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# ServiceNow Pricing & Usage Measurement FAQ for Partners

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# ServiceNow Pricing & Compliance FAQ

## 1. General Suites and Sales

**Q: Why did ServiceNow switch to a combined "Service Management Suite v2" from a separate IT Service Automation Suite and individually packaged Shared Services Applications?**

**A:** ServiceNow is used to define, structure, and automate services provided by any service domain – not just IT. ServiceNow's Service Management Suite v2 packaging reflects this reality and provides a broad application offering that aligns with the sales goals of going high and getting wide throughout accounts.

**Q: How does the ServiceNow model account for light users, casual, or concurrent users?**

**A:** ServiceNow does not license for these types of users. Every Fulfiller and Approver of ServiceNow is treated equally. Pricing reflects an expectation that different users will have different usage patterns. An alternative for customers that have large numbers of casual-type users is to leverage the All User pricing model.

**Q: What does ServiceNow do when a customer starts on one model and wants to move to another? Is movement allowed at mid-term and/or at renewal?**

**A:** Absolutely. A customer can always convert from one model to another. It would be rare to see a customer want to convert mid-term, but it is possible. Also, there is yet to be a case where a customer moves from the All User model to the Fulfiller model, nor should that ever be encouraged. Regardless, the change in model is priced as if it is a brand new quote. Historic discounts or agreed upon price caps are not considered. This becomes a fresh quote. For a mid-term conversion, the contract becomes a superseding contract and replaces the remaining contract term. For renewal, it is processed as a renewal however with the new SKUs and terms.

**Q: Can customers view their own user based usage data within their instance?**

**A:** Yes. User activity is stored in each instance, but for consistency with audit policies, sales ops should work with customers to generate usage reports used for license compliance.

**Q: Customers can mix and match models now. Are there ANY restrictions or does the customer have the option to go with All User or Fulfiller model with each Suite?**

**A:** Each suite may be independently sold in either the All User Model of Fulfiller model. HR Service Management is an exception as it is offered with All User (Per-Employee-per-Month) Model pricing only. A customer may have one suite All User Model while another in a Fulfiller model. Platform Runtime can also be sold in either model.

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**Q: Is there a minimum number of Users or deal size required for the All User model?**

**A:** Yes. The All User model is targeted at larger customers. Any line item being sold in an All User Model must be for a minimum of USD $120,000 list ACV. The two exceptions are HR Service Management and Service Catalog With Request Management, both of which are offered via the All User Model pricing construct only. Additionally, the minimum number of Unrestricted Users is 1000 for All User Model sales of the Service Management Suite v2, Service Management Suite v2 With Platform Runtime (previously "Service Management Suite With CreateNow"), HR Service Management and the Service Catalog With Request Management application.

**Q: For an account with an All User Model, can the user counts for Notify or Password Reset be different from the other suite user counts?**

**A:** No. While Fulfiller counts can vary by suite, the All User Model is based on all active users. And since it is a count of all active users in ServiceNow, it will be the same count across all applications.

**Q: What exactly is a 'standard package'?**

**A:** A standard package refers to the subscription application suite(s) that must be purchased by a customer to begin using ServiceNow and have access to the ServiceNow Platform. Once a standard package is purchased, the pricing policy document identifies the options and add-ons available. Standard packages include Service Management Suite v2, Service Management Suite v2 With Platform Runtime, Customer Service Management, Service Strategy – Worker / Planner / Analyst offers, Governance, Risk and Compliance Suite (previously "Business Management Suite"), and Platform Runtime (previously "CreateNow Development Suite").

**Q: Why has "CreateNow" been renamed "Platform Runtime"?**

**A:** With Geneva, CreateNow Development Suite has been renamed to Platform Runtime. No price changes are associated with SKUs having the name change to Platform Runtime. This change provides an accurate description of this product's actual function and use case. For any application the customer has developed, Platform Runtime use rights must be purchased for that application's Fulfiller Users when it is deployed in production.

Note that development offline on the ServiceNow Platform (previously "Service Automation Platform") continues to be free. All Platform developer tools (Studio, Service Creator) and developer-related Platform services are built into the ServiceNow Platform that ships with all ServiceNow SaaS applications - and is also available via a free developer instance to members of the free ServiceNow Developer Program.

**Q: Why has "Business Management" Suite been renamed "Governance, Risk and Compliance" Suite?**

**A:** This name change reflects the enhanced Governance, Risk and Compliance Suite capabilities, including the addition of the new Risk Management application. The price remains at $125 per month per Fulfiller User.

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**Q: What suite is Vendor Ticketing a component?**

**A:** Vendor Ticketing is a separate plugin that is a component of Vendor Management, currently contained within the GRC Suite.

**Q: Can customers purchase different application suites for different Fulfillers?**

**A:** Yes. Fulfiller requirements for each application suite are counted separately. The customer only purchases what they need of each. If a Fulfiller needs access to more than one suite, they must subscribe to each suite.

**Q: Can some Fulfillers be contracted for Platform Runtime (previously "CreateNow Development Suite") and others be contracted for an application suite?**

**A:** Yes. Platform Runtime is treated like any other standard package. In the Fulfiller model, Platform Runtime users who implement a custom application require Platform Runtime Fulfiller use rights. Users who create/delete/modify any record or report in the custom application – classic Fulfiller functions -- will require Fulfiller use rights for Platform Runtime. If Platform Runtime-only Fulfillers wish to be able to take advantage of the Service Management Suite v2 capability to create service management applications from a template, they will need to be licensed for the "Service Management Suite v2 With Platform Runtime" SKU. Note: Requester users of the custom application do not require Platform Runtime use rights. Regarding Approvers: Approver use rights are not purchased as application-specific. Approvers can view and approve requests routed to them via the system for ServiceNow suite applications as well as Platform Runtime custom applications. If the Platform Runtime-built custom application requires new Approvers, the customer would be subject to purchasing additional "standard" Approver use rights.

**Q: In a single SKU, the Service Management Suite v2 contains the seven "IT Service Management" applications designed to address the core ITIL framework use cases (Incident, Problem, Change, Release, Request, Asset, Cost) as well as the service management applications for Facilities, Field Service, Finance, Legal and Marketing. How does ServiceNow determine which application(s) within the Service Management Suite v2 were the primary deal driver(s)?**

**A:** After implementation and over time, the customer usage analytics will reveal where the customer is assigning users for the applications within the Service Management Suite v2. To support near term pipeline management and reporting, the SURF CRM deal opportunity record provides a drop-down "check box" when the sales rep enters either a Service Management Suite v2 or Service Management Suite v2 With Platform Runtime SKU. The drop down "check box" contains line items for (1) the seven "IT Service Management" applications; (2) the individual service management applications; and (3) Platform Runtime. Before the Sales Rep can submit the opportunity record, he or she must choose one or several of the applications as the primary deal driver. Most opportunities will only have one or two applications as the primary drivers (e.g., classic IT Service Management applications or a specific service management application). Any Service Management Suite v2 With Platform Runtime deal would, by definition, have Platform Runtime checked as one of the driving applications.

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**Q: How does the opportunity record process work for a follow-on sale of additional Service Management Suite v2 Fulfillers, this time for a different target service management application?**

**A:** Same process. The sales rep will enter an upsell opportunity for additional Service Management Suite v2 Fulfillers and will check the box for the service management application driving the upsell.

**Q: Can customers just license the Service Catalog?**

**A:** No. Customers do not directly purchase ServiceNow's Service Catalog. Service Catalog is included with the ServiceNow Platform (previously "Service Automation Platform), which is included with a purchase of every standard package. It is an enabling and differentiating technology that is relevant for all ServiceNow customers looking to automate service relationships. Service Catalog by itself does nothing but present goods and services to a customer. It requires an application like Request Management to actually fulfill requests. Note: for customers specifically interested in a Service Catalog With Request Management solution, ServiceNow offers it via an All User model only for opportunities with a minimum of 1000 users. Engage the geo Deal Desk to determine a fit and to establish pricing for a quote.

**Q: Why isn't everything included in a license?**

**A:** ServiceNow releases new applications and platform capability enhancements all the time. Many are logical extensions of functionality that are included with a current subscription. Other enhancements are directed into new functional areas or solve different problems for different functions within an enterprise, and often it makes sense to price separately as customer usage and purchase evaluation are also separate.

**Q: How does an existing customer with an older suite get access to new applications introduced after they signed their existing agreement?**

**A:** Customers are entitled to new applications from follow-on releases that were added to their suites after they signed their agreement. However, to enable the new applications, they must upgrade their instance to a release that supports those applications. The following applications were released since early 2013 and can be enabled when the customer upgrades to that version:

| Release | Application Introduced |
|---|---|
| **Calgary** | Work Management (which was renamed to Field Service Automation with Eureka) |
| **Dublin** | Resource Management |
| **Dublin** | Vendor Management |
| **Eureka** | Demand Management |
| **Fuji** | Test Management |
| **Geneva** | Risk Management |
| **Helsinki** | Agile Development (renamed from Software Development Lifecycle (SDLC)) |
| **Helsinki** | Policy and Compliance Management (with Audit Management replaced GRC application) |
| **Helsinki** | Audit Management (with Policy and Compliance Management replaced GRC application) |
| **Helsinki** | Threat Intelligence (addition to Security Operations) |

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**Q: Regarding All User model pricing: Why are the All User model list prices no longer provided in Pricing Policy or internal communications?**

**A:** All User model pricing is dependent on a number of variables including customer industry segment, customer size and internal business unit structure, existing contractual relationship and the mix of ServiceNow offerings of interest. Furthermore, All User model list prices viewed in isolation are subject to misinterpretation and can lead to improper expectation setting. The geo Deal Desks must be the focal point for All User model pricing guidance.

**Q: Are the service management applications for Facilities, Field, Finance, Legal and Marketing that are now packaged in the Service Management Suite v2 included as part of my customer's "legacy" suite entitlement when renewing or migrating?**

**A:** No, a migration is required. Use rights to the service management applications packaged in the Service Management Suite v2 require a SEPARATE subscription for ALL legacy suites introduced prior to June 2014. For example, current Enterprise Edition customers do not have use rights to service management applications because those applications were not included in Enterprise Edition originally and are not included in the ITSA Unlimited (Including Platform Runtime) SKU used to migrate Enterprise Edition contracts (other than Field Service Management, formerly called 'Work Management' in Enterprise Edition).

**Q: Which migration SKUs are required for which legacy suites?**

**A:** Two migration-only SKUs are designed specifically to convert customers on older contracts to the current pricing model. Sales of either Service Management Suite v2 or Service Management Suite v2. With Platform Runtime to older contract customers requires a contract migration to the appropriate ITSA Unlimited SKU as part of the same order:

The 'ITSA Unlimited' SKU contains (1) the former IT Service Automation Suite applications (Incident, Problem, Change, Release, Request, Asset, Cost), (2) the former Project Portfolio Suite applications (Agile Development (formerly "SDLC"), Project Portfolio, Resource, Demand, Test), (3) Governance, Risk and Compliance Suite applications (Policy and Compliance, Audit (both formerly "GRC"), Vendor, Risk), and (4) the Field Service Management application. **Note**: *Migration to 'ITSA Unlimited' SKU required for: ITSAA, ITSA Gold Plus, ITSA Platinum.*

- The 'ITSA Unlimited (Including Platform Runtime)' SKU contains everything in the 'ITSA Unlimited' SKU plus Platform Runtime, which provides Fulfiller use rights for custom applications deployed in production. The 'ITSA Unlimited (Including Platform Runtime)' SKU is for customers that have historical rights to deploy their custom developed applications in production. **Note**: *Migration to 'ITSA Unlimited (Including Platform Runtime' SKU required for: Enterprise Edition, ITSA Gold Unlimited, ITSA Diamond.*

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**Q: How about for ITSA Gold? Or for customers who have the IT Service Automation Suite SKU introduced in June 2014 with the Eureka release?**

**A:** The primary ITSA Gold and June 2014 IT Service Automation Suite migration SKU is the Service Management Suite v2 SKU, which contains the seven core ITIL "IT Service Management" applications as well as additional service management application entitlements: Facilities, Field Service, Finance, Legal and Marketing. Migration of ITSA Gold to the June 2014 'IT Service Automation Suite' is an alternative with region Sales Ops approval.

