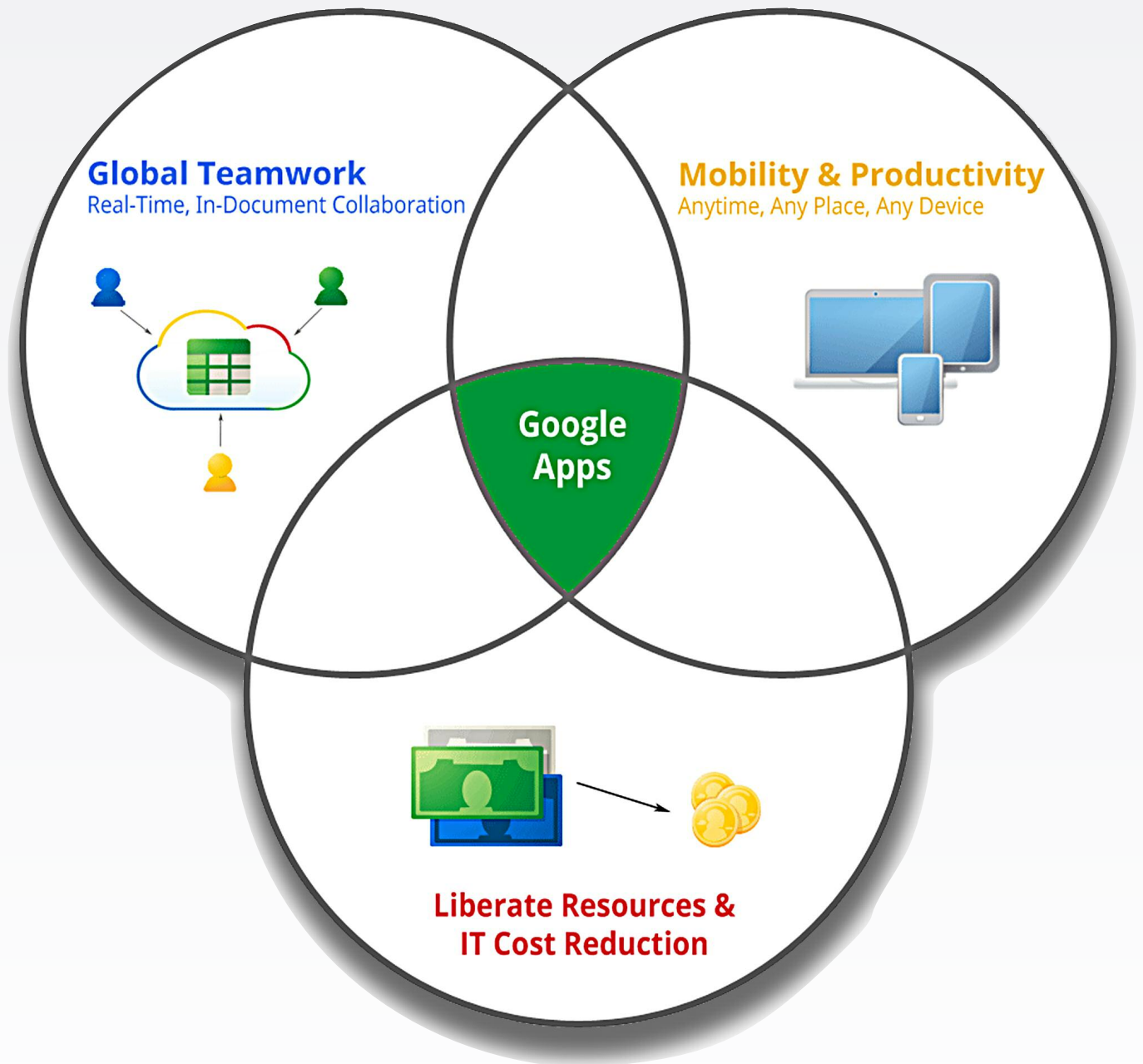


CUSTOMER PERSPECTIVES ON THE

Real Benefits

DELIVERED BY GOOGLE APPS



Contents

Key Take-Away	2
The Challenge:	
A Senior Executive's Question	3
The Solution:	
Google Apps – Top Three Customer Realized Benefits	
#1 – Global Teamwork with Internal and External Parties	7
#2 – Mobile Applications as a Primary Global Teamwork, Communications and Productivity Enhancer	12
#3 – Google Apps Helps Liberate Your IT Resources While Also Reducing IT Costs	18
Wrap-Up and Next Steps	21
Followup	21
Cited Sources	22





According to our customers around the world, Google Apps delivers three key differentiators:

- **Real-time, in-document global teamwork** for internal and external collaborators/innovators
- **Mobile support for Google Apps** on all four major mobile operating system platforms — thus, making your workforce more productive any time, any place, with any device
- **Liberate your human resources** for higher value-added, more strategic activities while also substantially reducing your IT costs (Google Apps is only US\$50 per user per year)

Bottom line, the true differentiator for Google Apps is that no other product in today's marketplace can offer an easy-to-use, real-time, scalable, secure, cloud-based messaging/global teamwork/innovation/mobility productivity/organizational transformation platform for the five-year total cost of ownership (TCO) that Google Apps provides.

