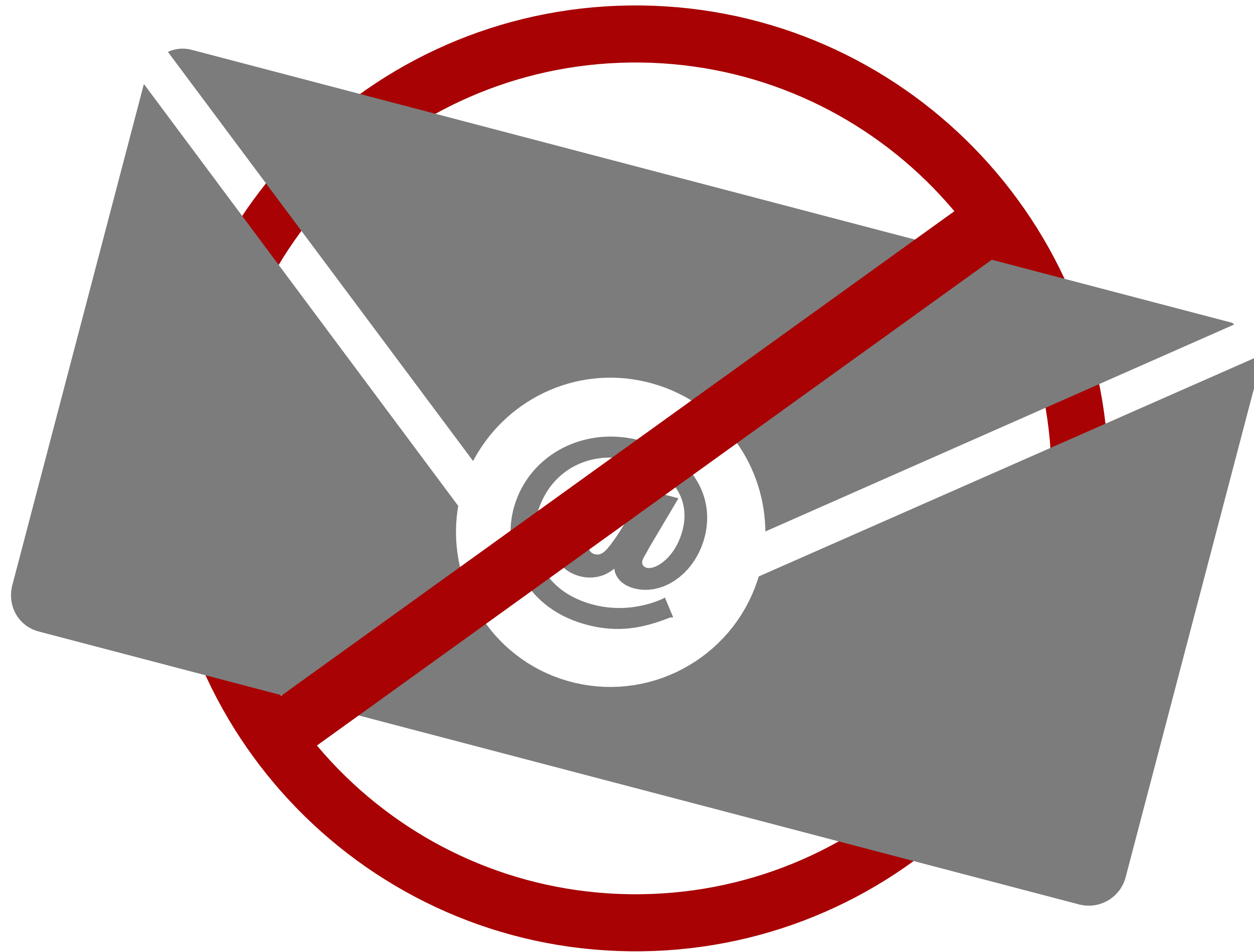
Unstructured Messaging

1800s

1960s

1990s

https://surf.service-now.com/portal/it_catalog.do

New Message

Send | Attach | Format | Photo Browser | Show Stationery

To: provider@email.com

Cc:
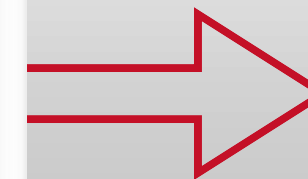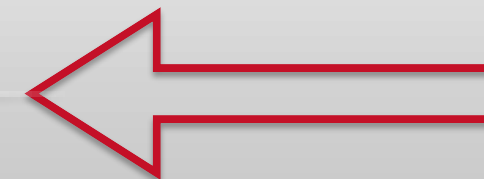
Subject: Request – iPhone6

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

How do I get a new mobile phone?

Seriously??? Can you just email it?

How do I get a new mobile phone?

New Message

Send | Attach | Format | Photo Browser | Show Stationery

To: provider@email.com

Cc:

Subject: Request – iPhone6

Sure thing. Attached.
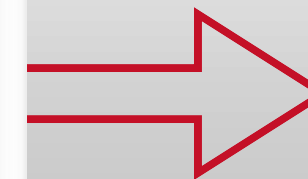
Phone Request Form

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

New Message

Send   Attach Format Photo Browser Show Stationery

To: requestor@email.com

Cc:

Subject: Request – iPhone6

I emailed you a form to get an iPhone 6.
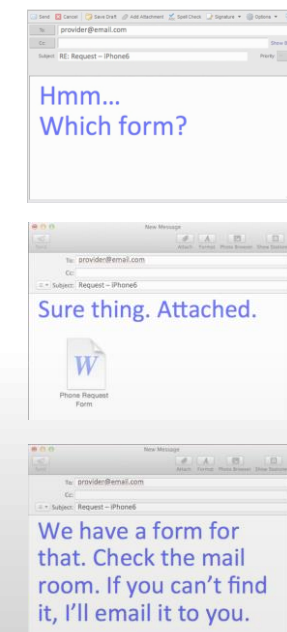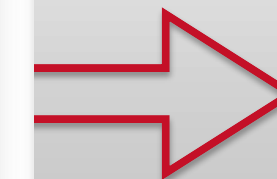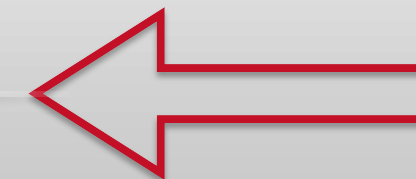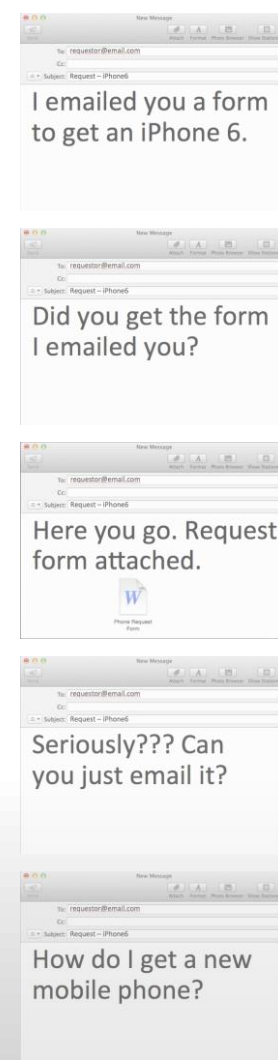
I emailed you a form to get an iPhone 6.

Did you get the form I emailed you?

Here you go. Request form attached.

Seriously??? Can you just email it?

How do I get a new mobile phone?

New Message

Send   Attach   Format   Photo Browser   Show Stationery

To: requestor@email.com

Cc:
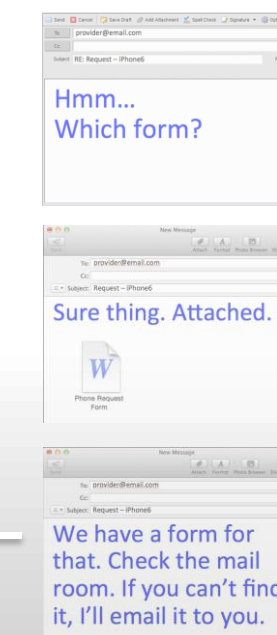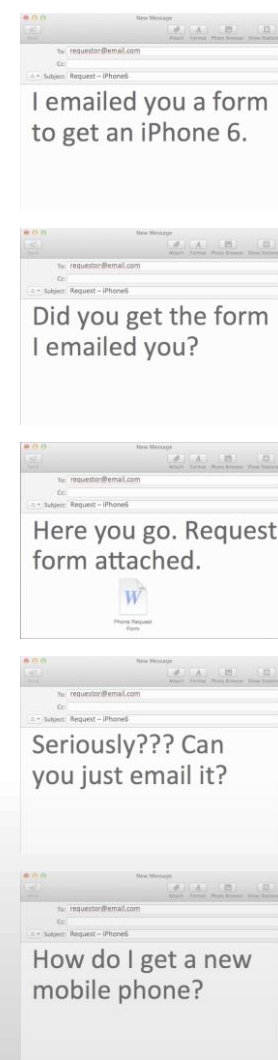
Subject: RE: Request – iPhone6

- Black
- 64 GB
- iPhone 6
- AT&T

Found your email. But I need more info. What color, size, model, service provider?

Hmm... Which form?

Sure thing. Attached.

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

- White
- 64 GB
- iPhone 6 Plus
- AT&T

I emailed you a form to get an iPhone 6.

Did you get the form I emailed you?

Here you go. Request form attached.

Seriously??? Can you just email it?

How do I get a new mobile phone?

Thx. Ordering it now.

Found your email. But I need more info. What color, size, model, service provider?

Hmm...
Which form?

Sure thing. Attached.

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

New Message

Send   Attach   Format   Photo Browser   Show Stationery

To: requestor@email.com

Cc:

Subject: RE: Request – iPhone6

When will I get it?

- White
- 64 GB
- iPhone 6 Plus
- AT&T

I emailed you a form to get an iPhone 6.

Did you get the form I emailed you?

Here you go. Request form attached.

Seriously??? Can you just email it?

When will I get it?

How do I get a new mobile phone?

Thx. Ordering it now.

Found your email. But I need more info. What color, size, model, service provider?

Hmm... Which form?

Sure thing. Attached.

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

Send   Cancel   Save Draft   Add Attachment   Spell Check   Signature ▾   Options ▾

To: provider@email.com

Cc: Show BCC

Subject: RE: Request – iPhone6   Priority: ▾

It depends. They don't always tell us.
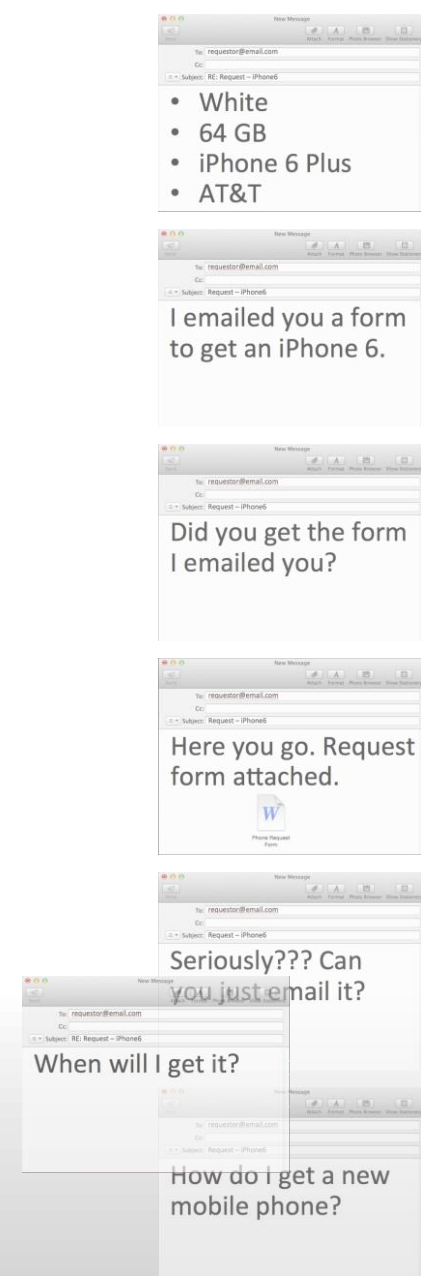
- White
- 64 GB
- iPhone 6 Plus
- AT&T

I emailed you a form to get an iPhone 6.

Did you get the form I emailed you?

Here you go. Request form attached.

Seriously??? Can you just email it?

When will I get it?

How do I get a new mobile phone?

It depends. They don't always tell us.

Thx. Ordering it now.

Found your email. But I need more info. What color, size, model, service provider?

Hmm...
Which form?

Sure thing. Attached.

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

New Message

Send   Attach   Format   Photo Browser   Show Stationery

To: requestor@email.com

Cc:

Subject: RE: Request – iPhone6

Depends on what? And when will I get charged?
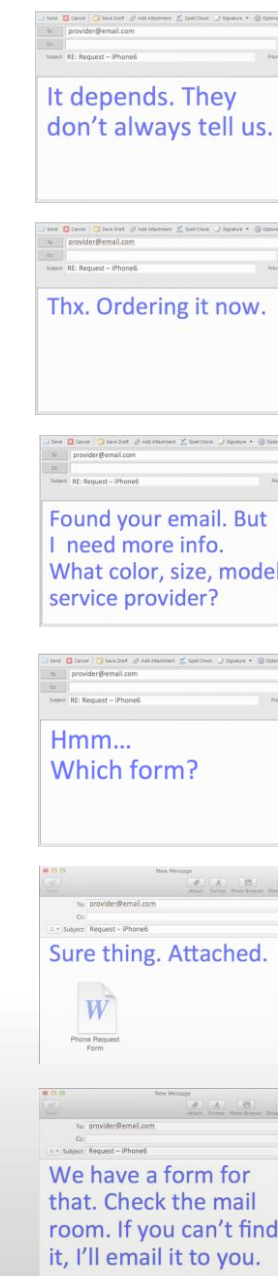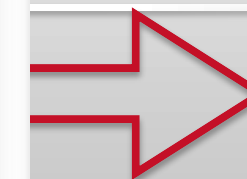
UNSTRUCTURED MESSAGING

MESSAGES 15 7 DAYS

LAS VEGAS, NV

- White
- 64 GB
- iPhone 6 Plus
- AT&T

I emailed you a form to get an iPhone 6.

Did you get the form I emailed you?

Here you go. Request form attached.

Depends on what? And when will I get charged?

Seriously??? Can you just email it?

Depends on what? And when will I get charged?

How do I get a new mobile phone?
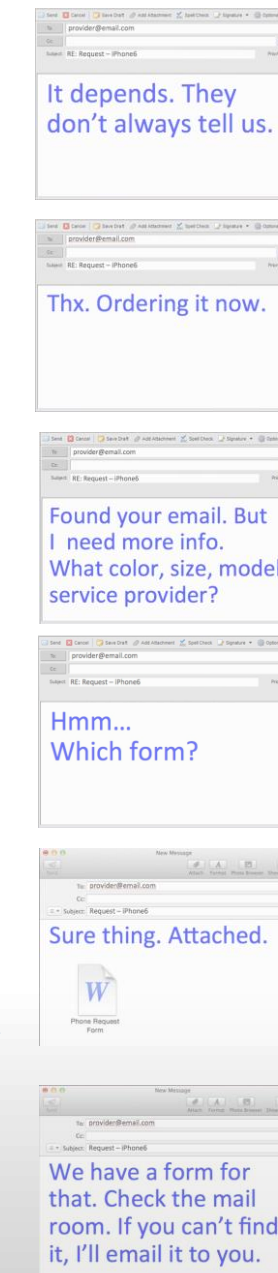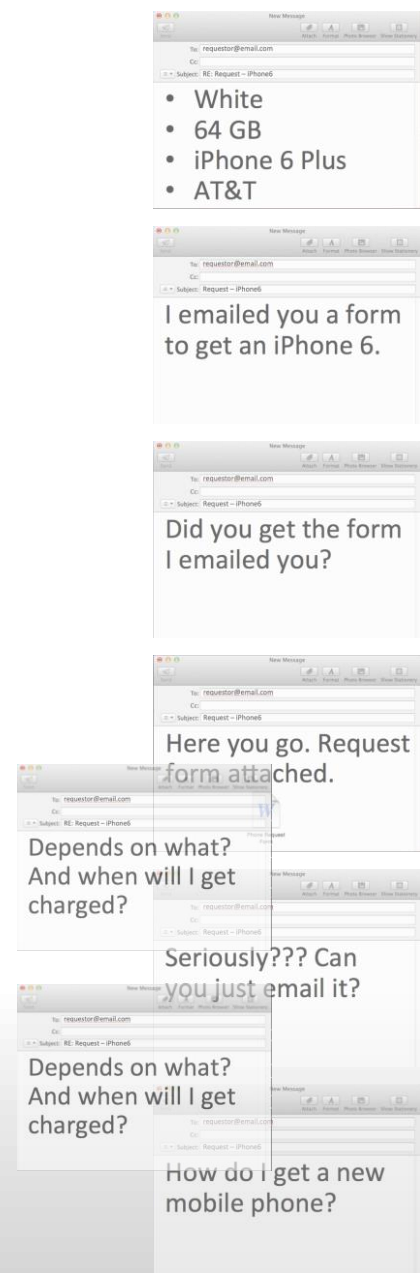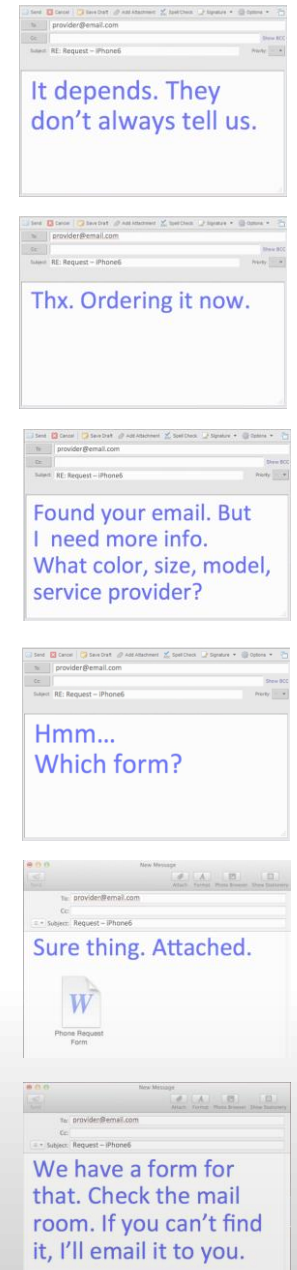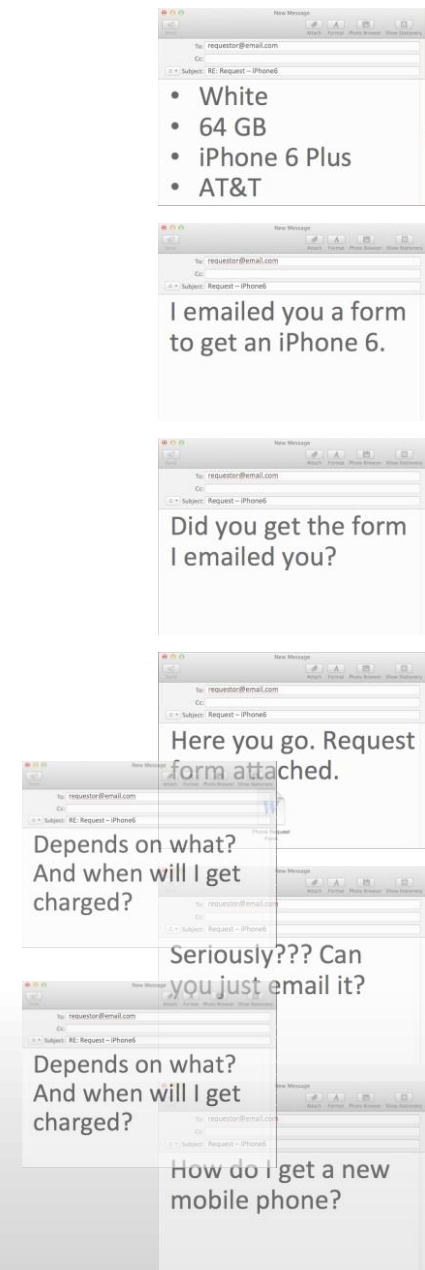
Let me get back to you.
I'll follow up over email.

It depends. They don't always tell us.

Thx. Ordering it now.

Found your email. But I need more info. What color, size, model, service provider?

Hmm...
Which form?

Sure thing. Attached.

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

- White
- 64 GB
- iPhone 6 Plus
- AT&T

I emailed you a form to get an iPhone 6.

Did you get the form I emailed you?

Here you go. Request form attached.

Depends on what? And when will I get charged?

Seriously??? Can you just email it?

Depends on what? And when will I get charged?

How do I get a new mobile phone?

It depends. They don't always tell us.

Thx. Ordering it now.

Found your email. But I need more info. What color, size, model, service provider?

Hmm... Which form?

Sure thing. Attached.

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

Send **Cancel** Save Draft Add Attachment Spell Check Signature ▾ Options ▾

To: provider@email.com

Cc: Show BCC

Subject: RE: Request – iPhone6   Priority: ▾

Tracking down your phone status. Do you have purchase requisition number?

- White
- 64 GB
- iPhone 6 Plus
- AT&T

I emailed you a form to get an iPhone 6.

Did you get the form I emailed you?

Here you go. Request form attached.

Depends on what? And when will I get charged?

Seriously??? Can you just email it?

Depends on what? And when will I get charged?

How do I get a new mobile phone?

It depends. They don't always tell us.

Thx. Ordering it now.

Found your email. But I need more info. What color, size, model, service provider?

Hmm... Which form?

Do you have purchase requisition number?

Sure thing. Attached.

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

New Message

Send   Attach   Format   Photo Browser   Show Stationery

To: requestor@email.com

Cc:

Subject: RE: Request – iPhone6

No! Didn't know I needed one.

- White
- 64 GB
- iPhone 6 Plus
- AT&T

I emailed you a form to get an iPhone 6.

No! Didn't know I needed one.

Did you get the form I emailed you?

Here you go. Request form attached.

Depends on what? And when will I get charged?

Seriously??? Can you just email it?

Depends on what? And when will I get charged?

How do I get a new mobile phone?

It depends. They don't always tell us.

Thx. Ordering it now.

Found your email. But I need more info. What color, size, model, service provider?

Hmm... Which form?

Do you have purchase requisition number?

Sure thing. Attached.

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

Send | Cancel | Save Draft | Add Attachment | Spell Check | Signature ▼ | Options ▼

To: name@email.com

Cc: _____ Show BCC

Subject: RE: Request – iPhone6   Priority: ___ ▼

Ok. Let me do some research. I'll get back to you shortly.

- White
- 64 GB
- iPhone 6 Plus
- AT&T

I emailed you a form to get an iPhone 6.

No! Didn't know I needed one.

Did you get the form I emailed you?

Here you go. Request form attached.

Depends on what? And when will I get charged?

Seriously??? Can you just email it?

Depends on what? And when will I get charged?

How do I get a new mobile phone?

It depends. They don't always tell us.

Thx. Ordering it now.

Found your email. But I need more info. What color, size, model, service provider?
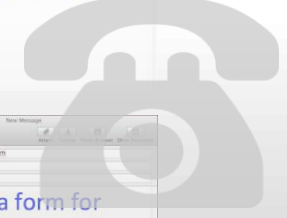
Ok, let me research and get back to you.

Hmm... Which form?

Do you have purchase requisition number?

Sure thing. Attached.

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

New Message

Send   Attach   Format   Photo Browser   Show Stationery

To: requestor@email.com

Cc:

Subject: iPhone6!@#$%?

I ordered an iPhone two weeks ago and have not heard a thing. Can you help?

- White
- 64 GB
- iPhone 6 Plus
- AT&T

I ordered an iPhone two weeks ago and have not heard a thing. Can you help?

i emailed you a form to get an iPhone 6.

No! Didn't know I needed one.

Did you get the form I emailed you?

Here you go. Request form attached.

Depends on what? And when will I get charged?

Seriously??? Can you just email it?

Depends on what? And when will I get charged?

How do I get a new mobile phone?

It depends. They don't always tell us.

Thx. Ordering it now.

Found your email. But I need more info. What color, size, model, service provider?

Ok, let me research and get back to you.

Hmm... Which form?

Do you have purchase requisition number?

Sure thing. Attached.