**Q: If a legacy suite customer is interested in a specific service management application, what does the customer purchase?**

**A:** A specific example with help explain. We will use the example of an Enterprise Edition renewal/ migration with a Legal Service Management application upsell. For this example, the Enterprise Edition customer has $70 net per Process User in their contract. They are interested in purchasing Legal at 20% discount off the Service Management Suite v2 $100 list price = $80 net per Fulfiller User.

*The Enterprise Edition —> ITSA Unlimited Suite choice needs to be determined. Let us assume for this example that the customer is old enough where custom app dev rights were not specifically called out, so ServiceNow grandfathers them in using the ITSA Unlimited (Including Platform Runtime).*

*After the Enterprise Edition migration and Service Management Suite v2 upsell, the customer will be paying:*

*(1) Use rights of $70 per Fulfiller for each of the ITSA Unlimited (Including Platform Runtime) Process Users mapped over from Enterprise Edition. Usage analytics for those Fulfillers would be reported against the ITSA Unlimited (Including Platform Runtime) subscription. Those applications are:*

- ***Incident, Problem, Change, Release, Request, Asset, Cost*** *- (apps from former ITSA Suite SKU no longer sold to new customers).*
- ***Agile Development, Project Portfolio, Resource, Demand, Test*** *- (apps from the former Project Portfolio Suite SKU still offered within the Service Strategy Worker, Planner and Analyst SKUs).*
- ***Policy and Compliance, Audit, Risk, Vendor Performance*** *- (apps from current Governance, Risk and Compliance Suite – SKU still offered).*
- ***Field SM*** *- (Former Shared Services app SKU that with the Fuji release was no longer a separate, standard offer sold to new customers; had been called 'Work Management' in Enterprise Edition).*
- ***Platform Runtime*** *– (Fulfiller use rights for custom applications when deployed in production).*

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*(2) Use rights of $80 per Fulfiller for each of the new Service Management Suite v2 Fulfillers, which is a separate set of Users (with separate ServiceNow ID's). Each of the Service Management Suite v2 Fulfillers has use rights for:*

- ***Incident, Problem, Change, Release, Request, Asset, Cost -*** *(apps from former ITSA Suite SKU no longer sold to new customers).*
- ***Field SM*** *- (Former Shared Services app SKU that with the Fuji release was no longer a separate, standard offer sold to new customers; had been called 'Work Management' in Enterprise Edition).*
- ***Facilities SM -*** *(Former Shared Services app SKU that with the Fuji release was no longer a separate, standard offer sold to new customers).*
- ***Finance SM, Legal SM, Marketing SM -*** *(New-with-Fuji service management's apps – no separate SKUs).*

*Note: This example was a Legal upsell opportunity. In the original Opportunity record, the Service Management Suite v2 "Check box" drop down would have had only Legal Service Management selected. When implemented, we would expect to see the Service Management Suitev2 subscription usage analytics report showing only Legal Service Management activity for the Service Management Suite v2 subscription.*

*In summary: ServiceNow manages two SEPARATE sets of active ServiceNow active IDs. One set associated with the original Enterprise Edition - Process Users and the second set associated with the new Service Management Suite v2 - Fulfiller Users. Only individuals acting as Fulfillers for both the ITSA Unlimited (Including Platform Runtime) subscription PLUS the Service Management Suite v2 subscription will be paying $70 + $80 = $150 per month (e.g., admin individuals).*

**Q: In the example above, if the customer instead wanted to purchase Legal Service Management in an All User model, could they?**

**A:** Yes, but that would (1) still require the Enterprise Edition Process User migration to the "ITSA Unlimited (Including Platform Runtime) – Fulfiller User" SKU, and (2) require a separate "Service Management Suite v2 – Unrestricted User" purchase (or Custom SKU purchase).

**Q: My customer's existing contract included Project Portfolio Management (PPM) and Software Development Lifecycle (renamed to Agile Development with Helsinki). What about the other applications in the former Project Portfolio Suite and current Service Strategy – Worker offer – Demand Management, Resource Management and Test Management? Does the customer have to purchase these separately?**

**A:** No separate purchase is required. For existing customers that have purchased a package that includes PPM, as per the ServiceNow Renewal and Upsell Policy for Partners, they are entitled to the other applications contained in the former Project Portfolio Suite and current Service Strategy – Worker offer, which includes Demand Management, Resource Management and Test Management once they are on the release that supports those applications (see below).

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**Q: Is Service Portfolio Management a part of the Service Strategy (PPS) Suite?**

**A:** No. Service Portfolio Management is platform functionality designed for the management of business services and is not related to the Service Strategy Suite.

**Q: What Suite includes the Planned Maintenance plugin?**

**A:** Planned Maintenance is a component of Field Service and would be included with any Suite that contains Field Service (e.g. Service Management, Customer Service Management).

**Q: How does a customer know which plugins in the plugin list they are entitled to activate?**

**A:** Not all available plugins are included with a customer's current subscriptions. The best first step is to check the ServiceNow Wiki or Product Documentation to confirm understanding of the plugin application and compare that to their current subscriptions. When in doubt please contact Sales Ops for clarification.

**Q: How do StartNow customers get access to the required Agile Development (formerly "SDLC") and PPM applications when implementing Service Management Suite v2, which does not include those apps?**

**A:** StartNow customers purchasing Service Management Suite v2 will be allowed to use Agile and PPM as part of the StartNow delivery methodology during the term of the StartNow engagement. They will be required to assign the StartNow role to all Fulfillers involved in the deployment project. At the conclusion of the engagement, they will be required to either revoke the StartNow roles and stop using Agile and PPM, or purchase Service Strategy – Workers and at least one Service Strategy – Planner SKU to continue using them.

**Q: Why did ServiceNow split HR Service Management into a new SKU separate from the Service Management Suite (renamed "Service Management Suite v2")?**

**A:** HR Service Management has a different value proposition from IT Service Management that focuses on driving the costs of HR down through employee self service, HR service standardization, and HR process automation. The previous fulfiller model was only taking into consideration the HR Agents / Representatives responsible for responding to an employee inquiry or request. True HR engagement eventually requires all employees to be casual users of the system, having tasks assigned to them for completion (e.g., performance evaluation, yearly HR policy certification), and allowing managers to have the own interface for approving and working these tasks. As such, ServiceNow switched to a per employee pricing model (based on ServiceNow All User Model pricing) that is consistent with HR industry pricing expectations.

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## 2. User Types and Roles

**Q: What is the difference between a user and a role?**

**A:** A user is any employee or contractor given access to the subscription service by the customer. ServiceNow classifies users as Requesters, Approvers, Time Card Users and Fulfillers. Approver, Time Card User and Fulfiller user types have a corresponding license price and related role. Roles define the specific access rights within ServiceNow.

**Q: If a user has more than one account does the user use up more than one license?**

**A:** Yes, each active user record with a role requires a license.

**Q: What functionalities do Fulfillers (Process), Requester (ESS), and Approvers users have?**

**A:** See the table on the Order Form for a detailed listing of functionality for each user type. Generally, the user types can be summarized as listed below:

**Requesters** have access to open, update and view their own records only.

**Approvers** have the same access as a Requester with the added ability to view and approve records for which they are an Approver.

**Fulfillers** have full rights to create, update or view any record that their security allows. Only Fulfillers have the rights to view records that they did not create (Watch List and Connect features are the exception).

**Q: If a user has a Fulfiller role, but is not doing Fulfiller duties, are they still counted as a Fulfiller (e.g., the CEO)?**

**A:** Yes, any user with a role that provides Fulfiller access is considered a licensed Fulfiller user.

**Q: A customer purchased ServiceNow through reseller who also supports their implementation. Does the customer need to pay for users supporting their implementation? How can they tell how many of their users are ServiceNow or implementation partner employees?**

**A:** Yes, all active user records with a Fulfiller role are licensed users. Different companies or user types can be tracked via the Company field on the user record, or the addition of a Type field.

**Q: What can Approvers do?**

**A:** Approvers also have all capabilities of Requesters plus the added ability to approve or reject any request routed to them. Approvers may also add a related approval/rejection comment. Approvers may NOT update or change any record, view records other than those they are approving or own, or perform any additional Fulfiller functions.

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**Q: Do users need an Approver license to approve requests by email?**

**A:** Yes. Please read the following for additional information:

Effective December 2015, the Geneva Order Form user table matrix removed Requester User rights to approve via email. Users of customers that sign with ServiceNow with Geneva pricing and using the Geneva Order Form template (December 2015) require either Approver or Fulfiller use rights to provide approvals, either via email or via the web interface on a laptop, smartphone, or tablet.

Customers that have executed Order Forms prior to the Geneva Order Form template (i.e., Eureka, Fuji), have user table matrices where approval via email is an included use right for Requesters. When these customers are adding capacity to their existing contract, Sales may select the previous Order Form template in SURF to streamline the upsell process. As customers purchase additional products or renew their contract, the latest order form template (Geneva) is required. With this change, a conversation needs to be initiated by Sales with the customer explaining this transition of Requester rights to Approver and Fulfiller use rights only.

Existing contracts may grandfather customers that have Requesters approving via email by blending the number of Requesters into Approver use rights while keeping the annual contract value the same (with applicable renewal increases applied). After the initial process of grandfathering these Requesters, Approver use right purchases will be required as the customer expands their user base. Future platform features will enable ServiceNow to audit the customers' users and approval actions.

**Q: Can Requester Users approve requests by email?**

**A:** No, customers must purchase Approver or Fulfiller use rights.

**Q: What can Time Card Users do?**

**A:** Time Card Users can do everything a Requester does as well as create, update and submit their own time card(s). They cannot update or submit someone else's time card(s). Time Card Users cannot "work" on or comment on project tasks.

**Q: Can a Time Card User update a project task?**

**A:** No.

**Q: Can existing Fulfillers of other subscription suites and applications still update and submit their own time cards without requiring a separate purchase of Time Card User use rights?**

**A:** Yes, a separate Time Card User purchase is not necessary for existing Fulfillers of any other application suite or Platform Runtime. Time card use rights are part of their entitlement. This policy is unchanged.

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**Q: Can a Requester open a request on behalf of another user?**

**A:** Yes, but only via a self-service catalog item using an 'On behalf of' type field. Once the request has been entered only the 'requested for' user will have on-going access to view and update the request.

**Q: If a Requester updates information within a record on behalf of another Requester or on behalf of a group of requesters (who may not have their own workstations or their own individual access to the ServiceNow instance), does that "On Behalf Of" requester require Fulfiller use rights?**

**A:** Yes. Any time a user updates a task owned by someone other than himself, that requires Fulfiller use rights.

**Q: Can Requesters add themselves to the Watch List of any Request?**

**A:** No. Requesters do not have access to requests they did not create. They would need to be added by the request owner or a Fulfiller with access.

**Q: Can a Requester that has been added to a record created by someone else comment on that record?**

**A:** No. The Watch List allows a Requestor to view updates and receive notifications only. Commenting on an incident or record not owned by the Requester requires Fulfiller use rights.

**Q: Can Requesters be assigned Incident / Problem / Change / Project or any other tasks?**

**A:** No. Requesters may only update records that they own (created). A Requester may never be the 'Assigned To' of any task. Having a task assigned to you would mean you were responsible for fulfilling the task and therefore a Fulfiller.

**Q: Can Requesters view reports published to a self-service homepage?**

**A:** Requesters can view reports on the self-service homepage that are visible to all Requesters. They cannot create, modify, or view reports that are not public to all Requesters. Requesters can also create bar or pie charts from lists within their homepage or dashboard. For instance, they can create a bar chart showing the status of their own incidents.

**Q: Do employees who request support by phone need Fulfiller use rights when a ticket is created on their behalf by the Service Desk and they need to update it to add comments or confirm it has been resolved?**

**A:** No. Employees (Requesters) do not need to be licensed as Fulfillers to modify tickets created on their behalf.

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**Q: Are Fulfiller use rights required to view gauges (reports) that may be on the Requester and/or Approver home page?**

**A:** Requesters can access the self-service homepage and any gauges on it. They can also create bar or pie charts from lists within their homepage or dashboard. Requesters cannot access any approval-related modules or homepages.