A Senior Executive's Question

Recently, a CIO asked us:

"What are the real benefits delivered by Google Apps for your customers? A competitor of Google's was just in here yesterday, claiming that your Google Apps are no better than on-premise messaging systems.

Can you convince me otherwise?"

Based on these and similar questions from prospects all over the world, we have been working with 100 Google Apps customers (out of our four million Enterprise Google Apps customers) to determine, **in their words/experience**, what is Google Apps' value proposition over on-premise messaging, collaboration and mobility systems (see Exhibit 1 for a list of the components of Google Apps).

These 100 Google Apps customers are in nine industries; from eight countries; have twenty users to over one million users (active users per domain) live/in-production on Google Apps; have annual revenues from US\$2 million to US\$40 billion; and are achieving hard-money savings/benefits with Google Apps combined with improved business processes of US\$7,500 to over US\$3 million per year.

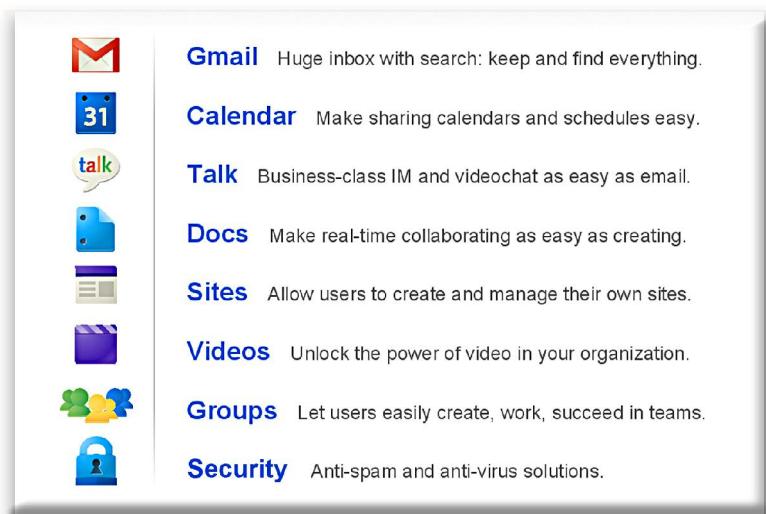


Exhibit 1: What Is Included In Google Apps

Exhibit 2 outlines what our customers have told us: Google Apps provides a dramatically lower total cost of ownership (typically 20-60% lower for messaging, global teamwork, innovation, mobility, faster decision-making, organizational transformation and acquisition integration solutions) as well as both a higher and faster return-on-investment (typically 10% to 40% higher and 20% to 50% faster) vs. on-premise messaging, collaboration and mobility systems.



Cost / Value Category	Cost / Value Detailed Line Item	Google Apps	On-Premise Software
TCO: Acquisition Costs	Software license	No	Yes
	Annual subscription license	Yes	No
	Training	Typically minimal	Medium to extensive
	External implementation partner	Typically less	Medium to extensive
	Internal implementation resources	Typically less	Medium to extensive
TCO: Life Cycle Costs	Annual subscription license	Yes	No
	Annual maintenance & support fees	No	Yes
	Hardware & other infrastructure	No	Yes
	Patches & on-going app dev / maintenance	No	Yes
	Additional upgrade fees	No	Yes
	On-going training / change mgmt for upgrades	Minimal to none	Medium to extensive
	Integrations to other systems & databases	Yes	Yes
	Additional internal & external staff	Typically few or none	Many times to always
Value / ROI	Speed-to-value	Excellent	Slower
	Enable organizational transformation	Technology, business process, and strategy / culture	Technology only
	World-class, global teamwork and business agility / flexibility	Excellent	Sometimes to no
	Constant innovation & automatic updates (at no extra charge)	Yes	No
	Scale up or down when needed	Yes	No
	99.9% uptime / reliable - and secure	Yes	Yes – but expensive
	Low cost of entry	Yes	No
	Turns CapEx into OpEx	Yes	No