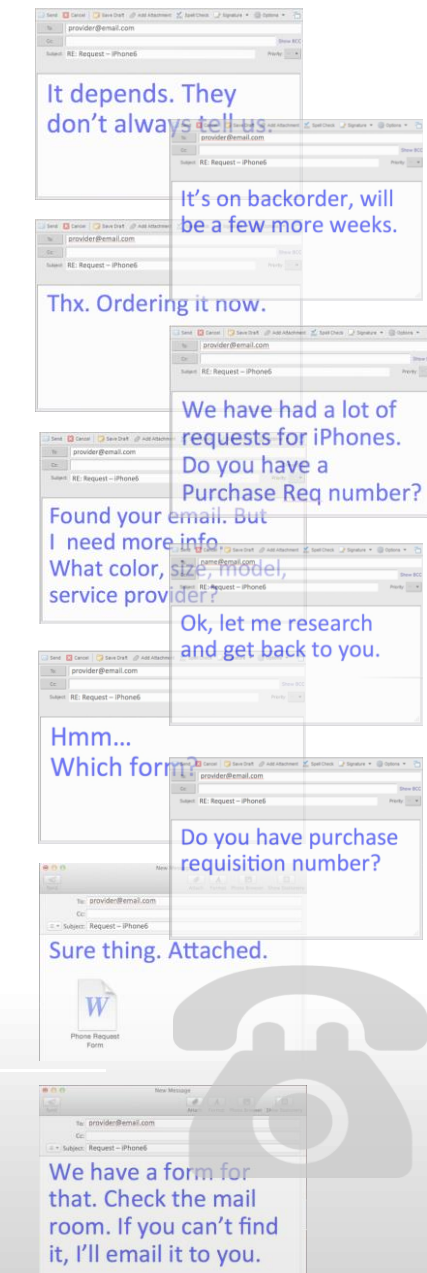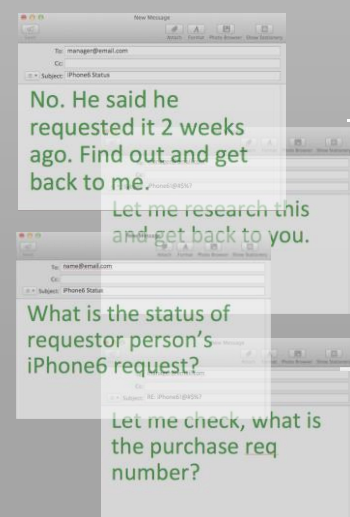We have a form for that. Check the mail room. If you can't find it, I'll email it to you.
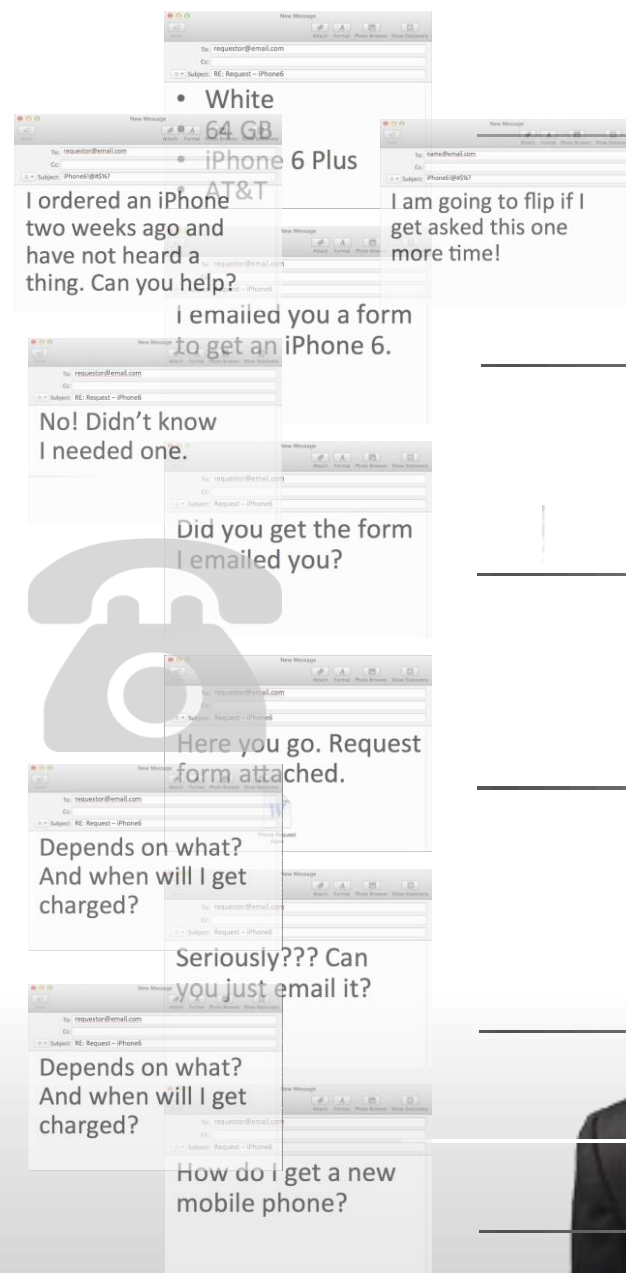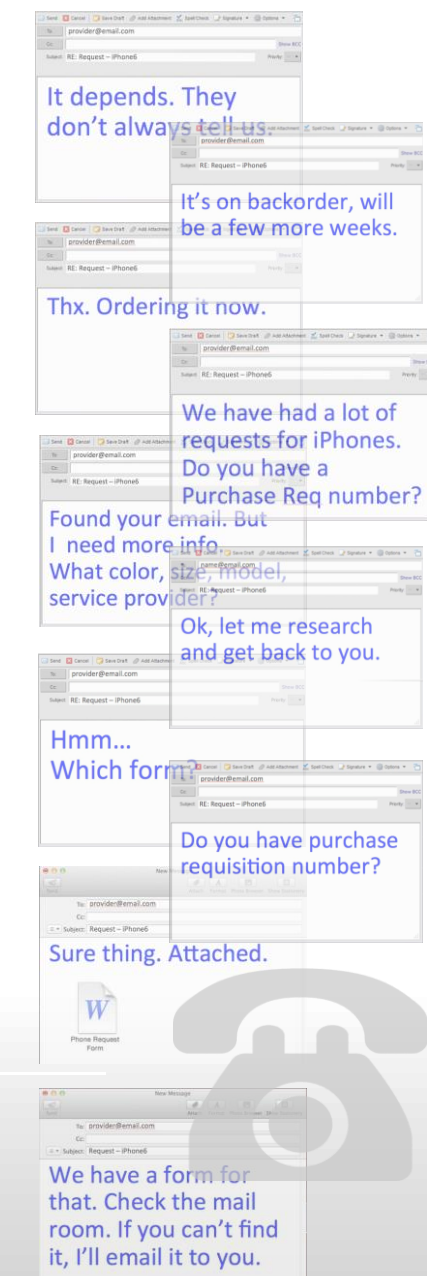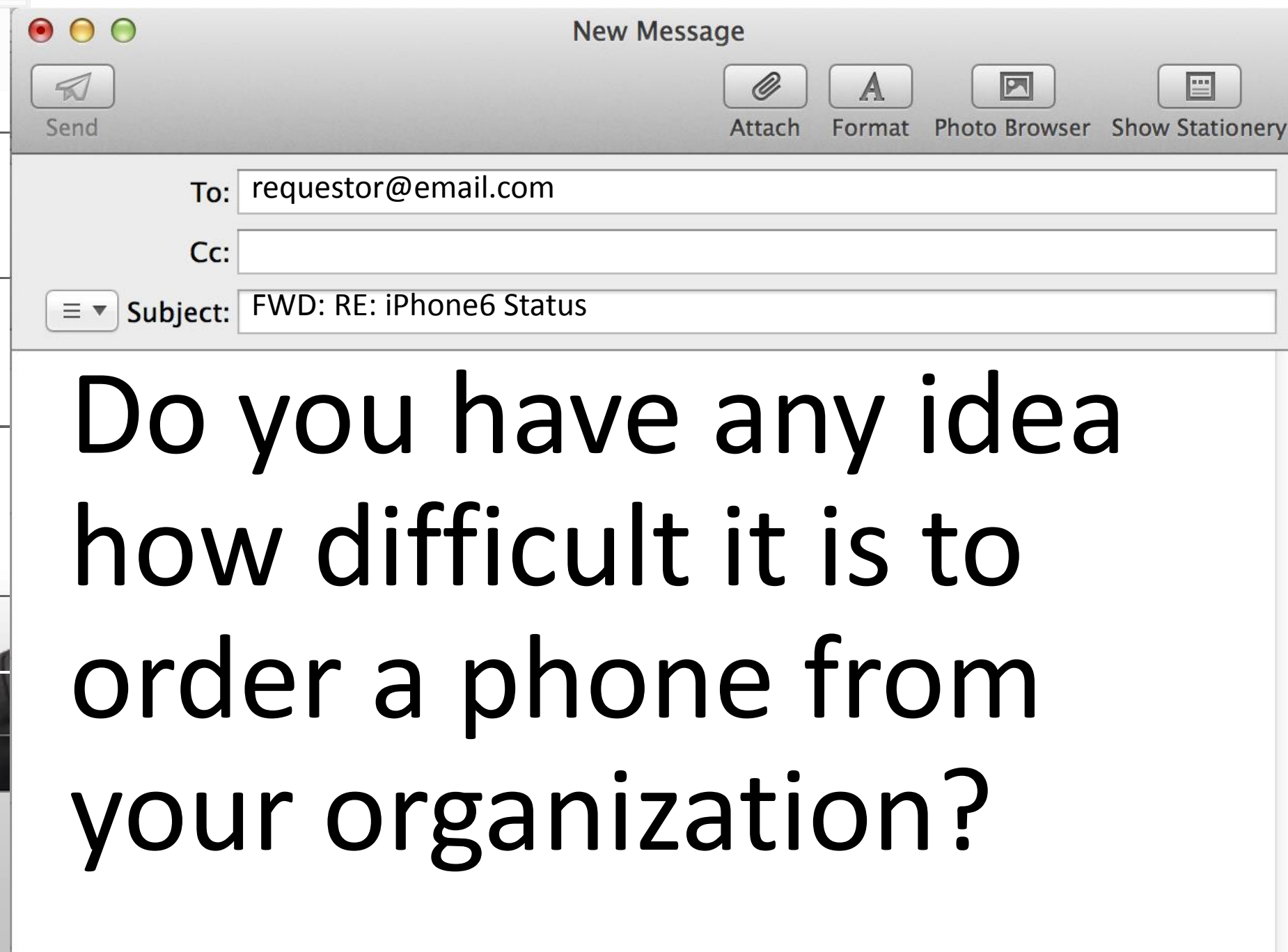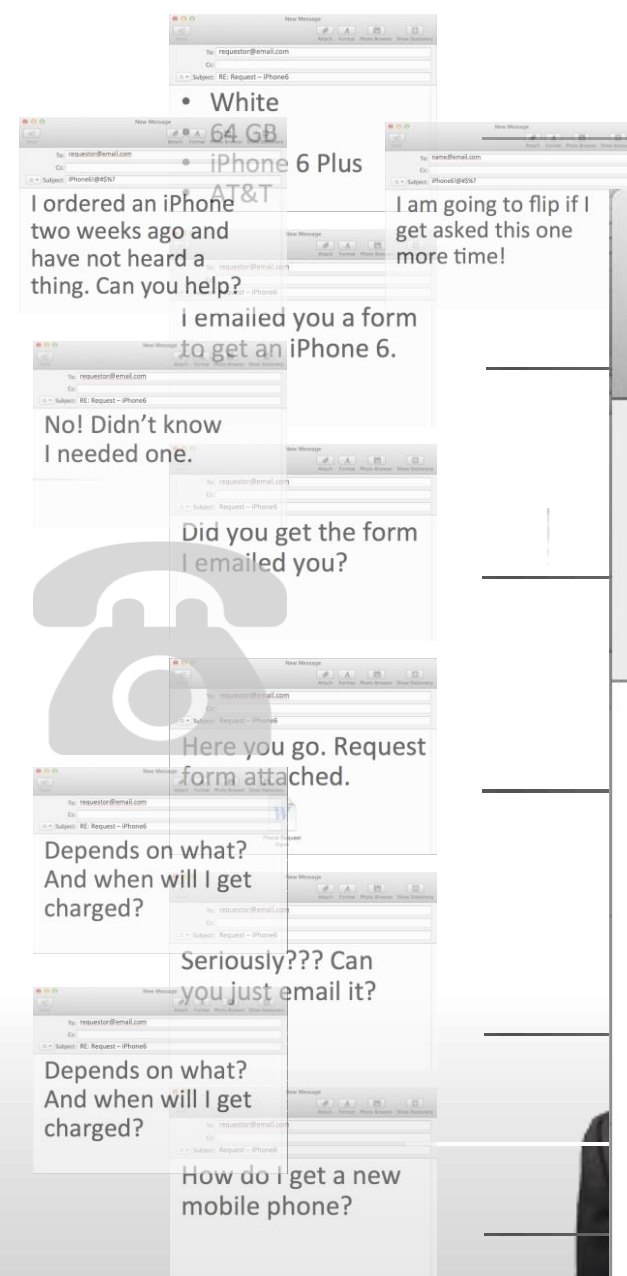
New Message

Send   Attach   Format   Photo Browser   Show Stationery

To: manager@email.com

Cc:

Subject: RE: iPhone6!@#$%?

Let me check. What is the purchase req number?

- White
- 64 GB
- iPhone 6 Plus
- AT&T

I ordered an iPhone two weeks ago and have not heard a thing. Can you help?

I emailed you a form to get an iPhone 6.

No! Didn't know I needed one.

Did you get the form I emailed you?

Here you go. Request form attached.

Depends on what? And when will I get charged?

Seriously??? Can you just email it?

Depends on what? And when will I get charged?

How do I get a new mobile phone?

It depends. They don't always tell us.

Thx. Ordering it now.

Found your email. But I need more info. What color, size, model, service provider?

Ok, let me research and get back to you.

Hmm... Which form?

Do you have purchase requisition number?

Sure thing. Attached.

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

Let me check, what is the purchase req number?

New Message

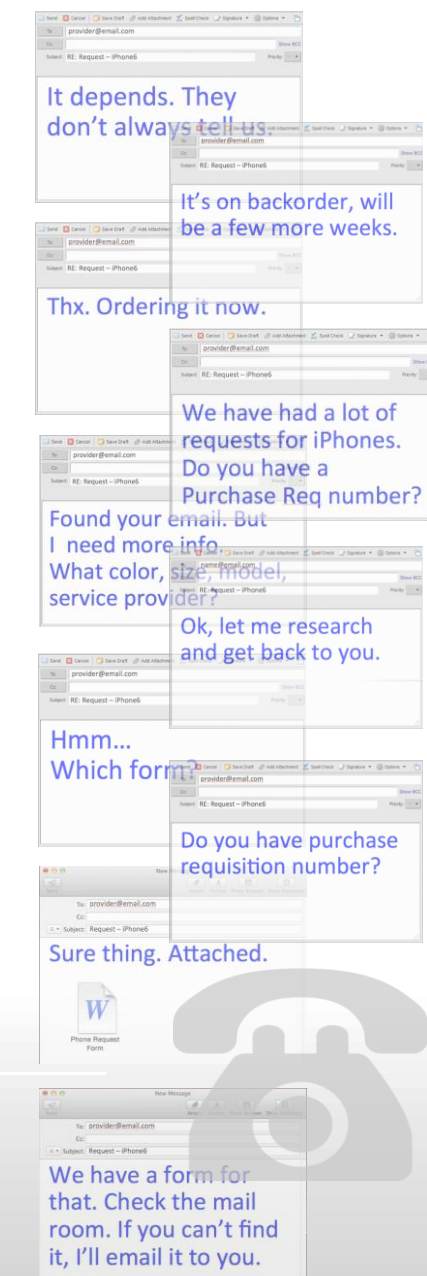Send | Attach | Format | Photo Browser | Show Stationery

To: requestor@email.com

Cc:

Subject: iPhone6!@#$%?

I am going to flip if I get asked this one more time!

- White
- 64 GB
- iPhone 6 Plus
- AT&T

I ordered an iPhone two weeks ago and have not heard a thing. Can you help?

i emailed you a form to get an iPhone 6.

No! Didn't know I needed one.

Did you get the form I emailed you?

Here you go. Request form attached.

Depends on what? And when will I get charged?

Seriously??? Can you just email it?

Depends on what? And when will I get charged?

How do I get a new mobile phone?

It depends. They don't always tell us.

Thx. Ordering it now.

Found your email. But I need more info. What color, size, model, service provider?

Ok, let me research and get back to you.

Hmm... Which form?

Do you have purchase requisition number?

Sure thing. Attached.

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

Let me check, what is the purchase req number?

New Message

Send | Attach Format Photo Browser Show Stationery

To: manager@email.com

Cc:

Subject: RE: iPhone6!@#$%?

Let me look into it and get back to you.

We've had a lot of requests for iPhones.
Do you have a Purchase Req number?

• White
• 64 GB
• iPhone 6 Plus
• AT&T

I ordered an iPhone two weeks ago and have not heard a thing. Can you help?

I am going to flip if I get asked this one more time!

I emailed you a form to get an iPhone 6.

No! Didn't know I needed one.

Did you get the form I emailed you?

Here you go. Request form attached.

Depends on what? And when will I get charged?

Seriously??? Can you just email it?

Depends on what? And when will I get charged?

How do I get a new mobile phone?

It depends. They don't always tell us.

Thx. Ordering it now.

We have had a lot of requests for iPhones. Do you have a Purchase Req number?

Found your email. But I need more info. What color, size, model, service provider?

Ok, let me research and get back to you.

Hmm... Which form?

Do you have purchase requisition number?

Sure thing. Attached.

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

Let me research this and get back to you.

What is the status of requestor person's iPhone6 request?

Let me check, what is the purchase req number?

New Message

Send | Attach | Format | Photo Browser | Show Stationery

To: manager@email.com
Cc:
Subject: iPhone6 Status

No. He said he ordered it 2 weeks ago. Find out and get back to me.

- White
- 64 GB
- iPhone 6 Plus
- AT&T

I ordered an iPhone two weeks ago and have not heard a thing. Can you help?

I am going to flip if I get asked this one more time!

I emailed you a form to get an iPhone 6.

No! Didn't know I needed one.

Did you get the form I emailed you?

Here you go. Request form attached.

Depends on what? And when will I get charged?

Seriously??? Can you just email it?

Depends on what? And when will I get charged?

How do I get a new mobile phone?

It depends. They don't always tell us.

Thx. Ordering it now.

We have had a lot of requests for iPhones. Do you have a Purchase Req number?

Found your email. But I need more info. What color, size, model, service provider?

Ok, let me research and get back to you.

Hmm... Which form?

Do you have purchase requisition number?

Sure thing. Attached.

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

To: provider@email.com

Cc: Show BCC

Subject: RE: Request – iPhone6   **Priority:**

It's on backorder.
It will be a few more weeks.

No. He said he requested it 2 weeks ago. Find out and get back to me.

Let me research this and get back to you.

What is the status of requestor person's iPhone6 request?

Let me check, what is the purchase req number?

- White
- 64 GB
- iPhone 6 Plus
- AT&T

I ordered an iPhone two weeks ago and have not heard a thing. Can you help?

I am going to flip if I get asked this one more time!

I emailed you a form to get an iPhone 6.

No! Didn't know I needed one.

Did you get the form I emailed you?

Here you go. Request form attached.

Depends on what? And when will I get charged?

Seriously??? Can you just email it?

Depends on what? And when will I get charged?

How do I get a new mobile phone?

It depends. They don't always tell us.

It's on backorder, will be a few more weeks.

Thx. Ordering it now.

We have had a lot of requests for iPhones. Do you have a Purchase Req number?

Found your email. But I need more info. What color, size, model, service provider?

Ok, let me research and get back to you.

Hmm... Which form?

Do you have purchase requisition number?

Sure thing. Attached.

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

No. He said he requested it 2 weeks ago. Find out and get back to me.

Let me research this and get back to you.

What is the status of requestor person's iPhone6 request?

Let me check, what is the purchase req number?

New Message

Send   Attach   Format   Photo Browser   Show Stationery

To: manager@email.com

Cc:

Subject: FWD: RE: iPhone6 Status

The iPhone is on backorder.
It will be a few more weeks.

Do you have any idea how difficult it is to order a phone from your organization?

• White
• 64 GB
• iPhone 6 Plus
• AT&T

I ordered an iPhone two weeks ago and have not heard a thing. Can you help?

I emailed you a form to get an iPhone 6.

No! Didn't know I needed one.

Did you get the form I emailed you?

Here you go. Request form attached.

Depends on what? And when will I get charged?

Seriously??? Can you just email it?

Depends on what? And when will I get charged?

How do I get a new mobile phone?

All I want is my iPhone 6. Your organization is *failing!*

I am going to flip if I get asked this one more time!

I have escalated this to an executive in your organization, *you guys suck!*

It depends. They don't always tell us.

It's on backorder, will be a few more weeks.

Thx. Ordering it now.

We have had a lot of requests for iPhones. Do you have a Purchase Req number?

Found your email. But I need more info. What color, size, model, service provider?

Ok, let me research and get back to you.

Hmm... Which form?

Do you have purchase requisition number?

Sure thing. Attached.

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

The iPhone is on backorder. It will be a few more weeks.

No. He said he requested it 2 weeks ago. Find out and get back to me.

Let me research this and get back to you.

What is the status of requestor person's iPhone6 request?

Let me check, what is the purchase req number?

Send | Cancel | Save Draft | Add Attachment | Spell Check | Signature ▾ | Options ▾

To: executive@email.com

Cc: Show BCC

Subject: GET IT TOGETHER!   Priority: ___ ▾

I want to see a report on all phone requisitions and their status by COB.

- White
- 64 GB
- iPhone 6 Plus
- AT&T

I ordered an iPhone two weeks ago and have not heard a thing. Can you help?

I emailed you a form to get an iPhone 6.

No! Didn't know I needed one.

Did you get the form I emailed you?

Here you go. Request form attached.

Depends on what? And when will I get charged?

Seriously??? Can you just email it?

Depends on what? And when will I get charged?

How do I get a new mobile phone?

All I want is my iPhone 6. Your organization is failing!

I am going to flip if I get asked this one more time!

I have escalated this to an executive in your organization, you guys suck!

It depends. They don't always tell us.

It's on backorder, will be a few more weeks.

Thx. Ordering it now.

We have had a lot of requests for iPhones. Do you have a Purchase Req number?

Found your email. But I need more info. What color, size, model, service provider?

Ok, let me research and get back to you.

Hmm... Which form?

Do you have purchase requisition number?

Sure thing. Attached.

We have a form for that. Check the mail room. If you can't find it, I'll email it to you.

The iPhone is on backorder. It will be a few more weeks.

No. He said he requested it 2 weeks ago. Find out and get back to me.

Let me research this and get back to you.

What is the status of requestor person's iPhone6 request?

Let me check, what is the purchase req number?

I want to see a report on all phone requisitions and their status by COB Wednesday.

New Message

Send   Attach   Format   Photo Browser   Show Stationery

To: manager@email.com

Cc:

Subject: FWD: RE: iPhone6 Status

Phone requisitions status. Spreadsheet attached.

STATUS REPORT.xlsx
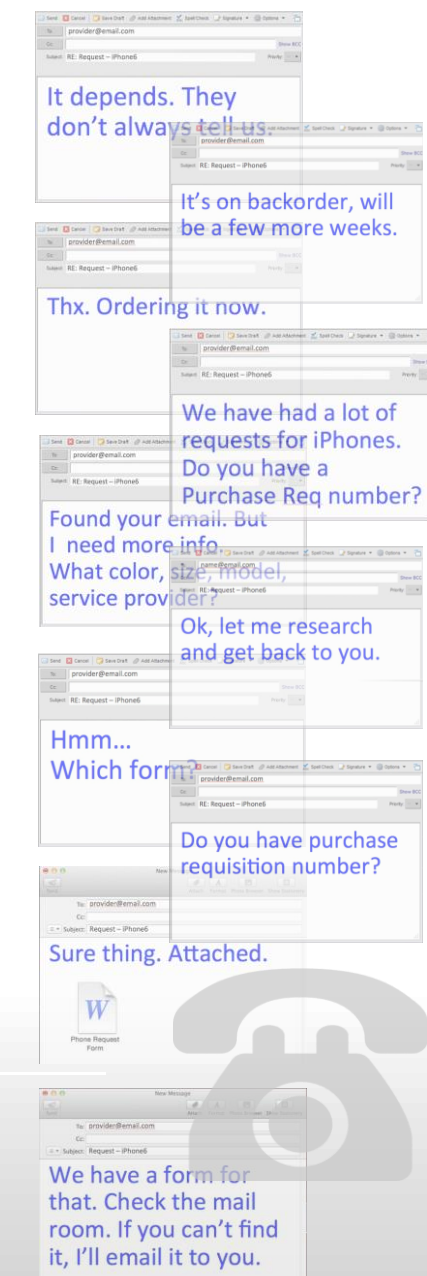
The Productivity Drain

More than 900 managers at mid-sized or larger firms
in the US and UK tell us how they spend their time at work.