**Q: Does an administrator require a Fulfiller subscription for every application suite purchased?**

**A:** Yes. Any user that is allowed usage within multiple subscriptions is counted as a licensed user within each subscription (e.g. Service Management Suite v2 and Service Strategy - Planner).

**Q: Is there Read Only or View All ability available to Requesters or Approvers?**

**A:** No. The ability to view records other than your own is a Fulfiller feature. The Watch List can be utilized to allow view access as needed for non-Fulfiller users.

**Q: Would the snc_read_only role provide Read Only or View Only ability to Requesters or Approvers?**

**A:** No. Once you assign this role to a user, they can no longer approve, create, update, or delete records on ANY tables. This role was created in order to easily restrict a user group to read-only access on the tables they have access to, generally for performing internal or external audits without allowing a user to have insert or update access to data. This role is not intended to be the only role a user has, but an additional role on top of another. Ability to view other records, even in a read only mode, is a Fulfiller function.

**Q: How does ServiceNow treat Custom Roles?**

**A:** Custom roles created by the customer are designated as Fulfiller role type, until they have been investigated by ServiceNow and shown to be otherwise. Once a custom role is investigated and known to be a certain role type, it is entered into the ServiceNow Role Dictionary. Once in the dictionary, it will be referenced correctly during future compliance reports. Role type designations follow the usage rights description on the Order Form.

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# 3. Additional Application Suites and Products

## 3.1. Customer Service Management

**Q: How is Customer Service Management positioned with Service Management Suite v2?**

**A:** Customer Service Management (CSM) Fulfillers are part of business-to-business customer service teams providing account, contact, contract, and entitlement service support to the CSM customer's EXTERNAL Requesters. Service Management Suite v2 Fulfillers are focused on supporting the customer's INTERNAL Requesters. Customer organizations / individuals servicing external versus internal Requesters are generally separate.

**Q: What roles are used with Customer Service Management?**

**A:** From a licensing and audit perspective, only Fulfiller roles are counted. These include everyone in an organization, including external contractors who perform fulfillment functions. For security purposes, Requesters will have an "snc_internal" or snc_external" role in addition to other roles, depending if they are within or external to the company. See the *Licensing Compliance & Audit Guidelines* for the most current details.

**Q: What applications are included with Customer Service Management?**

**A:** The Customer Service Management application includes a new self-service portal specific to external customer support. Also included are Field Service Management as well as Incident, Problem, Change, Release, Request, and Cost Management.

**Q: When upselling Customer Service Management, can the additional Customer Service Management entitlement be added to existing service management Fulfillers?**

**A:** When upselling Customer Service Management to customers with Service Management Suite v2, Service Management Suite v2 With Platform Runtime, or IT Service Automation Suite, Fulfiller User overlap is a consideration. Customer Service Management Fulfillers – agents who are servicing the customer's EXTERNAL Requesters – have access to the seven ITIL applications. As a result, they could also perform classic ITIL functions for their own INTERNAL Requesters. While the organizations / individuals servicing external versus internal Requesters are generally separate, there will be situations where the customer will ask to re-mission some of their existing internally-focused Service Management Fulfillers to also become externally-focused Customer Service Fulfillers for only a small incremental fee. Work with the ServiceNow Sales Ops team on strategies to appropriately "ring fence" this overlap.

**Q: How is Customer Service Management positioned with Public Catalog?**

**A:** With the Geneva launch of Customer Service Management, Public Catalog was retired for new business opportunities. Existing Public Catalog customers can continue to use it and add additional

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capacity if needed overtime. They may also want to evaluate Customer Service Management as an alternative. There is no standard upgrade path from Public Catalog to Customer Service Management.

## 3.2. HR Service Management

**Q: What is HR Service Management?**

**A:** HR Service Management streamlines the interactions between employees and their HR organization through multiple channels, including a person profile aware HR portal with a HR KB and Catalog, as well as a HR Case Management interface for a HR Service Center Agent. These interactions involve inquiries regarding HR policy, standard HR requests, and HR self-service and automation. The fulfillment of any of the HR services is performed through a non-ITIL service delivery process. Users of HR Service Management would include active employees, but could also include contingent employees, applicants, new hires, and alumni.

**Q: Why did ServiceNow split HR Service Management into a new SKU separate from the Service Management Suite?**

**A:** HR Service Management has a different value proposition from IT Service Management that focuses on driving the costs of HR down through employee self-service, HR service standardization, and HR process automation. The previous fulfiller model was only taking into consideration the HR Agents / Representatives responsible for responding to an employee inquiry or request. True HR engagement eventually requires all employees to be casual users of the system, having tasks assigned to them for completion (e.g., performance evaluation, yearly HR policy certification), and allowing managers to have the own interface for approving and working these tasks. As such, ServiceNow switched to a per employee pricing model (based on ServiceNow All User Model pricing) that is consistent with HR industry pricing expectations.

**Q: What is the Per-Employee-Per-Month (PEPM) pricing model?**

**A:** HRSM and the Helsinki “Enterprise Service Portal – HR” $0 promotion are only offered with "Per-Employee-Per-Month” (PEPM) pricing. PEPM pricing is the HR industry standard, which makes it easier for HR buyers to understand. For a public company, the employee count is available with their Form 10-K filing or other public record sources. Alternatively, a company “C-Level” executive can provide written certification of their number of employees.

All active standard employees are included in the PEPM count. The following employee types are excluded from the calculation: Part Time, Applicants, New Hires, Contingent, and Alumni.

Note: While the HR selling model emphasizes PEPM pricing to determine implementation scope (which may span only a geo or functional subset of the total company employee count), “Unrestricted User” licensing is currently reflected on HRSM quotes and Order Forms.

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**Q: What product features are included with the HR Service Management $5.00 Per Employee Per Month offer?**

**A:** HR Service Management provides a dedicated HR Portal that is person profile aware in serving up HR knowledge and catalog content. HRSM also includes a growing list of pre-built HR services around benefits, payroll, employee relations, and workforce administration with many more pre-built services coming in follow up releases. These prebuilt services provide additional features unique to the HRSM offering, such as document acceptance, PDF letter generation, etc.

HR representatives access their work queues through HR Case Management, which provides security controls on HR data and streamlines the HR fulfillment process. Visibility into the case workload for managers and agents are provided through role and process specific dashboards as well as HR reports and analytics.

The HR department is also provided tools to simplify the administration of the system without IT involvement. An example of this is the HR Skills Workbench, where HR can visually review and assign skills based routing to their delivery organization. Additional capabilities focused on simplifying the configuration of HR Services are planned for future releases.

For customer's that utilize Workday as their core HR HCM system, HRSM also provides a native out of the box bi-directional integration between the two systems.

**Q: What product features are included with the Helsinki "Enterprise Service Portal – HR" $0 Promotional offer?**

**A:** The Helsinki "Enterprise Service Portal – HR" $0 promotion includes the following new capabilities: the newly redesigned HR Service portal, a collection of HR widgets for portal customization, and 20 pre-built HR workflows. "Enterprise Service Portal – HR" requires HRSM as a prerequisite. Customers must be provisioned on Helsinki to go live w/ "Enterprise Service Portal – HR".

$0 Promotion SKU is available for:

- New business or existing customers also purchasing HRSM.
- Existing HR Service Automation and Service Management Suite v1 customers as an add-on / upsell.
- Not available as a standalone at this time.

SURF Contract $0 promotion SKU pricing will be honored for the duration of the customer's contract. If the customer changes their existing HR Service Management entitlement mid-contract, they will be given the option to maintain their "Enterprise Service Portal – HR" entitlement, but at the then available commercial price.

**Q: What if a customer is not deploying for their entire organization?**

**A:** In the event that a customer's scope of implementation is for a specific organization, department, or geography, the employee count for that entity is what would be documented and priced.

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**Q: How are renewals or migrations to the HR Service Management SKU handled?**

**A:** Migrations to the HR Service Management SKU will be required come renewal time for customers with legacy HR Service Automation, Service Management Suite, Service Management Suite With CreateNow, and Service Management Suite With Platform Runtime SKUs. The intent is to keep total ACV constant – subject to any applicable standard renewal uplifts -- when migrating to separate HR Service Management and Service Management Suite v2 offers. Customers who utilize HR functions on a legacy custom SKU may be required to uplift to the new SKU per sales management and deal desk discretion.

**Q: Why would a customer want to migrate to the HR Service Management SKU?**

**A:** As there is no additional charge for the HR Service Management SKU migration, the process only benefits the customer and represents ServiceNow's customer first philosophy. The process allows the customer to take advantage of the All User / Per-Employee-Per-Month pricing model while maintaining the same ACV as their current fulfiller model. Also, the customer will not be able to take advantage of the "Enterprise Service Portal – HR" $0 promotion without migrating to the separate HR Service Management SKU.

**Q: What are the HR Service Management Value Drivers?**

**A:** Detailed analysis of customer success stories have shown several themes representing the value a customer achieves by leveraging the HR Service Management product. This includes cost avoidance through case deflection, process automation through employee self-service (having employees not only answer their own questions but also perform their own services), and legal avoidance through HR process standardization. The extended HR Business Unit can provide detailed BVA analysis and sales strategies on a customer-by-customer basis.

**Q: What is the process to migrate from HR Service Automation Fulfillers to the HR Service Management "Per-Employee-Per-Month" offer?**

**A:** The migration process can best be explained with a customer illustration:
Current Contract

- HR Service Automation Suite
  - 100 Fulfillers @ $50.00
  - $60,000.00 ACV
- Customer Has 5,000 Employees

Migration / Renewal Process:

- Step 1: Calculate Per Employee Pricing to Maintain ACV
  - 5,000 Employees * $1.00 / Mo = $60,000.00
  - $1.00 Per Employee / Month Maintains ACV
- Step 2: On Renewal, Migrate to HRSM SKU
  - Document Number of Employees
  - Document Per Employee / Month Rate

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**Q: What is the process to migrate from SMS to HRSM SKU?**

**A:** The migration process can best be explained with a customer illustration:

Current Contract

- Service Management Suite
  - 200 Fulfillers @ $50.00
  - $120,000.00 ACV
- Customer Has 5,000 Employees

Migration / Renewal Process:

- Step 1: Review Usage Report to See How Many Fulfillers Are Allocated to HR Service Management (vs. other products in the SMS suite)
  - 100 Fulfillers Are Allocated to HR Service Management in this Example
- Step 2: Calculate Per Employee Pricing to Maintain ACV Based on the HR Service Management Fulfillers
  - $60,000 ACV is Allocated to HR Service Management
  - 5,000 Employees * $1.00 / Mo = $60,000.00
  - $1.00 Per Employee / Month Maintains ACV
- Step 3: On Renewal, Migrate Portion of Fulfillers to HRSM SKU
  - Reduce SMS Suite Fulfillers that Were Allocated to HRSM
    - SMS Suite Drops to 100 Fulfillers (SMSv2 SKU)
  - Document Number of Employees
  - Document Per Employee / Month Rate

**Q: Can the $0 promotion SKU be added to an existing contract containing a Fulfiller-based Service Management Suite SKU containing a HR Service Management entitlement?**

**A:** No. Service Management Suite SKUs containing the HR Service Management entitlement — PROD00874, PROD00875, PROD01167 —must migrate to the appropriate SMSv2 SKU that does not contain an HR entitlement. The PROD01272 HRSM SKU and the PROD01636 "Enterprise Service Portal – HR" $0 promo SKU should be included on that same Order Form. Their PEPM pricing construct with appear as "Unrestricted Users" on the Order Form.

## 3.3. Security Operations

**Q: Security Operations is priced with a $75,000 list annual "security engine" module fee covering the first 1,000 connected devices plus an additional $.75 / month / connected device over 1,000 devices. There is no per Fulfiller or per User fee. What are the benefits of this pricing construct?**

**A:** The intent was to make the pricing easy to understand and facilitate a clearer "value" conversation with the customer, provide similarities to past ITOM Discovery device pricing construct, be differentiated from the competition, and encourage "all you can eat" adoption.