Exhibit 2: Google Apps' Lower Total-Cost-of-Ownership (TCO) and Higher and Faster Return-on-Investment (ROI) vs. On-Premise Messaging, Collaboration and Mobility Systems

According to our Google Apps customers, the most valuable points of differentiation provided by Google Apps over on-premise messaging, collaboration and mobility systems are:

- The much lower licensing, hardware, infrastructure, training and staffing requirements as well as costs of Google Apps
- The constant innovation and automatic updates made in Google Apps – for example, over 120 total enhancements were automatically rolled out in Google Apps in a weekly manner in 2010 and then again in 2011
- The excellent uptime/availability of Google Apps (99.9% uptime SLA and no planned downtime)
- The faster time-to-market that Google Apps delivers (both in terms of actually getting Google Apps up and running in their organizations and acquired firms **as well as** in terms of improving the new product/service innovation processes within their organizations)
- The much quicker, more accurate and more profitable organization-wide decision making and organizational transformations (technological, business process-wise and strategic/cultural) -- and thus competitive advantages -- enabled by all of these Google Apps differentiators/benefits

Next, we worked with these same 100 Google Apps customers and conducted 275 hours of external benchmark research to determine the actual hard-money savings and benefits that Google Apps delivers for our customers. Based on this analysis we have found twenty such savings and benefits that Google Apps delivers for our customers, which we have categorized into five key value areas of the Google Apps' Compelling Cloud Value (CCV) enterprise transformation framework (see Exhibit 3) :



Exhibit 3: Google Apps' Compelling Cloud Value (CCV) Enterprise Transformation Framework





Global Teamwork

Representative Savings:

- Make workers 5-25% more productive
- Reduce travel expenses by 5-18%
- Reduce recruiting and on-boarding costs by 10-35%
- Reduce training costs by 2-10%
- Reduce supply chain costs by 3-10%
- Reduce administrative, paper, postage and overnight shipping costs by 15-50%

Innovation

Representative Savings:

- Reduce new product/service development cycle time by 8-20%
- Reduce new product/service development and introduction costs by 4-11%

Mobility

Representative Savings:

- Enhanced mobility/productivity results in sales increases of 1-4% annually
- Enable the organization to do 5-10% more work with the same headcount as today
- Reduce mobility expenditures substantially by globally supporting all four major mobile operating systems (Android, Apple iOS, RIM/BlackBerry and Microsoft ActiveSync), providing superb mobility choice for employees (as our customers say, Google Apps can be accessed “any time, any place, on any device”)

Acquisitions

Representative Savings:

- Reduce IT costs to on-board new employees from acquired firms by 10-35% – while on-boarding them up to 25% faster

IT Cost Reduction and Environmental Stewardship

Representative Savings:

- Lower total cost of ownership (TCO) by 20-60% for messaging, global teamwork, innovation, mobility, faster decision-making, organizational transformation and acquisition integration solutions

Special Note: This analysis is of the hard-money value provided by Google Apps alone. If any of the other Google products are added to the equation – Google+, Google+ Pages for Business, Google Maps, Google Earth, Google Search Appliance, Google Commerce Search, Google Chromebooks, Google App Engine, Google BigQuery Service, Google AdWords, Google AdSense, Google Wallet, etc. - the organization's value from Google solutions increases even more.

We will provide an overview of the three most popular Google Apps' savings/benefits from our customers and benchmark research in the remainder of this Google Enterprise Value Management (EVM) Perspectives Report. If you are interested in analyzing all twenty savings/benefits of the Google Apps' Compelling Cloud Value (CCV) enterprise transformation framework for your enterprise, educational institution or government organization, please contact your Google Enterprise sales representative or click on "Contact sales" in the upper right-hand corner of <http://www.google.com/a>.

#1 • Global Teamwork with Internal and External Parties



SANMINA - SCI®

"What we bought with Google Apps originally was an email system replacement. Now, two years and over 240 enhancements in the Google Apps functionality later, we are realizing that the real-time collaboration and innovation culture that Google Apps has enabled us to achieve is as important as - if not more important - than the IT cost reduction that we are achieving."

