

Customers find value by choosing Office 365

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Organizations worldwide are choosing Office 365 for their productivity needs. This paper uses customer experiences to explain how organizations are deriving value from Office 365. It also reveals the hidden costs of choosing Google Apps for Business as experienced by customers that switched from Google.

Kindred Healthcare provides an example of how organizations are realizing the value of Office 365. When Kindred Healthcare acquired a smaller organization that was using Gmail for remote employees, it was forced to evaluate its options for cloud computing solutions. Kindred chose Microsoft Office 365 over Google Apps for Business for its comprehensive user capabilities, security and compliance, and the availability of a hybrid deployment option. The hybrid deployment provides seamless communications and collaboration between on-site therapists using Office 365 and office-based employees using Microsoft on-premises solutions. Microsoft also meets the organization’s security and compliance requirements, which Google was unable to do. Kindred has used Office 365 to improve teamwork, facilitate employee integration after acquisitions, reduce support and administration costs, and improve the scalability of its solutions.

Many customers have switched from Google Apps to realize some of the same benefits. Overall, here are six key areas where customers find major benefits when they choose Office 365:

- **Enterprise leadership** – Organizations are seeking a trusted advisor before moving critical applications to the cloud. Microsoft has a proven track record of delivering value to organizations and industry expertise with businesses of all sizes.
- **Privacy, security, and compliance** – Organizations are also expecting services that are supported by rigorous operational practices and processes regarding security and data handling. Because Office 365 is independently verified to meet requirements specified in ISO 27001, EU Model Clauses, HIPAA Business Associate Agreements, FERPA, and the Federal Information Security Management Act of 2002, it helps customers meet the relevant privacy, security and compliance requirements for their business.
- **Familiar user experience** – Microsoft has been the leader in productivity software for more than two decades. Office 365 builds on the familiar experience of Microsoft Office products so employees can transition to the cloud without compromising their productivity.
- **Flexibility to have a cloud and server option** – Many organizations are not yet ready to make a wholesale move to the cloud. The flexibility of a hybrid solution enables them to use both cloud and server options at the same time, and move to the cloud at their own pace.
- **Get more from your IT** – The move to Office 365 frees up IT staff to work on strategic projects that can propel their business, versus managing servers and software updates.
- **Save time and money** – In many cases, organizations are finding that they can provide employees more extensive communications and collaboration capabilities at a lower overall cost with Office 365 than with on-premises solutions or other cloud solutions.

Enterprise Leadership

"Caltex chose Microsoft [Office 365] instead of the other solutions because we wanted a vendor with a proven delivery in the enterprise space and a very strong product roadmap."

Organizations today want to partner with a service provider that has a proven track record for reliably providing enterprise-class capabilities. Microsoft has more than two decades of leadership in enterprise productivity software. Today, it delivers enterprise products and services backed by nearly \$10 billion spent on research and development in 2012. With 83 percent of its revenues coming from enterprise software, Microsoft is very focused on enabling its customers' employees to deliver more value.

Technology research company Gartner Inc., has recognized Microsoft as a "leader" in eight of its Magic Quadrant reports for 2012 and 2013 related to business productivity. No other vendor appears across so many Magic Quadrant reports in the business productivity space.

"The nine months we used Google Apps were some of the most challenging of my career. It was like night and day moving to the tried-and-true business productivity applications in Office 365."

Jake Harris, Director of IT, Aisle7

Microsoft provides leadership through its proven track record in delivering enterprise-grade solutions, guaranteed service levels, and a strong product roadmap. Office 365 offers a 99.9 percent uptime guarantee with a financially backed SLA and 24/7 IT-level phone support for enterprises to provide help whenever customers need it. The change management approach for Office 365, documented in the Microsoft Online Services Support Lifecycle Policy, provides consistent and predictable guidelines for product support availability throughout each product's lifetime.

Google, on the other hand, is focused on search and advertising. Based on its 2012 earnings report, more than 95 percent of its revenues come from advertising. Google touts Google Apps for Business as a low-cost option for organizations, but customers who have used it find it lacking and do not deem it enterprise-ready.

Hidden cost of Google Apps

- Lack of enterprise credibility
- Lack of integration with existing software

Privacy, Security, and Compliance

Office 365 delivers the privacy and security measures organizations need as they transition their business processes to the cloud. Office 365 is independently verified to meet the requirements specified in ISO 27001, EU Model Clauses, HIPAA

"Intellectual property is one of Aston Martin's most valuable assets, and we trust Microsoft technologies to keep it safe. We are very comfortable that Microsoft will be able to maintain a secure service."

Daniel Roach-Rooke, IT Infrastructure Mgr., Aston Martin

BAA, and FISMA. Microsoft also offers a data processing agreement to help customers comply with local regulations. In addition to Office 365's built-in security, customers also benefit from fine-grained controls to tailor the service to meet their specific security and compliance needs. For example, administrators or help desk staff can be given access to a subset of administrative settings appropriate to their role.