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**Q: What applications are included with the Security Operations module fee?**

**A:** The Security Operations "standard" module offer includes (1) Security Incident Response, (2) Vulnerability Response, and (3) Threat Intelligence, which is new with Helsinki.

**Q: What then are the Security Operations user requirements?**

**A:** Security Operations initial sales will be targeted at existing ServiceNow customers with some version of an ITSA suite. Security Operations / Security Incident Response Team (SIRT) members are expected to at least be ServiceNow Requesters with their own ServiceNow usernames & passwords. Note: For customers making their initial ServiceNow purchases with a Security Operations non-user-based application, a minimum of two Fulfiller Users of Service Management Suite v2 must be licensed for ServiceNow Platform admin purposes.

**Q: What is the Security Operations "device" definition?**

**A:** A Device is any IP connected physical or virtual device on the network that is assigned as a configuration item (such as a server, phone, thermostat, laptop, router, firewall, etc.). Note: The Security Operations Module + Device pricing model is under evaluation. Security Operations is an emerging product with the go-forward pricing construct(s) still to be determined. Contact your Geo Deals Desk point-of-contact for the most current Security Operations offers.

**Q: The Demand Management application contains a stakeholder registry. Do users in the registry require a Fulfiller license?**

**A:** No. Users in the registry do not need to be Fulfillers. For example, individuals can be added into the stakeholder registry so that they receive an assessment survey without being Fulfillers.

## 3.4. Service Strategy – Workers, Planners and Analysts

**Q: Why was Service Strategy – Worker, Planner and Analyst suites developed?**

**A:** ServiceNow decommissioned both the Project Portfolio Suite and Financial Management offers in favor of Service Strategy – Worker, Planner and Analyst suites on an effort to break down the barriers that exist in the Project Portfolio Management, Application Lifecycle Management, and IT Financial Management markets. Additionally, the suite highlights ServiceNow's differentiation from vendors like CA and Apptio who only offer portions of Service Strategy.

**Q: Are customers required to purchase all three Services Strategy SKUs?**

**A:** No. However, at least one Services Strategy Planner license is required when Services Strategy Worker licenses, as project tasks cannot be worked on without a 'Planner' first creating a project. Services Strategy Planner can be purchased separately.

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**Q: How are renewals for Project Portfolio Suite handled?**

**A:** Convert Project Portfolio Suite customers to the new Services Strategy Planner and Services Strategy Worker SKU's. Since only the equivalent of "Planner" was available with PPS, it is likely that customers will want a combination of both Planners and Workers to match how they execute projects. Note that the Service Strategy Planner has rights to Financial Planning, not available to PPS Fulfillers.

**Q: How to add Service Strategy Workers after migrating to ITSA Unlimited?**

**A:** In addition to the ITSA Unlimited SKU, a separate Service Strategy Worker SKU would be purchased for the needed "Workers". In addition, at least one Service Strategy Planner User will be grandfathered in at the same pricing as the ITSA Unlimited SKU.

**Q: Why is Service Strategy Analyst expensive?**

**A:** Cost Transparency is a strategic application that adds valuable insight on spend for a limited number of key individuals, such as the CIO, CFO, and business unit IT VPs. With pricing reflecting that value, it is competitively priced. The primary competitor has an average deal size of $400,000, and prices deals based on a percentage of IT spend.

**Q: How should the Service Strategy Analyst price be positioned?**

**A:** Highlight the ACV for Service Strategy Analyst instead of the monthly price per user. Estimate the number of users (a minimum of 5). For example, 5 users X $1,250 x 12 months = $75,000 ACV list. Note that Cost Transparency is built to leverage the power of the ServiceNow platform. Alternative solutions will require customers to build out very expensive data warehouses and employ specialist resources.

**Q: Does the "My Calendar" feature require a Services Strategy license?**

A: Yes, a Services Strategy Worker license (or Planner or Analyst) is required. The "My Calendar" feature adds functionality specific to managing resources including, blocking a user's calendar for a particular task, creating meetings, tracking utilization, availability, etc.

**Q: How should Service Strategy Analyst deals be sized?**

**A:** Since a typical Cost Transparency implementation will provide detailed spending analysis for the entire organization, output will be limited to select executives. Depending on the size of the customer, estimate of Fulfiller User might be: CIO, CFO (2); IT VPs (2 - 15 depending on the number of different business units); Finance personnel (1 - 8 depending on the number finance support personnel).

Example: CIO, CFO, 5 Business Unit IT VPs, 3 Finance support personnel sums to 10 Fulfillers. Therefore, [10 Fulfillers] x [$1,250 / Fulfiller / month] x [12 months] = $150,000 list ACV

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**Q: What is a Service Strategy Worker able to do?**

A: Just like most of our cloud competitors, a “Worker" is allowed to create and modify their own work. “Workers” can then modify tasks and also create their own tasks. However, a “Planner” has rights to actually create a Project and assign tasks to team members (Workers).

**Q: What can Time Card User do?**

A: Time Card user access is minimal. Along with the base requester access, they have the ability to find Projects, Phases, and Tasks and to enter time against. They can create, read, update, and delete their own time card. Time Card users cannot modify the record in any other way (i.e., update the state) and have extremely limited access to information inside the task (just short description and planned state, end date). As a user, you must be at least a “Worker” to be assigned a task in Service Strategy so, as a result, ServiceNow does not automate Time Cards for these users.

**Q: How are the Service Strategy Worker rights limited?**

A: The Service Strategy Worker has “limited” use rights for the Demand, Resource, Project Portfolio, Agile Development (formerly SDLC) and Test applications where they are granted the rights a Requester User. In addition, “Workers” are also granted rights to track and submit time sheets, as well as, to create and modify their own work items in the applications in the suite.

**Q: Are there roles limiting what the Service Strategy Worker can do?**

A: Yes. ServiceNow has roles that map to the three different SKUs, which are detailed in the *Licensing Compliance & Audit Guidelines*.

**Q: What is the Financial Management application included in the Service Strategy - Planner license?**

A: Financial Management consists of two core areas after Geneva – Cost Transparency & Financial Planning (i.e. - Budgeting). The Planner in Service Strategy has full access to Budgeting and, if applicable, Demand, Project Portfolio, Agile, and Test. The platform IT Cost functionality is, today, just a platform feature.

**Q: What is the “Cost Transparency” application?**

A: Released in Fuji, Cost Transparency is used by financial analysts within IT that import the General Ledger from the company’s ERP system. It allows for manipulation of the data in order to present IT cost in more meaningful ways.

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## 3.5. Other

**Q: ServiceNow shows "Service Catalog" in the included Platform capabilities, but also lists Request Management as something that is licensed. Why?**

**A:** Service Catalog is the front-end Requesters use to submit requests. Specifically, the Service Catalog is where they order goods and services. It may or may not be used with Request Management on the back end. Without Request Management, requests submitted can be processed with record producers. In fact, all of the standard packages leverage the Service Catalog.

**Q: Why is the "Service Catalog With Request Management" single application SKU only offered in an All User model?**

**A:** ServiceNow has offered single and two application SKUs before in a Fulfiller model, with very mixed results and leading to few growth opportunities. The intent is to focus are larger opportunities with more immediately impact on the customer. At least 1,000 Users (employees plus contractors) are required.

**Q: Why is Release Management in a separate suite from Agile Development (formerly "SDLC")?**

**A:** Release Management is aligned with the ITIL Release process. The IT Service Management applications within the Service Management Suite v2 support the most common ITIL processes used by customers when they initially deploy. Agile extends Release Management to include features and processes beyond the scope of ITIL release management including support for Scrum features like product backlog, sprint backlog, planning boards, and burn down charts. Agile with Scrum in Project Portfolio Suite is a natural upsell for these.

**Q: Is there a cost associated with activating the Survey Management plugin?**

**A:** No. Survey Management is included as part of the ServiceNow Platform.

**Q: My customer has a legacy suite containing custom application development rights and is now developing a Facilities Management app. Is this allowed given that ServiceNow has a Facilities Service Management application? What do they need to purchase?**

**A:** While ServiceNow offers a Facilities Service Management application within the Service Management Suite v2, the customer may decide to develop their own. In that case, they would be required to purchase Platform Runtime at $35/Fulfiller User when deploying the custom application in production.

**Q: Are there any licensing considerations for customers wanting to utilize Google Search or Google Maps?**

**A:** Google Search and Google Maps would be included as part of platform functionality and would require no additional subscription users or fees.

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# 4. Platform Runtime (previously "CreateNow")

**Q: Why has "CreateNow" been renamed "Platform Runtime"?**

**A:** With Geneva, CreateNow Development Suite was renamed to Platform Runtime. No price changes are associated with SKUs having the name change to Platform Runtime. This change provides an accurate description of this product's actual function and use case. For any application the customer has developed, Platform Runtime use rights must be purchased for that application's Fulfiller Users when it is deployed in production.

Note that development offline on the ServiceNow Platform (previously "Service Automation Platform") continues to be free. All Platform developer tools (Studio, Service Creator) and developer-related Platform services are built into the ServiceNow Platform that ships with all ServiceNow SaaS applications - and is also available via a free developer instance to members of the free ServiceNow Developer Program.

**Q: What is a custom app?**

**A:** A custom application is a customer-built application that addresses any business process. It creates a new task type and is registered in the sys_app table. A task in the ServiceNow system can be thought of as a type of work that is tracked and managed in the system. One key indicator for custom app requirements is if the new process requires a different group of users.

**Q: How do I determine if a customer needs Service Management Suite v2 Fulfiller use rights versus Platform Runtime (previously "CreateNow") use rights?**

**A:** Service Management Suite v2 Fulfillers have the rights to configure (1) ServiceNow-developed applications designed to address the core ITIL framework use cases (Incident, Problem, Change, Release, Request, Asset, Cost) – the former IT Service Automation Suite offer -- as well as (2) ServiceNow-developed applications designed to address the service delivery needs of other organizations within the enterprise, including Facilities, Field Service, Finance, Legal and Marketing. Within ServiceNow, each application is a type of task, or business process, that is created, assigned, and managed to conclusion. A task type is equivalent to an application. For example, Incident Management is a type of task within the above Service Management Suite v2. Project Management is another type of task that is delivered as part of the former Project Portfolio Suite and current Service Strategy offers. Configuration of an application includes the following:

1. Adding fields to an existing table
2. Adding tables to provide attributes to a process (for example, a table that provides a listing of office types or listing or approved hardware vendors. Think of attribute tables as people, places, or things that are necessary to associate with a task).
3. Building workflow
4. Integrating with third-party systems
5. Adding business rules or UI customizations

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6. Adding custom scripting to initiate actions within or that result as part of an app

As mentioned earlier, development offline on the ServiceNow Platform continues to be free. Platform Runtime Fulfiller use rights are required when the developed application is deployed in production. Users can customize ServiceNow Platform capabilities to create new types of tasks that are not delivered as part of a ServiceNow suite of applications. Each task is equivalent to a new app or new business process that is created, assigned, and managed to conclusion (see examples of new custom apps in the question below).

**Q: What are examples of custom apps versus "configuring" a ServiceNow application?**

**A:** Here are five examples of extensions of ServiceNow Applications that do not require a Platform Runtime subscription:

1. Configure Problem Management to include a Google map with the location of all related incidents and their severity.
2. Configure PPM to include the LinkedIn profiles of resources assigned to a project.
3. Configure Agile Development (formerly "SDLC") to include a story's impact score based on discussions in Live Feed.
4. Configure Request Management and Change Management to have business users submit change requests from the Service Catalog that are routed to internal owners for approval and external vendors for fulfillment.
5. Configure the Knowledge Base to show a report of search term frequency by month.