**Manesh Patel, Senior Vice President and Chief Information Officer,
Sanmina-SCI**

There are a steady stream of senior business and IT executives (CEO's, COO's, CFO's, CHRO's, CSO's, CMO's, CPO's, CTO's and CIO's) who are constantly asking us to help their workforces team better - that is, to be more collaborative, innovative and productive globally. As IT Insider Online has recently said: "Real-time collaboration tools not only connect teams more effectively, but also provide considerable cost savings to your organization. As a result IT managers are increasingly recognizing the need for real-time collaboration among team members - no matter their location. ... According to Ted Schadler of Forrester Research Inc., what's driving the need is the growing trend of distributed organizations, the rising number of remote workers, and the upsurge of business-to-business teams."¹





As a recognition of this powerful trend in the global marketplace, the Harvard Business Review ran a spotlight on collaboration in its July/August 2011 edition. Among many nuggets of collaborative insight, one article commented on the fact that “business people today are working more collaboratively than ever before, not just inside companies but also with suppliers, customers, governments, and universities. Global virtual teams are the norm, not the exception.”² And another team of collaborators finished their top-rate analysis of building a collaborative organization based on trust and teamwork with the following summary: “Few would argue that today’s market imperative -- to innovate fast enough to keep up with the competition and with customer needs while simultaneously improving cost and efficiency -- can be met without the active engagement of employees in different functions and at multiple levels of responsibility. To undertake that endeavor, businesses need a lot more than minimal cooperation and mere compliance. They need everyone’s ideas on how to do things better and more cheaply. They need true collaboration. ... The organizations that will become the household names of this century will be renowned for sustained, large-scale, efficient innovation. The key to that capability is neither company loyalty nor free-agent autonomy but, rather, a strong collaborative community.”³

Additional research by Aberdeen Group has also proven that organizations are indeed achieving tangible benefits with real-time global teamwork. “A majority of Best-in-Class organizations measured the value of enterprise collaboration in terms of increased operational efficiencies, accelerated product development, improved sales capabilities and increased lead generation (citing the following mean performance among Best-in-Class enterprise collaborators: 24.5% increase in revenue in 2010; 104% ROI on a company’s collaboration deployment; and taking only one hour to share critical information throughout the enterprise).”⁴

Much like this research demonstrates, the global teamwork (specifically, collaboration, innovation and productivity) benefits that our Google Apps customers are achieving are **truly remarkable**. These benefits and competitive advantages are primarily driven by the real-time, in-document (spreadsheets, documents and presentations) global teamwork enabled by Google Apps both inside our customers’ organizations as well as externally with their customers, suppliers, partners, acquired companies and other key stakeholders/collaborators/innovators -- for only US\$50 per user per year.

Here are some of our customers' testimonials on the enhanced global teamwork that they are achieving with Google Apps:



"We recently completed our global migration of 50,000 users from our previous messaging/collaboration system to Google Apps. This was one of the most straightforward migrations that we have ever done. The project finished on schedule and on budget. Our users are happy to be on a new state-of-the-art platform which is accessible from any device, anywhere, anytime -- and it helps them to be more productive. Google Apps also has a significantly lower operating cost compared to our legacy environment, so we are saving money at the same time. But, more importantly, the Google Cloud is the ideal way to consolidate multiple local messaging environments and create one global platform without worrying about technology infrastructure. We get the same great service levels and performance for all of our locations globally. And, as a result, our collaboration capabilities are supporting a whole new way of working together more effectively across brands, departments, countries and suppliers."

**Christine Atkins, Senior Vice President of Group Information Technology,
Royal Ahold N.V.**



"Pratt Industries originally decided to go Google Apps partially as an alternative to the current unstable email solution and also because it was a lower-cost email solution. But as we have used Google Apps more and more internally and with our customers and contractors, we have come to realize that the collaboration benefits (both in terms of process and cultural improvements) are equally important to our growing company. Whether it has been for a plant disaster-recovery strategy, circuit switchovers at more than 60 locations, new plant construction planning and project management, and online/email customer communications, Google Apps is enabling Pratt Industries to serve our customers more efficiently, track costs more easily and monitor performance benchmarks more quickly and transparently. By providing all of these tangible benefits, Google Apps enables us to spend less time on IT administration and hassles and more time on our core business: paper, packaging, recycling and making our customers very happy."

**Brian McPheely, Chief Executive Officer, and
Dennis Fleming, Chief Information Officer,
Pratt Industries (U.S.A.), Inc.**





"Dynamic business innovation is an essential element of Baird & Warner's DNA. Google Apps supports our focus on innovation by enhancing the communication and collaboration amongst our over 2,000 sales associates, loan officers and array of support personnel -- particularly through Google's single platform, integrated messaging and document solutions, and ultra-powerful search tools. By deploying Google's products and services -- essentially leveraging Google's own focus on innovation -- we enable our entire organization to focus on delivering high-touch, high-value customer service."

**Stephen Baird, President and Chief Executive Officer, and
Eric Bryn, Vice President of Digital Innovation,
Baird & Warner**



"Imagination is a global agency that transforms business through creativity - therefore we needed an updated approach to help Imagination become more creative, more collaborative, more innovative and more global. Switching to Google Apps has enabled Imagination to realize key business objectives, such as letting us collaborate and distribute information in real-time, on a global basis, and across disciplines. As a result Imagination has significantly increased the speed at which we communicate internally, with current and future clients and with our suppliers. This has allowed us to strengthen relationships, offer more value, and be more responsive to our clients' needs."