Researched Released April 21, 2015

The Productivity Drain

15 HOURS
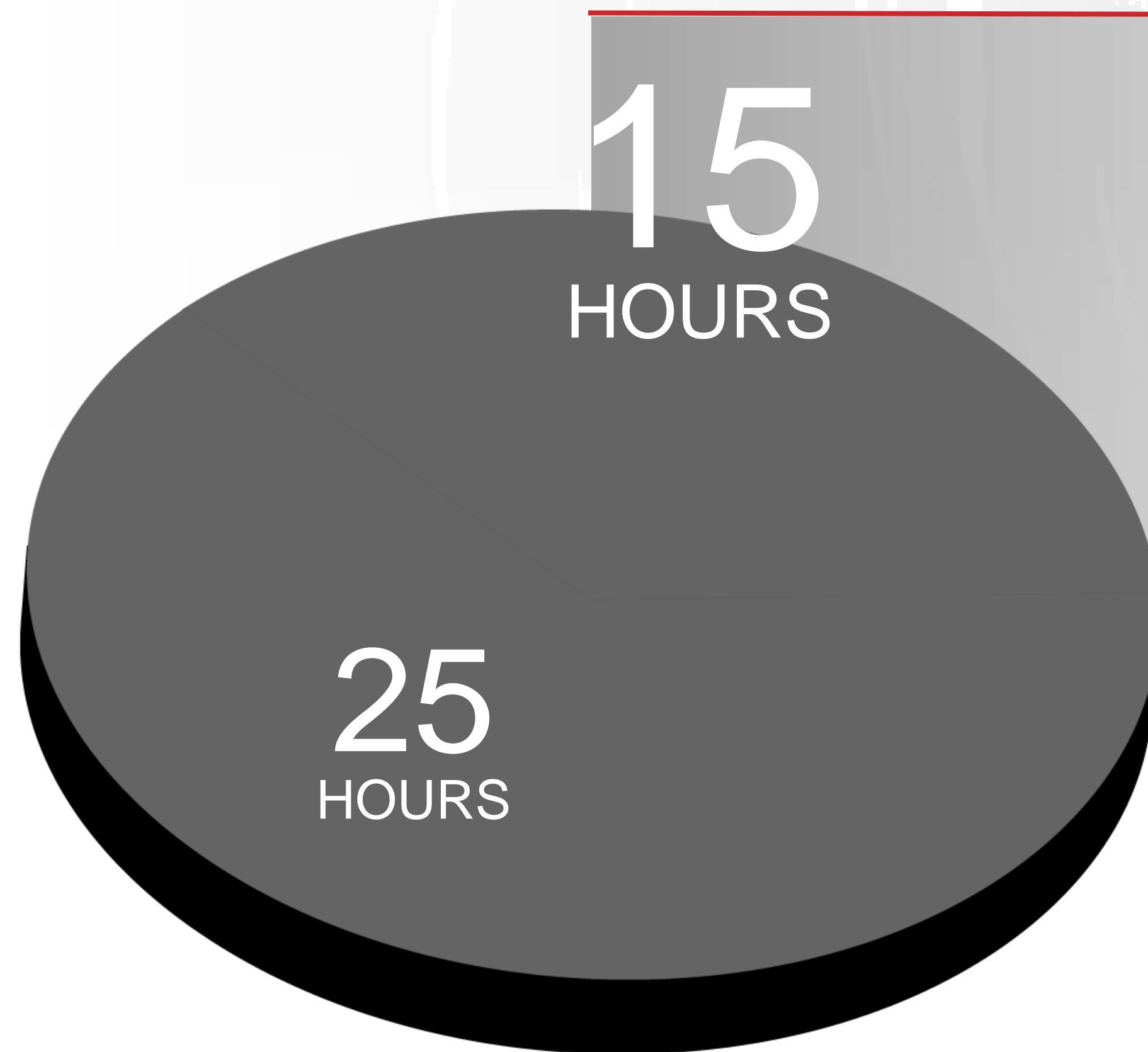
Avg time employees spend on admin tasks in a 40-hour work week.

25 HOURS

Unstructured Messaging
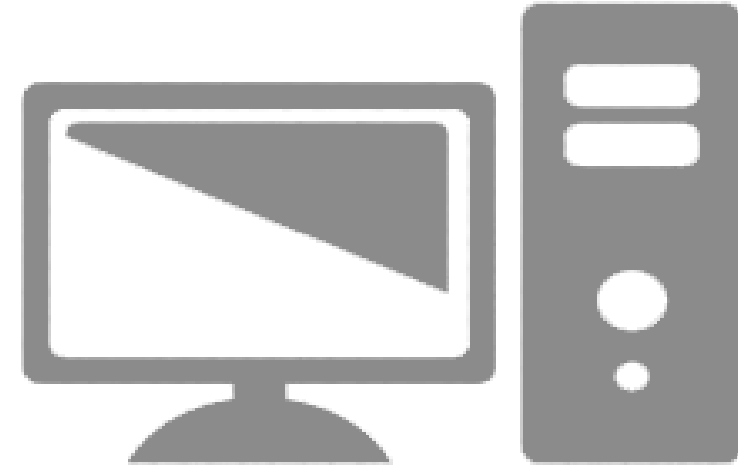
Structured Workflow
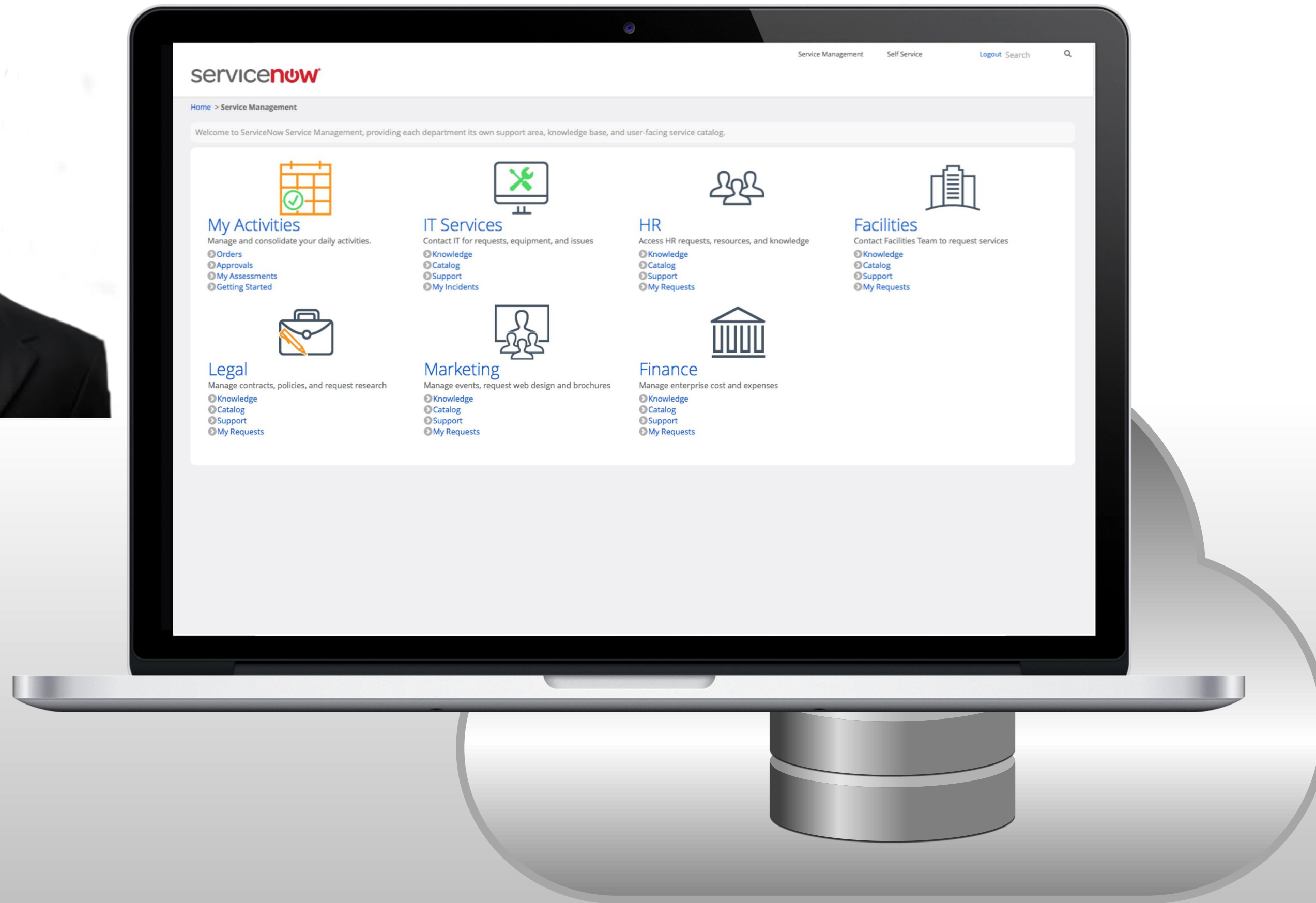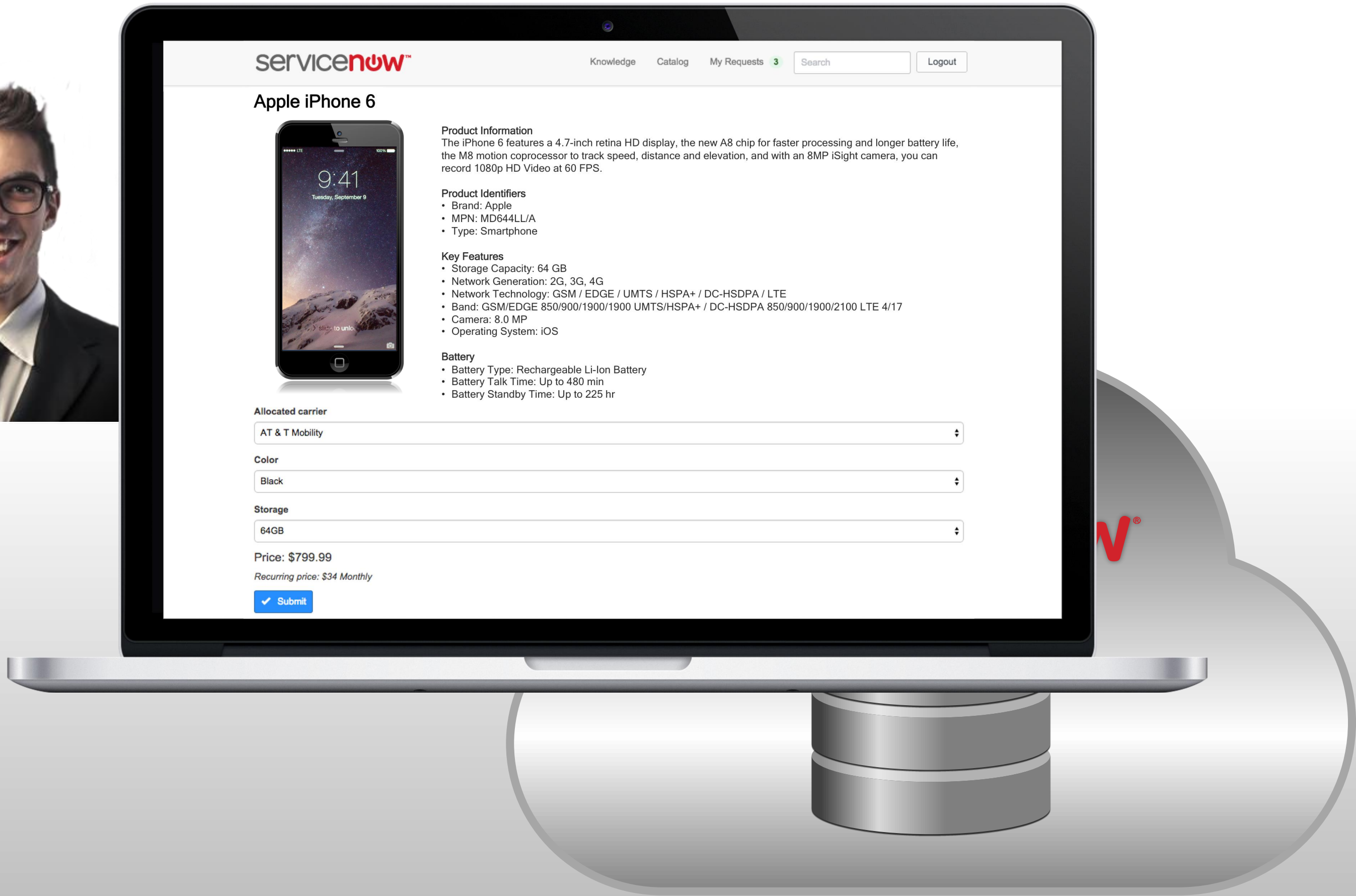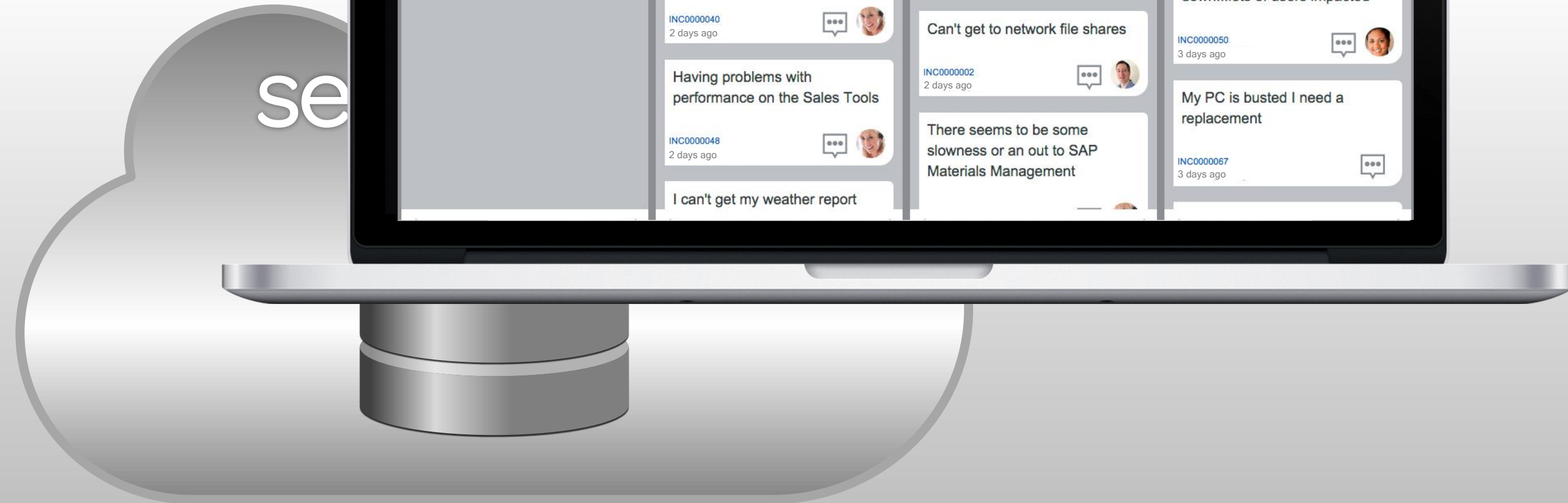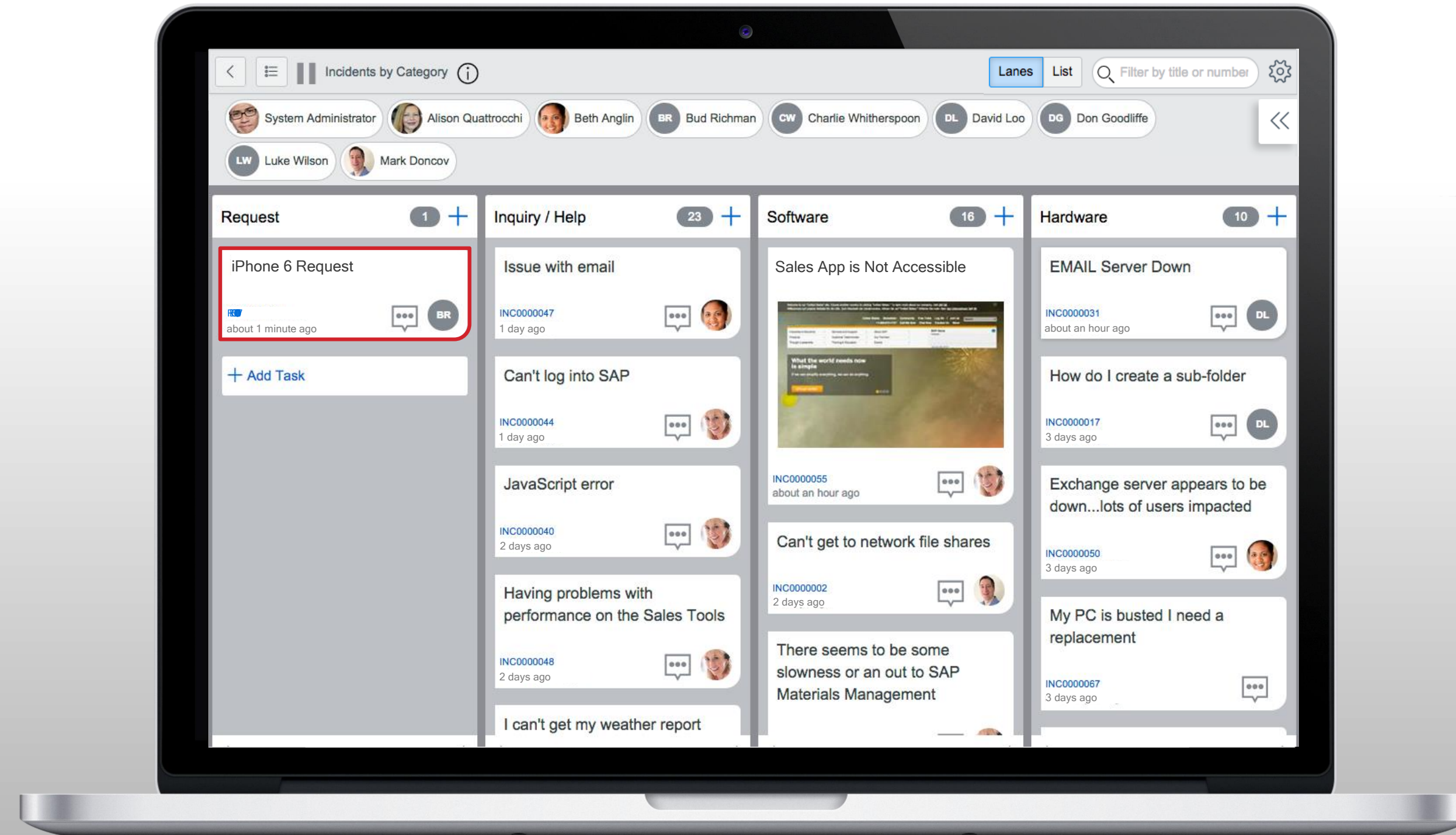
1880s   1960s   1990s

2010s

New Message

Send | Attach | Format | Photo Browser | Show Stationery

To: provider@email.com

Cc:

Subject: iPhone 6 Request – REQ0000004

iPhone 6 Request – REQ0000017

Status
Request received
Routed for approval

Expected Delivery Date
April 28, 2015
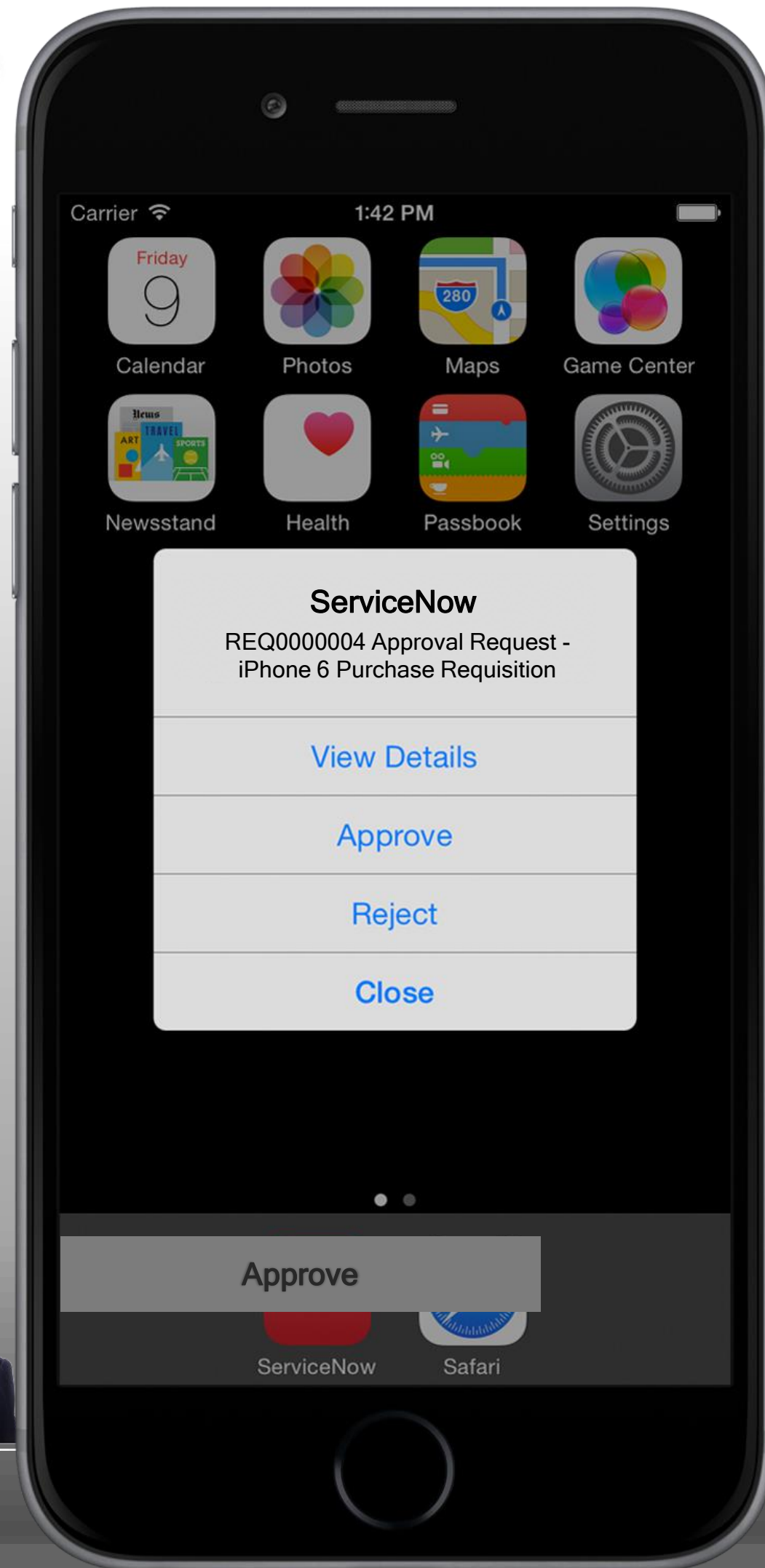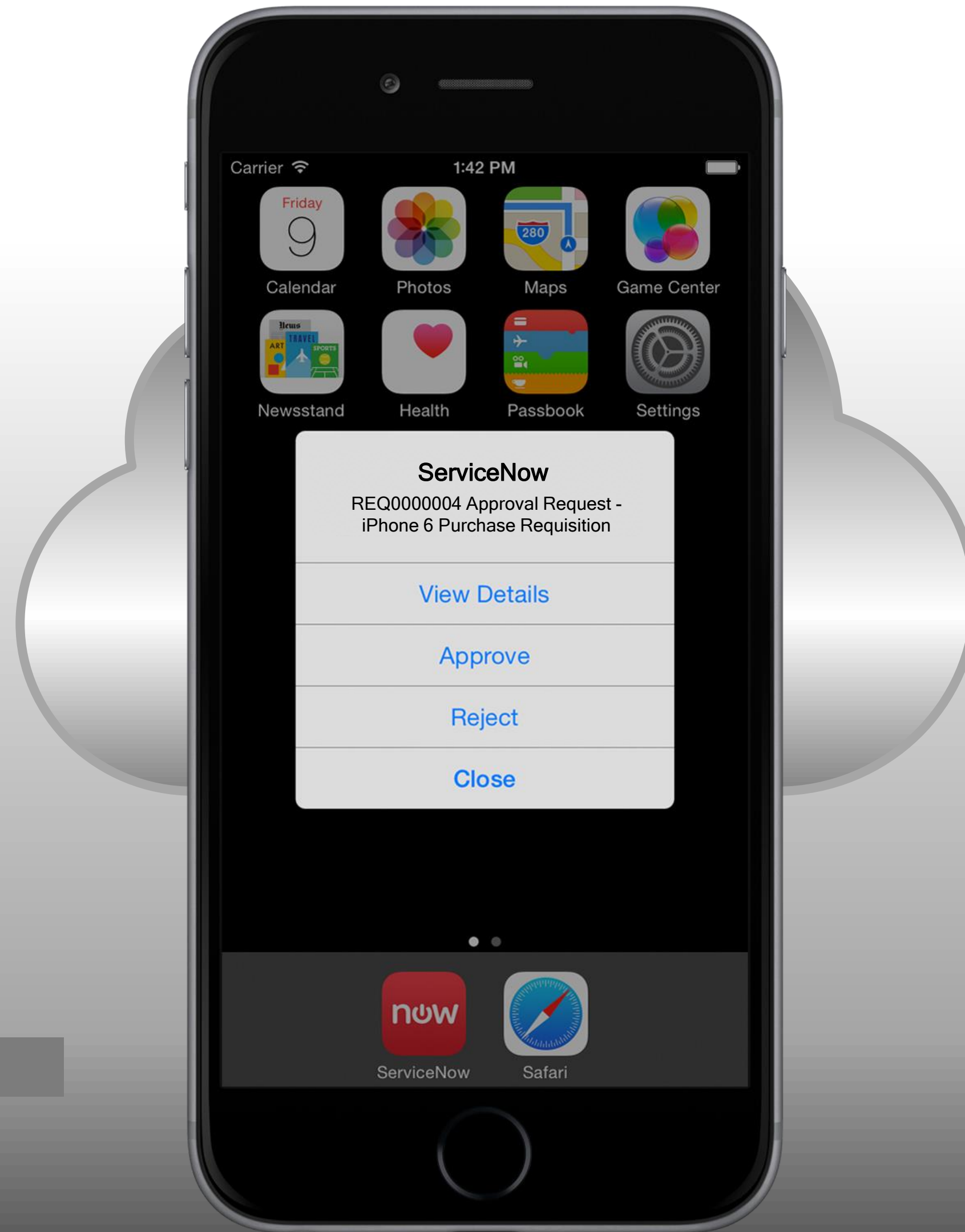
View Details

New Message

Send | Attach | Format | Photo Browser | Show Stationery

To: provider@email.com

Cc:

Subject: iPhone 6 Request – REQ0000017

iPhone 6 Request – REQ0000017

Status

Request approved
*Backordered

Expected Delivery Date

May 5, 2015

View Details

servicenow

| Search | servicenow ⚙ |

| ☰ Requests | New | Go to | Number ▾ | Search | ◀◀ ◀ | 1 | to 20 of 30 | ▶ ▶▶ |

▽ All > Active = true
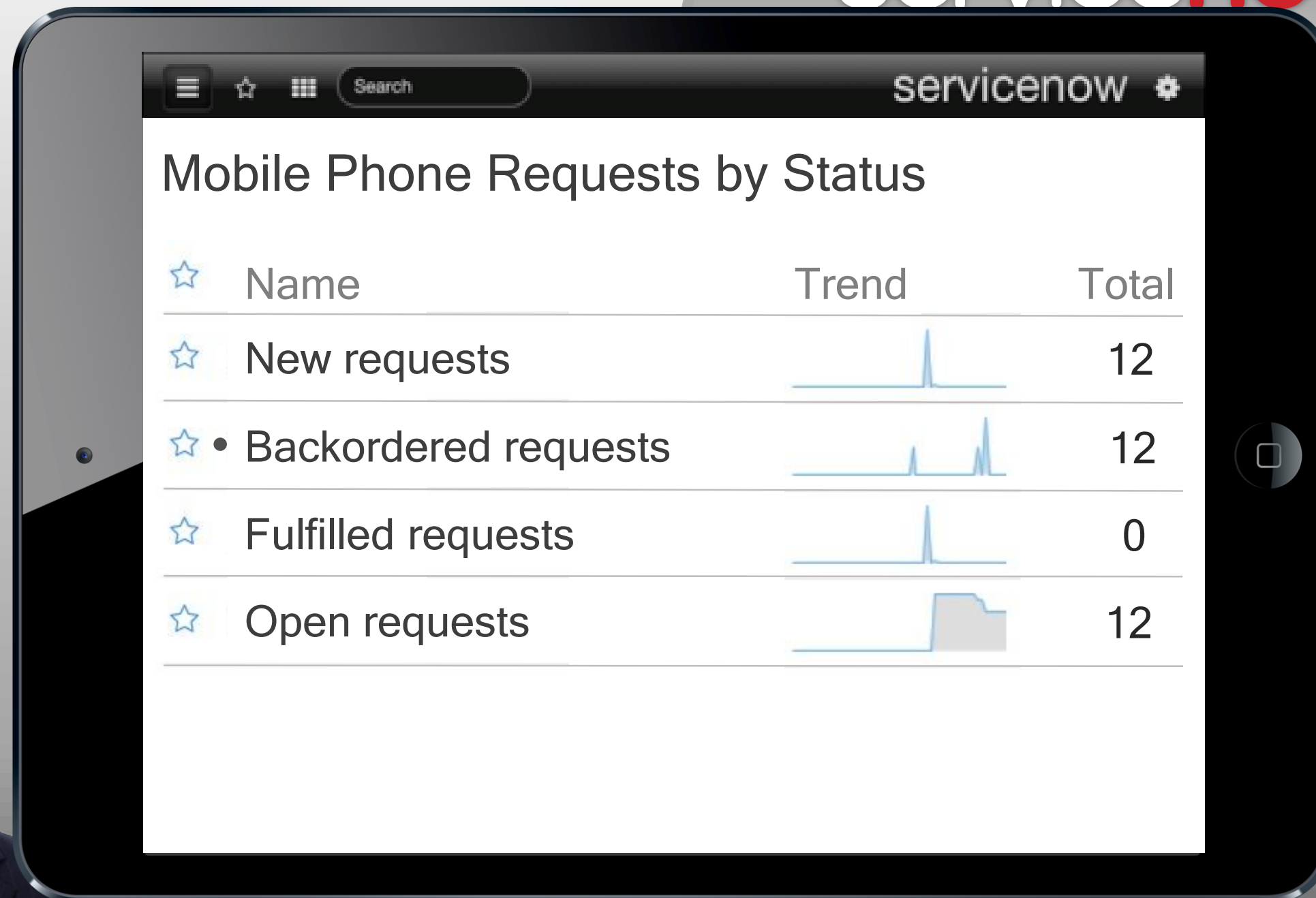
⚙ 🔍	↑ Number	Updated	Short description	Supplier	Category
☐ ⓘ	REQ0000004	1 day ago	hone 6 request	Apple, Inc.	Request
☐ ⓘ	REQ0000005	1 day ago	hone 6 request	Apple, Inc.	Request
☐ ⓘ	REQ0000006	1 day ago	hone 6 request	Apple, Inc.	Request
☐ ⓘ	REQ0000007	23 hours ago	hone 6 request	Apple, Inc.	Request
☐ ⓘ	REQ0000008	23 hours ago	hone 6 request	Apple, Inc.	Request
☐ ⓘ	REQ0000009	23 hours ago	hone 6 request	Apple, Inc.	Request
☐ ⓘ	REQ0000010	12 hours ago	hone 6 request	Apple, Inc.	Request
☐ ⓘ	REQ0000011	9 hours ago	hone 6 request	Apple, Inc.	Request
☐ ⓘ	REQ0000012	5 hours ago	hone 6 request	Apple, Inc.	Request

New Message

Send Attach Format Photo Browser Show Stationery

To: provider@email.com

Cc:

Subject: iPhone 6 Request – REQ0000017

iPhone 6 Request – REQ0000017

Status
Delivery date change

Expected Delivery Date
April 28, 2015
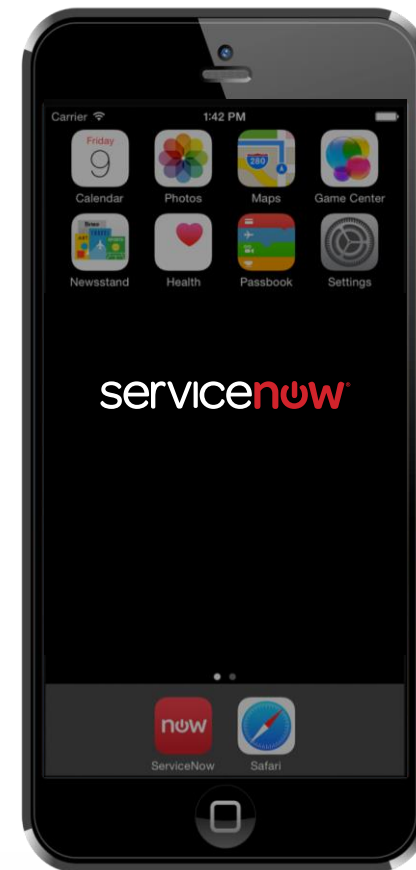
View Details

Please help us improve by taking our short satisfaction survey

Please rate the overall quality of your service:

○ A - Excellent
○ B - Good
○ C - Fair
○ D - Poor

Would you contact the customer support group again if a similar issue arose?

-- choose -- ○

How would you rate the technician who took your call? (1 - not helpful at all, 5 - extremely helpful)

Submit   Save   Cancel

Please help us improve by taking our short satisfaction survey

Please rate the overall quality of your service:

○ A - Excellent
○ B - Good
○ C - Fair
○ D - Poor

Would you contact the customer support group again if a similar issue arose?

Yes

How would you rate the technician who took your call? (1 - not helpful at all, 5 - extremely helpful)

5

Submit   Save   Cancel
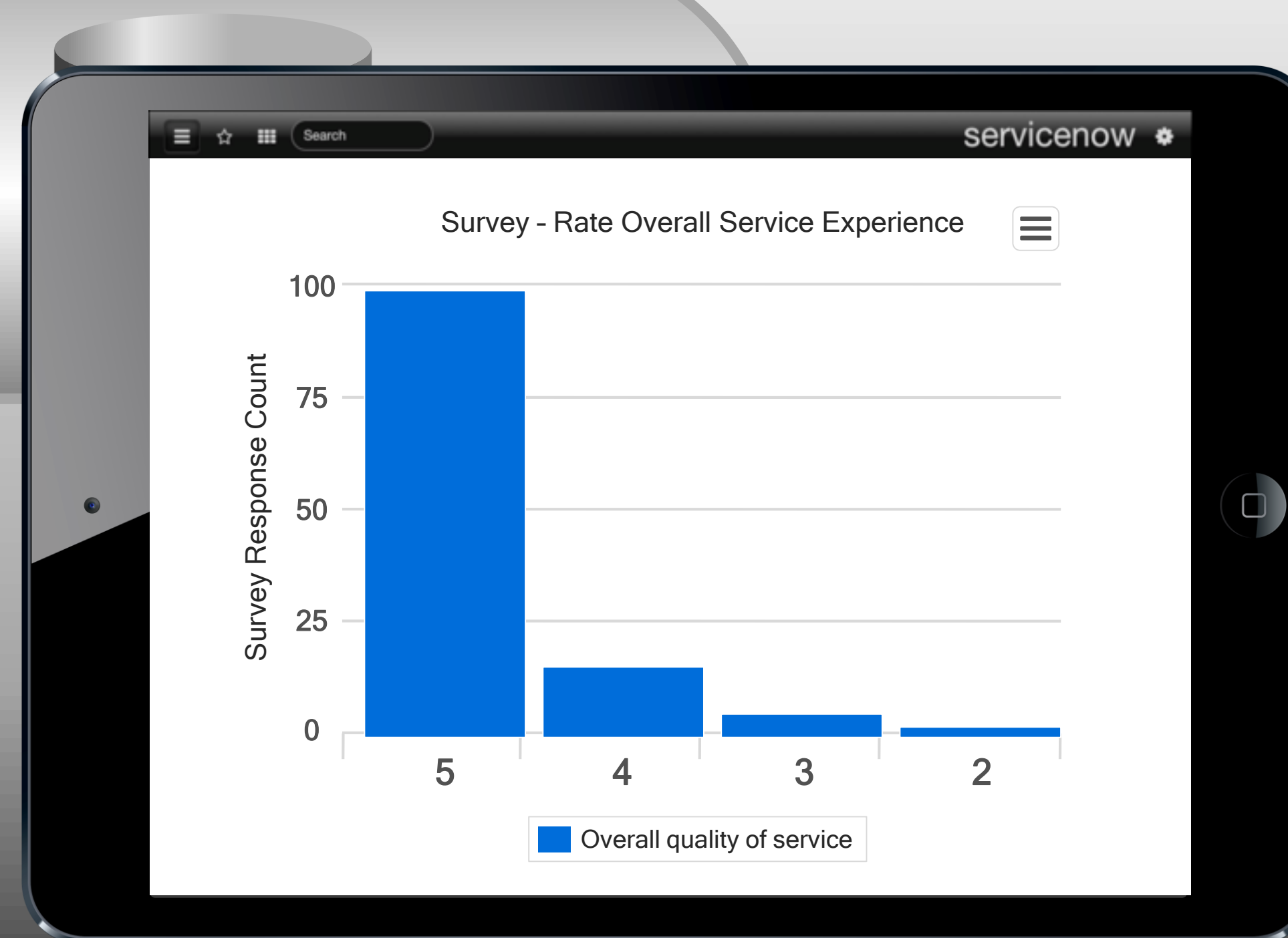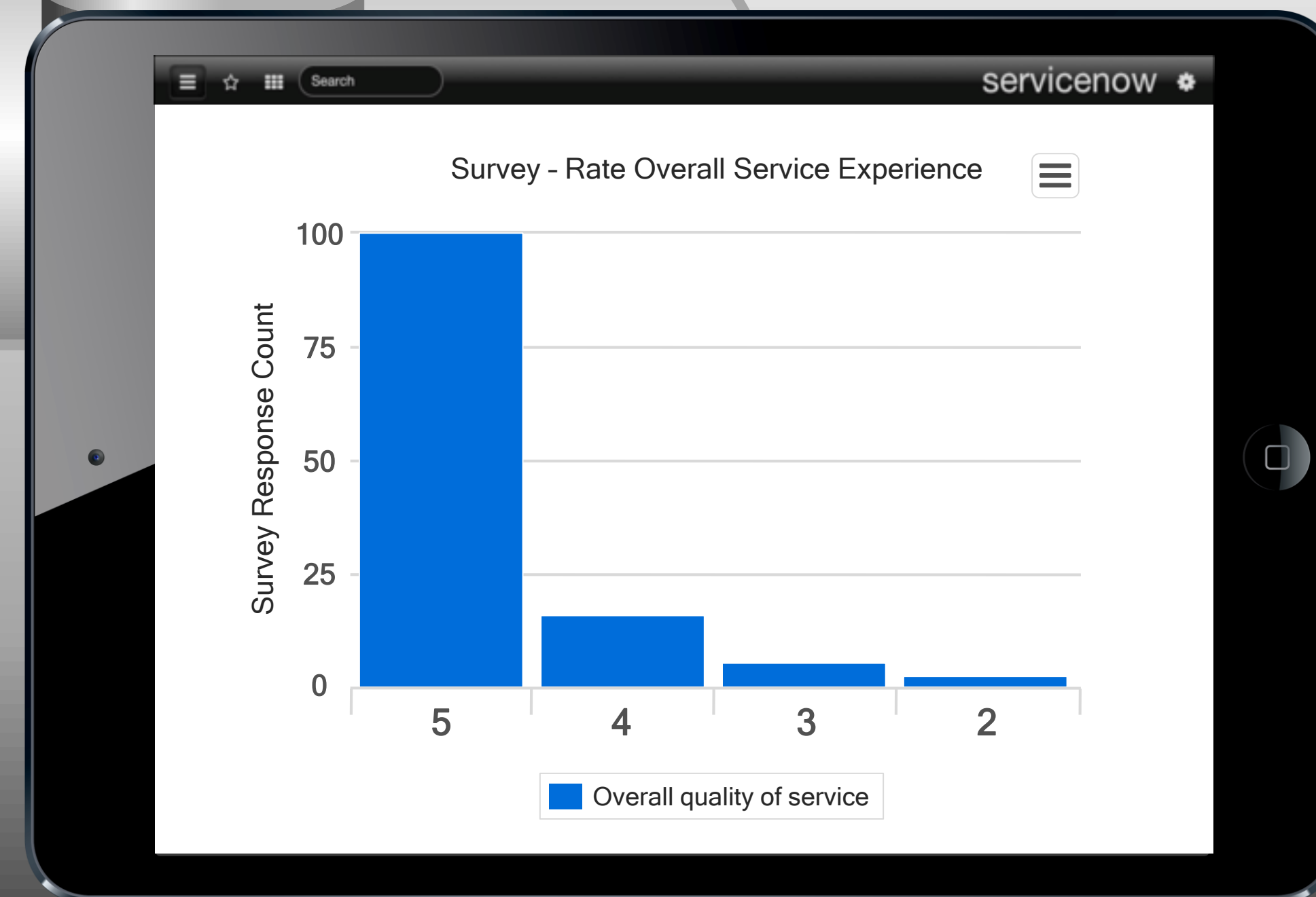
The Real-Time Dimension