With Google Apps for Business, customers have to use add-ons such as Google Vault or thirdparty services to achieve comprehensive security capabilities. These services result in additional cost and varied licensing terms and service level agreements that complicate administration.

Hidden cost of Google Apps

- Compliance risk
- Add-on costs for Google Vault
- Third-party services for encryption and compliance capabilities

Familiar User Experience

Microsoft Office is the de facto standard for helping people be more productive at work, school, and home, with more than one billion people using it to deliver great results. When transitioning to Office 365, customers find a familiar user experience, enterprise-class IT tools, and advanced collaboration

"It was easy to integrate Office 365 into our existing work environment and for our workers to start using it right away, because they already know the tools."

Ole Damsgaard, Senior Director, Bang & Olufsen

capabilities. Office 365 users continue to stay productive while gaining access to enhanced services that increase their productivity.

"One organization we work with had provided extensive training when they switched to Google Apps, but even months later they found that 70 percent of their help desk calls were people needing help performing a task in Google."

Chris Hertz, CEO, New Signature

Customers can use Microsoft Office virtually anywhere, with applications that are optimized for their devices. Documents saved on SkyDrive Pro can be accessed from PCs or mobile devices using the Microsoft Office client or Office Web App. If the document is shared with others, users can simultaneously collaborate on the document without worrying about losing changes or the data itself.

Contrasted with the straightforward transition to Office 365, a move to Google Apps for Business requires organizations to train employees on a new approach for email and documents. Organizations that have switched to Office 365 from Google say that not being able to use Outlook to its fullest ability was something they missed while they were on Google. Google offers only limited offline capabilities for editing documents. There is also the potential for data loss. What's more, Microsoft Office customers have encountered document fidelity issues when collaborating with Google Docs users.

Hidden cost of Google Apps

- Training
- Limited offline editing capability
- Risk of data loss
- Loss of productivity

Flexibility to Have a Cloud Server Option

Many organizations that are evaluating next-generation productivity solutions want to transition to the cloud in a planned manner. They have business needs that require time to transition, or want to keep some users or data on-premises.

"During the migration we were able to connect our on-premises users with the users who were migrating to Office 365. For the first time, as one Red Cross, we had real-time presence awareness, free/busy calendaring, collaboration on documents, and one email system."

DeWayne Bell, VP IT Operations and Engineering, American Red Cross

Microsoft offers the choice and flexibility of a seamless hybrid solution, allowing such customers to move some users to the cloud while keeping others on-premises. With Google, customers lose that choice. Google Apps for Business does not offer organizations the option to keep some users or data on-premises.

Hidden cost of Google Apps

- Training

Get more from your IT

Instead of building and maintaining infrastructure, organizations of all sizes are moving to the cloud to take advantage of state-of-the-art data centers with

"I started using Google because I wanted an easy ride, but I wound up spending 5 to 10 hours a week helping my team change user settings or download attachments. It [Office 365] has freed up my time so I can focus on building my business."

Myles Kaye, Director, Atominx

built-in security and compliance. This move enables IT departments to focus less on infrastructure and more on strategic activities for their business.

While organizations have traditionally allocated significant time and cost investments to support deployment of desktop software upgrades, The revolutionary Click-to-Run streaming and virtualization technology enables organizations to get their users up and running with Office 365 ProPlus in a matter of minutes.

With Office 365, organizations get a financially backed service level agreement (SLA) with a 99.9 percent uptime guarantee. For the sake of complete transparency, the quarterly worldwide uptime for Office 365 is published on Office 365 Trust Center.

"We are projecting about a \$1 million savings per year by transitioning to the cloud."

Rance Clouser, VP Support Services and Communication, Advocate Health Care

Unlike Office 365, Google only publishes the availability information for Gmail.

Office 365 offers 24/7 technical support for enterprise IT and the Office 365 service health dashboard offers IT administrators access to detailed service information that is specific to their organization. Google uses a call-back support model. Customers file a report, which is then used to determine the severity of the problem and assign a call-back priority. The Google apps status dashboard combines all business and consumer users, therefore organizations do not always know which issues they need to address.

Google claims to be 100 percent web-based. But in reality, Google Apps customers must make server and client deployments to fully utilize the solution. For example, customers must install and update the Chrome browser, Google Talk, and several Windows dynamic link libraries to get a complete experience. Also, when an organization opts for third-party

"Before Office 365, I wasted 30 percent of my time managing Google Apps and the problems that it generated. Now, I can focus on developing new products that increase the company's revenue."

Bogdan Kochesch, Business Manager, Educativa

services to supplement capabilities in Google Apps for Business, the total cost of ownership significantly increases. The complexity of integration along with the requirements for support, updates, and licensing management, significantly increase the headache for IT.

Hidden cost of Google Apps

- Limited info on service availability
- Technical complexity around integration
- Increased cost of 3rd party services

Save Time and Money

Although increasing IT efficiency by moving to Office 365 can generate substantial cost savings, IT cost savings are only a part of the picture. Many companies have found that Office 365 can also improve business productivity through new

"By choosing Office 365, we acquired more capabilities and capacity, and we saved about 40 percent in costs compared to what we previously spent on email alone. That's the beauty of information technology when it's done right. You get more features, more storage, and more flexibility for less cost."