Here are six examples of custom apps that automate processes not automated within the Application Suites and DO require a Platform Runtime subscription:

1. Conference room booking.
2. Visitor check-in.
3. Legal document management.
4. Security training compliance.
5. Datacenter shift turnover.
6. Copying Incident Management (or any other app) and renaming it "Safety Violations" (or any other name)

**Q: How do I know how many custom apps my customer has deployed?**

**A:** Platform Runtime Fulfiller use rights provide that Fulfiller with unlimited production deployment use rights, so individual custom app tracking may not be as important. However, if this quantity needs to be tracked, the sys_app table will identify the number of custom apps created. Alternatively, since older versions did not track this way, the number of customer-created task tables can be examined.

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**Q: How does a customer determine how many users have access to each of the Platform Runtime applications in their instance?**

**A:** A count of active users with the role that provides the application access would provide the total.

**Q: Can ServiceNow apps be used as starting points for custom apps?**

**A:** ServiceNow does not encourage this; however, a ServiceNow application can be used as a starting point so long as it is not used to address the same business process. For example, a customer is not allowed to copy and re-label Incident Management to address IT Incident Management while only paying for Platform Runtime Fulfiller use rights. This is considered unfair use of ServiceNow IP. If a customer is using this as a starting point for a new custom app, once they re-label it, it is now a custom app that is forever maintained and updated by the customer.

**Q: How does ServiceNow know how many Fulfillers are using custom apps?**

**A:** Custom app Fulfillers in production have roles associated with that custom app. When a custom app role is assigned to a user, they are considered a custom app Fulfiller for the next 365 days regardless of whether or not the user accesses any apps. For each application registered in the sys_app table, ServiceNow will track the number of unique Fulfillers who have used the application over the last 365 days. All Fulfillers will need a subscription.

**Q: My customer wants to add new modules in the navigator based on the Service Management Suite v2 apps to deliver Incident Management services aligned to their unique business process. Is that a custom app?**

**A:** If the Fulfillers are using ServiceNow apps to deliver IT Incident Management services, they need to be licensed as Service Management Suite v2 Fulfillers (not Platform Runtime Fulfillers). They can create new modules, extend the Service Management Suite v2 app tables, or create their own tables to configure ServiceNow apps − most often, by adding people, places, or things − which does not require licensing Platform Runtime Fulfillers. If, however, they decide to build a new app (i.e., a new task type) for this business process, then these Fulfillers would subscribe to Platform Runtime. And if the Platform Runtime-only Fulfillers wish to be able to take advantage of the Service Management Suite v2 capability to create service management applications from a template, they will need to be licensed for the Service Management Suite v2 With Platform Runtime SKU.

**Q: In the Renewal and Upsell Policy for Partners, it indicates that Platform Runtime can be upsold to an ITSA Gold Unlimited customer. Is that true given that they already have rights to unlimited custom applications?**

**A:** Yes, it is true. If IT had ITSA Gold Unlimited and you wanted to sell Platform Runtime to a different department like Legal, you would upsell Platform Runtime. Same approach holds true for other legacy application suites containing custom application development use rights.

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**Q: Are Platform Runtime Fulfiller use rights required for applications a customer may download from ServiceNow Share or the ServiceNow Store?**

**A:** Yes, if the application is a custom app that extends the task table as described above then a fulfiller license is required for each user of that application.

## 5. IT Operations Management ("ITOM")

**Q: How do I ensure ITOM customers are successful?**

**A:** Customers who take training (Discovery, Orchestration, Service Mapping) and engage ServiceNow Professional Services or a certified services partner are shown to renew and grow. Non-renewing customers have typically not had training or engaged a qualified services partner.

**Q: What version is needed to subscribe to ITOM products?**

**A:** ITOM SKUs that do NOT require Geneva:

- Discovery
- Event Management
- Orchestration Core
- Cloud Management
- Password Reset

ITOM SKUs that require at least one instance of Geneva (production or sub prod):

- ServiceWatch Mapping
- ServiceWatch Insight
- ServiceWatch Suite
- Client Software Distribution

If a customer does not have a Geneva instance, but has a subscription for a SKU with Service Mapping entitlement, we recommend selling a sub-prod instance until the customer can upgrade at least one of their production instances to Geneva.

**Q: Why did the Geneva pricing model remove tiered pricing for ITOM?**

**A:** In order to simplify the quoting process (by reducing the number of ITOM SKUs), the tiered pricing model for ITOM was removed. It is also now clear what the total discount percent the customer is receiving by discounting the price once off the base list price per node.

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**Q: What is a "node" and how many do I quote for each ITOM SKU?**

**A:** In the ITOM definition, a "node" is a physical or virtual server under management by that application. At a high level, the node definition approaches are as follows (additional details in other FAQs):

- **Orchestration Core**: All servers (physical and virtual) managed, either directly or indirectly.
- **Cloud Management**: All virtual servers managed (including VMware, Azure and Amazon servers)
- **Event Management**: All servers (physical and virtual) capable of sending events to ServiceNow (either directly or indirectly)
- **Service Mapping**: All servers (physical and virtual) mapped by Service Mapping
- **Discovery**: All servers (physical and virtual) discovered by Discovery in the past 90 days.
- **ServiceWatch Mapping, Insight, or Suite**: Largest number of servers (physical and virtual) managed by any included ITOM application

**Q: Do ITOM customer need to license nodes in their non-production environments?**

**A:** Yes. When ServiceNow sells a node, it counts towards both production and non-production servers in their environment. For example, if they are discovering development servers for asset management purposes, that is valuable to the organization. Therefore, we license for non-production as well.

**Q: What if a customer has a large variation (peaks and valleys) in node count?**

**A:** License the nodes for the expected peaks, reflecting the value delivered by the ITOM products. For Cloud Management, quote the expected average annual node count – ServiceNow will true-up annually.

**Q: What if a customer wants to buy an Enterprise License Agreement (ELA) for ITOM?**

**A:** For customers pursuing an Enterprise License Agreement (ELA)-like model for strategic ITOM investments, an "All Node" pricing model (sometimes called a "site license") can be quoted for each node-based product in the ITOM portfolio, including the ServiceWatch Suite. A customer can license all nodes in their environment for the product(s) of interest and true up only on the total number of nodes. The "All User" licensing construct is not used because the primary ITOM products are subscribed to by node (a physical or virtual server) and not a user. Standard discount approvals apply and no additional special approvals are needed. Work with your Deal Desk for additional guidance with enterprise-wide "All Node" model quotes. Note that Password Reset is licensed on an all user basis in addition to a per node license for Orchestration Core.

**Q: Can customers use ITOM products with Express?**

**A:** Starting in Geneva, ServiceNow license an Express version of Discovery. This version does not discover virtual servers. All other ITOM products require the enterprise edition of the platform.

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## 5.1. Orchestration Core, Password Reset, Client Software Distribution & Configuration Automation

**Q: When is ServiceNow Orchestration Core required?**

**A:** Orchestration Core is required whenever workflow is used for making calls outside of ServiceNow. Cloud Management requires Orchestration Core while Event Management and ServiceWatch do not have Orchestration Core as a prerequisite. Orchestration Core is not required when workflow is not used to integrate with external systems. The Password Reset and Client Software Distribution applications, separately licensed, also require Orchestration Core.

**Q: Is Orchestration required for an HR integration to calculate HR Case Approvers, based on a lookup in their SAP system?**

**A:** If this is happening via a scripted approver activity on a workflow, this qualifies as orchestration.

**Q: For Orchestration Core, does ServiceNow license all Amazon Web Services (AWS) instances (or any virtual endpoint) which could potentially take action on via Orchestration as part of the lifecycle as individual nodes?** Example: If executing an orchestration workflow makes an update on 5,000 VMs, does that require licensing Orchestration for 5,000 nodes?

**A:** In short, yes. ServiceNow only licenses nodes. As far counting the nodes to license:

- Open with the proposition to license all nodes under management – for cloud that means the VMs targeted (VMware, AWS, Azure, etc.)
- ServiceNow will audit (starting in Geneva) on unique nodes that are orchestrated / managed by Orchestration and Cloud. Note that while ServiceNow does not have a utility or usage based license model, our compliance definitions measure usage.

**Q: Why has ServiceNow gone to a "node" based licensing model?**

**A:** Nodes are a good measure of the size of a customer and the amount of value they will get from ITOM Products. For Discovery, customers find it easier to estimate the number of nodes in their environment vs. the total number of IP devices. For Orchestration, the migration to a single SKU provides all the previously separately-licensed products in one SKU.

**Q: What comprises an Orchestration Core node?**

**A:** A server (physical or virtual) in the customer's environment. This could include development and test servers that may be orchestrated either directly or indirectly (using configuration automation, cloud management, custom activities, etc.).

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**Q: How do I establish or convert my customer to the Orchestration node-based model?**

**A:** Work with your customer to determine how many nodes they have in their environment. If they are only licensing Orchestration Core for a part of their environment (production, a business unit), or for a specific use case, license the number of nodes for the relevant use cases.

**Q: How do I sell just the Password Reset application or Configuration Automation?**

**A:** For new Orchestration customers, sell Orchestration Core for the appropriate number of nodes (the minimum is 250 nodes). In Geneva, Orchestration Core includes the Password Reset application with 10,000 users. For existing Orchestration Customers, convert them to the new Geneva Orchestration Core SKU to license the Password Reset application with 10,000 users. If the customer has more than 10,000 active users in their instance, they must license the additional number of users for the Orchestration Password Reset Application – User SKU.

**Q: How do I sell the new Client Software Distribution application?**

**A:** For new Orchestration customers, sell Orchestration Core for the appropriate number of nodes (the minimum is 250 nodes). In Geneva, Orchestration Core includes the Client Software Distribution application with 1,000 client nodes. For existing Orchestration Customers, convert them to the new Geneva Orchestration Core SKU to license the Client Software Distribution application with 1,000 client nodes. Additional client nodes can be purchased using the Client Software Distribution SKU.

**Note:** customers need at least one sub-production instance on Geneva in order to license additional client nodes of Client Software Distribution

**Q: If a customer with Password Reset wants to add more user licenses, should I have them add more users or switch to the new Orchestration Core tiered node based license mode?**

**A:** The customer certainly could just add more users to their existing Password Reset application. Hover, expect the customer to see the value of migrating to Orchestration Core − and to expand their use of Orchestration Core − once the total value proposition has been explained to them. Remember that for a Password switch to Orchestration Core, there is an expectation of a net increase in net ACV with the switch and a minimum 250 node requirement for Orchestration Core. For example, if the customer originally had 5,000 Password users licensed at $0.25/user (ACV of $15,000) and wanted to add 1,000 users, it would result in a Password ACV of $18,000 with a straight Password upsell. With the switch to Orchestration Core, the 250-node-minimum of Orchestration Core, at $6/node, results in an equivalent $18,000 ACV in this scenario.

**Q: Can a customer upgrade to the new Orchestration Core before contract renewal?**

**A:** Yes, and with an upsell reflecting a +10% ACV increase or more, the non-standard contract term price uplift is waived. If the customer has licensed Orchestration (Runbook) Application per server, migrate to the Orchestration Core per node model by simply converting the number of servers to the appropriate number of nodes.

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**Q: Could you walk through a few "pre-Geneva Orchestration Core + Password" moving to "post Geneva Orchestration Core" renewal and migration scenarios? Suppose the customer has existing Password Reset ACV of $15,000 and an Orchestration Core ACV of $30,000 = $45,000 ACV total.**

**A:** The first step is always to ask the customer to provide an estimate for the appropriate number of nodes. Most customers – IT Operations individuals especially – will be able to provide a node estimate for quoting, which is the number of physical and virtual servers under management. Their new per node pricing would then be (a) their prior Orchestration Core + Password ACV, plus (b) an added uplift as appropriate for a renewal or mid-contract migration, divided by (c) their required node count estimate. Assuming a straight renewal without upsell with a standard 7% renewal uplift and a customer estimate of 800 physical and virtual servers under management: the new price would be current ACV plus 7% uplift = $45,000 X 1.07 = $48,150 ACV, which for 800 nodes would translate to $5.02/node/month.