IT Services · Business Services · B2B Services · Consumer Services

COST EFFECTIVE? · OPERATIONAL? · GOVERNED?
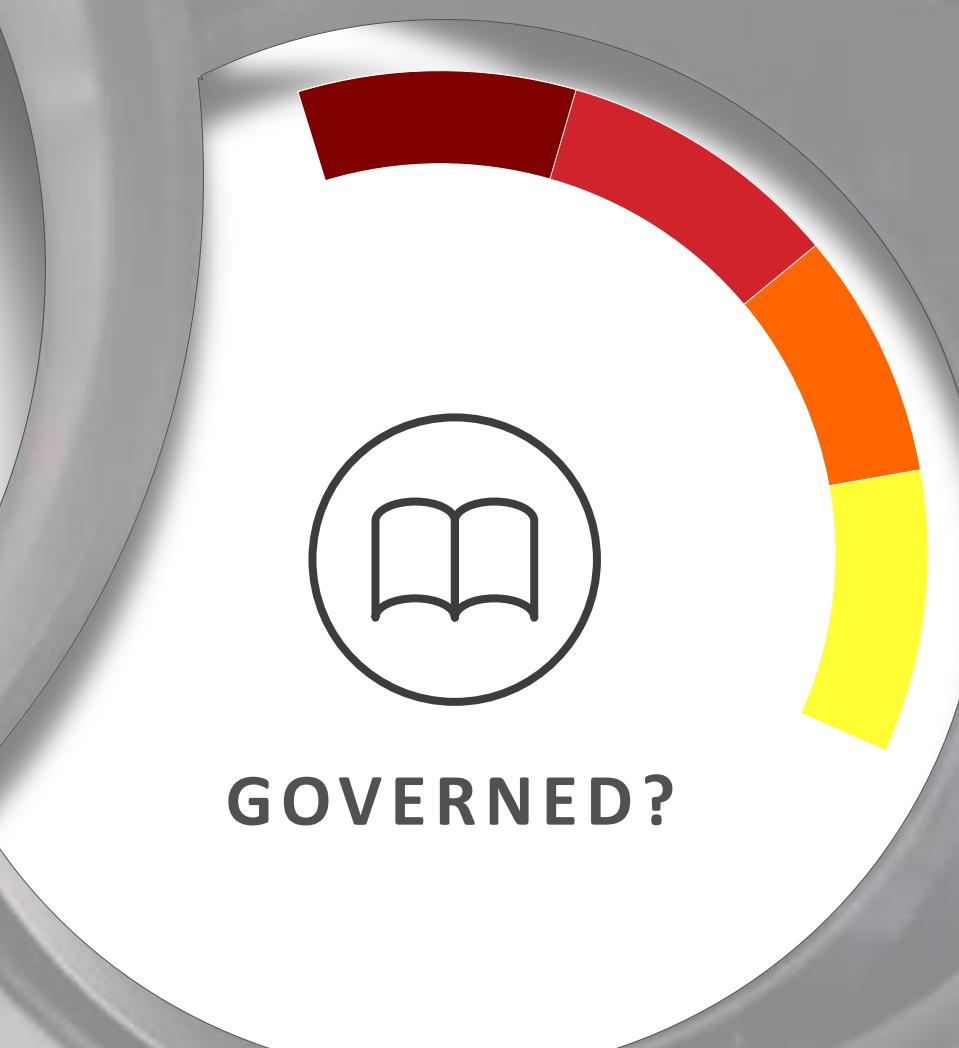
Market Dynamics

IT Services   Business Services   B2B Services   Consumer Services

Managing Service Relationships → Managing Customer Relationships
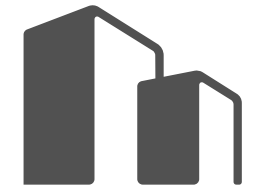
Market Dynamics
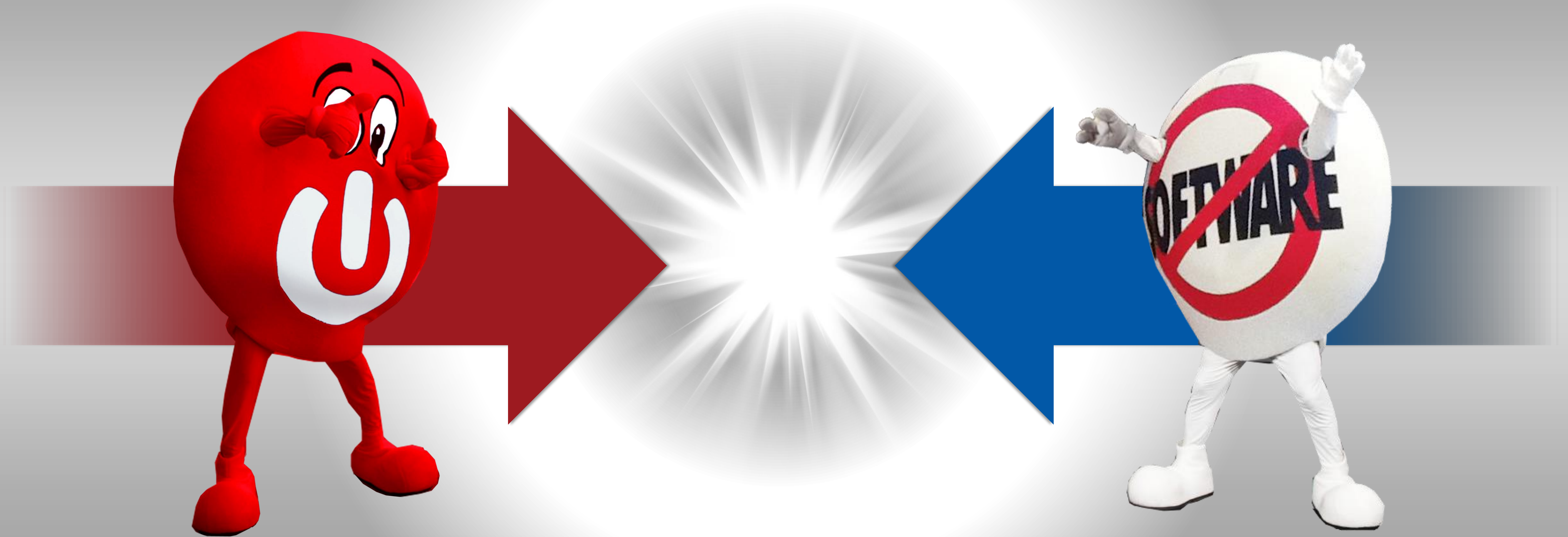
IT Service Management

Service Management

The Enterprise Cloud

Dan McGee

Chief Operating Officer
ServiceNow

The Opportunity

Where Enterprise Apps Are Hosted Today
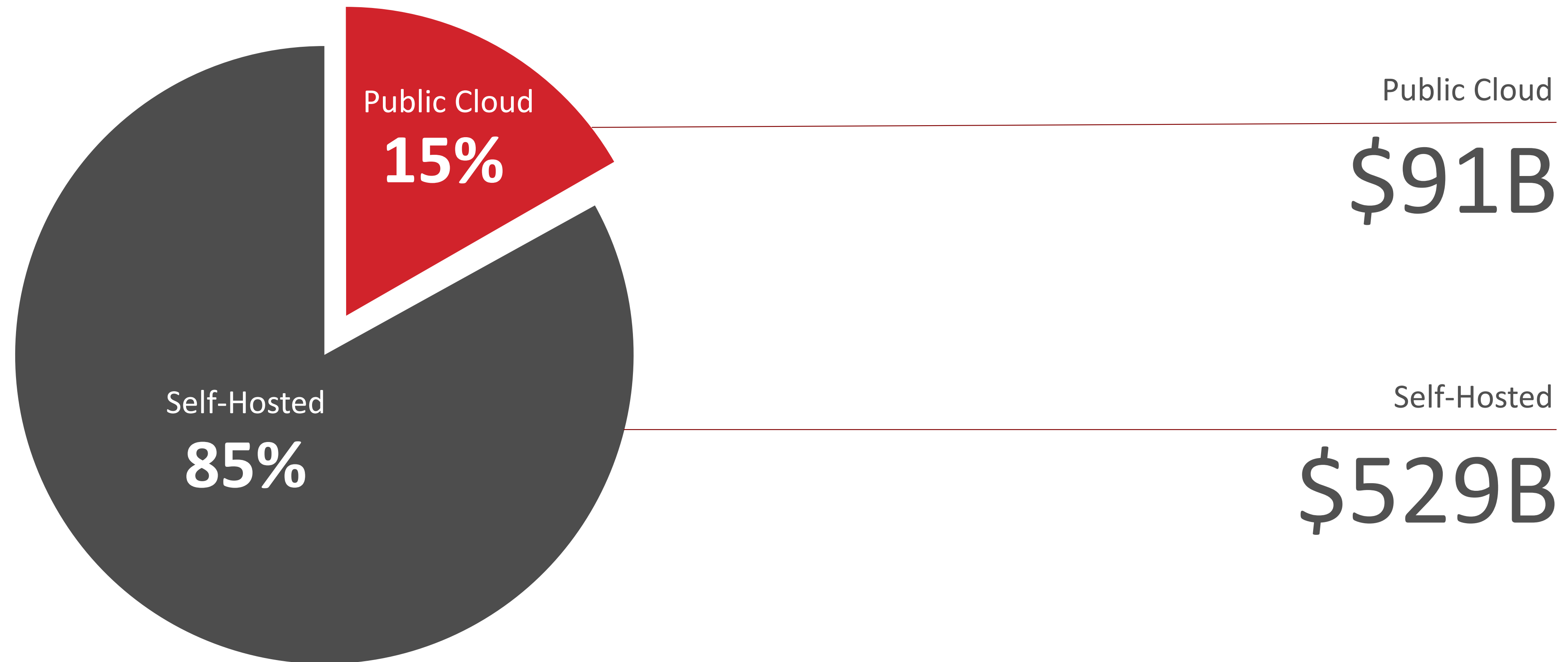
Public Cloud
15%

Self-Hosted
85%

Public Cloud

$91B

Self-Hosted

$529B

ebay

YAHOO!

salesforce

The Evolution of Cloud

Community Served

1st GENERATION

2nd GENERATION

3rd GENERATION

ServiceNow Multi-Instance

Multi-Tenant

Multi-Tenant with many pods

2000's

2010's

Fault Isolation and Maintenance Flexibility

Availability
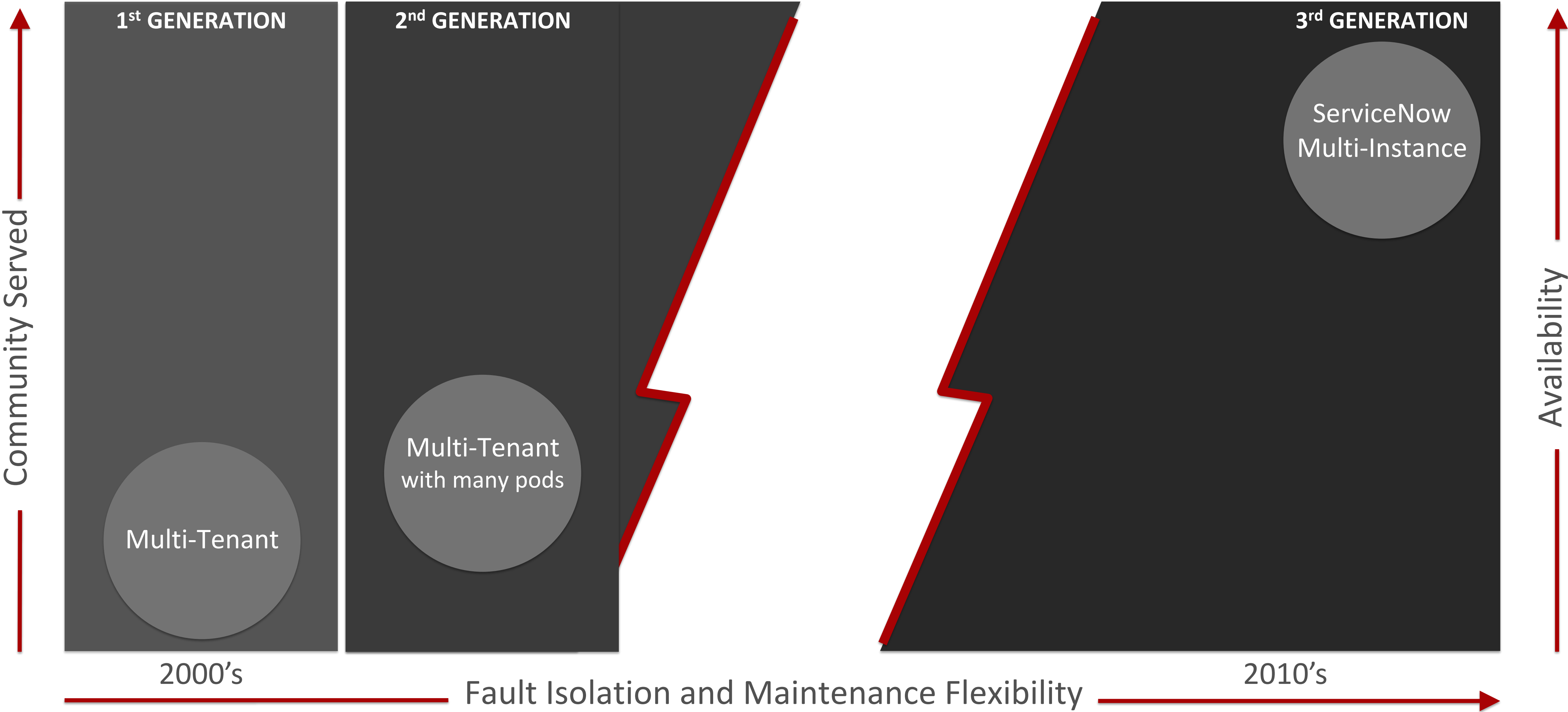
3 Generations of Cloud

1st GENERATION
Multi-Tenant

All customers
on the same database

Primary

Fallover
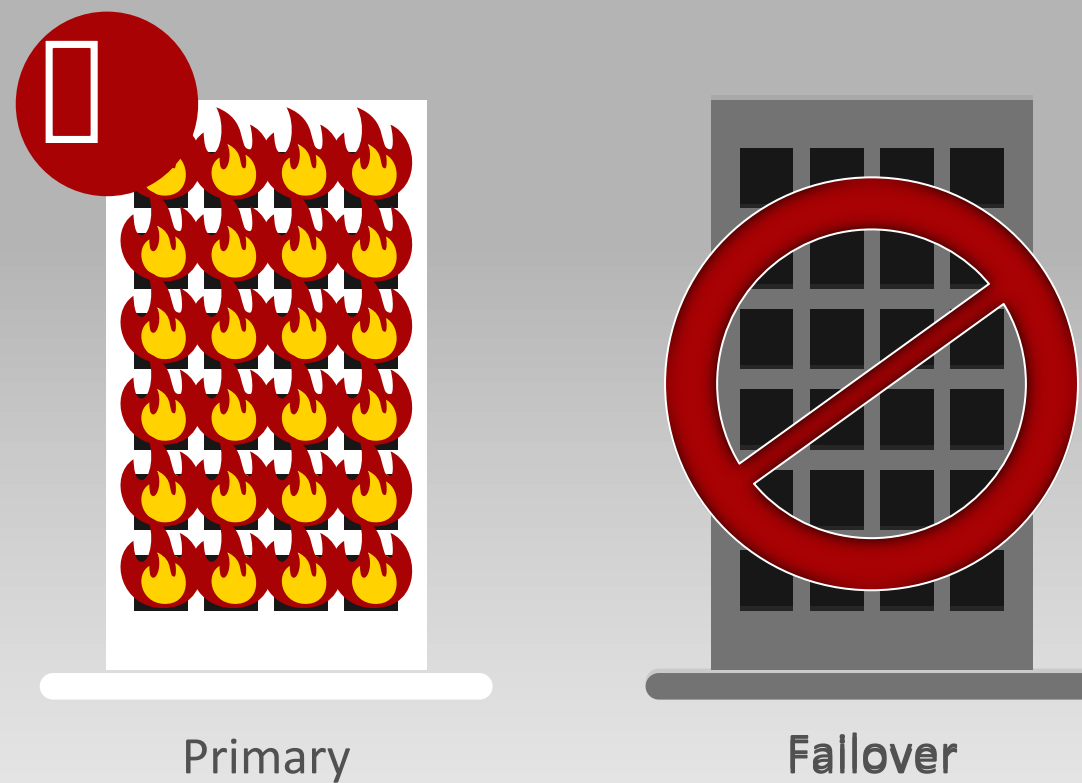
- 100% customers impacted
- Long maintenance windows
- Break/fix in place
- Scalability limits
- Group metrics only

2nd GENERATION
Multi-Tenant with Many Pods

Hundreds of customers
on the same database

Primary Pod A

Failover A

Primary Pod B

Failover B
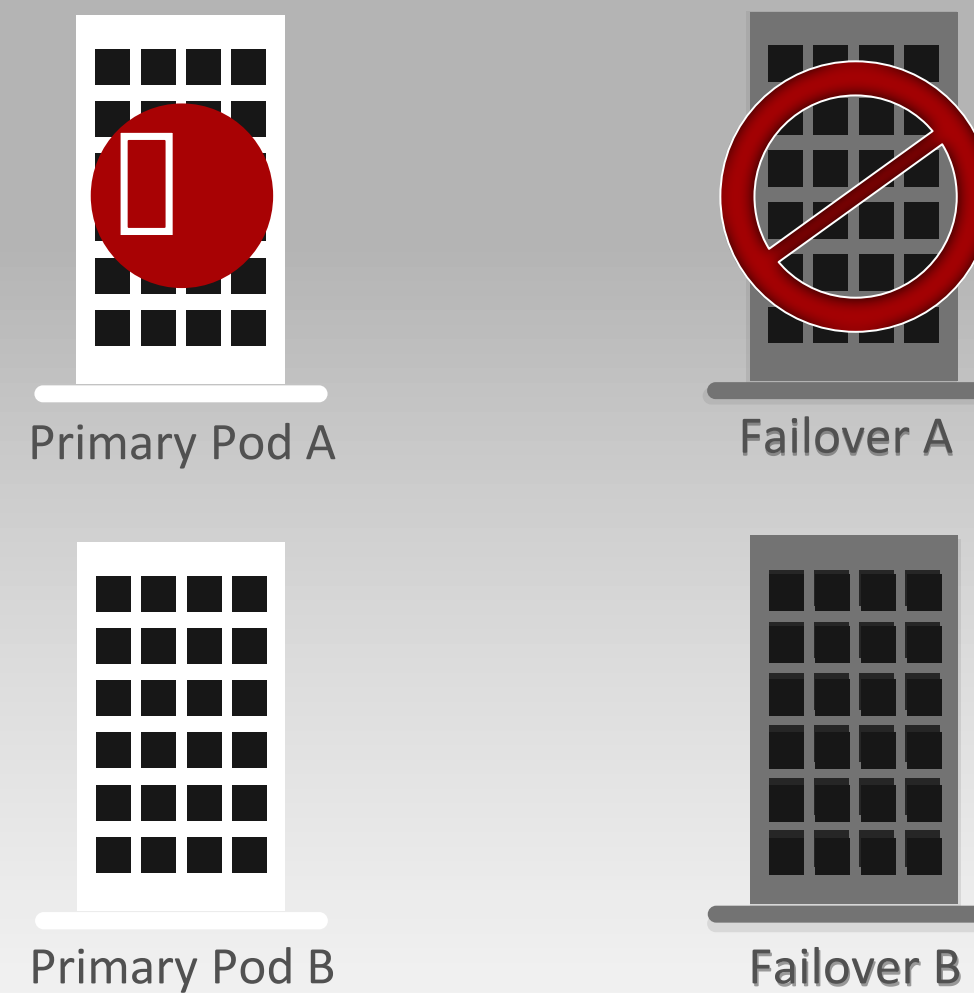
- All customers in Pod impacted
- Long maintenance windows
- Break/fix in place
- Group metrics only

3rd GENERATION
ServiceNow Multi-Instance

Dedicated database for every customer
(no sharing)

- Isolated customer impact
- Very short maintenance windows
- Failover during break/fix
- Unlimited scalability and quota
- Instance-specific metrics

The Evolution of Cloud

Enterprise	servicenow	amazon web services	Microsoft Azure
Department	salesforce	workday	NETSUITE	CONCUR	Jobvite
Consumer	Linked in	Facebook	YouTube	Google

Worldwide Footprint Required for Data Sovereignty

Worldwide Footprint Required for Data Sovereignty

	servicenow	workday	amazon web services	salesforce	NETSUITE	CONCUR	Jobvite
Asia	☁☁	☁☁	☁	☁	☁	☁	☁
Australia	☁☁						
Brazil	☁☁						
Canada	☁☁						
Europe	☁☁	☁	☁	☁	☁	☁	☁
Switzerland	☁☁						
United States	☁☁	☁☁	☁☁	☁☁	☁☁	☁	☁
U.S. FISMA	☁☁						
TOTAL	16	5	4	4	4	3	3

☁☁ Redundant Pair

11,242,163

Instances Under Management

Total Instances

15,694

12,085

7,100

Apr '13   Apr '14   Dec '14

Provisioned in Q4 2014

2,407

Automating Change Management

15,000

Avg changes per month

Change Quarterly Trend

Storage

Customer Transactions per Month

Dec 2014 5,038,000,000

Apr 2014 3,610,194,105

Dec 2013 3,440,000,000

Average Transactions per Customer per Month

salesforce.com® — 530,000

NETSUITE — 560,000

servicenow® — 1,948,334

SECURITY EXCELLENCE
NOT OPTIONAL

NORSE

ATTACK ORIGINS

#	▢	COUNTRY
844		China
460		United States
96		Russia
91		Saudi Arabia
80		Mil/Gov
57		Japan
41		France
38		South Korea
		Germany

ATTACK TARGETS

#	▢	COUNTRY
1447		United States
242		Philippines
118		Saudi Arabia
116		Russia
76		France
34		Taiwan
32		Hong Kong
22		Cyprus
		Germany

ATTACK TYPES

#	●	SERVICE	PORT
276		mysql	3306
138		ddi-udp-1	8888
80		http	80
75		telnet	23
71		snmp	161
70		netbios-dgm	138

LIVE ATTACKS

	ATTACKER			TARGET	TYPE	
TIMESTAMP	ORGANIZATION	LOCATION	IP	LOCATION	SERVICE	PORT
2015-04-10 05:43:53.36	CHTD, Chunghwa Telecom	unknown, Taiwan		unknown, Philippines	ms-sql-s	
2015-04-10 05:43:53.67	Georgia Institute of	Marietta, United States		Seattle, United States	ssh	
2015-04-10 05:43:54.38	China United Network	Beijing, China		Saint Louis, United	pop3	
2015-04-10 05:43:54.68	Internap Network Services	Washington, United		Saint Louis, United	unknown	
2015-04-10 05:43:54.92	Korea Telecom	Incheon, South Korea		Seattle, United States	unknown	
2015-04-10 05:43:55.28	Georgia Institute of	Marietta, United States		Seattle, United States	ssh	
2015-04-10 05:43:55.68	VTX Services SA	Boudry, Switzerland		Kirksville, United States	ms-wbt	

Security – Laser Focus on One Service

Typical Customer Environment

Office

ERP

Finance

Email

Contract

Collaboration

HCM

Governance

Documents

CRM

SFA

Talent

Payables

Dev

Website

Community

Recruiting
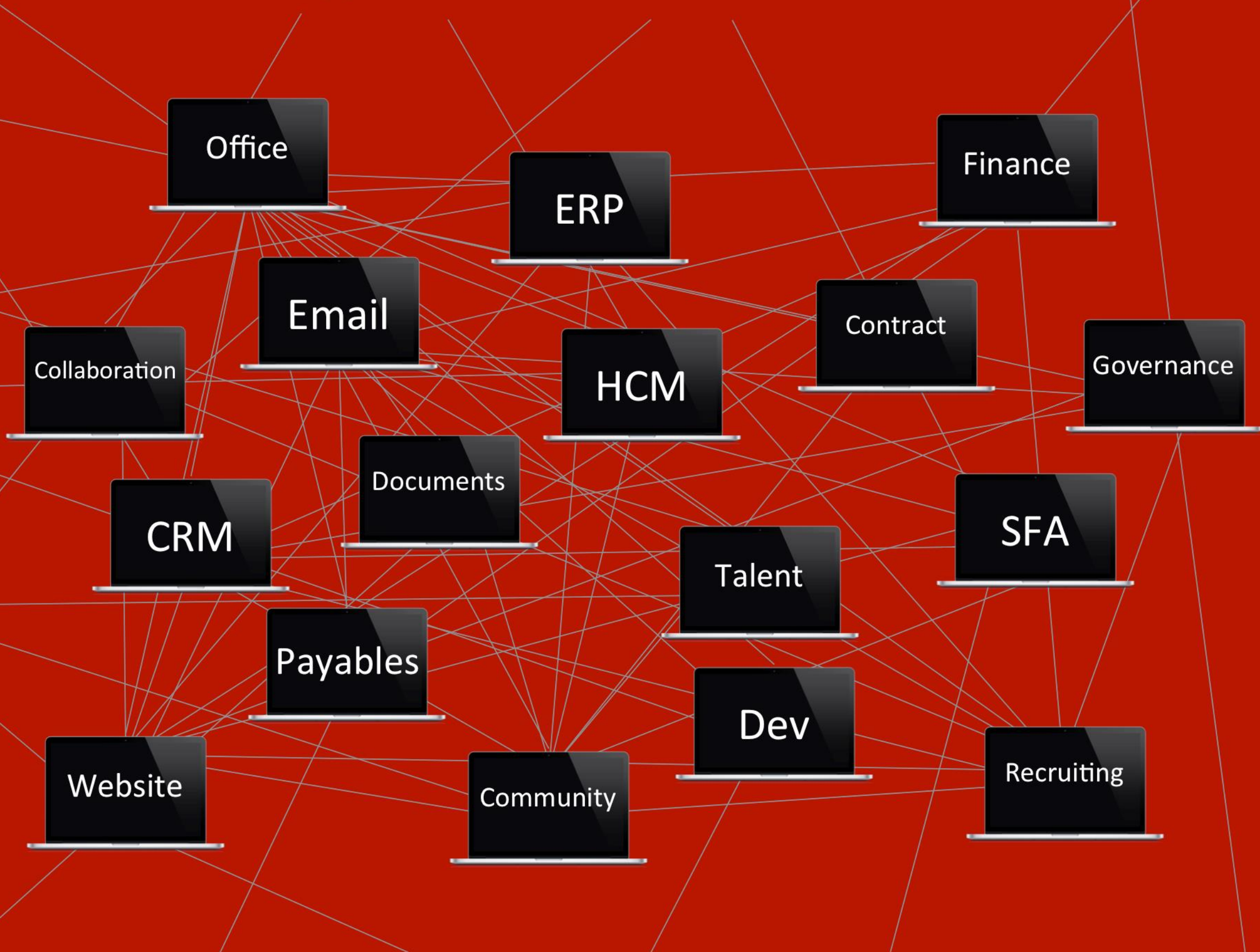
100's of disparate systems
100's of interface paths

ServiceNow Environment

servicenow
Instances

One homogeneous environment
One interface path

YOU CANNOT FLY BLIND IN THE ENTERPRISE CLOUD

ServiceNow Enterprise Cloud – Measured Availability

Q3 2012 – Q1 2015
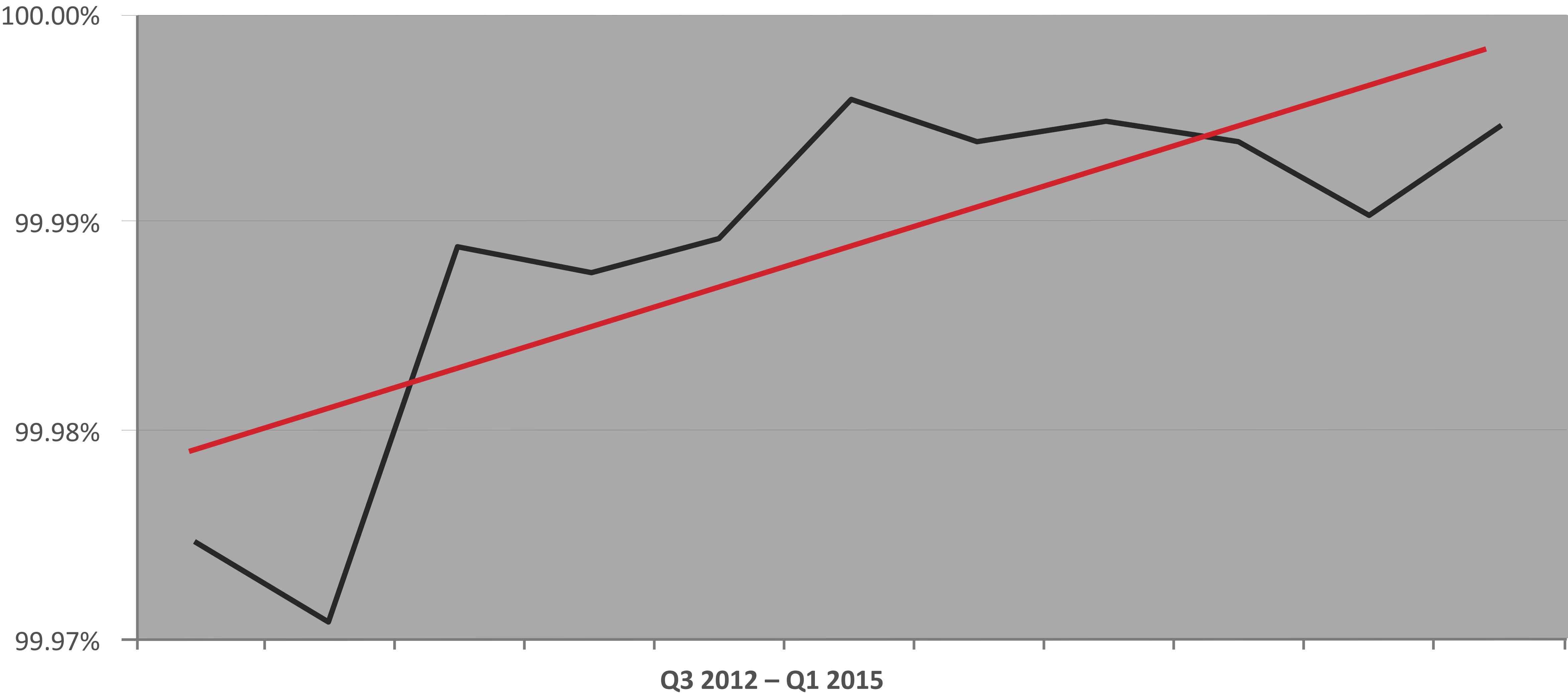
ServiceNow – Defining New Availability Standards

	servicenow	workday	amazon web services	salesforce	NETSUITE	CONCUR	Jobvite
Average Uptime %	99.995%	99.500%*	99.950%*	99.980%	99.960%	99.000%*	99.900%*
Quarterly Planned Maintenance	6 hours	68 hours	6.5 hours	68 hours	10 hours	65 hours	39 hours
Total Availability %	**99.720%**	**96.400%**	**99.652%**	**96.866%**	**99.502%**	**96.024%**	**98.114%**
Recovery Time Objective (RTO)	2 hours	12 hours	Not Published	12 hours	Not Published	Not Published	Not Published
Global Data Centers	Total: 16 Paired: 8	Total: 5 Paired: 2	Total: 4 Paired: 1	Total: 4 Paired: 2	Total: 4 Paired: 1	Total: 3 Paired: 0	Total: 3 Paired: 0

*SLA uptime. Actuals not published.
**Total Availability % calculated by combining the quarterly planned maintenance and average uptime%
Logos shown are trademarks or registered trademarks of their respective owners and not ServiceNow.