**Simon King, EMEA Operations Director,
Imagination**



"For MWV our adoption of cloud computing generates competitive advantage, particularly in the way we communicate and collaborate. Using our deployment of Google Apps, we can more quickly expand and contract the services needed to support our enterprise. We can work more effectively across international borders, with tools that are inherently adapted to the multi-lingual environment. We offer tools that allow our global representatives to collaborate quickly and without special configuration or technical staff intervention. Cloud computing for MWV comes down to one thing: enabling profitable growth."

**E. Mark Rajkowski, Senior Vice President and Chief Financial Officer,
Mark V. Gulling, President of Global Business Services and Chief Information Officer,
and Andrew Stanley, Vice President of Global Infrastructure Delivery Services,
MeadWestvaco Corporation (MWV)**

Ray White®

"There are three key benefits that the Ray White Group achieves with Google Apps:

- **IT staff productivity:** *Because Google now manages the configuration, integration, administration, support, security, backup/disaster recovery and continuous improvement of our messaging and collaboration solutions, we have realigned many of our IT staff to support value-adding revenue-generating or cost-reducing projects.*
- **Power-user leadership:** *Rather than typical IT project rollout and training, we have used the key power business users to lead the adoption of Google's messaging and collaboration technologies -- which has resulted in highly productive users in quicker time frames as well as better alignment of both IT and business resources.*
- **Collaborative Bring-Your-Own-Device (BYOD) execution:** *Initially we liked Google Apps because Gmail worked well on any smartphone or tablet, but now with one year of real-world experience utilizing Google Apps, we realize that Google Apps provides excellent, game-changing collaboration and innovation capabilities in addition to messaging on any of our associates' office PC's or mobile devices.*

"We are very happy with our choice of Google primarily because Google is a business partner that best reflects our own values in successful collaboration, innovation and results-orientation."

**Brian White, Chairman of the Board, and
Ben White, Head of Property Management and Chief Information Officer,
Ray White Group**



#2 • Mobile Applications as a Primary Global Teamwork, Communications and Productivity Enhancer



"Google Apps' platform flexibility has helped us support broad mobile access for our colleagues. Providing a Google Apps account to every employee has enabled Delta Hotels and Resorts to provide our staff with access to critical data on Apple iPhones, Android-based smartphones and other devices. For instance our Front Desk staff can now remotely

check on hotel occupancy levels and manage their schedules from anywhere, at any time. Our core age demographic is late 20s to early 30s. These individuals don't want to be restricted by cumbersome workplace technology. Overall, the openness of the Google Apps' mobile platform has allowed us to better engage our colleagues, improve loyalty and reduce turnover."

**Michael Rodger, Director of Digital Innovation,
Delta Hotels and Resorts**

We have all seen first-hand through using smartphones, tablets and Chromebooks; from the research that smartphone shipments are starting to overtake PC shipments; from the large number of companies, government agencies and educational institutions now implementing Bring-Your-Own-Device (BYOD) strategies/policies; and from the phenomenal sales growth of everything mobile (device suppliers, telcos offering mobile services, mobile operating systems and applications/content being provided for mobile devices, etc.) that the mobility market is **red-hot**.

And, for good reason: as we talk with more customers and prospects, the use cases continue to increase for improved real-time collaboration and communications on mobile devices. Executives, salespeople, marketing gurus, customer-facing professionals, field technicians, operations/manufacturing professionals, supply chain and procurement professionals, distribution/logistics professionals, legal professionals, R&D/innovation specialists, support professionals, etc. need to manage their important activities, anytime, anywhere, on any device (no longer tied/tethered to their offices or homes):

Stakeholder Communications/Collaborations/Innovations

- Access/review/update customer, supplier or partner contracts
- Access/review/update current or prior correspondence/documents/sites with customers, prospects, suppliers, partners, etc.
- Create/access/share new and/or relevant videos with customers, prospects, suppliers, partners, etc.
- Access/review/update order status, invoice status, customer data, supplier data, partner data, new product/service innovation data, and other critical business data