If the customer cannot provide an estimate of their node count going forward, propose pricing calculated as follows:

- Straight renewal with migration to new Core SKU: take current Orchestration Core ACV plus 7% uplift = $45,000 X 1.07 = $48,150 ACV, which would translate to 668.75 nodes at $6/node/month. We would need to round up to the nearest full digit so 669 Nodes at $6/node = $48,168 ($6/Node assumes 36 mo. renewal).

- Straight renewal with migration to new Core SKU with 7% waived: current $45,000 ACV would translate to 625 nodes at $6/node/month (Note: This assumes can happen if ANOTHER contract line item in the renewal had upsell to make total contract ACV grow over 10%).

**Q: What is the renewal/migration approach for an existing 'small' Orchestration customer with significant Password ACV?**

**A:** The first step is always to determine if the customer has an Orchestration Core go-forward use case where their overall node count requirement will justify an ACV investment at their current overall figure or higher. However, if that is not the case and the resulting Orchestration per-node pricing cannot be justified to the customer as part of their overall renewal or migration, work with the Deal Desk or Renewals Desk on an exception to renew using the existing Password SKU as is.

**Q: I have a customer planning on orchestrating Active Directory (AD) tasks – for example, creating accounts, updating groups, and more. How many nodes of Orchestration Core do I license?**

**A:** Count the nodes that Orchestration will touch – both the AD server infrastructure and any other servers, physical or virtual, that will be orchestrated. The minimum number of nodes to license for Orchestration Core is 250 nodes.

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**Q: For customers that have RunBook Automation (RBA) what does that convert to upon renewal?**

**A:** RBA customers are converted to the appropriate new Orchestration Core SKU. The 7% renewal uplift is applied, but otherwise there is no incremental charge for converting. Use the server count for the RBA license as the node count for Orchestration Core.

**Q: If a customer purchases 1,000 nodes of Orchestration Core today and then wants to purchase the ServiceWatch Suite later this year, how does ServiceNow handle that? How does the customer realize a credit for the 1,000 nodes of Orchestration Core?**

**A:** The ServiceNow SOPS team will take a "credit and replace" approach to that type of a transaction. In this case, there will be a charge for the full ServiceWatch Suite pricing for all ServiceWatch Suite nodes and then credit back for the remaining contract value on the 1,000 Orchestration Core nodes purchased previously.

## 5.2. Cloud Management (previously Cloud Provisioning)

**Q: Why has ServiceNow used a "node" model for Cloud Management?**

**A:** Cloud Management nodes map to the value customers derive from the product. The migration to a single Cloud Management SKU provides all the previously separately-licensed products in one SKU

**Q: What comprises a Cloud Management node?**

**A:** A virtual server (VMware, Amazon, Azure) that the customer provisions in their environment. These nodes will likely include development and test servers in addition to production servers.

**Q: How do I establish or convert my customer to the Cloud Management node-based model?**

**A:** Work with your customer to determine how many nodes they expect to provision and manage on an annual basis and license the average number. ServiceNow audits based on the average annual node count using a daily usage measurement. Note: Since Cloud Management requires Orchestration Core, license at least the same number of nodes as Cloud Management for Orchestration Core.

**Q: I have a new customer that wants to use Cloud Management for their large VMware environment that is used for development, test and production. Will they need to license Cloud Management nodes for every virtual server?**

**A:** Not exactly. The following provides guidance for licensing. First, ask the customer how many virtual machines they expect to provision and manage across private (VMware) and public (Amazon and Azure) clouds through the Cloud Management application. If they can provide that figure, use it for the node count for licensing. If the customer is unsure, license their current number of virtual servers. Note: Since Cloud Management requires Orchestration Core, license at least the same number of nodes as Cloud Management for Orchestration Core.

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**Q: If a Cloud Managed node also sends an Event to ServiceNow, is the price $10 + $7? Do customers have to license the node for both?**

**A:** Yes. ITOM products are priced per node or device for each product. If the customer is licensing Event Management, the number of nodes to count is any node sending event information to ServiceNow, either directly or indirectly through a management console. One other option is to license the ServiceWatch Suite, which provides license to all ITOM products at one price. See the Cloud Management licensing section in the ServiceNow Commercial Pricing Policy for additional details.

## 5.3. Event Management

**Q: How is the Event Management application priced?**

**A:** Ask the customer how many active servers they have in their environment that could send an event to ServiceNow, either directly or indirectly. License all of these are nodes from a licensing perspective as they are under active management and capable of generating events that would be processed by the ServiceNow Event Management application.

**Q: How does ServiceNow report on nodes in Event Management?**

**A:** A report is run to show how many active servers – virtual and physical – are represented in the ServiceNow CMDB (cmdb_ci_server).

**Q: If a customer using various "Event Systems" (e.g., SolarWinds, Aruba, etc.) and those systems are monitoring all of the "nodes" and then ServiceNow is connected to the Event Systems, how are "nodes" defined?**

**A:** ServiceNow count the number of nodes (servers) that are managed, either directly or via a monitoring tool. So if SolarWinds is monitoring 500 servers and Event Management integrates into SolarWinds, then the customer needs to purchase Event Management for 500 nodes.

## 5.4. Service Mapping and Geneva ServiceWatch packages (legacy ServiceWatch 3.6)

**Q: How do I estimate the number of nodes for Service Mapping if the customer does not know how many nodes support their business services?**

**A:** ServiceNow experience has been that the average business service has between 10-30 nodes. This is a good guide to use for planning. ServiceNow will review their usage on a monthly basis and true-up as needed.

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**Q: If a customer has legacy ServiceWatch (3.6 – pre-Geneva) today and wants to move to a ServiceNow instance (Geneva version) will they need to pay to migrate?**

**A:** No. The ITOM BU will help with the technical migration. The customer should complete a $0 Order Form to convert their SKUs to the ServiceWatch Insight SKUs before they move to production on Geneva.

**Q: There is not a "ServiceWatch" SKU in Geneva. Which product should my customer buy to get the equivalent capability as the previous ServiceWatch?**

**A:** Sell ServiceWatch Insight. It has the full capability that ServiceWatch 3.6 had (and more). For customers that do not need the Event Management capabilities in ServiceWatch Insight, ServiceWatch Mapping provides Service Mapping along with Discovery.

**Q: Since ServiceWatch Mapping and ServiceWatch Insight include Discovery, can a customer upgrade from Discovery either of these products?**

**A:** Yes. Here is how to complete the upgrade:

- First a Discovery customer needs to convert to the node based license.
- Credit the ACV for all the Discovery nodes up to the number of ServiceWatch Mapping/Insight nodes.
- If there are nodes of Discovery remaining, carry them over separately to the order form.

**Q: What if the customer wants to buy a product with Service Mapping but cannot upgrade to Geneva very soon?**

**A:** Have the customer upgrade a sub-production instance to Geneva (or purchase one for a limited period of time) to start the implementation if possible. If it is impractical to do so, they can either add a non-production instance to their order or customers can license "ServiceWatch (Eureka and Fuji Only)" and then migrate to Geneva later. The "ServiceWatch (Eureka and Fuji Only)" SKU carries entitlement for Discovery and Event Management just like ServiceWatch Insight and is the same price. This makes conversation to ServiceWatch Insight very straightforward.

**Q: The customer requires both horizontal and vertical discovery in his RFP. The quantities are 1000 nodes for ServiceWatch and 2000 devices or 1700 nodes for Discovery. I want to use the new ServiceWatch Insight package in order to have both ServiceWatch and Discovery (1000 nodes) together with Discovery per devices for the rest of the units (2000 devices). The problem is, that according the new pricing, I can't mix per device with per node prices. If I will offer them per node for 1700 discovery is will raise the initial price in $90K and will ruin my chances to win the deal.**

**A:** It is true that Discovery by Device pricing was retired on Dec 8 with Geneva Market Launch. ServiceWatch Insight includes Discovery so if the requirement is 1000 nodes Service Mapping (the name of the application) and 1700 nodes Discovery, then you should quote:

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- 1000 nodes ServiceWatch Insight = $17 / node list USD
- 700 nodes Discovery = $6 / node list USD

NOTE – if the customer ONLY needs service mapping now and not the ability to integrate Event Management data to provide service health data THEN you could quote:

- 1000 nodes ServiceWatch Mapping = $14 / node list USD
- 700 nodes Discovery = $6 / node list USD

That leaves an excellent upsell opportunity down the road to add Event for $3 / node by upgrading Insight to Mapping (Event is normally $7 /node)

**Q: A customer has a Discovery per Device license that they want to keep. They are interested in adding Service Mapping. The customer does not want to migrate their Discovery licensing to per Node pricing, but they want Service Mapping in Geneva. Should I use the "ServiceNow (Eureka or Fuji only)" SKU or should I use the "ServiceWatch Mapping" SKU and adjust the product description to remove the Discovery product entitlement?**

**A:** The customer can license the new ServiceWatch Insight SKU, but will not be able to credit any of their Discovery license toward their purchase without converting the Discovery license to Nodes. Make sure that the customer understands this credit scenario and that the license change does not change their ACV or ability to discover the same CIs.

## 5.5. Discovery

**Q: A new customer wants to license Discovery and has a highly virtualized environment – will each virtual server be counted as a node?**

**A:** Yes. All new Discovery contracts are now licensed by node. Each physical and virtual server that is created or updated in the cmdb_ci_server table counts as one node.

**Q: For an existing Discovery – Servers customer renewing or migrating early to Discovery –Node, how can their existing CMDB actual counts be used to help establish their go-forward Discovery device count for licensing?**

**A:** Yes. The Tableau Discovery usage Dashboard and the Customer 360 report will also show the actual CI counts. If the customer would like to run the reports on their own instance, they can use these URLs (just replace YOURINSTANCE with their instance name):

- Discovery - Server usage report: https://***YOURINSTANCE***.service-now.com/cmdb_ci_server_list.do?sysparm_query=discovery_source%3DService-now%5EORdiscovery_source%3DServiceNow%5Evirtual%3Dfalse%5Elast_discovered%3Ejavascript%3Ags.daysAgoStart(90)

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- Discovery - Devices usage report: https://***YOURINSTANCE***.service-now.com/cmdb_ci_hardware_list.do?sysparm_query=discovery_source%3DService-now%5EORdiscovery_source%3DServiceNow%5Elast_discovered%3Ejavascript%3Ags.daysAgoStart(90)

- Discovery - Node usage report: https://***YOURINSTANCE***.service-now.com/cmdb_ci_server_list.do?sysparm_query=discovery_source%3DService-now%5EORdiscovery_source%3DServiceNow%5Elast_discovered%3Ejavascript%3Ags.daysAgoStart(90)

**Q: If a customer is testing Discovery before go-live and it discovers far more devices than they're entitled to manage, does ServiceNow charge them for the excess devices?**

**A:** If an audit performed prior to go-live reveals discovered devices in excess of the entitlement, ServiceNow reserves the right to charge for the excess. ServiceNow's default audit policy allows audits to be performed on the production instance any time after the contract date. To prevent this from happening, customers are advised to test Discovery in a sub-prod instance. Customers are allowed to remove CIs they don't want managed by Discovery after the initial run. ServiceNow may not require true-ups for non-compliance before go-live, but customers should be aware that the policy permits audits on production instances prior to go-live.

**Q: If a customer retires a discovered CI can they "re-issue" that license to another CI or is it linked to that record until it's removed from the CMDB?**

**A:** ServiceNow charges for devices discovered by ServiceNow Discovery in the past 90 days even if they're subsequently retired or removed. Once that device has no longer been discovered in the past 90 days, it is no longer consuming a license.

**Q: Are virtual machines included or excluded in Discovery unit counts?**

**A:** For the Discovery by Server license model: Only physical servers are counted, and virtual machines (VM's) are filtered out and are not counted.

For the Discovery by Device and Discovery by Node license models: All physical and virtual machines (VM's) are counted.

**Q: What tables are Discovery Usage metrics pulled from?**

**A:** Usage metrics for the Discovery by Server license model are audited from the *cmdb_ci_server* table. Only physical servers are counted, and virtual machines (VM's) are filtered out and are not counted.

Usage metrics for the Discovery by Device license model are audited from the *cmdb_ci_hardware* table. All physical and virtual machines (VM's) are counted.