Are These Systems Up?

"Not sure what you're experiencing... Our cloud is up! We continue to meet our availability."

Availability

Cloud Provider Perspective

Customer Perspective

Legacy Cloud Provider Support Desk
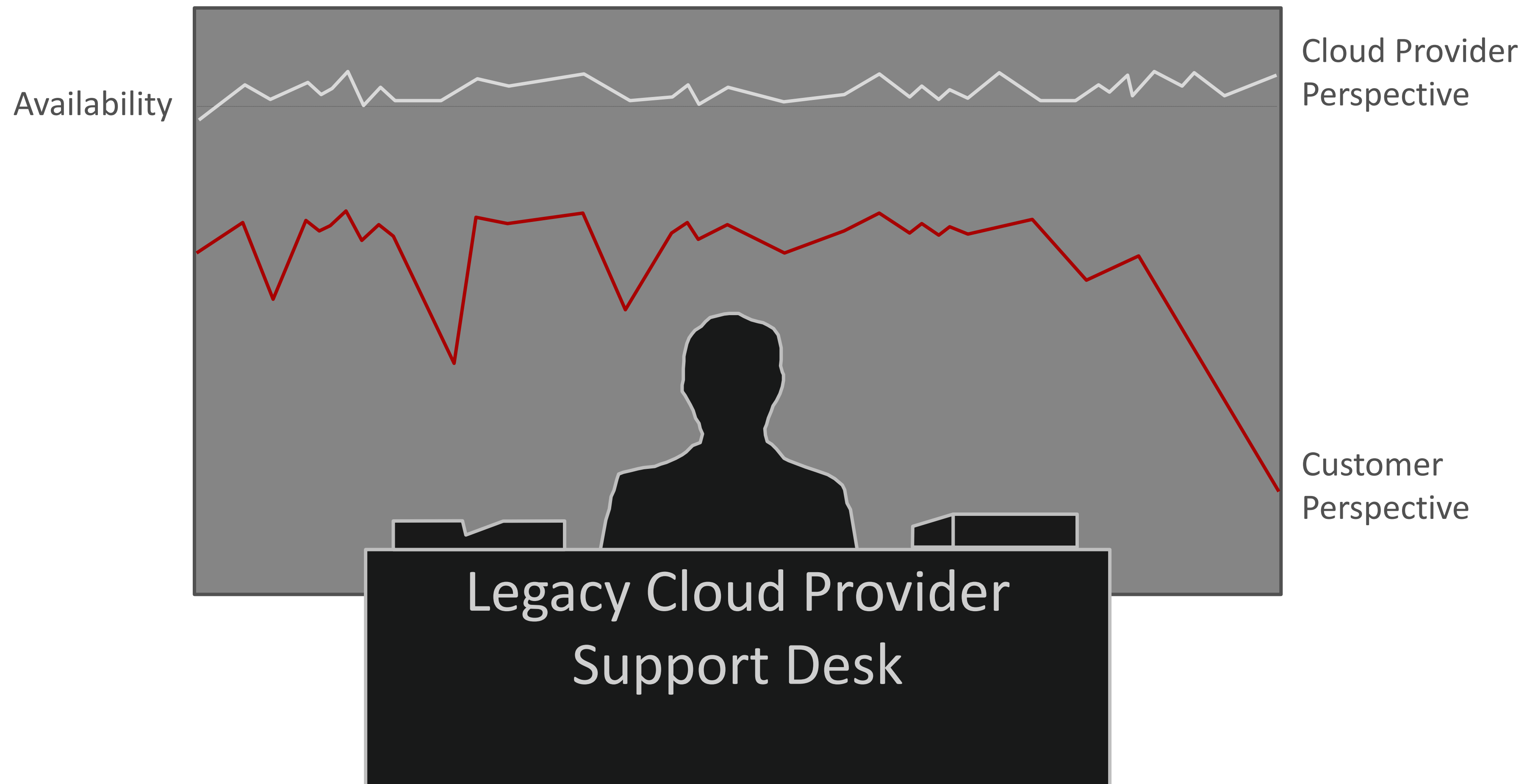
Cloud Availability & Transparency
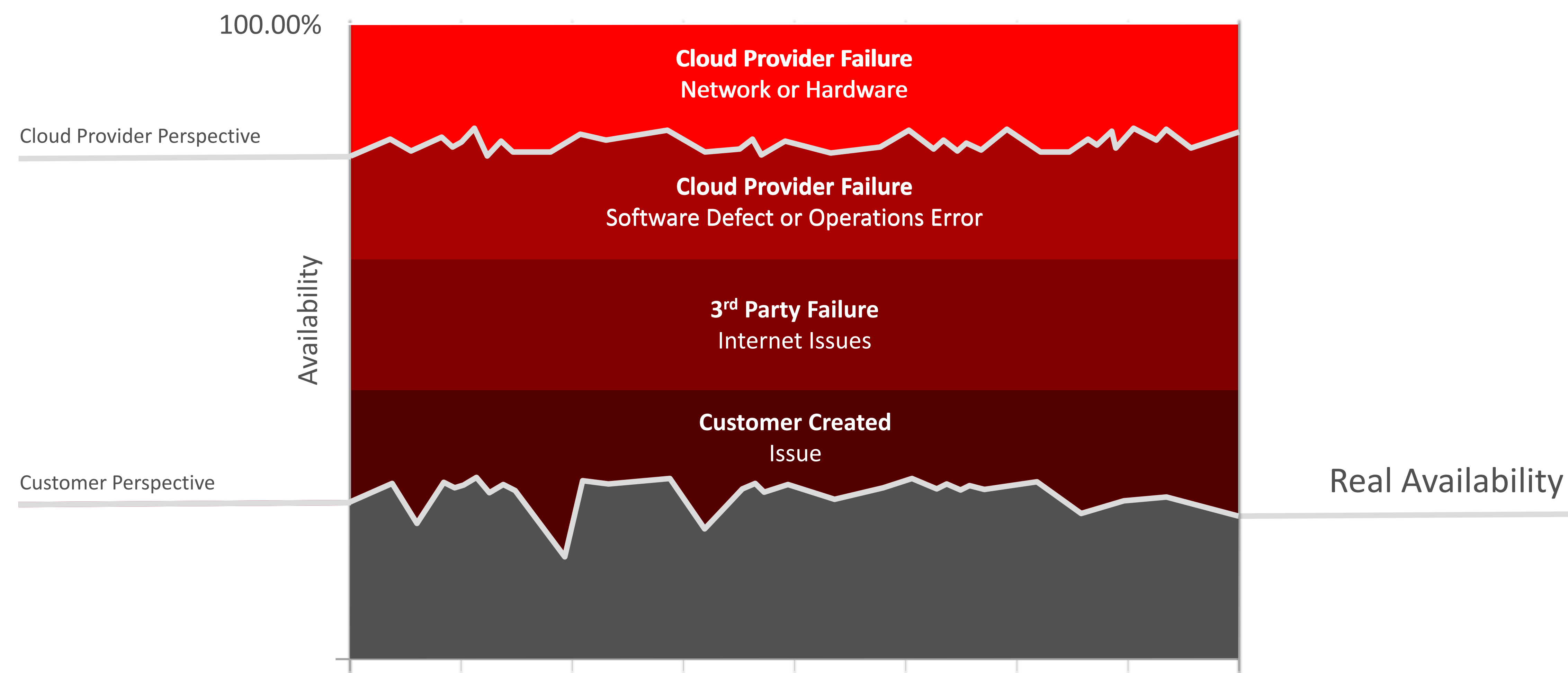
Real Availability Issue Distribution

27%
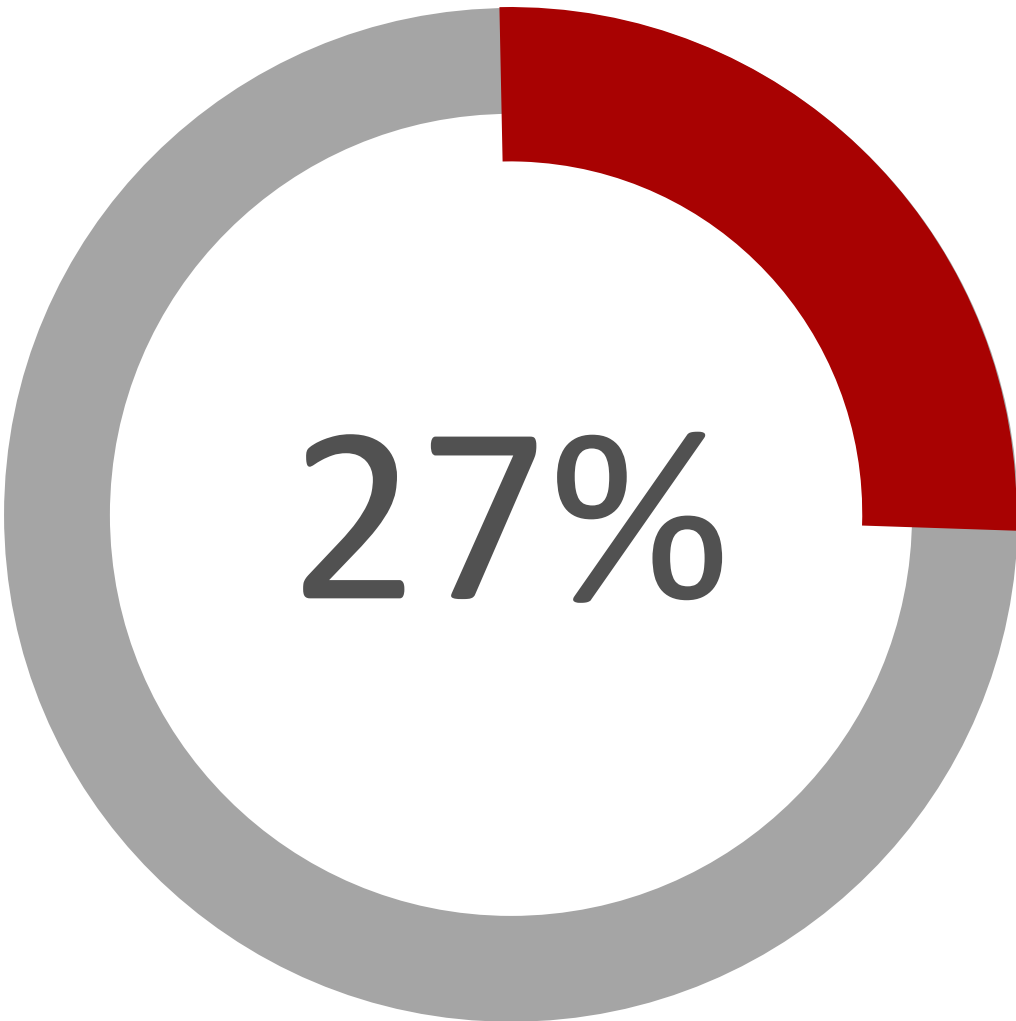
SaaS provider failure
network or hardware

28%
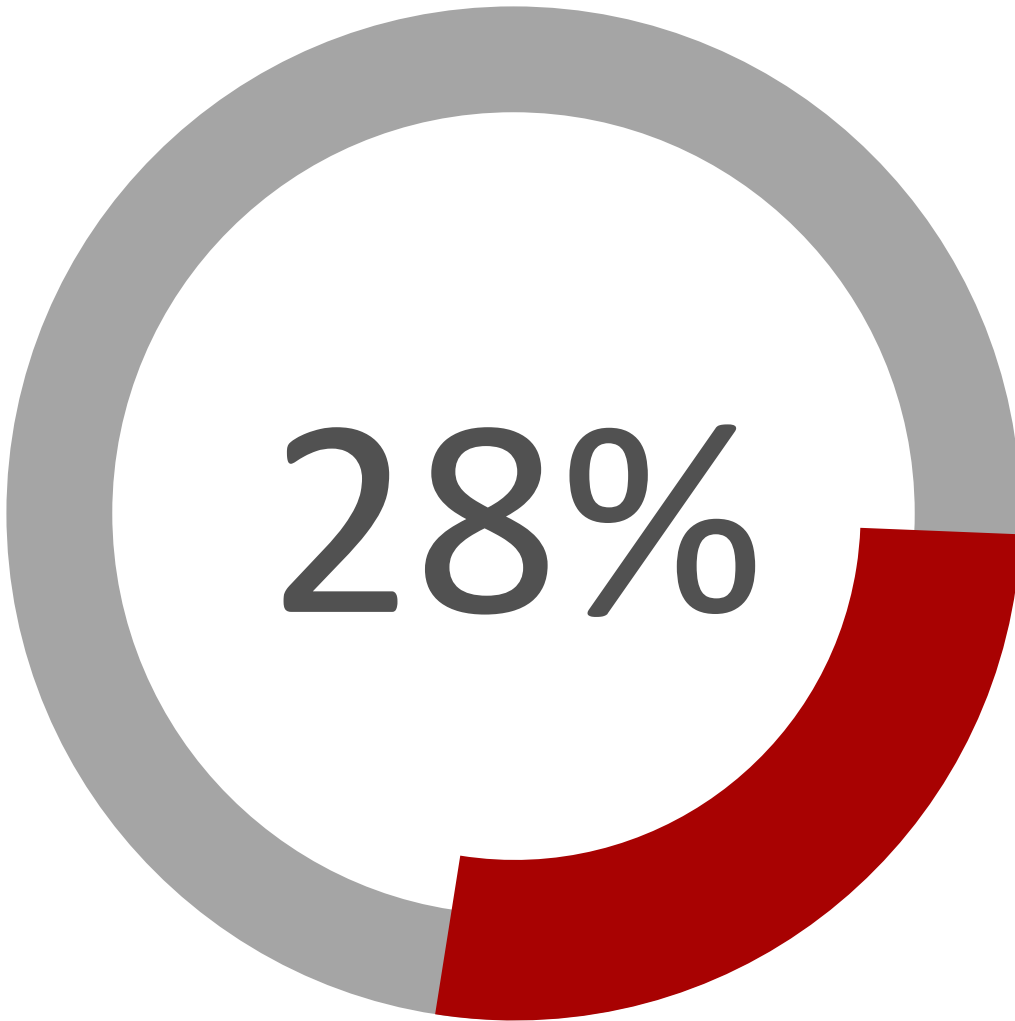
SaaS provider failure
software defect or op error

4%

3rd Party
issue

42%
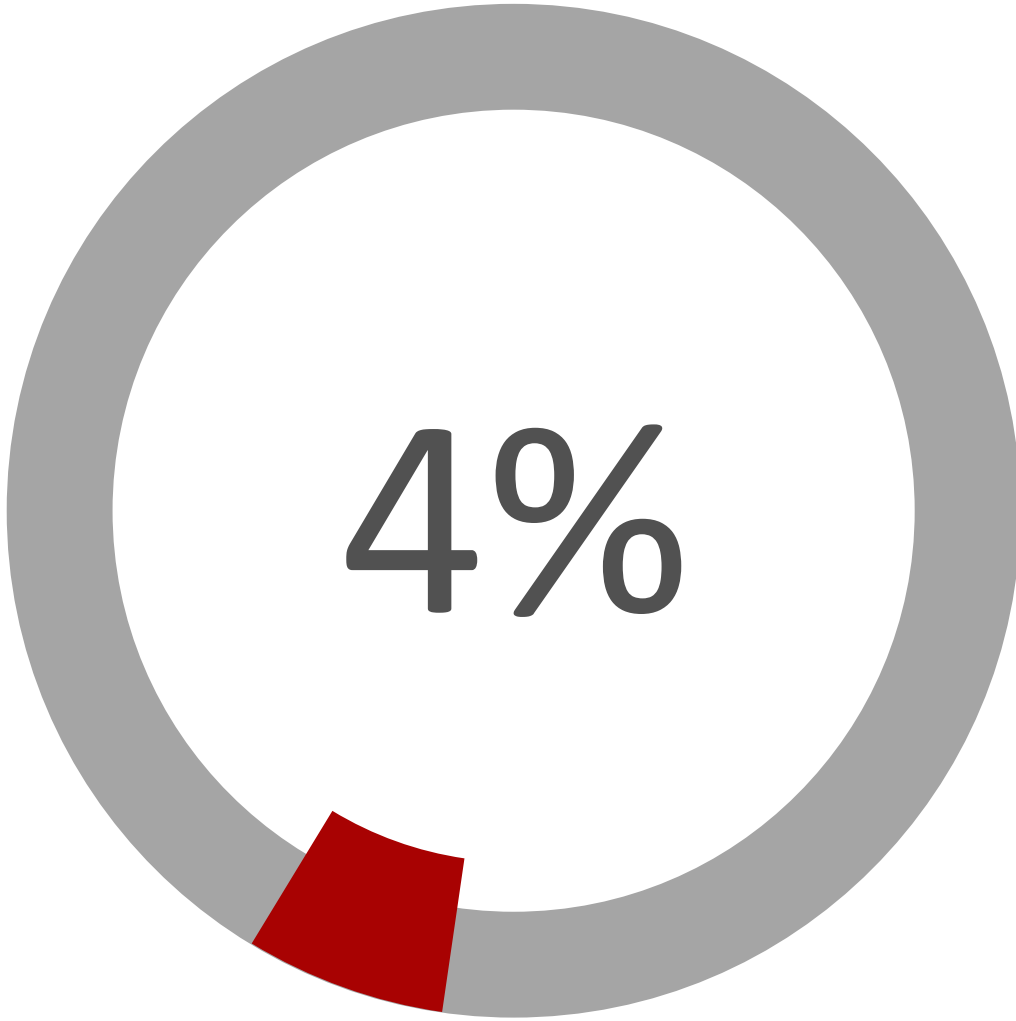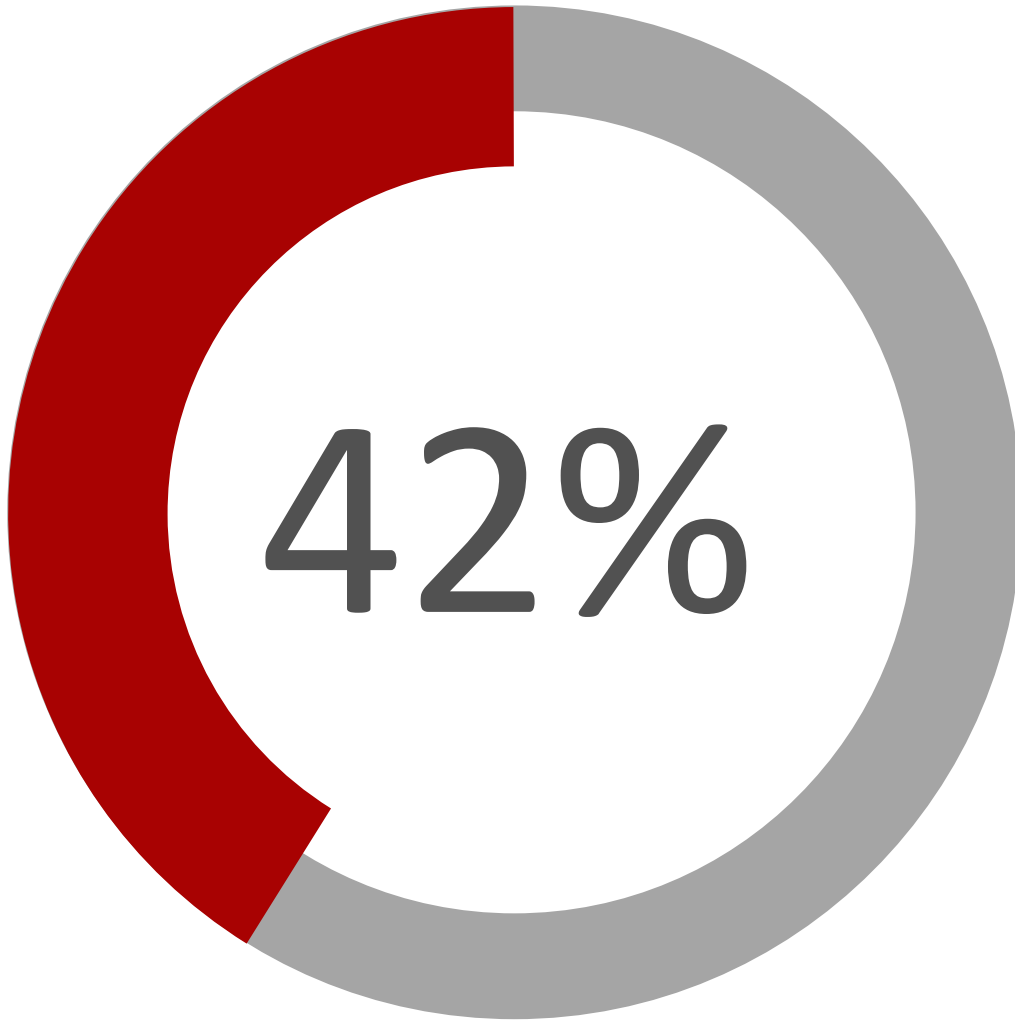
Customer Created
issue

Putting Cloud Control into Customer's Hands

ServiceNow is the Cloud for the Enterprise

Multi-Instance Architecture

VS.

Footprint, Scale and Approach

Transparency and Control
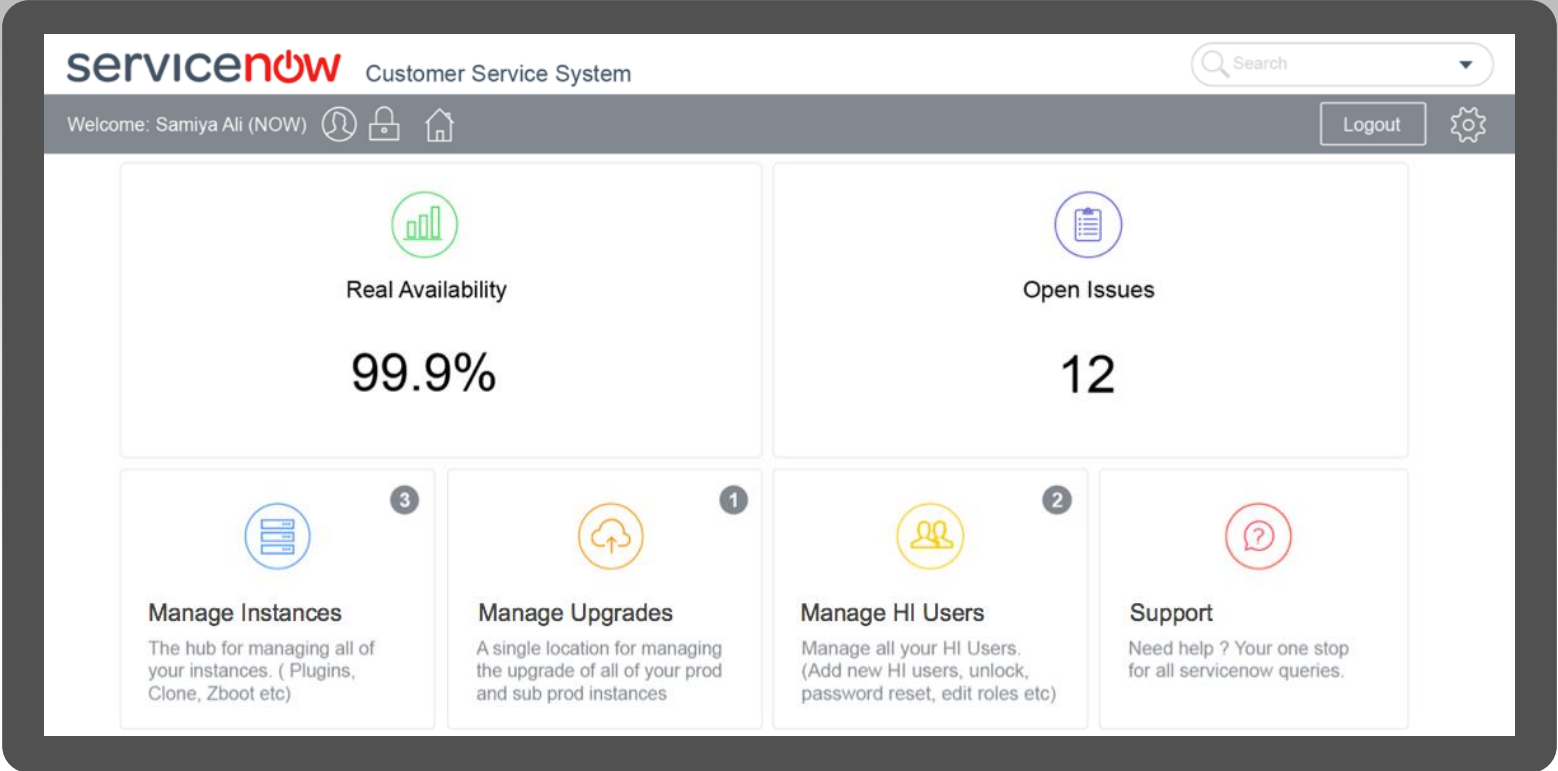
Create at the Speed of Business

Patrick Casey
General Manager, Platform Business Unit
ServiceNow

What Does the Market Look Like?

Cloud Platforms are Undergoing a Transition
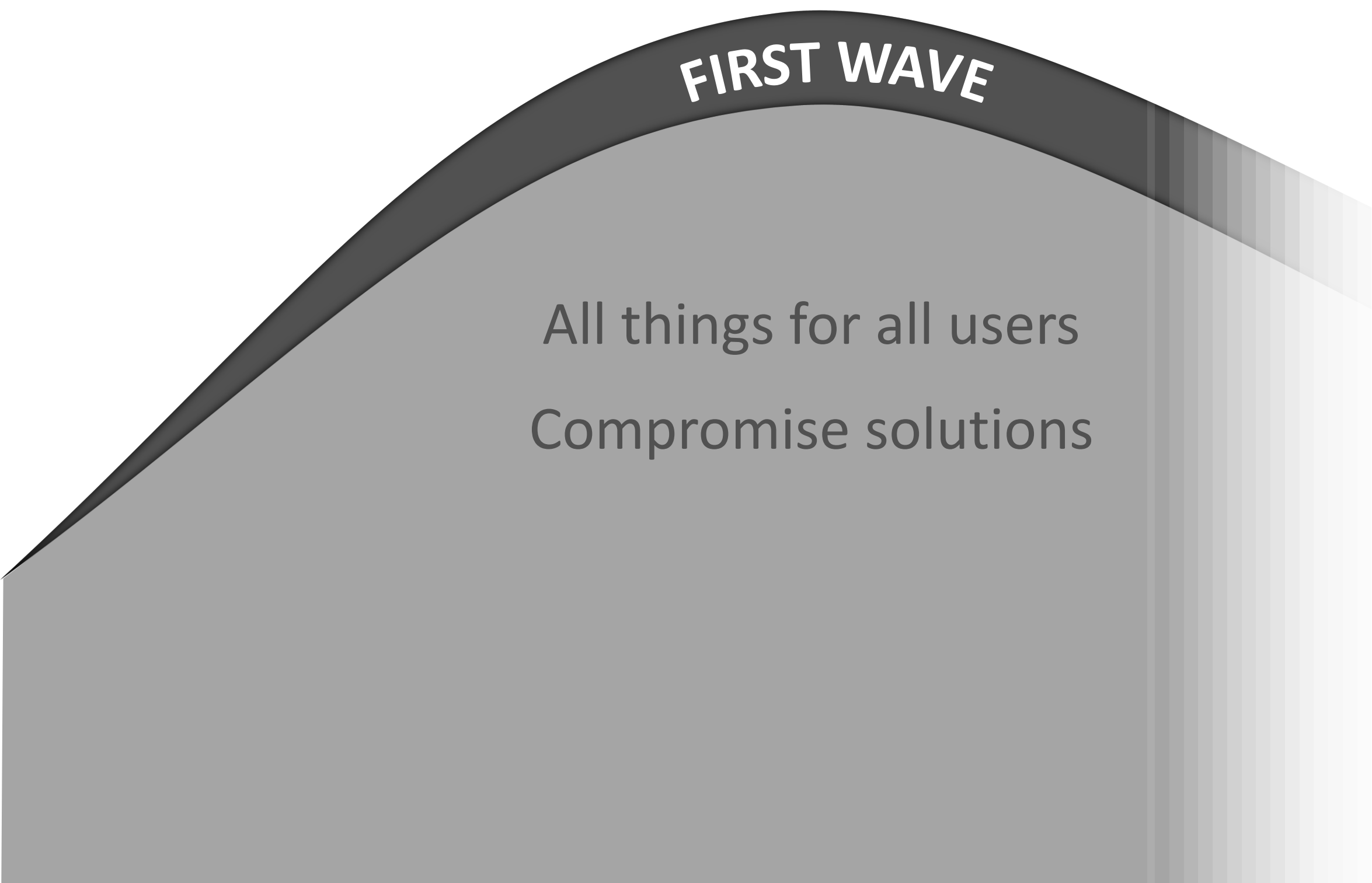
FIRST WAVE

All things for all users

Compromise solutions

Where Does ServiceNow Fit In?