Productivity Enhancers

- Search for product and pricing information (on her/his company's public website and/or intranet), competitor information or partner information
- Access/review/update pitch decks, executive presentations, account plans, brand plans, new product/service specs, category plans, RFI's/RFP's, marketing documents, HR documents, supply chain plans, budgets, etc.
- Access/review/update business intelligence/analytics on any topic within their organization (executive dashboards, sales, marketing, operations, partnerships, etc.)
- Access/review/utilize location-based services for a variety of business/organizational purposes (e.g., location-based mobile advertising; obtaining restaurant, store, ATM, social event, parking space, etc. recommendations based on current location; obtaining address and/or person-based location/directions; visual identification using Internet mapping/earth solutions to locate/see a specific monument, building, house, road, structure, etc.; obtaining timely alert notifications pertaining to key employees, customers, partners, suppliers, opportunities, issues, etc. based on your current location; business or organizational asset location identification and recovery; etc.)
- Access/review/update information on fellow co-workers or external collaborators -- contact information, shared documents/sites, biographical information, meeting or call notes, business networking and synchronization, etc.

Important Daily Tasks

- Conduct calls, instant-message (IM) chats and videochats at all times of the day, with business associates (inside and outside their organizations) worldwide
- Manage email, manage calendars/scheduling, manage text messages, update contacts, obtain weather forecasts, obtain key news or stock information, obtain timely flight/train/transport alerts or information, capture important still pictures, utilize the calculator, etc.
- Access/review/update social networking sites
- Obtain any information that they need on the public WWW Internet

And they need this information in **seconds** or **minutes**, not hours or days.





Deloitte Consulting's research and customer experience has demonstrated that "companies are already rethinking business processes and enabling new business models that would not have been possible without mobile technology. Evolutions in location-based services, social networks, mobile payment processing, low-cost device add-ons and integration with enterprise systems has led to the potential for employees, customers and suppliers to consume and produce sophisticated information, goods and services from **anywhere**."⁵

Andrew McAfee from MIT's Center for Digital Business recently elaborated on the positive impact that mobile cloud solutions are having in the business world: "Technology has finally caught up with workers who don't sit at the same desk all day, every day. We now have laptops, notebooks, tablets and smartphones, and a lot of us (most of us?) use them pretty heavily because we're mobile -- we move around during the workday and hit the road on business trips. Thanks to the cloud, our data, documents, applications, communications, and social networks can come along with us, and be available almost no matter where we are. Without the cloud, mobility and the proliferation of devices would inevitably lead to severe fragmentation ('where did I put that document?') and frustration. With the cloud, we can be productive virtually everywhere."⁶

And as McKinsey recently stated, "CEOs must take a big-picture approach to the collective implications of Web-centricity, the way it redefines a company's interactions with employees and customers, and the challenges and opportunities it presents. ... CIOs should, for example, prepare for the day when consumers, employees, and suppliers all communicate and interact through the use of mobile devices that run Web applications. This phenomenon will not only extend the reach of the enterprise but also place a premium on analytics and possibly improve the competitiveness of companies that can exploit the new information and interactions a Web-centric environment provides."⁷

If you listen to our customers, though, the time for C-level executives to take the reigns of their mobile strategy is now — especially with how Google's solutions can enable and enhance their organization's mobile capabilities to increase business and IT value:



"Google Apps ... what a game changer. We have seen dramatic improvements in the way our photographers and writers collaborate regardless of location (in the office and in the field). After more than a 100 years of perfecting how we develop pictorial stories, Google Apps has made what we once dreamed about, part of what we actually do every day now. Don't take my word for it - see what one of our photographers has to say:

"In planning and executing the photography for our stories, I find the collaborative and mobile tools in Google Apps to be indispensable. Every feature in National Geographic is the result of careful editorial decisions to present the best photography for our readers. As the story coverage plan begins to take shape, my photo editor, writer and I use Google Docs to keep track of the who, what, where, when and how we are going to execute our coverage. This is a constantly evolving single document that we can all update in real-time from any location in the world, with any device (laptop, notebook or desktop computer, smartphone or tablet). Gone are the days of emailing around the latest version of a coverage plan document only to have everyone 'add a little something,' creating a headache for all of us. Google Docs has made this inefficient circle of version confusion disappear forever."

**Christopher Liedel, Executive Vice President and Chief Financial Officer, and
Mark Thiessen, Staff Photographer,
National Geographic Society**



"Jaguar Land Rover has been a Google Apps customer since 2009. Since the move we have been able to enable our workforce to take advantage of the ubiquitous mobility that Google provides. Our employees can now collaborate, innovate, and generally be more productive using a device that is convenient/appropriate for them anywhere in the world -- whether that be a PC or Mac laptop, tablet or smartphone. This has enabled our executives to keep up-to-date with critical data and information feeds on their iPads in real-time, enabling us to increase the speed and effectiveness of our decision-making."