Usage metrics for the Discovery by Node license model are audited from the *cmdb_ci_server* table.

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# 6. Additional Options and Add-Ons

## 6.1. Edge Encryption

**Q: How does the Edge Encryption variable pricing model work?**

**A:** Edge Encryption pricing is calculated just like Performance Analytics pricing, which is 20% of a customer's net user ACV.

**Q: Is it discountable?**

**A:** Yes, the calculated Edge Encryption net price is eligible for additional deal discounting using standard deal authority levels.

**Q: Does Edge Encryption have a mandatory services element?**

**A:** Yes, a mandatory "QuickStart For Edge Encryption" Professional Services engagement is required, which covers configuration, installation and enablement. Only ServiceNow Professional Services is enabled for delivering the QuickStart for Edge Encryption.

**Q: How does the Edge Encryption "Software and Subscription Service" get enabled with the encryption proxy software containing the keys residing in the customer's data center?**

**A:** Edge Encryption provides encryption within the customer datacenter so that data passing through a SSL encrypted connection to populate certain fields is encrypted while in transit between the customer datacenter and the ServiceNow datacenter. It consists of two parts: (1) the Edge Encryption Proxy, which is software downloaded into the customer's datacenter (defined term 'Software'), which applies the encryption key held by the customer before the data passes the SSL encrypted connection; and (2) software provisioned within ServiceNow's datacenter as part of the SaaS service (defined term 'Subscription Service'), which populates the fields encrypted by the proxy. The Edge Encryption Proxy is available for the customer's download at a page accessible in the ServiceNow Edge Encryption app provided as part of the Subscription Service, and no additional terms apply.

**Q: Are there any other customer requirements to license Edge Encryption?**

**A:** The customer needs to be on Geneva and already be licensed on a ServiceNow ITSA application.

## 6.2. Performance Analytics

**Q: How has the Performance Analytics pricing construct changed with Helsinki?**

**A:** Performance Analytics pricing and licensing is as follows:

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For the standard Performance Analytics offer with Helsinki – "Performance Analytics – Enterprise" -- pricing is equal to 20% of Account Total Net Subscription Product ACV. The "Performance Analytics – Enterprise" net price is calculated by totaling the net annual contract value of all Subscription Products for the customer instance, including:

(1) All the User-based ACV across the current application suites and legacy IT application suites, legacy shared services applications, and Platform Runtime; plus

(2) All ITOM node / server / device-based ACV; plus

(3) Any fixed module fee ACV as occurs with Security Operations as well as with some legacy ITOM offers that might be in the contract.

This combined Account Total Net ACV is then multiplied by 20% to produce the price for Performance Analytics. As the customer purchases additional users of any of the above suites or applications, there will be a 20% charge to reflect the incremental Performance Analytics subscription due. This price is not discountable without SVP Sales and CFO approval, unless the opportunity fits the criteria covered under an active Performance Analytics Sales Campaign.

**Q: Are existing Performance Analytics grandfathered?**

**A:** Yes. It is important to note that existing "Performance Analytics – Application" customers with PA priced based only on net user ACV are grandfathered and not subject to any incremental fees with these scope additions. The "Performance Analytics – Application" subscription product will still be offered.

**Q: Why the change to include ITOM and other non-user-based offers in the Performance Analytics Variable List Price rollups?**

**A:** With Helsinki, there are now 12 additional Performance Analytics offerings following the same 20% Net User ACV model, but focused on subsets of subscription offers only within specific suites and associated applications to enhance new business opportunities or for focused upsell opportunities:

- Performance Analytics for Service Management Suite;
- Performance Analytics for Service Management Suite v2.
- Performance Analytics for Service Management Suite With Platform Runtime.
- Performance Analytics for Service Management Suite v2 With Platform Runtime.
- Performance Analytics for IT Service Automation Suite.
- Performance Analytics For Security Operations (this SKU is also used to provide Performance Analytics capabilities for GRC Suite applications).
- Performance Analytics For Customer Service Management.
- Performance Analytics For HR.
- Performance Analytics For Platform Runtime.
- Performance Analytics For IT Operations Management.
- Performance Analytics For Service Strategy.

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**Q: Performance Analytics pricing model is 20% of net user ACV. How do I explain to my customer that they should expect to pay additional PA fees with each additional application suite upsell?**

**A:** Performance Analytics adds value to the entire ServiceNow deployment. Pricing is tied to the size of the overall ServiceNow Subscription Product footprint for the customer. As that deployment grows, so too does the value Performance Analytics provides to the enterprise. So when a new Subscription Product is added with additional users or other capacity, there certainly is incremental value provided by Performance Analytics that is part of the value of the customer's increased deployment. That said, Performance Analytics can also be purchased for a select segment of the customer's user population if that makes more sense to initially ramp the solution that way. Using the same pricing model, ServiceNow offers Performance Analytics the subsets of subscription offers described above. For assistance in matching the right offer(s) with the business need, contact your Deal Desk / SOPS point-of-contact, who is trained to quickly sort all this out for you.

**Q: When an existing customer with Performance Analytics has a subscription product upsell, how it the additional Performance Analytics capacity added?**

**A:** The subscription product suite / application upsell Order Form should include the appropriate Performance Analytics SKU to capture the incremental Performance Analytics capacity.

**Q: Is there a minimum Performance Analytics deal size?**

**A:** While there is no formal Performance Analytics deal size minimum, the Performance Analytics team has found that Performance Analytics deployments for over $18,000 ACV are more successful. Historically, customers who spent less than $18k perhaps were also less willing to make the investment in consulting or training – key implementation success factors. Note: a mandatory 'QuickStart For Performance Analytics' Professional Services engagement is required when Performance Analytics is sold direct. With Geneva, the 'QuickStart for Performance Analytics' offer has been revamped to better focus on customer enablement and transforming customer reporting capabilities. Additionally with Geneva, 'Performance Analytics Optimize' has been introduced as an upsell offer for customers already having Performance Analytics installed, but wanting to extend Performance Analytics across other processes.

**Q: In what situations can Performance Analytics be purchased at an ACV % lower than the current 20% of net User ACV?**

**A:** Through Q4 2016, the Performance Analytics business has a sales campaign in place where:

- For new logo deals with over $100,000 of application user ACV, Performance Analytics can be included @ 10% of net user ACV.
- For upsell deals with over $100,000 of application user ACV, Performance Analytics can be included @ 10% of net user ACV.
- For renewals with over $100,000 of application user ACV, Performance Analytics can be included @ 10% of net user ACV.

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For these Performance Analytics opportunities, sales campaign discounts are pre-approved at the SVP level and only require Geo Deal Desk review for ACV calculation accuracy prior to submitting the quote to the customer.

## 6.3. Public Catalog (retired)

**Q: When and why was Public Catalog retired?**

**A:** With the Geneva launch of Customer Service Management, Public Catalog has been retired for new business opportunities. Existing Public Catalog customers can continue to use it and add additional capacity if needed overtime. They may also want to evaluate Customer Service Management as an alternative. There is no standard upgrade path from Public Catalog to Customer Service Management.

## 6.4. Other

**Q: How is Notify priced?**

**A:** Notify is sold based on an All User model. The value of Notify is as a general-purpose notification solution that benefits the entire organization, not just a subset of fulfillers. Since June 2014 with the Eureka release, the Notify Fulfiller-based offer has been retired for new customer sales.

**Q: What is the benefit of purchasing an additional production environment for USD $45,000 when the production instance comes included with a USD $42,000 purchase?**

**A:** An additional production environment requires that a new SURF Contract ID to be set up to manage it. If a customer wants a new production instance – but also wants to keep the benefits and pricing of their existing environment – then they must purchase a new production environment. If the customer does not care to keep the same discount and pricing model, they can purchase like they are a net-new customer coming to ServiceNow where they will be sold Users at the then-current pricing model. In this case, ServiceNow must start the approvals for discount again. MSPs in particular see value in paying for an additional production environment because they can add new customers over time with consistent pricing and packaging based on their existing contractual ServiceNow pricing model, which often is based on legacy suite SKUs. They can bring over or upsell their contractual Enterprise Edition, ITSAA, Gold, Platinum, etc. pricing and offer it to their new customers.

**Q: How do customers order the Fulfiller Users associated with the additional production environments?**

**A:** The customer needs to either purchase Fulfillers with the new prod environment (appearing on the additional production environment order form as a separate line item) or transfer Fulfillers from another contract.

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**Q: What is the response if a customer has general questions about exceeding 4TB?**

**A:** The vast majority of ServiceNow customers are able to manage within the current 4TB limit on their shared instances. For a customer approaching 4TB, ServiceNow will offer up Cloud Operations Expert Services and / or Professional Services to perform architectural / performance analyses and help the customer optimize and manage their instance within 4TB.

If the customer requirements are determined to still require over 4TB, ServiceNow will proactively move them to the next size up shared solution (9TB) at no incremental charge. If capacity requirements later approach 9TB, ServiceNow's Cloud Engineering consulting for the associated architectural and performance analyses or any follow-on migration consulting will be offered at no incremental charge.

**Q: What is the response if a customer continues to ask questions about exceeding 4TB and SPECIFICALLY ASKS for a dedicated hardware solution?**

**A:** If a customer SPECIFICALLY ASKS for a dedicated hardware solution, ServiceNow is willing to define and offer a customer-specific solution based on their storage, user and performance requirements. Incremental fees may apply to the customer-specific solution offer.

## 7. Miscellaneous

**Q: Do MID servers need a license?**

**A:** No, MID servers are not licensed. MID servers (ALL CAPS –stands for Management, Instrumentation, and Discovery) are used for ITOM products and other non-license bearing functions.

**Q: When is compliance Self Service coming in the platform?**

**A:** It is a key ServiceNow priority to provide customers with improved tools for monitoring application usage and managing user allocations. Expect availability of additional robust capabilities in 2016.

**Q: Does an integration consume a license and get counted as a user?**

**A:** Any integration, or activity requiring an active user record with a role that provides Fulfiller access is counted as a Fulfiller and requires a license.

**Q: A customer is building a mobile app that integrates to ServiceNow. How many licenses do they need?**

**A:** Please contact Bryan Bernard, Integrations Product Manager, to engage with the customer around this discussion. Bryan will clarify the use case and work with Sales on pricing.

**Q: How does use of SOAP, APIs, or email-based activities affect user counts?**

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**A:** Any integration or activity requiring an active user record, with a role that provides Fulfiller access is counted as a Fulfiller and requires a license.

## 8. Sales Policies

**Q: Are there any changes to direct or channel discounting policies?**

**A:** No. Discounting policies for both direct and channel sales were not changed for this update.

**Q: Will ServiceNow honor existing master buying agreements?**

**A:** Yes. Existing customers with master buying agreements may continue purchasing per current terms including upsells.

**Q: For new customers, can I modify the user type definitions?**

**A:** No. New customers must purchase either Fulfillers and Approvers or All Users, based on the new pricing, SKUs, and use definitions. Sales leadership has discretion to address special situations involving non-standard user types and use cases. However, the bar is set VERY high.

**Q: Who is eligible to use Domain Separation?**

**A:** Domain Separation is an option for MSPs and for approved non-MSP customers. MSPs using Domain Separation are charged the MSP uplift price for their ServiceNow subscription suites and applications. MSPs are not charged a separate fee for Domain Separation.

There are some instances where a commercial customer may wish to use Domain Separation. As of August 2015, new opportunities for Domain Separation for non-MSP customers will be subject to a fee equal to 25% of the customer's net user ACV. Customers previously granted Domain Separation at no charge will be grandfathered at no charge. The calculation is similar to that for Performance Analytics. Regardless, use of Domain Separation requires approval by Tom Moore, VP Global Partners. Approved non-MSP customers will be given language on their order form that grants them rights to Domain Separation so long as it is not used for MSP purposes. Doing so requires signing an MSP agreement with ServiceNow.

**Q: What is ServiceNow's self-hosting policy?**

**A:** Standard policy is $500k ACV commercial / $250k ACV federal to qualify for self-hosted. Documented approvals must be provided by ServiceNow Executive and Geo Sales leadership via ServiceNow Sales Operations. Please ask your partner manager to route the approval for you.