Optimized for Enterprise Businesses

SECOND WAVE

FIRST WAVE

All things for all users

Compromise solutions

More specialized

Targeted solutions

Where Does ServiceNow Fit In?

Optimized for Enterprise Businesses

SECOND WAVE

More specialized
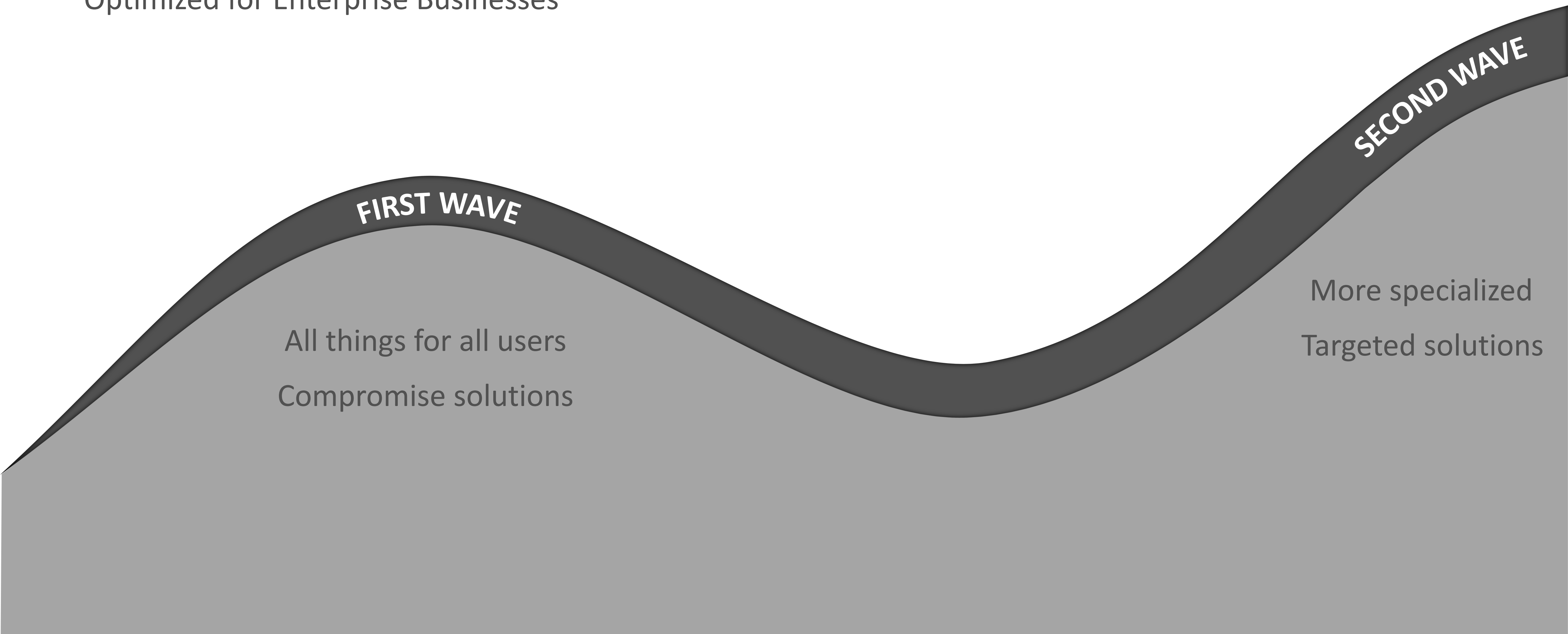
Targeted solutions
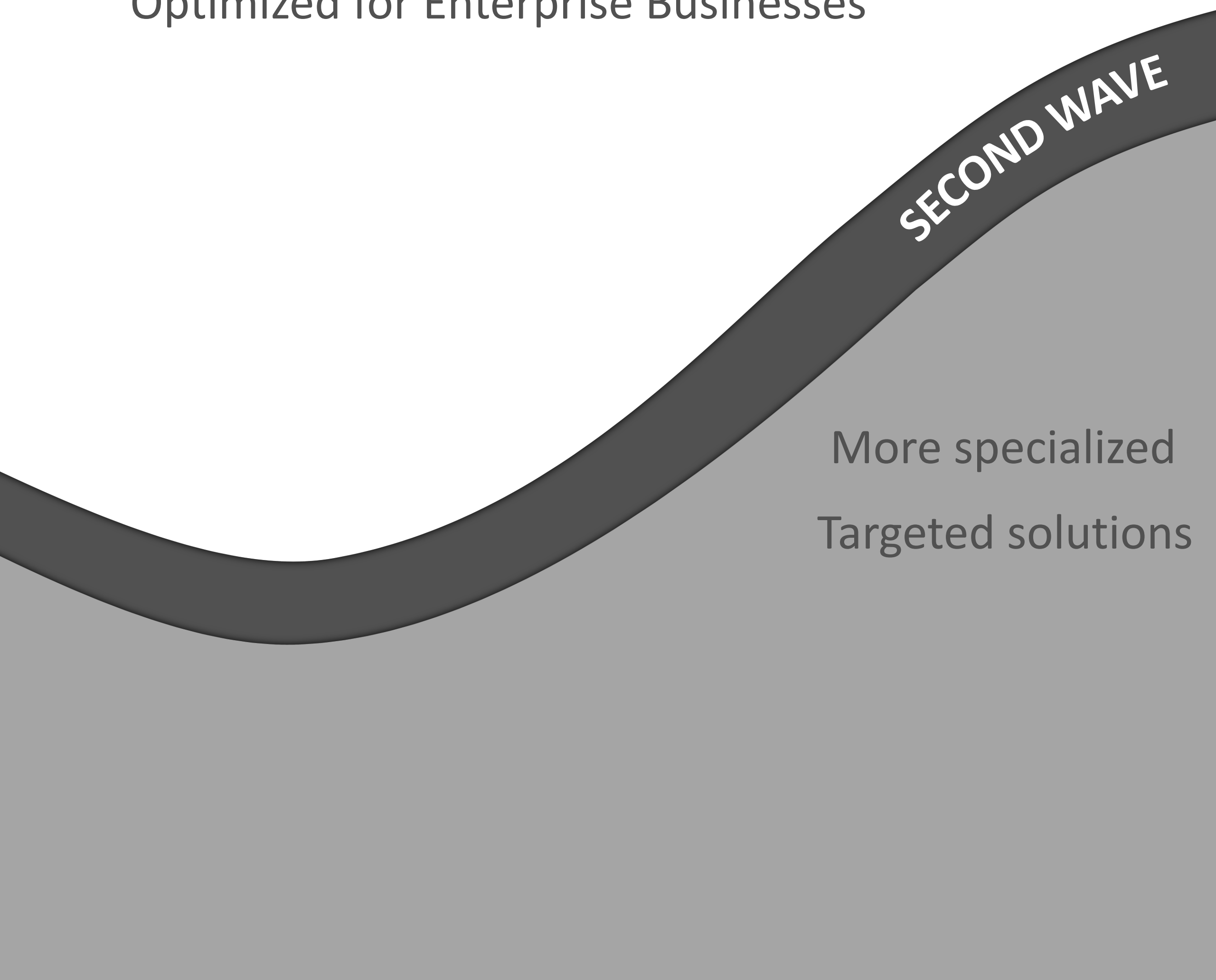
servicenow
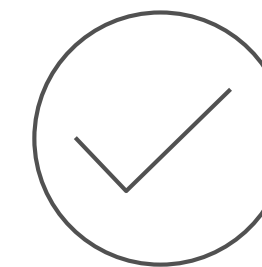
Rapid Development
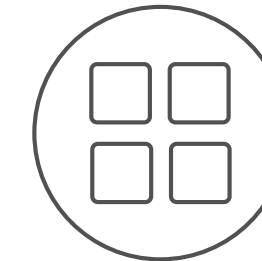
Compliant Deployment
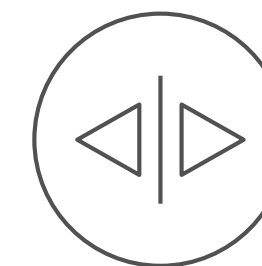
Broadly Applicable

Rapid Development Building Blocks

Engineering
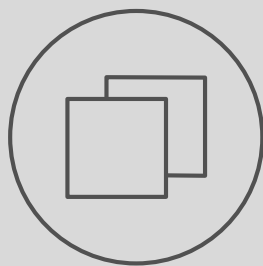
Data Structures

Forms and Lists
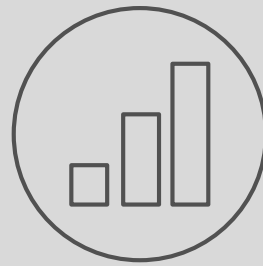
Reporting and Analytics

Business
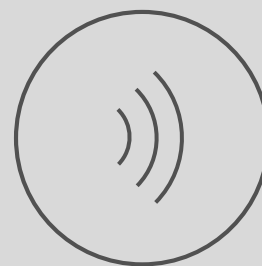
Notifications
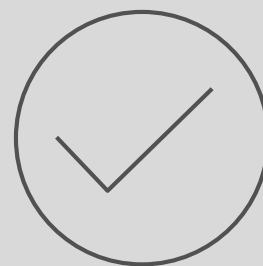
Approvals
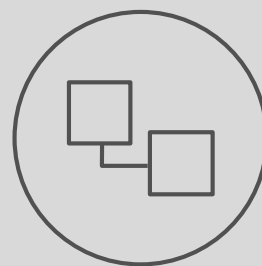
Workflow

COMPLIANT

REAL AVAILABILITY

SECURE

Full Spectrum Development

App Dev Simplicity

Low-Code Developer

50 million
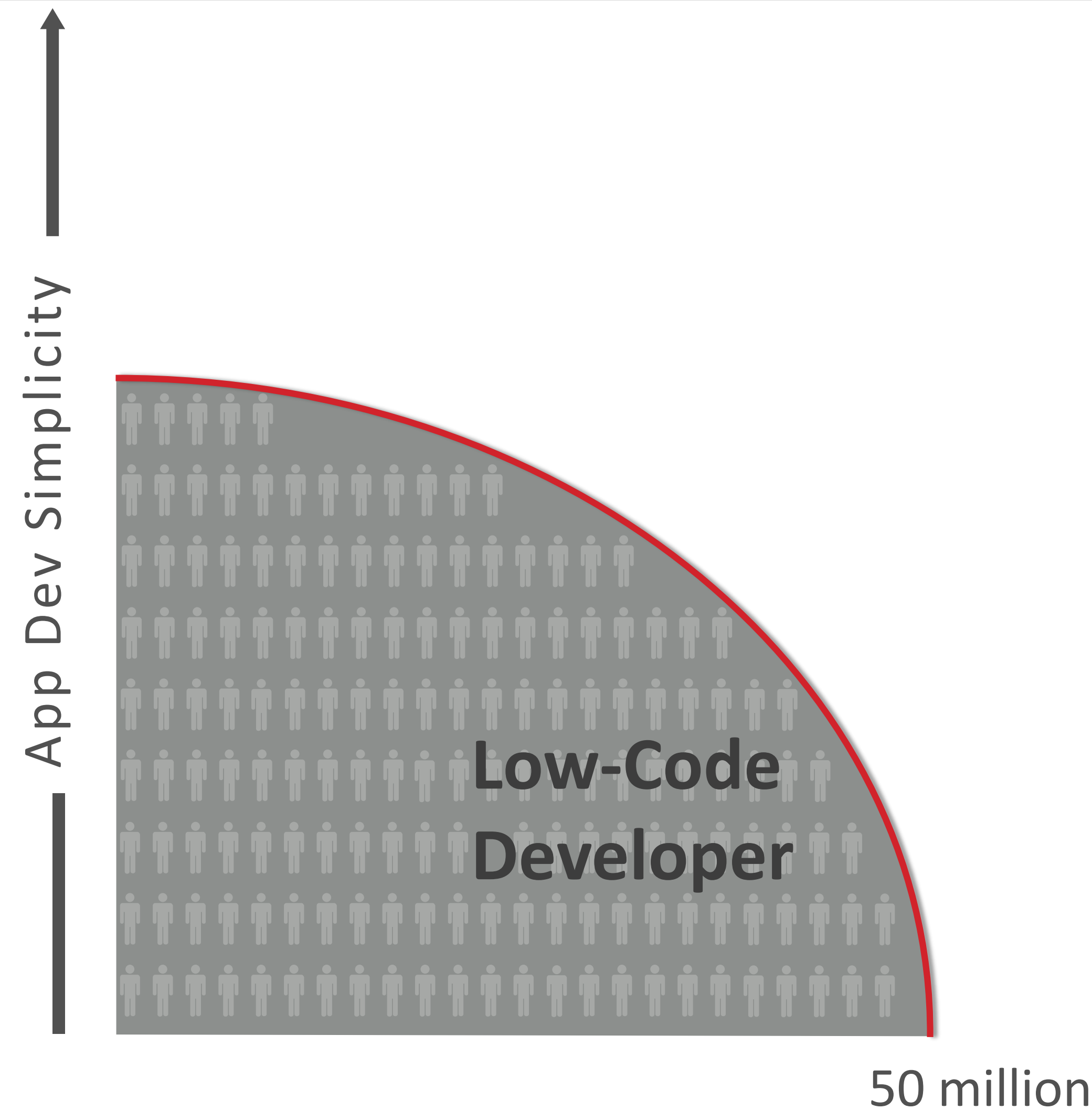
Number of Developers based on ServiceNow Internal estimates.

Full Spectrum Development

App Dev Simplicity →

No-Code Developer

Low-Code Developer

50 million

500 million

Full Spectrum Development

App Dev Simplicity

No-Code Developer

Low-Code Developer

Professional Developer

5 million   50 million   500 million

Number of Developers based on ServiceNow Internal estimates.

servicenow

143
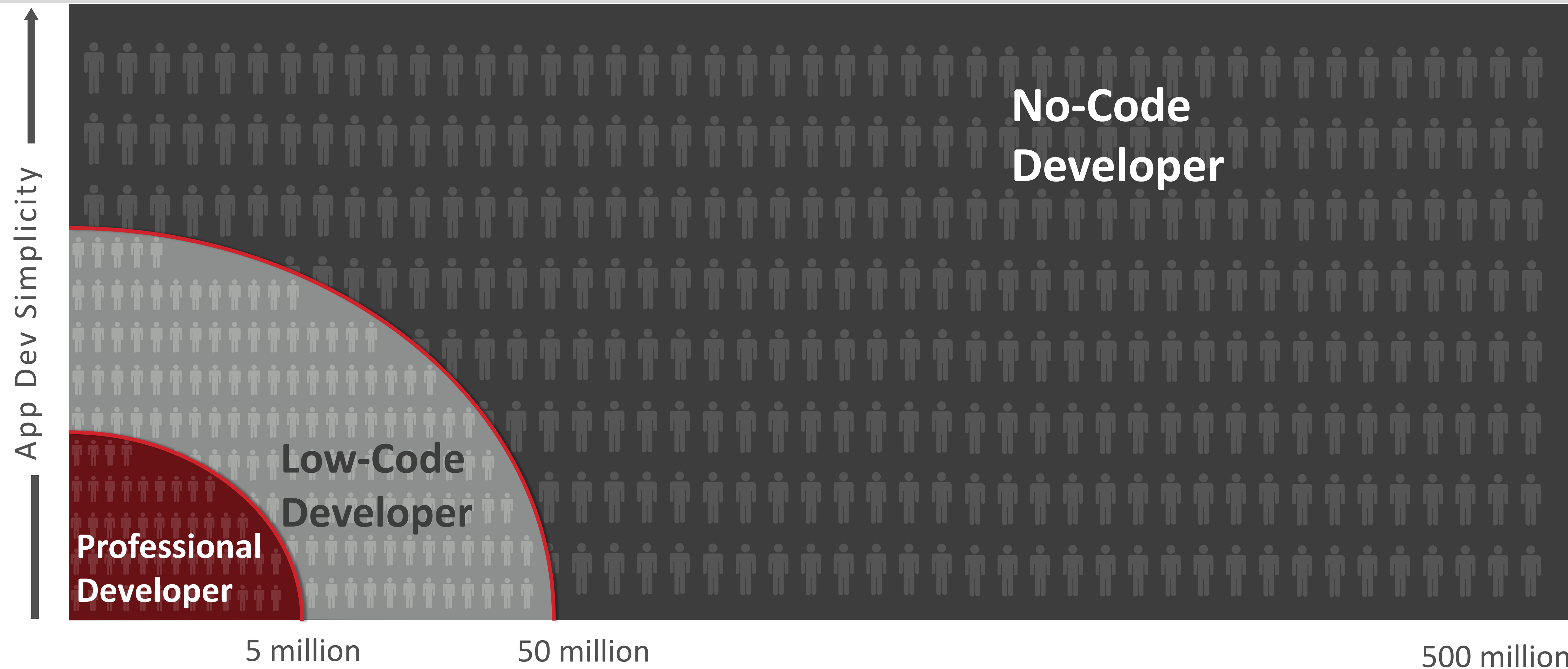
Major Investments

FUJI

Scoped Applications

Improved Low-Code

KNOWLEDGE15

Developer Program

ServiceNow Store

GENEVA

Developer Studio

Edge Encryption

What the Market Looks Like

- Core ITSM
  - Packages Apps, by ServiceNow
- HR/Facilities/Field Services
  - Mix of Packaged and Custom
- Greater Service Management
  - Custom Apps
  - Third Party Apps
  - *We make money on platform*

$9bn
Internal Apps

$16bn
External Apps
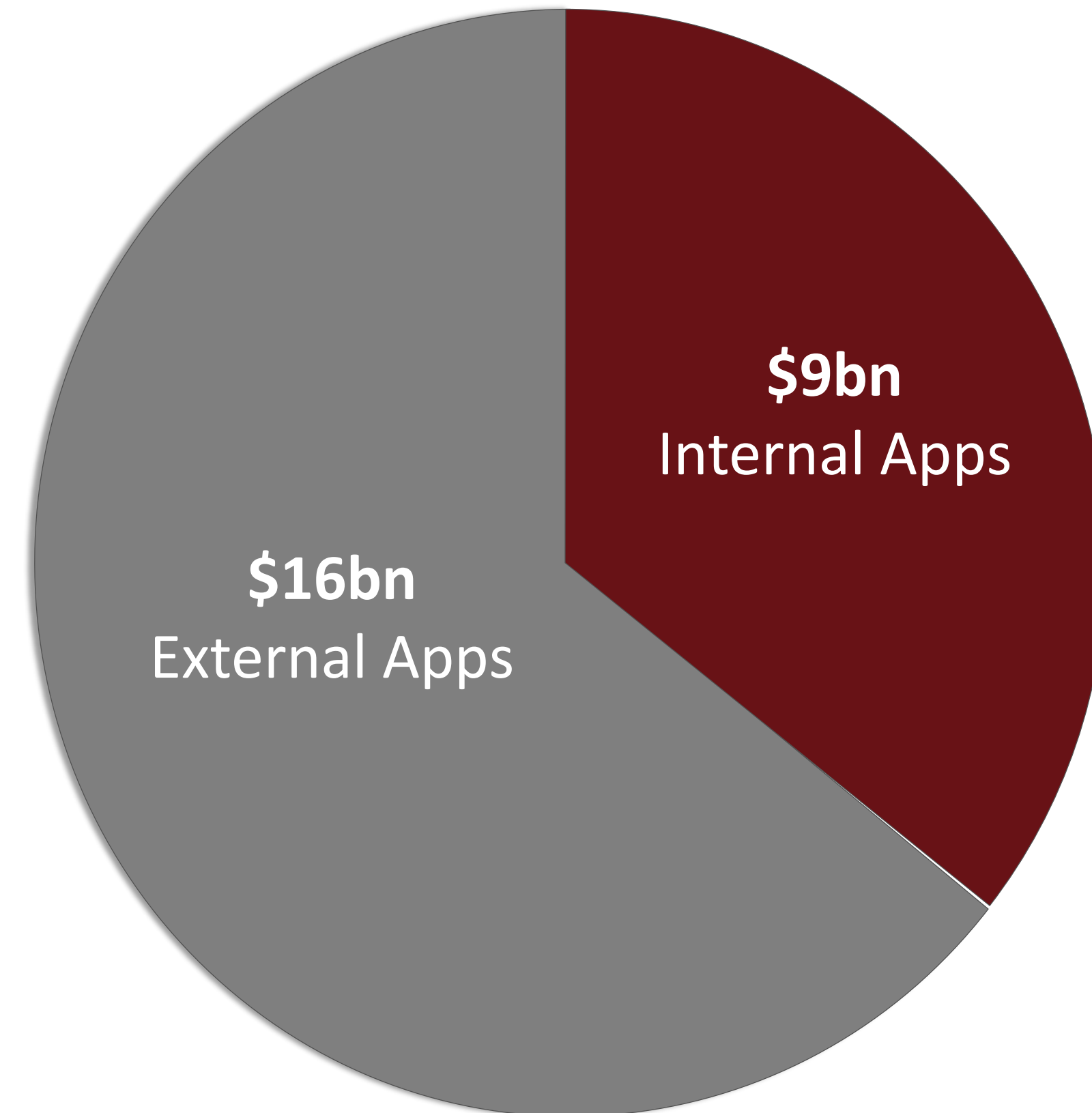
The Revenue Model for Store

Application License

Platform License

Vendor Sets Price

Minimum $35 per Fulfiller
We get 100%

20% ServiceNow

5% Fees, Overhead

75% Vendor
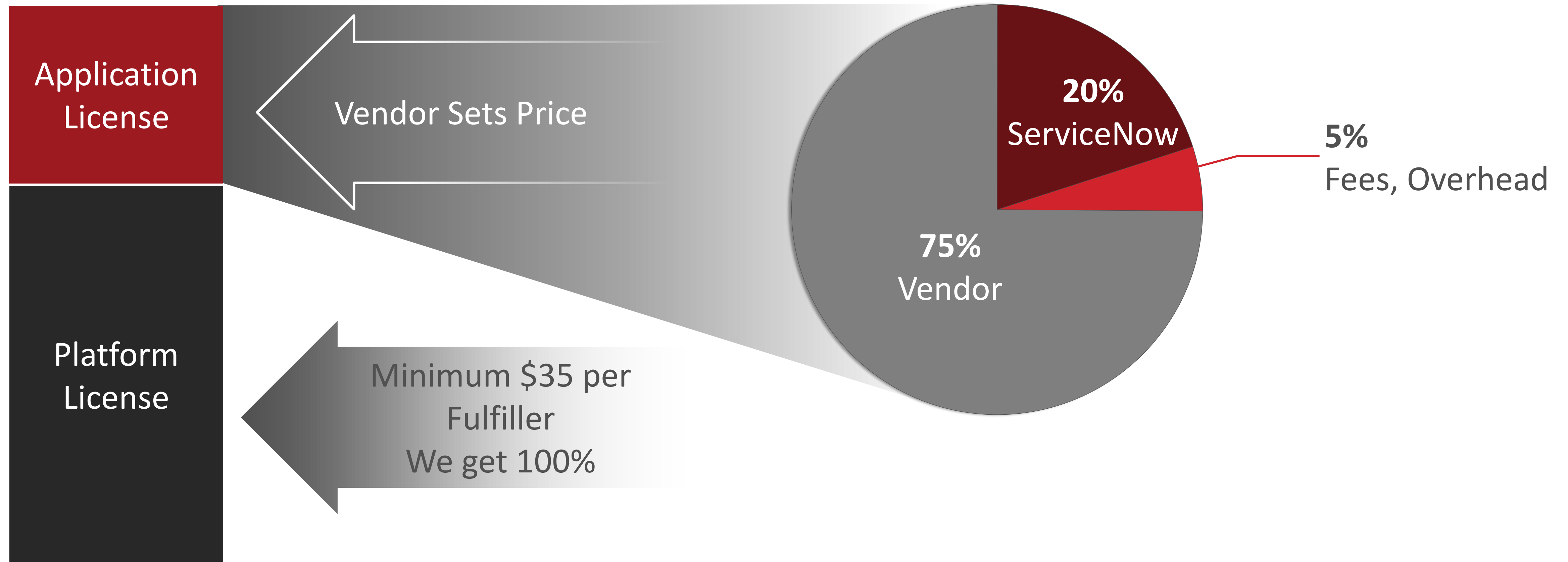
Store Forensics

BUYERS

Any ServiceNow Customer

Any Geography

SELLERS

Technology Partners

US Only at Launch, ROTW 2016

DEMONSTRATION

Top Takeaways

1 This is a platform for the enterprise

2 We make money on platform licenses

3 Our goal is to enable a torrent of application vendors

Break

From Supporting to Running the Business

Brooke Stover, Envision Healthcare

Samantha Reed, Recreational Equipment Inc.

Brian Clark, RMIT University

Envision Healthcare's ServiceNow Implementation: Human Resources

Brooke Stover

Manager, HR Shared Services
Envision Healthcare

Envision Healthcare Overview

- Healthcare organization providing services in 2,200 communities

- Provide services to more than 15,000,000 patients annually

- Broad range of services

- Approximately 35,000 employees nationwide

- No service management within organization until HR implementation

Our Problem

- Inconsistent/disparate processes

- HR teams and business leaders bogged down with transactional work

- Highly manual, no service management in place

Why ServiceNow?

- We wanted...
  - Service management
  - Consistency in processes
  - Efficiency

- RFP Process

- Demo

Sebastien Wiertz ©

Use Cases

- Offer letter process
- New hire forms
- Direct deposit

Outcomes

- Transparency

- In 2014, MyHRconnection processed
  - 49,980 E-form requests
  - 8,769 HR cases
  - 4,662 New hires = approximately 1,900 hours

- Fewer HR resources needed – can focus on being business partners
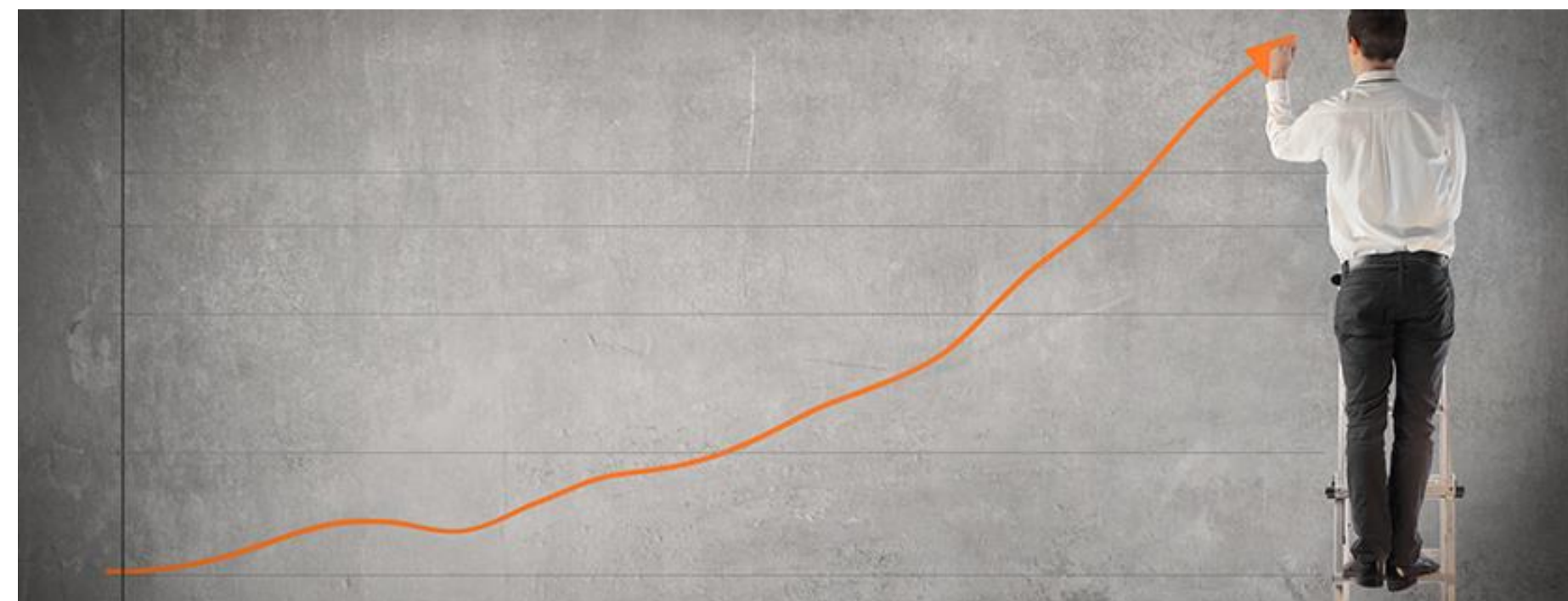
What's Next?