John Hill, Chief Information Officer, Veyance Technologies

capabilities. One of the largest budget impacts is from replacing travel with web conferencing. Lync Online provides the communications capabilities to support everything from quick chats to large video conferences. For example, Decision Resources Group expects to save up to \$60,000 per year on WebEx licenses after switching to Lync Online for communications.

"By using Office 365, we have access to capabilities that would typically be reserved for very large organizations. That's a huge advantage for us."

Lance Criscuolo, President, Zyvex Technologies

Office 365 also boosts user productivity. Microsoft Office applications combined with Exchange, SharePoint, Lync, and Yammer enhances collaboration among colleagues and partners.

Many Google Apps for Business customers rely on third-party applications to achieve enterprise-class capabilities that are included with Office 365. After adding applications such as MyOneLogin for single sign-on and WebEx for enterprise web conferencing these customers can find the cost they are paying for cloud services exceeds the cost of Office 365.

Hidden cost of Google Apps

- Limited info on service availability
- Technical complexity around integration
- Increased cost of 3rd party services

Conclusion

Customers that have used both Google Apps and Microsoft Office 365 are the best source to understand the differences in the two services and how they helped or hindered their business transformation to the cloud.

Office 365 provides the enterprise-class service and capabilities that businesses need. Microsoft is delivering the value it promises to its customers when they purchase Office 365 through a complete business productivity solution that enables them to reach new levels of communication and collaboration. It offers organizations a first-class hybrid solution for helping them transition to the cloud, and gives them capabilities to help meet compliance requirements for their business.

Google promises simplicity, low cost, and innovation to its Google Apps customers, but there are plenty of examples of customers who are not seeing this value. In fact, its "innovations" are often capabilities that were already available in Office 365. Moreover, many customers must install and manage additional software to get the functionality they need, which results in their solution being neither simple nor low cost.

Appendix 1: Hidden Cost Summary

Summary: Hidden Cost of Google Apps	
Cost Category	Cost Examples
Requires third-party services to supplement missing capabilities	<p>Examples of third-party services that Google Apps customers use:</p> <ul style="list-style-type: none"> • MyOneLogin – \$30/user/year for single sign-on • Promevo gPanel – \$8/user/year for management and reporting • WebEx – \$288/user/year for enterprise-class conferencing • CloudLock – \$19/user/year for data loss prevention • RunMyProcess – \$40/user/year for workflow
Compliance risk	<ul style="list-style-type: none"> • Risk of regulatory compliance issues • Risk of falling under additional government regulations with data being stored around the world • Consumer-oriented privacy policy • Information scanned for advertising
IT management costs	<ul style="list-style-type: none"> • Deploying and managing third-party applications like MyOneLogin • Deploying and managing browser add-ons like Google Apps Sync for Outlook or Google Video and Voice Plug-in • Deploying and managing on-premises software like Google Chrome, Google Talk, and DirSync • Additional help desk costs • Resolving issues related to frequent, unannounced patches, updates, and retirements
Lost employee productivity	<ul style="list-style-type: none"> • Training • Resolving document fidelity issues • Lack of integration between products • Lack of offline capabilities • Workflow and process revisions
Source: Pricing from Google Apps marketplace and company websites	

Appendix 2: Key Considerations for Selecting a Cloud Solution

Enterprise leadership

- How important is it to provide enterprise-class capabilities for your IT organization?
- Do you expect your technology vendor to be a trusted advisor and partner to support your IT needs?
- Does your organization have change management processes to release updates in a planned manner?

Privacy, security, and compliance

- Is the privacy and security of your data important for you?
- Do you need to know where your data is located?
- Does your business need to comply with privacy policies and regulations?
- Do you want your employees to use services that are governed by consumer-oriented policies?
- Do you need administrative controls to help meet your unique business needs around security and compliance?

Familiar user experience

- Does your organization use Microsoft Office?
- Is it important to maintain the fidelity of Microsoft Office documents?
- How important is it for your organization to be productive during the transition to the cloud?
- Are there users in your organization that need to access IT capabilities while they are not connected to the Internet?

Flexibility to have a cloud and server option

- Do you have disparate systems that you are planning to integrate as you move to cloud? Are there other on-premises applications that need to integrate with your services in the cloud?
- Do you need the flexibility to move to the cloud in phased manner, at your own pace?
- Do you have a need to keep some employees or data on-premises as you transition to the cloud?

Get more from your IT

- Do you want your IT organization to focus more on strategic activities for your business?
- Do you want your IT to have highly scalable, resilient, geo-redundant data centers for business productivity services, while not having to worry about maintenance?
- Is it important for you to have enterprise-class 24/7 technical support for your business productivity services?

Save time and money

- Will you benefit from advanced communications and collaboration capabilities for your business?
- How important is it to keep your users productive while adopting new IT technology for your organization?
- Do you want to scale your business, without worrying about IT capacity constraints?