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**Q: When and why would I sell a non-standard VPN option?**

**A:** With all non-standard options, the request should originate from the customer wanting to know if ServiceNow can support VPN. You should not proactively position this option.

**Q: How does sales determine which type of non-standard VPN offering is appropriate?**

**A:** If the customer wants the ServiceNow instance to send outbound traffic over VPN into their network for requirements like integrations and authentication, then they would need the Authentication and Integration VPN. In this case, data coming from the customer into the instance would travel over the public Internet SSL encrypted. If the customer wants to send traffic into the ServiceNow instance over VPN, then they would need the Non-standard and Unmonitored Instance Access Tunnel offer. Note: This type of VPN should be avoided as it modifies ServiceNow's internal support processes and will have an impact on the availability of service provided to the customer.

**Q: Does Disk Encryption require Dedicated Server as a prerequisite?**

**A:** Yes. Current pricing policy requires Dedicated Server as a prerequisite.

**Q: How does provisioning work for the non-standard products?**

**A:** The Cloud Operations team establishes a provisioning plan for each non-standard product.

**Q: Does the 7% uplift apply to upsells when upsells are concurrent with renewals?**

**A:** No. The 7% uplift only applies to the renewal. The 7% is based on a 36-month contract. The uplift may be more (for shorter) or less (for longer) contract terms.

## 9. Usage Measurement Process

**Q: If ServiceNow is measuring compliance monthly, what day of the month does this occur?**

**A:** The day of the month on which the scan is performed varies for two reasons. First, scans are run on a schedule that minimizes any computational impact to the customer instances, while maintaining as much month-to-month continuity in the data as possible. Second, ServiceNow attempts to avoid setting schedules to prevent customers from temporarily manipulating their user count.

**Q: Can ServiceNow agree to scan a customer's usage on a particular day of the month?**

**A:** No. ServiceNow attempts to avoid setting schedules to prevent customers from temporarily manipulating their user count.

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**Q: How often should ServiceNow perform a true-up with a customer?**

**A:** ServiceNow calculates license compliance on a monthly basis, and customers are contractually required to be in compliance at all times. If the customer's usage is growing rapidly and they frequently appear to be out of compliance, an alternative licensing scheme, such as the All User Model, might be of benefit to them. Contact the Deal Desk for more information.

**Q: Do customers have access to a license compliance report in their instance, and if so, where are the links so customers can see their usage?**

**A:** Most customer instances have a report that administrators can run to see users, their roles, and their last login status. Note that licensing is based on users logging in within the past 365 days, so adjust the report filters appropriately. Steps to run the report:

- Log into the instance
- Go to Reports > View/Run
- Search for the "365 Day Process User Report"
- Run the report

The report may be adjusted for different time periods, or, for End Users instead of Process Users, select the User [sys_user] table instead of [sys_user_has_role] table. The customer may also filter by role types.

**Q: What if a customer disagrees with ServiceNow's audit numbers?**

**A:** The Process User Report, which can be requested by your partner manager, lists the users, their roles, and date of last login. Use this report to understand the how the number in the audit have been calculated.

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**Q: What information or process detail does ServiceNow have on how they conduct these audit reports? Does it clarify that they are not intrusive to their environment?**

**A:** ServiceNow compares licensing vs usage on customer production instances by calculating the number of users that have logged in within the past 365 days and their roles, and compares this to the purchased licenses for the customer. No other content, only table counts, are used in the process.

**Q: How does a customer's instance version affect audit and compliance?**

**A:** In ServiceNow versions Geneva and earlier, there is minimal difference in the methods that are used to measure usage and compliance.

**Q: In the past, ServiceNow audited users based on logins in the past 365 days. Has that changed?**

**A:** Yes. The new audit policy is that any user with the capacity to log in is charged regardless of actual activity. A count of the number of active users in the [sys_user_has_role] table by user type (Requester, Approver, Fulfiller) is done and compared to the contract entitlement.

**Q: How often does ServiceNow audit?**

**A:** The policy on audit frequency is in the sales contract. By default, ServiceNow audits monthly and reserve the right to audit any time if non-compliance is suspected.

**Q: If a customer purchased using the All User model, how does ServiceNow audit?**

**A:** One of the great benefits of the All User model is that the customer no longer has to care about tracking roles for the subscription line items priced using the All User model. It is simply a check against the user table to count the number of users that are marked as active. An active user has a username and has access to ServiceNow. It is entirely up to the customer to determine the type of access and the definition of rights for each user.

**Q: How does ServiceNow audit Discovery usage?**

**A:** ServiceNow charges for all servers, devices or nodes (depending on the license model) discovered by Discovery in the past 90 days (previous to Fuji it was the past 365 days). Note: there is a charge for CIs in retired or suspended states if Discovery is still discovering them. Also, note that a customer can still discover hardware devices if they have licensed the per-server or per-node model; that is why the per-unit price is higher.

**Q: How does ServiceNow audit Notify usage, and where can I see all the users that could be notified?**

**A:** Licensing for Notify is based on all active users in the *sys_user* table.

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**Q: How does ServiceNow audit the Password Reset Application usage?**

**A:** Licensing for the Password Reset Application is based on all active users in the [sys_user] table.

**Q: How does ServiceNow audit Performance Analytics usage?**

**A:** Compliance for Performance Analytics is measured based on whether the applicable user-based product contract line item (a) reflects a Fulfiller Model construct (e.g.: with Fulfiller Users or Process Users) or an All User Model construct (e.g.: with Unrestricted Users or Users) and (b) is specified by the particular Performance Analytics package in the contract (e.g.: Performance Analytics, Performance Analytics for Service Management Suite, Service Management Suite v2, Performance Analytics for Service Management Suite With Platform Runtime, Performance Analytics for Service Management Suite v2 With Platform Runtime, or Performance Analytics Suite for IT Service Automation Suite). With all platform sales, Performance Analytics is offered free of charge for use in the Incident application.

**Q: How does ServiceNow calculate the average of 90 days for compliance for Discovery/ITOM when licensed by nodes?**

**A:** The metric used to measure compliance in all three Discovery license models is to count (the servers or hardware) discovered (created or updated) by Discovery in the past 90 days. The fields used for the count is the "most recent discovery" (*last_discovered*) which is only updated when a CI is discovered where the "Discovery source" (discovery_source) is ServiceNow. There is no calculation of the average of over 90 days to measure compliance. If the customer would like to run the reports on their own instance, they can use these URLs (just replace YOURINSTANCE with their instance name):

- Discovery - Server usage report: https://***YOURINSTANCE***.service-now.com/cmdb_ci_server_list.do?sysparm_query=discovery_source%3DService-now%5EORdiscovery_source%3DServiceNow%5Evirtual%3Dfalse%5Elast_discovered%3Ejavascript%3Ags.daysAgoStart(90)

- Discovery - Devices usage report: https://***YOURINSTANCE***.service-now.com/cmdb_ci_hardware_list.do?sysparm_query=discovery_source%3DService-now%5EORdiscovery_source%3DServiceNow%5Elast_discovered%3Ejavascript%3Ags.daysAgoStart(90)

- Discovery - Node usage report: https://***YOURINSTANCE***.service-now.com/cmdb_ci_server_list.do?sysparm_query=discovery_source%3DService-now%5EORdiscovery_source%3DServiceNow%5Elast_discovered%3Ejavascript%3Ags.daysAgoStart(90)

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**Q: If a customer licenses Discovery by Server, and they have Discovery hardware records, how does ServiceNow handle that for compliance purposes, and vice versa?**

**A:** The table that is looked at for counting items is dependent upon the Discovery license model. Once the license model is determined, only that table which is counted for compliance purposes matters. Therefore, having items in another table is irrelevant for Discovery compliance.

**Q: What are the mechanisms to audit all of ServiceNow's ITOM products?**

**A:** Each ITOM product has a different audit mechanism

- **Orchestration Core** - a node is a server (physical or virtual) and is audited from the *cmdb_ci_server* table, counting total end nodes directly or indirectly orchestrated.
- **Cloud Management (previously Cloud Provisioning)** - a node is a virtual server (VMware, AWS, etc.) and is audited from the sum of the *cmdb_ci_vmware_instance*, *cmdb_ci_ec2_instance*, *cmdb_ci_azure_vm*, etc., tables counting median monthly node count in the past 90 days.
- **Event Management** - a node is a server (physical or virtual) and is audited from the *cmdb_ci_server* table, counting total nodes capable of sending events.
- **ServiceWatch (3.6)** - a node is a server (physical or virtual) and is audited from the ServiceWatch license console table in v3.6, counting total nodes mapped. Note this is for the stand-alone product only.
- **Service Mapping** – the "Number of servers" listed in the most recent record in the sa_server_usage table.
- **Discovery** - a node is a server (physical or virtual) and is audited from the *cmdb_ci_server* table, counting nodes discovered in the last 90 days. Devices are audited from *cmdb_ci_hardware*.
- **Service Operations Suite** - a node is a server (physical or virtual) and is audited from the *cmdb_ci_server* table, counting total nodes from the largest product footprint (Orchestration, Cloud, Event, ServiceWatch, or Discovery).
- **Password Reset** - all active users in the *sys_user* table.
- **Client Software Distribution** – all client nodes orchestrated in the orch_execution table.

**Q: If a customer purchased Discovery under the terms of the previous "CIs created/updated in last 365 day" audit policy, how will their usage be measured going forward until they renew? Will they switch to the new 90-day audit policy?**

**A:** All customers who purchased Discovery will now be audited under the new "CIs discovered by Discovery in last 90 days" policy as of March 3rd, 2015.

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## 10. User Compliance

**Q: What criteria does ServiceNow use perform compliance audits?**

**A:** For the products licensed by the Customer, we count all Users with a Fulfiller role, who are also Active = True and have logged in during the last 365 days. That actual count is compared to the Licensed count to determine if Customer is within or out of compliance.

**Q: What actions are taken when customers are out of compliance?**

**A:** From the time the Customer is given notice that they are out of compliance, they have 30 days to clean up the users and roles on their instance, and/or to purchase additional subscription licenses that will bring them back into compliance until the end of their subscription term. In the future, if additional overages in usage are determined the out of compliance process will repeat itself.

**Q: How does ServiceNow count users who are Fulfillers on multiple instances?**

**A:** Fulfiller user counts are measure individually for each production instance. If a user is a Fulfiller in more than one production instance for the same account, they are counted more than once.

**Q: How is special compliance reporting on an ongoing basis requested?**

**A:** When the business need to provide this special reporting is strong, approval to deviate from standard compliance practices and terms needs to be approved in advance by Customer Analytics. Requests can be submitted by emailing Auditcompliance@servicenow.com

**Q: How does ServiceNow exclude when counting Fulfillers?**

**A:** ServiceNow excludes roles that include in their name: "view", "read", "ess" and similar. Also, roles are investigated by instance impersonation, and defined in the User Roles dictionary for future compliance reports for that specific instance.

**Q: How can All User or Requester counts be requested?**

**A:** Please ask your partner manager to open a Sales Request, listing specifics that are needed.

**Q: What time period does ServiceNow look at when measuring compliance?**

**A:** Unless explicitly stated in the contract, ServiceNow measures the number of users that have logged in within the past 365 days, who are active at the date of measurement, and that have roles.

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**Q: How are Fulfiller sold to MSP's vs. end customers treated differently?**

**A:** When ServiceNow measures usage and compliance, only the number and type of each user role is measured. The price at which the user roles were sold to the end customer, or MSP is not taken into account.

**Q: How does ServiceNow distinguish between users of different licensed applications?**

**A:** For each application, there are a set of defined OOB roles. Users with those roles are able to access the application and are counted as users of the licensed users. Users of multiple applications within a suite are not counted more than once. Users of more than one suite are counted multiple times.

**Q: Why does ServiceNow reports differ from Customer user reports in their instance?**

**A:** Reports will differ between the customer and ServiceNow primarily due to being run at different times. Other reasons can be that they are pointing to different tables or similar fields. It can also be that the filter criteria is not exactly the same.

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