- Bring remaining lines of business into HR Shared Services

- Development of additional e-forms

- Implementation in other departments

REI: Service Management Throughout the Enterprise

Samantha Reed

Recreational Equipment Inc.

To inspire, educate and outfit for a lifetime of outdoor adventures and stewardship

- Founded in 1938 by a group of 23 PNW mountaineers seeking quality climbing equipment.

- $2 billion national multichannel retail co-op headquartered outside of Seattle.

- >5 million active members.

- Over 130 stores in the US, as well as REI.com and REI.com/outlet.

- This year REI will invest over $3 million in local communities to help care for outdoor spaces.

- FORTUNE magazine's list of the "100 Best Companies to Work For" every year since the rankings began in 1998.
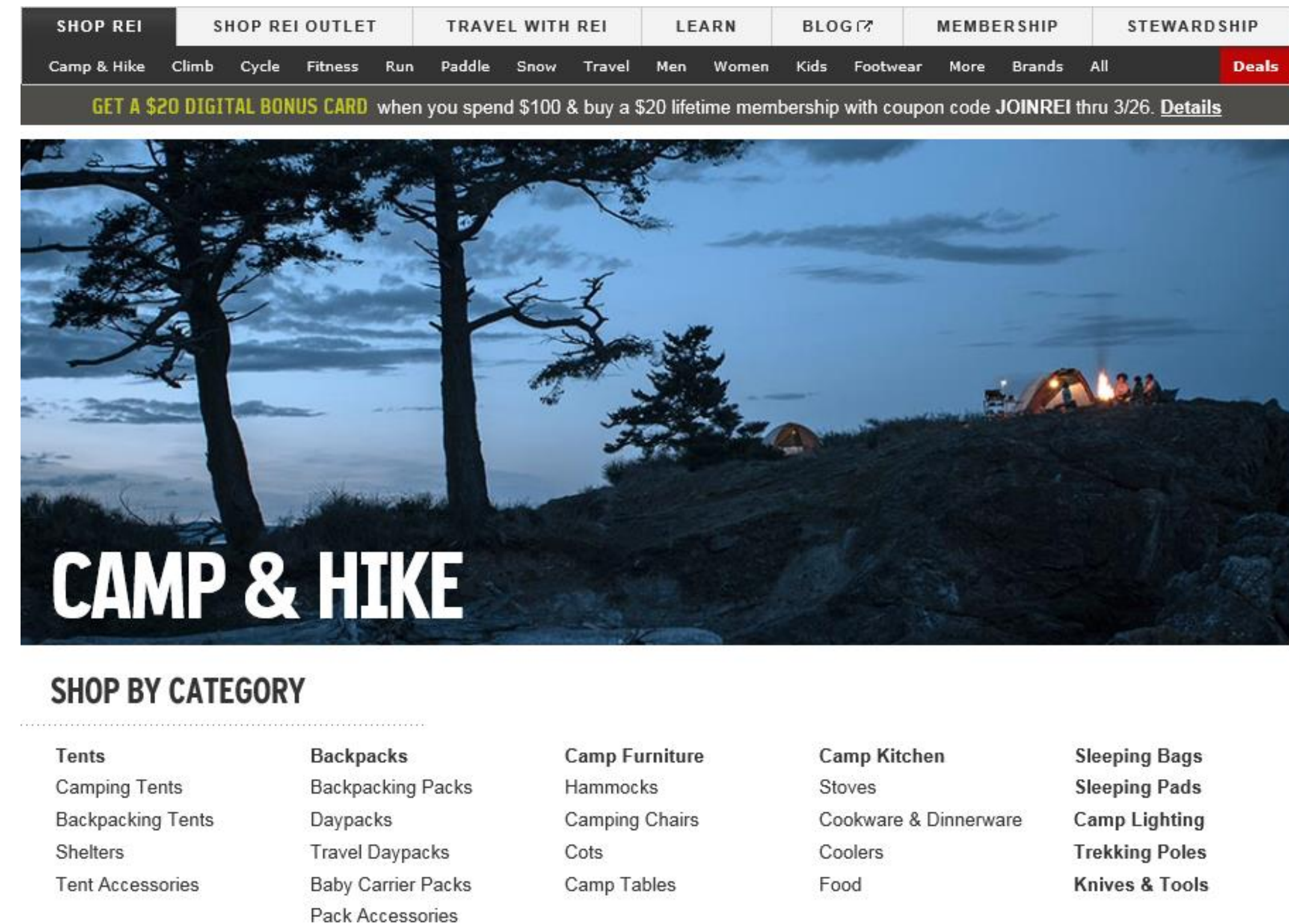
ITIL and the Service Catalog that Started it All

2004
- ITIL Program Launch

2005
- Rollout of INC, PRB, CHG

2006
- Rollout of Service Catalog
- New Hire Bundle

2007
- Corporate Facilities Services

2008
- Expansion of Access and Client Services

2009
- ServiceNow Rollout

2010
- Supply Chain Services
- SAP Rollout

2012
- Digital Retail Services

2013
- Finance Services

2014
- Security Services
- Marketing Services

2015
- Enterprise Business Services Catalog Launch

Moving From Email to Automation: Corporate Services

Used By: Kent HQ corporate services team manages all <u>maintenance requests, physical security, ergonomics, and safety issues</u> as part of the service catalog

Drivers: No management system previously – all done via email – this team is one of the key components to the process of setting up a new-hire so they were high on the list for incorporation into the service catalog

Benefits: Self service request entry and status checks, available on mobile devices, built-in reporting and detailed notifications, included in new hire request bundles

Evolving Work in Finance to Remove Complexity & Improve Visibility

Used By: The Accounts Payable department to process check requests, employee reimbursements, per diem requests, internal orders and access to finance specific systems and data.

Drivers: Complex paper forms delivered by email and interoffice mail – no tracking or status checks – no reporting or notifications – no automated approvals or workflow

Benefits: Self service requests and status checks, automated workflow and approvals, less complex forms with the ability to prefill known information

Making Customer Feedback Actionable

Used By: The Digital Retail Analytics team uses customer comment data collected from partners and our Direct Sales call center – this app automates the gathering and normalization of the data and makes it actionable

Drivers: Data formatting was not consistent nor easily accessible for analytics and planning – data collection from multiple sources was time consuming

Benefits: Daily import and normalization of customer feedback via automation – feedback can now be linked to other tasks in ServiceNow like Incidents and Changes, significantly improved reporting

Optimizing Customer Return by Automating New Offers

Used By: Automation of all tasks required to provision a new member bonus offer, including all required approvals and change documentation

Drivers: Complex process with dependencies related to timing and order of work – required a high level of manual entry work to produce the proper tasks and documentation for each new bonus offer

Benefits: Standardized automated workflow with preconfigured task instructions, notifications and handoffs – approximately a 50% reduction in the time needed to manage the process from start to finish

Standardizing New Store Processes for Consistent Experiences

Used By: The New Store team to manage all tasks required to build out a new store

Drivers: Time consuming manual process to create, schedule, and fill out all the tasks

Benefits: Automated creation of all tasks on the standard timeline, detailed task instructions and due dates prepopulated, color coding provides easy visual indicators for past due or at risk tasks

RMIT University

Implementing a new Admissions Platform Customer Journey

Brian Clark

Former Executive Director ITS, RMIT University

RMIT is a global university of technology and design

- Australia's largest tertiary institution
- RMIT operates three campuses in Australia and three overseas
- RMIT delivers programs through several education partners globally

BY THE NUMBERS

82,179 students
- — **1,761** postgraduate research students
- — **9,984** postgraduate coursework students
- — **44,979** undergraduate students
- — **17,935** vocational (diploma program) students
- — **6,914** online students (Open Universities Australia)

40% international students
- — **16%** onshore
- — **24%** offshore

5,071 staff
(FTE Australia, Vietnam and Barcelona)
- — Academic and teaching: **2,629**
- — Professional and executive: **2,442**

RMIT is a $1billion education organisation that operates at scale

Melbourne city
Covering architecture, design, media and communications, engineering, physical science and social science.
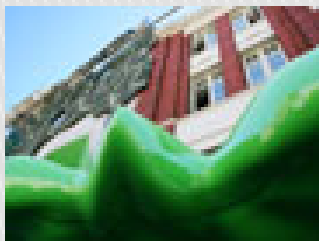
Ho Chi Minh City
World-class learning and teaching facilities located in South Saigon.

Brunswick
Focusing on design including textiles, printing, and education.
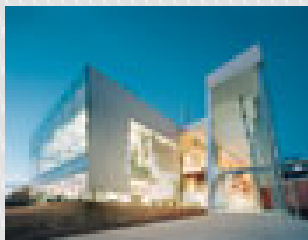
Hanoi
Modern learning space, leading-edge technology and library facilities.

Bundoora
Specialising in engineering, biosciences, education and medical sciences including pharmacy and Chinese medicine.

Barcelona
A coordinating centre supporting and growing the University's teaching and research interests in Europe.

Melbourne campuses
425,080 square metres

Discovery grants
— **7th in Australia** for number of Discovery Grants from Australian Research Council (2013)

Linkage grants
— **6th in Australia** for number of Linkage grants from Australian Research Council (2013)

Research collaborations
— **203** active research collaborations with industry and partners overseas

Research areas
— **19** research areas "above" or "well above" world standard
(Excellence in Research for Australia 2012)

Vietnam campuses
40,441 square metres

Annual revenue
— A$926m

Total assets
— A$2,448m

Total equity
— A$1,553m

The Problem

- RMIT, like many universities, has evolved as a number of disparate schools or faculties

- Today, the University has 24 schools and offers a vast array of programs from a Certificate II in Plumbing to a PhD in Applied Physics

- Through this evolution, many different models for processing student applications, selecting students and making student offers also evolved

- This resulted in a few challenges for the University
  - Inconsistent and often poor experience for applicants
  - Lower conversion rates and high cost per application
  - Little understanding of success rates based on basis of admission

- The Global Admissions project was established to address these issues

There are key service goals the project intends to address

Introducing an operating model that is

- standardised
- consistent
- deliberately designed

Driving

- a customer-focused culture
- appropriate implementation of academic policy
- pro-active conversion of applicants

Awareness	Pre-application	Application	Selection	Offer
Inspire and **excite** prospective students with RMIT's unique possibilities that will take them where they want to go globally	**Recognise potential** and guide applicants towards programs that are the best fit for them	**Help applicants** present themselves well by **making it easy** for them to provide the information RMIT needs and set clear expectations	Know the **best way** to **select** applicants that will respond well to RMIT programs, graduate and become proud alumni. Deliver this with consistency and transparency	Congratulate and welcome applicants to RMIT, a global institution. Provide tailored information and suitable alternative pathways to unsuccessful applicants

The project has a compelling commercial business case

- Applicant conversions were below industry standard

- Long 'time-to-offer' and inconsistent applicant experience were identified as likely root causes

- Processes were not standardised; manual effort with highly paid staff performing admin tasks

- Improving productivity and increasing revenue are joint objectives of the project

Revenue increase through conversion of abandoned applications or denials into accepted offers and increase in international onshore conversion from offer to acceptance

$m

Automated of tasks: selection, workflow, ranking, etc.

$m

Consistent and standard admissions processes and policies

$k

Removing administrative tasks from academics to administrative staff / contractors

Role re-alignment

Streamlining processes

System automation

Missed revenue opportunity

The drivers pointed to a service management problem

- High turnaround times and inconsistent applicant experience were identified as key drivers in our high 'time-to-offer'
  - Selection processes and admission standards were not consistently defined
  - No response times were agreed with internal staff for selection decisions
  - Limited updates were provided to applicants

- There were sales, service and CRM elements in the problem so the University went to market looking for platforms with capability in all areas

- Three vendors were assessed with different strengths and heritage in the three functional areas of sales, service and CRM

- ServiceNow was selected based on its strength in workflow, service Level management, general task management and platform extensibility

We are implementing the new model in a phased approach

Currently Live

- Credit Transfer Assessments – Feb 2015

- HR Assist (not Admissions related)

Currently Under Development

- Domestic Direct Admissions – Target Aug 2015 (MVP)

- Domestic Direct Admissions – Target Dec 2015 (full)

- International Offshore Admissions – Target Mid 2016

- International Onshore Admissions – Target End 2016/Early 2017

Beyond Global Admissions

- RMIT HR Assist is live using ServiceNow HR Service Management

- Program and Course Management Framework also being developed as a CreateNow application that will manage:
  - New, Amended and Discontinued Program and Course approvals
  - All Program and Course marketing information for prospective students
  - Operational Program and Course delivery requirements

- IT Service & Support in early project phase

- IT Asset Management pilot underway

- ServiceNow Platform roadmap being developed

Building a Business on ServiceNow

Kalyan Kumar (KK)

SVP – GPTO & Chief Technologist – ITO & Digital
HCL Technologies Ltd
Email: kalyank@hcl.com
Twitter: @kklive
Author Page: http://www.amazon.com/author/kklive

HCL Snapshot

CREATING
THE NEED FOR CHANGE

CREATING
THE CULTURE FOR CHANGE

Relationship ™
BEYOND THE CONTRACT

BUILDING
STRUCTURES FOR CHANGE

TRANSFERRING
THE RESPONSIBILITY FOR CHANGE

ideapreneurship

HCL Technologies

Product Engineering & R&D, Enterprise & Custom Applications, Enterprise Transformation Services, Infrastructure Management & BPO Services

Global Market Focus

Global Presence - Operations spanning 31 countries
Delivery Facilities - USA, UK, Finland, Poland, Puerto Rico, Brazil, China, Malaysia, Singapore, Australia, Czech and India
500+ Global 2000 Customers

Financials

Total Revenues   - $ 6.3 Bn
EBITDA - $ 1000Mn
Employees   - 98000

Enterprise Revenue Growth

USD 6327 Mn

USD 455 Mn

2000   2013   *Year*

HCL Infosystems

ICT System Integration Solutions, Products & Services, Hardware Solutions, Homeland Security, Education and Learning & ICT Distribution

India & Emerging Market Focus

India Presence - **Offices in 170 cities, 505 points of presence reaching 4,000 towns**

Global Presence - **Operations in Emerging Markets including South Asia, Middle East & Africa**

Distribution Network - **93,000 outlets in over 9,000 towns**

Radical upsurge in customer expectations…

Traditional IT has not been able to keep pace with customer expectations
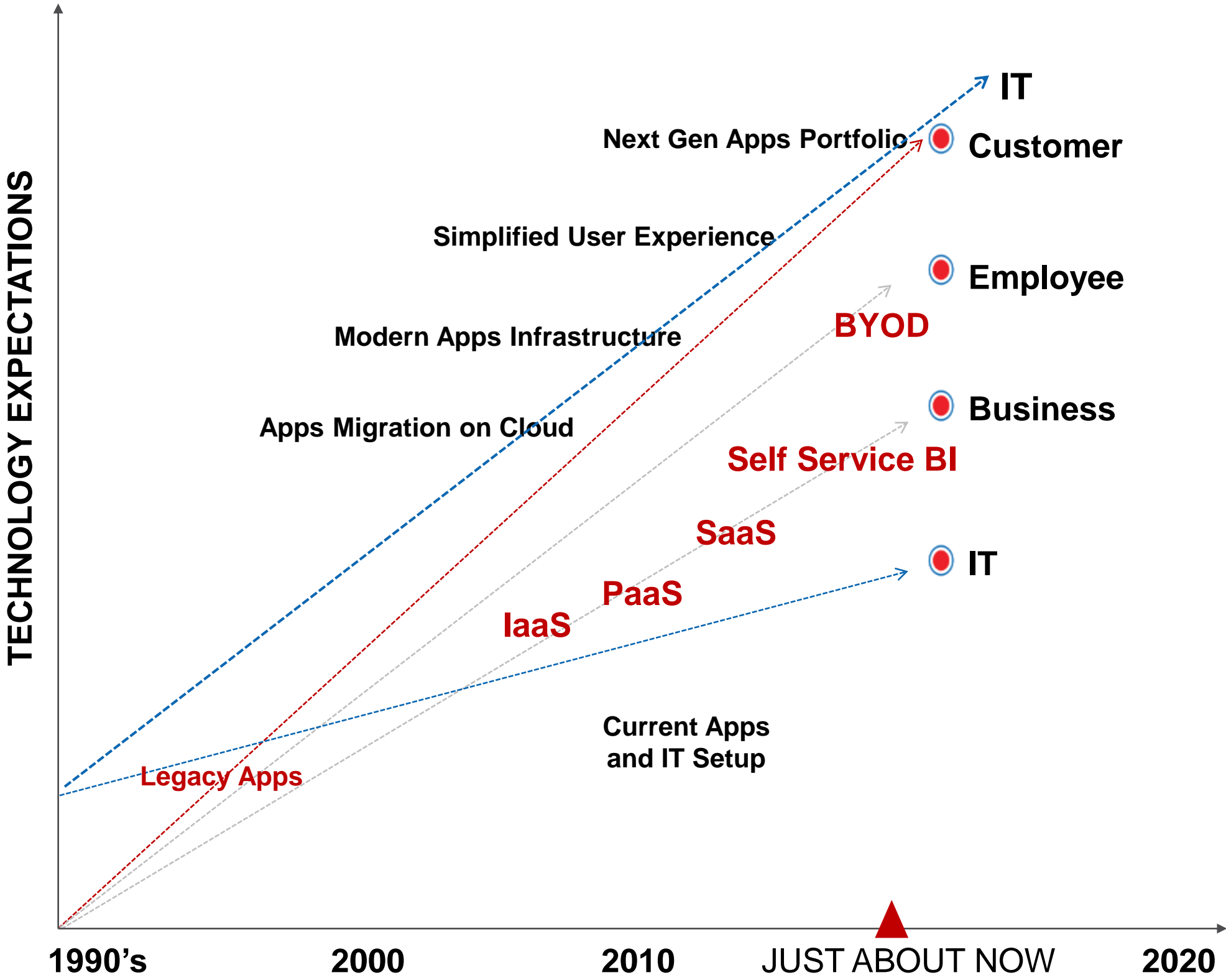
IT vendors will have to offer integrated solutions to bridge the gap

TECHNOLOGY EXPECTATIONS

- IT
- Next Gen Apps Portfolio — Customer
- Simplified User Experience
- Employee
- BYOD
- Modern Apps Infrastructure
- Business
- Self Service BI
- Apps Migration on Cloud
- SaaS
- IT
- PaaS
- IaaS
- Legacy Apps
- Current Apps and IT Setup

1990's   2000   2010   JUST ABOUT NOW   2020

Sustainable Competitive Advantage

Operational Excellence & Margin Growth

Customer Retention & Revenue Growth

Value Chain based approach

Customer Experience

Goal

Function based approach

Connected Ecosystem

Service-led IT

HCL Maturity

...FROM A SILOED APPROACH TOWARDS A VALUE CHAIN ORIENTATION...

Traditional Representation - Verticals

Human Resource	Procurement	Logistics	Finance	Sales & marketing	Research & Development	Production	Legal	Administration
T1	T2	T3	T4	T5	T6	T7	T8	T9

T- technology

New Age – Online & Managed

Human Resource	Procurement	Logistics
Production	**Software & Platforms**	S & M
Legal	Research & Development	Admin

Business Functions

Hire-to-Retire	Procure-to-Pay	Order-to-cash	Cost Management	Market-to-Order	
Recruitment and selection	Requirement identification	Order Receiving	Resource Planning	Marketing Plan	**USER**
Training and development	Request for purchase	Order booking & processing	Cost Estimation	Plan & Define Marketing Campaign	
Performance Management	Service rendition/ goods delivery	Order Shipping	Budgetary Planning	Measure Marketing campaigns	**SERVICE**
Compensation and benefits	End-user documentation	Invoicing	Cost Control	Lead Generation	
Succession Planning	Invoicing Payment	Receiving Payment	Regulation and Governance	Customer Relationship Management	**ASSET**