**Jeremy Vincent, Chief Information Officer,
Jaguar Land Rover**





SoftBank

"26,000 of us at SOFTBANK TELECOM Corp., SOFTBANK MOBILE Corp. and SOFTBANK BB Corp. have gone live on Google Apps this year, and it has delivered a strong improvement in our collaboration and productivity. One of the biggest benefits has been that our employees can share information/knowledge and collaborate on key deliverables in real-time, from any of their devices - PC's and laptops in the office as well as smartphones and tablets in the field. We are very proud of the agility realized by our employees as well as external collaborators with our smart mobile devices and Google Apps. With 'Mobile Internet + Google Apps,' we are achieving increased productivity and margins without an increase in sales headcount."

**Ken Miyauchi, Chief Operating Officer,
SOFTBANK TELECOM Corporation**



"As a supplier to the mobile industry, we at Fairchild Semiconductor are active users of mobile technologies (smartphones and tablets) to be more productive, collaborative, innovative - and to serve our customers faster and better. With Google Apps the most impressive value that we have benefited from is the ubiquitous access to information, documents, sites, videochats, etc. by any of our professionals, any time, any place, with any device - from engineers, product line managers and salespeople to our executive team. This is vital to us because it enables us to communicate and collaborate with each other and with customers, design firms, and other key partners to get work done and achieve key business results for all of us, more effectively and efficiently. By working closely with Google Apps and other key cloud providers in what we call our 'Fairchild Semiconductor Innovation Network,' we are not only saving US\$500,000 a year in reduced costs but we are also achieving competitive advantages that are making us and our key innovation partners more flexible, proactive and successful."

**Mark Thompson, Chairman, President and Chief Executive Officer, and
Paul Lones, Senior Vice President of Information Technology,
Fairchild Semiconductor**



"Since the conversion to Google Apps, we have realized unplanned savings in remote access to both email and documents. Many employees are reporting increased flexibility in accessing work documents while out of the office. Others are now able to use non-Windows home PC's as well as a variety of smartphones and tablets to keep up-to-date with email, to collaborate on documents and to participate in project-related websites in real-time. The end-results: much higher productivity for office and mobile workers (e.g., finance/accounting, marketing, account management, property management, HR, etc.) that deliver expected annual savings of approximately half-a-million dollars."

**Scot Adams, Senior Vice President and Chief Information Officer,
Cadillac Fairview**

EAT.

"We believe that the cloud is not just another buzzword, but is definitely where the future of productivity lives. Outfitting our users with messaging and collaboration solutions that work in a web browser means there is less need to install, update and manage local applications. It also gives our users extra flexibility to take their work away from their desks onto mobile phones, tablets and other mobile gadgets. From improved health and safety standards with the adoption of smaller and lighter mobile devices to a new generation of highly efficient mobile EAT. managers where the access to our collaboration space is now at the convenience of a table in the nearest coffee shop -- the direct and indirect benefits of Google Apps keep piling up."

**Rene Batsford, Chief Information Officer, and
Cesar Ramanauskas, Systems Manager,
EAT.**



#3 • Google Apps Helps Liberate Your IT Resources While Also Reducing IT Costs



"A move to the cloud allows IT to transform the way it works. On-demand tools such as Google Apps reduce the time and resources it takes IT to deliver capabilities, allowing our teams to focus on the effective use of technology. Cloud computing is a great example of how to shift the focus from running IT to maximizing a solution's effectiveness. Enabling our IT teams to spend more time with our businesses to make the improvements that our customers truly care about is why we made the move to Google Apps."

**Bentley N. Curran, Chief Information Officer and
Vice President of Information Technology,
Brady Corporation**

While it goes without saying that most enterprises, educational institutions and governmental agencies approach us initially for Google Apps messaging or collaboration cloud solutions in order to cut costs, **the true differentiator for Google Apps is that no other product in today's marketplace can offer an easy-to-use, real-time, scalable, secure, cloud-based messaging/global teamwork/innovation/mobility productivity/organizational transformation platform for the five-year total cost of ownership (TCO) that Google Apps provides.**

And by having Google manage the servers, storage, backup/disaster recovery, support, and some networking and facility management for the organization's messaging, global teamwork, innovation, mobility, faster decision-making, organizational transformation and acquisition integration solutions, many Google Apps customers are reporting that anywhere from 0.5% to 5% of their IT professionals and sometimes also some business professionals are being freed-up from day-to-day IT/spreadsheet/document/workflow/infrastructure/manual-updates busy-work to help with truly critical, strategic and value-added business activities.