HCL

... LEADING TO THE EMERGENCE OF A GEN 3.0 OUTSOURCER...
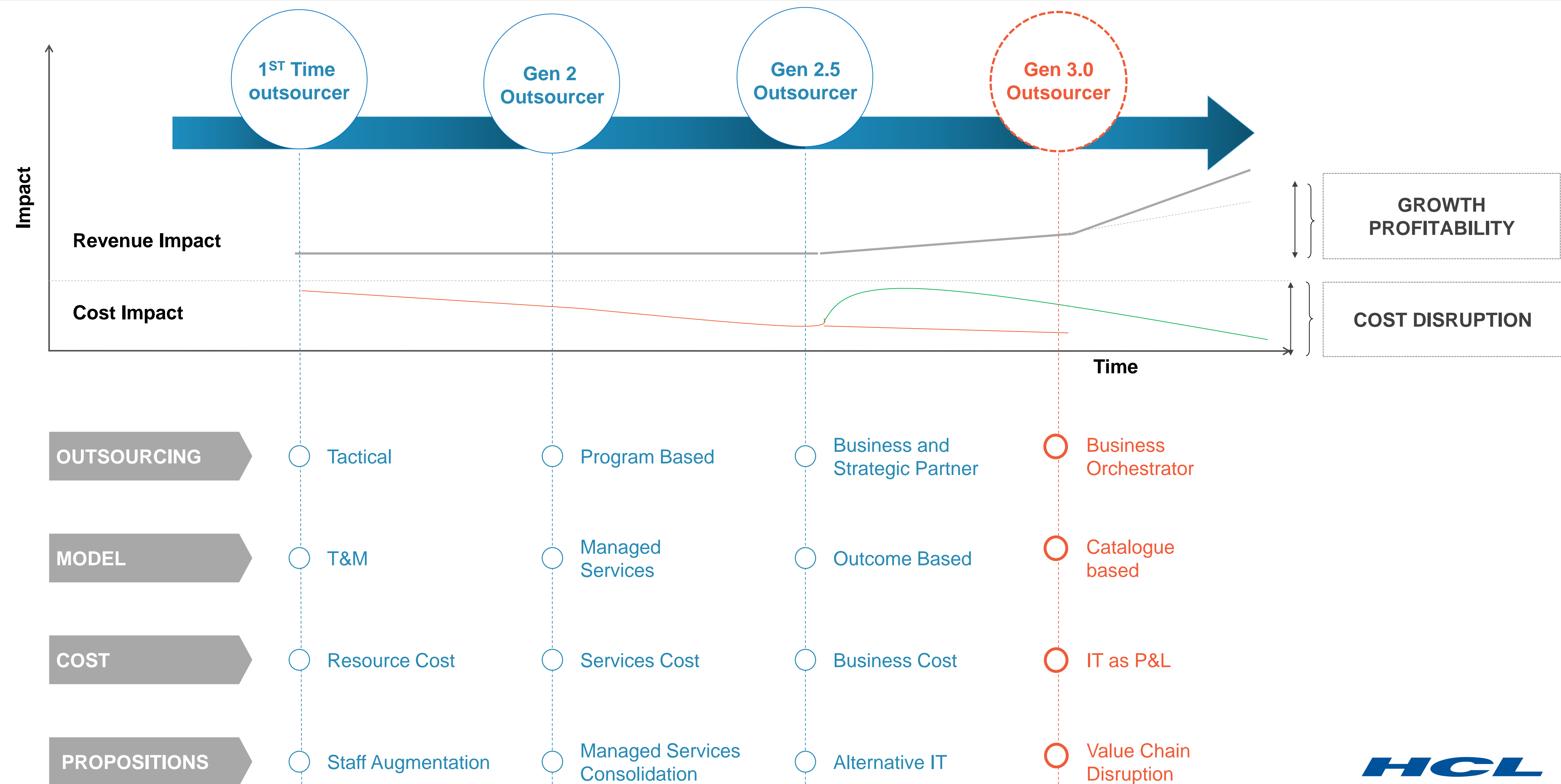
The Evolution of HCL GBP
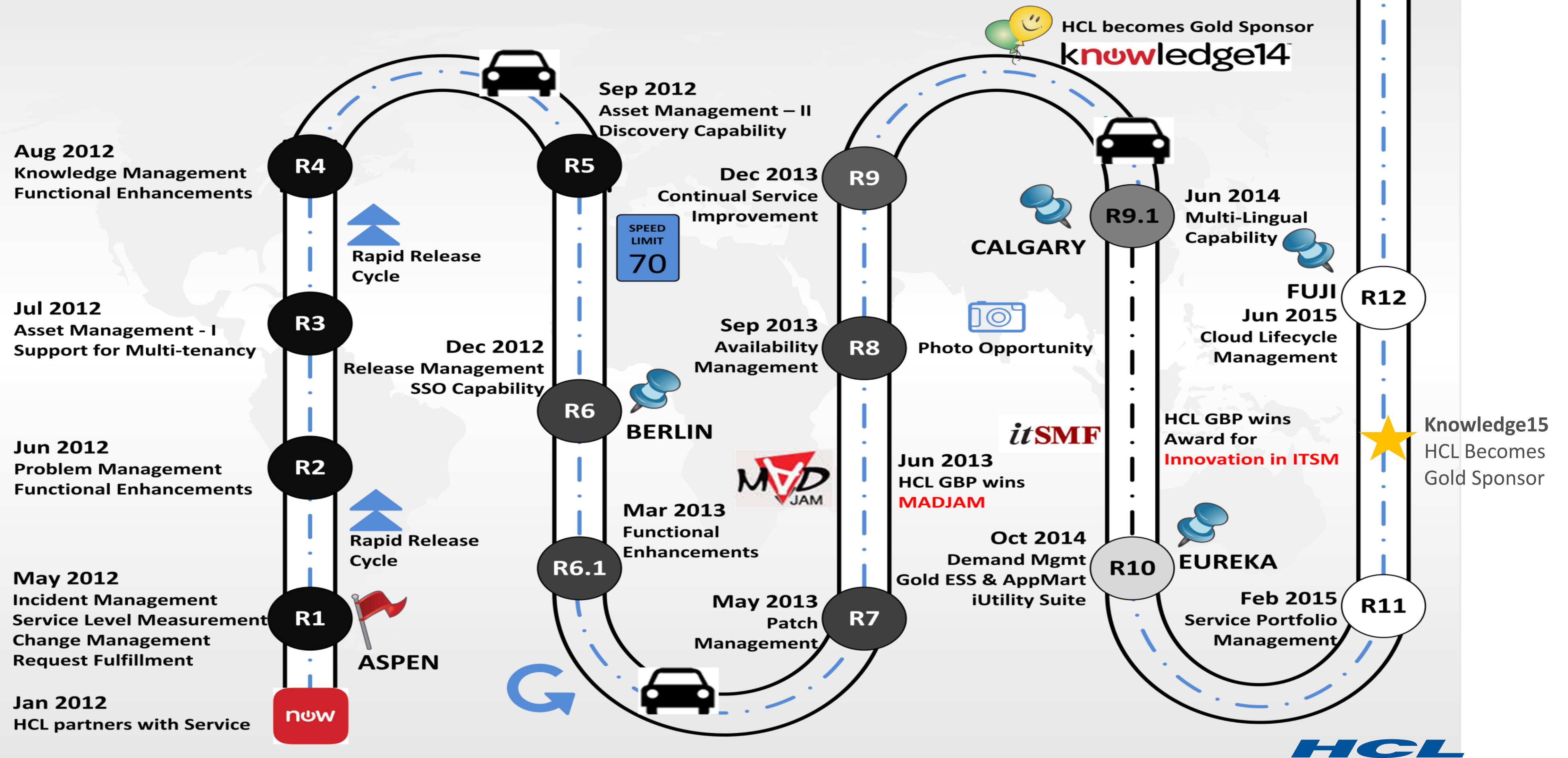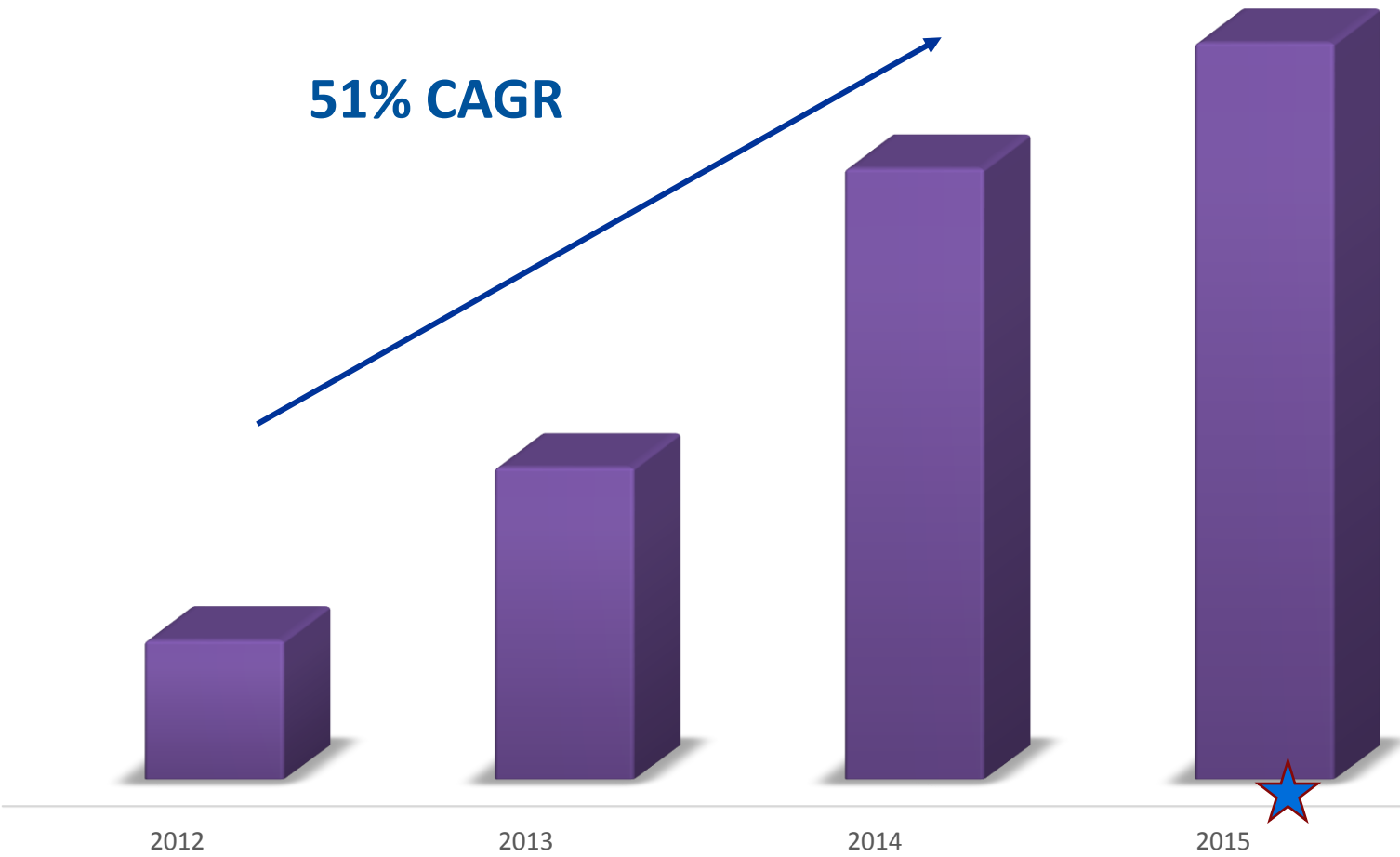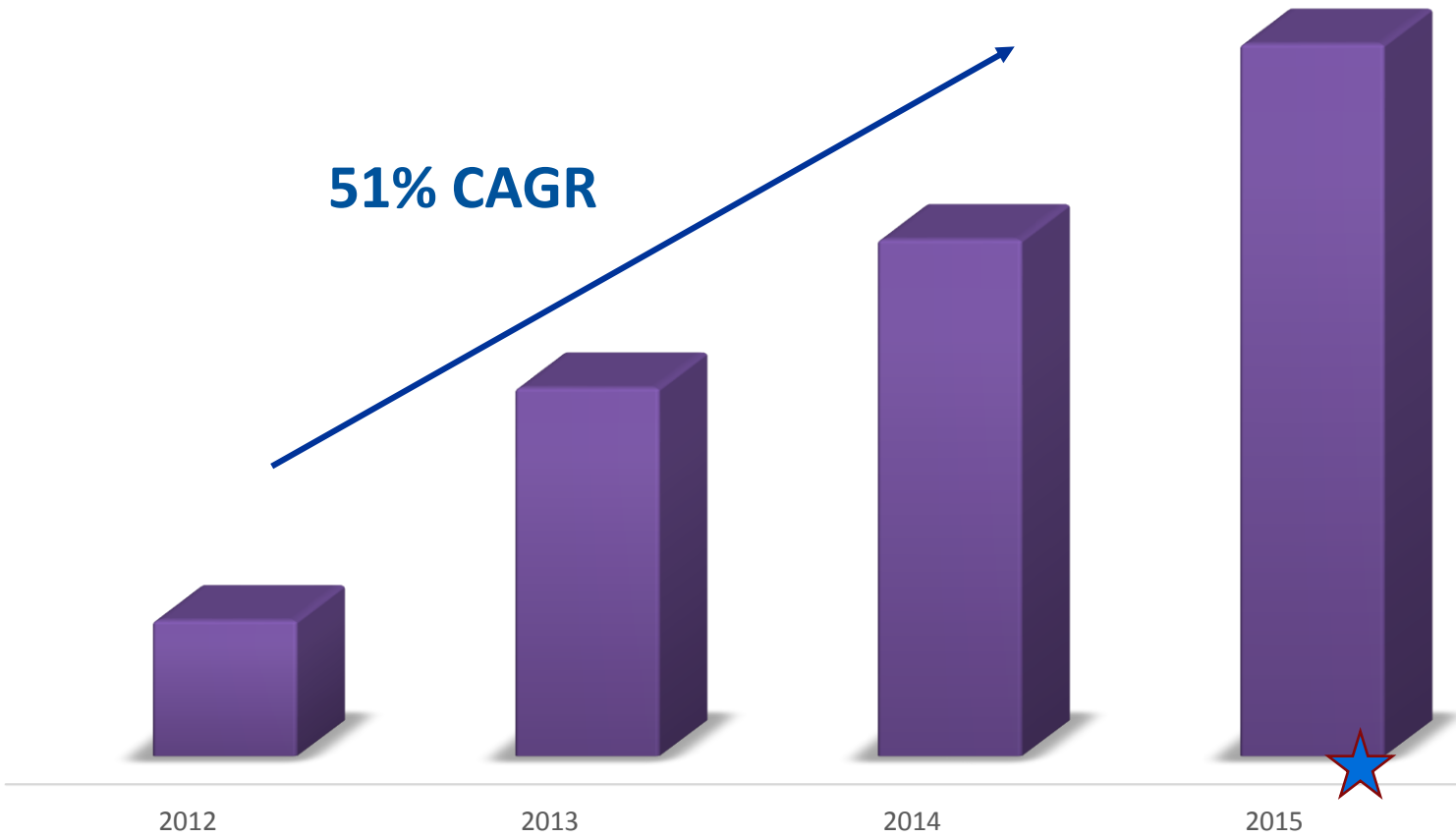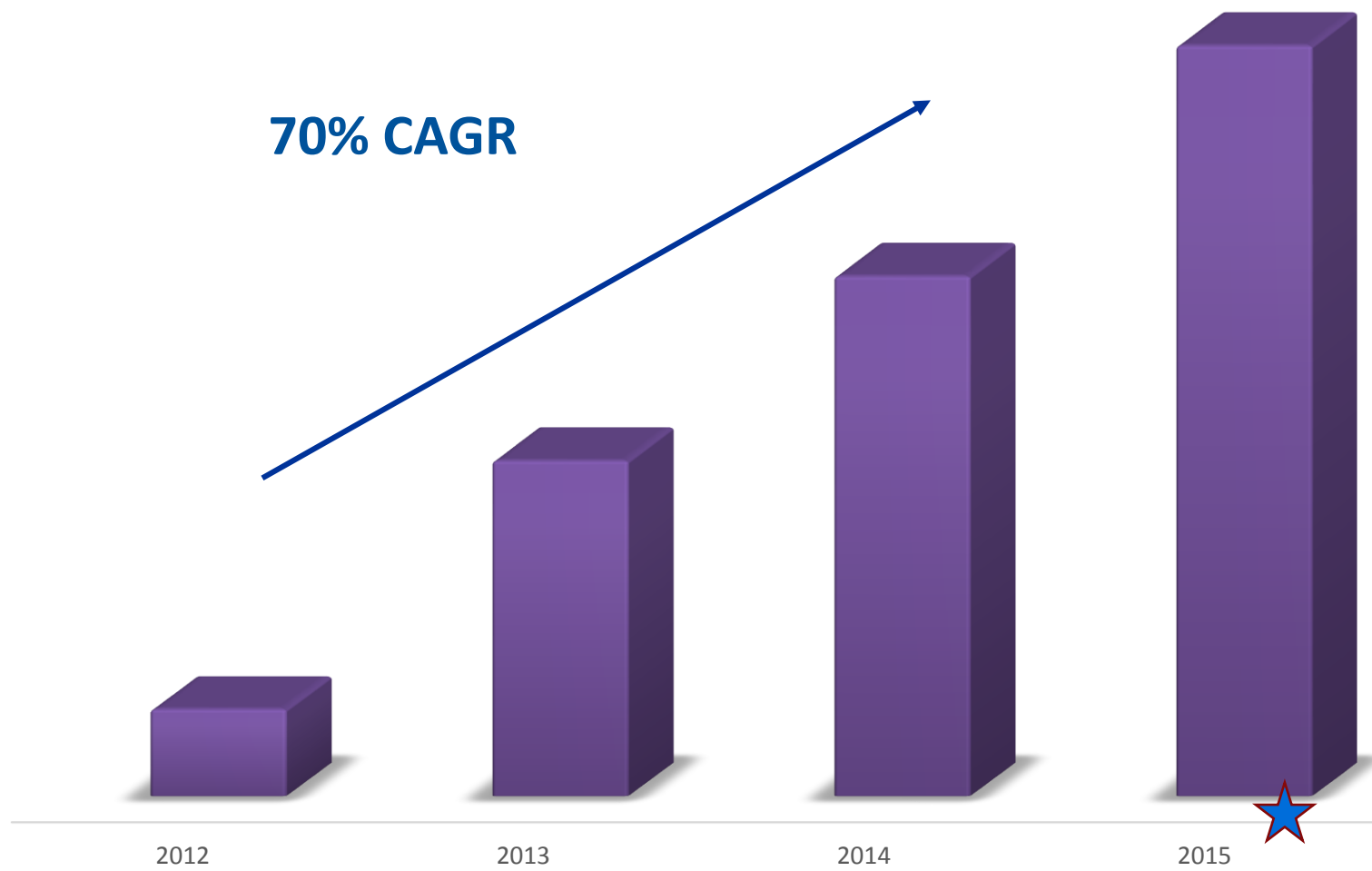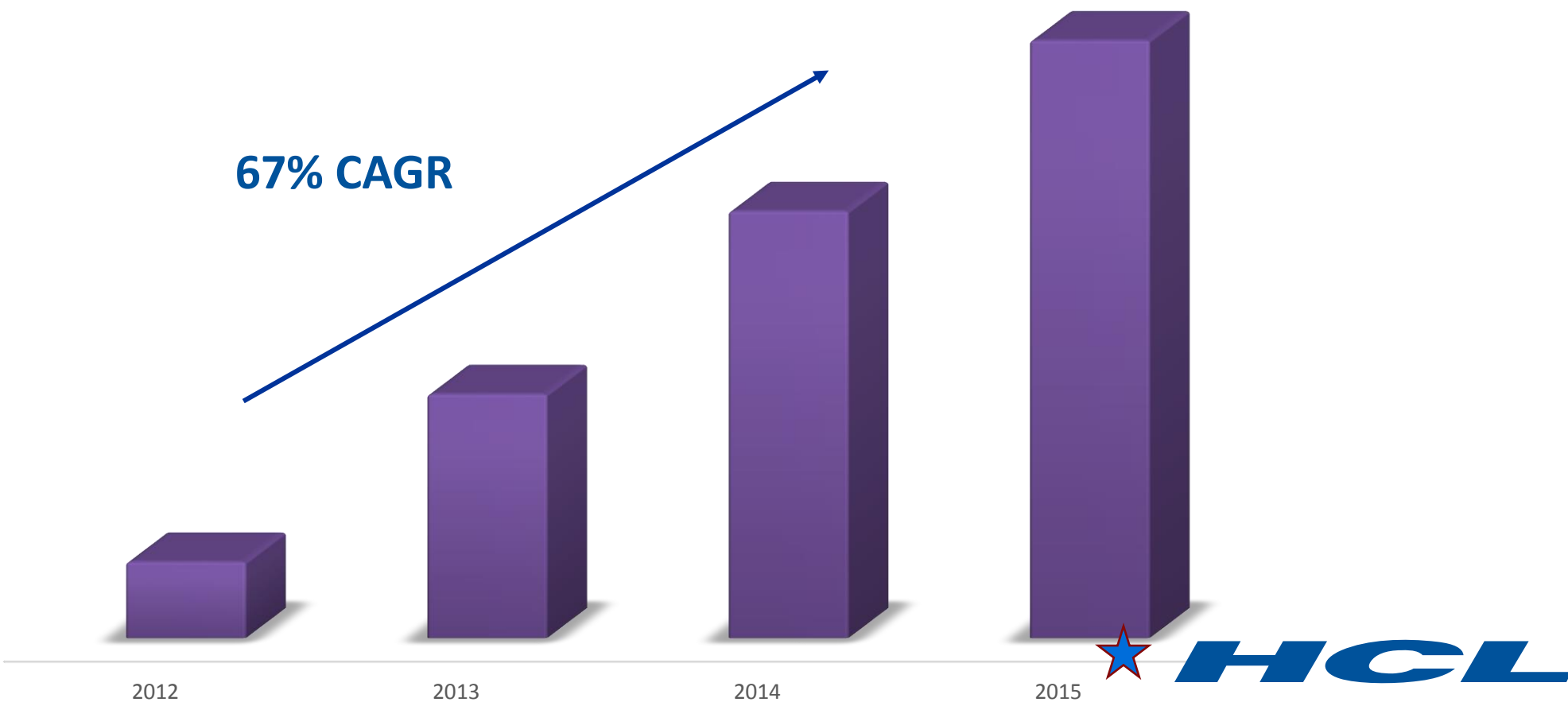
Competitive Advantage of ServiceNow

Single unified platform for managing all disparate services

Delivered as SaaS offering

Simpler all-inclusive licensing makes payment more transparent and predictable

In-place upgrade that does not impact existing customizations

Supports rapid development and release process

World class partner support

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Offering Of HCL GBP R11

Base Image in ServiceNow Platform

Problem Management	Knowledge Management
Incident Management	Change Management
Asset DB	
Service Request Management	Asset Management
CMDB	
Service Level Tracking	
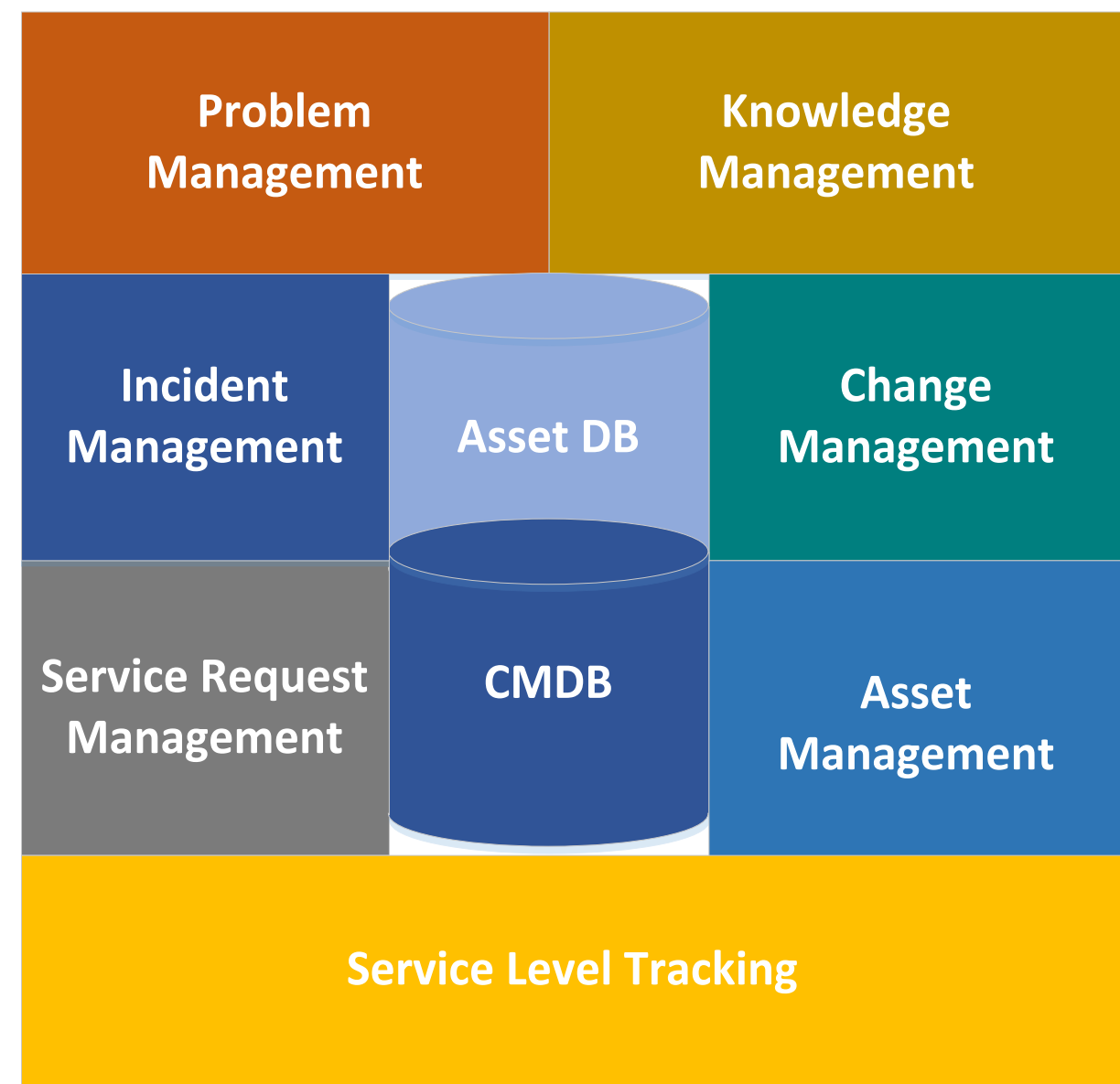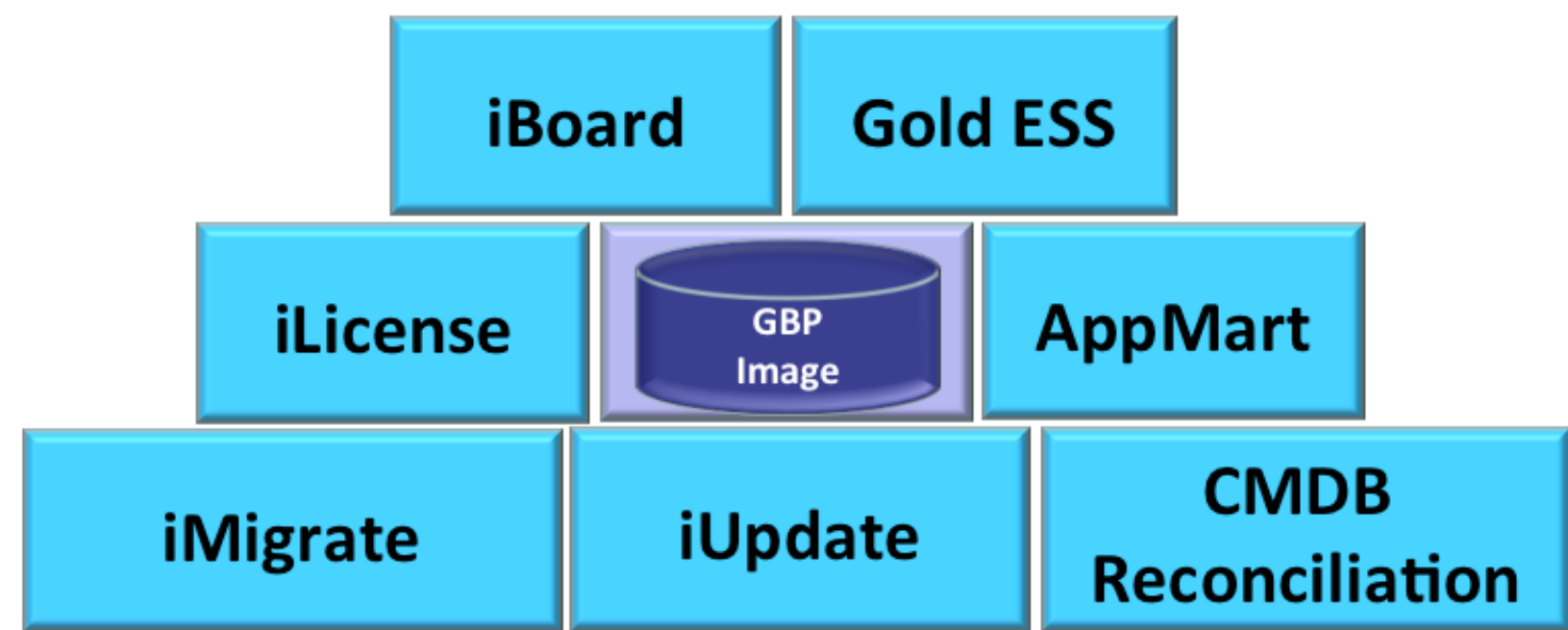
Extended Image in ServiceNow Platform

Service Portfolio Management	Service Portfolio	Component Failure IA DB	Availability Management
Service Catalogue Management	Service Catalogue	Capacity DB	Capacity Management
Continuous Service Improvement Plan Management	SIP DB	Gold Standard MTA DB	Patch Management
Release Management	IT GRC		Demand Management

iApp Ecosystem Suite

- iBoard
- Gold ESS
- iLicense
- GBP Image
- AppMart
- iMigrate
- iUpdate
- CMDB Reconciliation

MTaaS BSM Ecosystem Suite

- MTaaS Event Analytics
- ServiceWatch Impact Mgmt
- ServiceNow Discovery
- GBP Image
- MTaaS Event Mgmt
- HCL xMAP Monitoring Automation Portal
- MTaaS Machine Learning
- MTaaS PerfCapMon
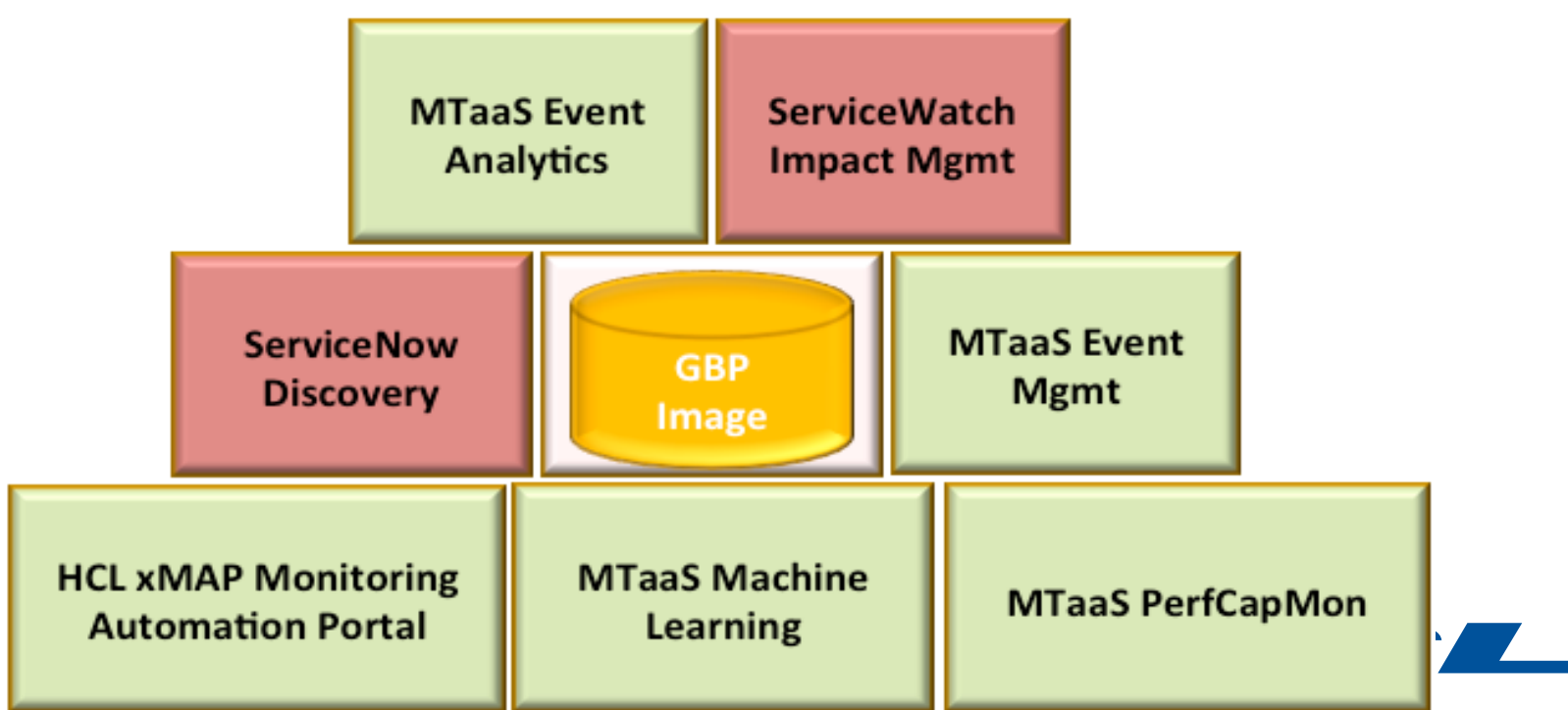
AppStore - Candidate Apps

CMDB Reconciliation

Goal:

- To maintain the *currency* and *accuracy* of all CI within the scope of the Configuration Management Process
- Perform CMDB audits to ensure the information about the configuration items is accurate.
- Identify reasons for deviation identified during the audit and take appropriate actions

Key Performance Indicators:

- Reduction in missing CIs in CMDB
- Reduction in obsolete CIs in CMDB
- Reduction in missing mandatory attribute count
- Reduction in the unauthorized change count

AppMart

Goal:

- AppMart provides end to end automation of the Software Request lifecycle by covering all the stages:
  - Request submission
  - Approval
  - Orchestrated installation of the software
  - Notification
  - License tracking

Key Performance Indicators:
- Reduced MTTR for software installation requests
- Reduced resource requirement for Remote Desktop / Desk side Support
- Reduced number of failed software installation
- Tracked number of licenses consumed for each software

Enterprise-as-a-Service Consumption Platform

Trending Now *as-a-Service*

IT
• Support • Services • Knowledge

Human Resources
• Support • Services • Knowledge

Finance
• Support • Services • Knowledge

Sales & Marketing
• Support • Services • Knowledge

Production
• Support • Services • Knowledge

Administration
• Support • Services • Knowledge

Logistics
• Support • Services • Knowledge

Legal
• Support • Services • Knowledge

Case Study

- Europe's leading Paper and Ply manufacturing company
- Extended Service Catalog *beyond IT*
- 20% of Non-IT fulfillers
- Functions on boarded
  - CRM
  - Finance
  - HR
  - Logistics
  - Production

Q & A

Frank Slootman, CEO

Mike Scarpelli, CFO

Thank you

APPENDIX

Non-GAAP Reconciliation

ServiceNow
Investor Presentation Slide
Q4 FY14

$MM	2012	Q1-13	Q2-13	Q3-13	Q4-13	2013	Q1-14	Q2-14	Q3-14	Q4-14	2014	Q1-15
GAAP Subscription Gross Profit	141.3	53.2	60.2	69.6	78.9	261.9	86.2	99.5	112.4	126.4	424.5	137.5
(+) Subscription SBC	3.9	1.8	2.0	2.2	2.5	8.4	3.1	3.8	4.0	4.1	15.0	5.2
(+) Subs Amort of Purchased Intangibles	0.0	0.0	0.0	0.3	0.3	0.7	0.3	0.4	2.6	2.8	6.1	2.7
Non-GAAP Subscription Gross Profit	145.2	55.0	62.2	72.1	81.7	271.0	89.6	103.7	119.0	133.3	445.6	145.4
% Subscription Gross Margin	*71%*	*77%*	*77%*	*78%*	*78%*	*77%*	*76%*	*78%*	*79%*	*80%*	*79%*	*81%*
GAAP Professional Services Gross Profit	-1.6	0.4	6.1	0.1	0.9	7.5	-0.2	8.3	0.2	0.9	9.3	-2.4
(+) Pro. Serv. SBC	1.6	0.8	1.0	1.2	1.7	4.7	2.4	3.2	3.6	3.9	13.1	5.2
Non-GAAP Professional Services Gross Profit	0.0	1.2	7.1	1.3	2.6	12.2	2.2	11.5	3.8	4.8	22.4	2.8
% Pro. Serv. Gross Margin	*0%*	*8%*	*33%*	*7%*	*13%*	*16%*	*10%*	*34%*	*13%*	*16%*	*19%*	*9%*
Total Non-GAAP Gross Profit	145.2	56.2	69.3	73.4	84.3	283.2	91.8	115.2	122.8	138.2	468.0	148.2
% Gross Margin	*60%*	*65%*	*68%*	*66%*	*67%*	*67%*	*66%*	*69%*	*69%*	*70%*	*69%*	*70%*
GAAP Sales and Marketing	103.9	38.2	52.3	47.3	57.3	195.2	69.4	91.9	84.0	95.8	341.1	110.0
(-) Sales and Marketing SBC	10.3	4.0	4.8	5.9	6.8	21.6	9.0	12.3	15.0	17.6	54.0	22.6
(-) Sales and Marketing Amort of Purchased Intangibles	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.5	0.1
Non-GAAP Sales and Marketing	93.6	34.2	47.5	41.3	50.4	173.5	60.3	79.5	68.8	78.0	286.6	87.3
% of Revenue	*38%*	*40%*	*46%*	*37%*	*40%*	*41%*	*43%*	*48%*	*39%*	*39%*	*42%*	*41%*
GAAP Research and Development	39.3	16.0	17.9	20.8	23.9	78.7	31.1	35.4	39.7	42.0	148.2	49.8
(-) Research and Development SBC	6.5	3.1	3.7	4.2	5.2	16.2	7.8	10.4	11.7	12.6	42.5	15.6
Non-GAAP Research and Development	32.8	12.9	14.2	16.6	18.7	62.5	23.3	25.0	28.0	29.4	105.7	34.2
% of Revenue	*13%*	*15%*	*14%*	*15%*	*15%*	*15%*	*17%*	*15%*	*16%*	*15%*	*15%*	*16%*
GAAP General and Administrative	34.1	12.2	15.3	16.1	18.0	61.8	21.6	24.9	23.4	26.3	96.2	29.4
(-) General and Administrative SBC	5.7	2.3	3.2	4.3	4.7	14.6	6.9	7.7	7.3	7.8	29.7	9.5
(-) General and Administrative Acquisition Cost	0.0	0.0	0.4	0.1	0.0	0.5	0.0	0.7	0.4	0.0	1.1	0.0
Non-GAAP General and Administrative	28.4	9.9	11.7	11.7	13.3	46.7	14.7	16.5	15.7	18.5	65.4	19.9
% of Revenue	*12%*	*12%*	*11%*	*11%*	*11%*	*11%*	*11%*	*10%*	*9%*	*9%*	*10%*	*9%*
Non-GAAP Operating Margin	-4%	-1%	-4%	3%	2%	0%	-5%	-3%	6%	6%	2%	3%