The cost savings from Google Apps are real and impactful ... **today**. As The Boston Consulting Group asserted in late 2010: "Cloud computing has a definite role at large organizations. Today, both companies and governments are realizing sizable gains in cost and efficiency from the cloud. ... GlaxoSmithKline, The Coca-Cola Company, Valeo and the City of Los Angeles have used cloud-based messaging, collaboration and workflow to lower costs by 10% to 30%."⁸ (Author's Note: Valeo and the City of Los Angeles are Google Apps customers.)



There are many Google Apps customers around the world that have obtained these human-resource productivity benefits and IT cost savings:



"In deciding to move to Google Apps, speed of innovation was a big factor. Google Apps constantly provides new products and features with a great level of service and reliability. Google Apps also allows us to decrease our total cost of ownership while diverting our IT professionals from repetitive maintenance tasks to more business-centric work that adds value to our business."

**Atsushi Yazawa, Chief Information Officer,
Casio Computer Company, Ltd.**



"Switching to Google Apps provided us with a way to significantly improve the level of service provided to our students and alumni. Building the infrastructure to provide a similar level of service on campus would have required an investment of US\$1.5 million and increased the complexity of our infrastructure."

**Ron Kraemer, Vice President for Information Technologies
and Chief Information Officer,
University of Notre Dame**

*"Our own transition to the cloud will save millions in taxpayer dollars annually. We expect that using a cloud-based system will reduce email operation costs by 50 percent over the next five years and save more than US\$15.2 million for the agency in that time. A large part of these savings will come from a decrease in the number of costly data centers requiring hardware, software licenses, maintenance, and contractor support. In addition to the cost saving benefits, the new email environment provides our agency with an easily accessible suite of services including email and collaboration tools that help GSA employees become a more mobile and more efficient workforce."*⁹

Martha Johnson, U.S. General Services Administration (GSA) Administrator





*"The switch from Lotus Notes to Google Apps for Business gives BI-LO more for less. In addition to the 60% total e-mail cost reduction, the new Google solution makes obsolete the hundreds of analog tapes used for e-mail backup, reducing storage and power costs by 10%. Google's service also allows BI-LO teammates to collaborate on projects electronically, eliminating the need to print multiple copies of a single document and greatly reducing paper waste. As with all of BI-LO's cost savings efforts, these savings will be passed on to customers."*¹⁰

**Carol DeWitt, Vice President and Chief Information Officer,
BI-LO**



"In 2009 we decided to upgrade our messaging and collaboration systems with the objective of providing better email search capabilities, improving mobile access to email and documents, enabling easier global collaboration and lowering IT costs (especially for applications, servers and storage). After evaluating Google Apps, Microsoft and IBM Lotus solutions, we chose Google Apps. Today our end users have realized the productivity improvements that we were expecting and our end users can access their email and documents anywhere at anytime from any device (desktop PC's, laptops, notebooks, smartphones and tablets), which has improved our capability to collaborate globally. Our IT workload to support collaboration has been significantly reduced and we are benefiting from the constant stream of innovation from Google. We have improved our end-user experience while reducing our overall costs for email and collaboration by 60% and eliminating approximately 50% of our VPN costs."

**Jay McLean, Chief Information Officer,
Nexteer Automotive**



*"Significant savings to date have been derived from a combination of outsourcing, alternative staffing, and streamlined workflows and process benefits. Based on streamlined collaboration and smoother internal processes, firm staff have been able to produce work product in a fraction of the time and work with clients on edits and changes in real-time. In terms of return on investment, in licensing alone we are realizing cost savings of 10:1 based on Google's annual subscription/per user pricing model compared with steeper traditional licensing fees for client/server and even web-based law practice management software."*¹¹

**Tom Bradford, Senior and Founding Partner,
Don Barthel, Senior and Founding Partner, and
Eric Hunter, Director of Knowledge Management and Technology,
Bradford & Barthel, LLP**

Wrap-Up and Next Steps

As the customer testimonials throughout this Google Enterprise Value Management Perspectives Report illustrate, Google Apps combined with improved business processes deliver the following real, compelling benefits to organizations of all sizes **today** (what we call the “Google Apps’ Seven S’s of Value” for customers):

- Success
- Speed
- Simplicity
- Scalability
- Synchronization
- Security
- Savings



If you are interested in analyzing the value that Google's cloud solutions can provide for your enterprise, educational institution or government organization, please contact your Google Enterprise sales representative or click on “Contact sales” in the upper right-hand corner of <http://www.google.com/a>. **We at Google look forward to working and winning with you.**

Followup:

If you have any questions and/or feedback on this report, would like more information, would like to team on a speaking opportunity, etc., please contact the author: Sean Monahan, Google Enterprise, Mountain View, CA, smonahan@google.com.



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