

Switching to Google Apps brings many cost savings and productivity benefits, says commissioned study by Forrester Consulting^{*}

Forrester Consulting has performed a total economic impact (TEI) analysis, commissioned by Google, for organizations considering switching to Google Apps from a traditional, on-premise environment for messaging and collaboration. In a study entitled “*The Total Economic Impact of Google Apps*,” the research and advisory firm shows that Google Apps reduces IT costs while offering even greater gains in employee productivity.

Based on data from various companies, Forrester estimates that adopting Apps pays off in just 1.4 months and yields an ROI of 329% over three years.

Methodology

Forrester took a multifold approach to analyzing the impact of Google Apps. First, representatives from five customer organizations were interviewed in detail about the costs, benefits and risks of switching to Apps. Next, 200 IT staff and end users whose companies moved to Apps completed surveys covering the same topics. Finally, Forrester created a hypothetical composite company based on the characteristics of the businesses it interviewed or surveyed, then applied the gathered data to that hypothetical organisation.

Working better together

Companies that participated in the study typically chose Google Apps because their existing email platforms were outdated and expensive to maintain. While they met their goal of reducing IT costs, the estimated productivity gains of Apps were three times larger than these savings.

Google™ Apps for Business

Here's how Apps helps employees get more done, according to the study:

- **A complete package.** Rather than opening and closing various applications, employees do all their work in a united interface and with a single sign-on.
- **Efficient email.** Gmail's Google-powered search and industry-leading spam protection make finding and filtering messages take 28% less time.
- **Tools for teamwork.** Internal collaboration is 20% faster when teams co-edit documents in Apps, eliminating confusion over versions and the need to consolidate feedback.
- **Access from anywhere.** Apps lets employees stay productive when they're out of the office, even from their personal mobile devices.

Lightening IT's load

Between server downtime, system updates, patches and ongoing maintenance, on-premise solutions cost companies time and money, the study found.

Switching to Google Apps lowered annual IT spending by an average of 38%.

Participants in the study cited the following reasons for the savings:

- **Simple licensing.** Customers pay a predictable fee per user, avoiding the complex licenses and contracts of many on-premise solutions.
- **Low maintenance.** Based in the cloud and accessible from any browser, Apps means no more servers to manage, software to install or patches to download.
- **Empowered employees.** Non-IT staff can use Apps to build and customize internal sites without any help from the experts—or even a single line of code.

Conclusion

The organizations that participated in the study used traditional, on-premise messaging and collaboration environments before adopting Google Apps. In most cases, they made the switch to Google's cloud-based platform in order to replace or augment an existing email solution. Most interview and survey participants saw tangible benefits from migrating to Google Apps that drove ROI. Companies successfully reduced their IT costs, but they derived even more value from the productivity end users gained with Apps' messaging and collaboration tools.

While actual return on investment will vary by organization, Forrester found that the composite company representing all survey participants achieved an ROI of 329% over three years. It took just 1.4 months to break even on the initial costs of licensing, implementing and supporting Google Apps.

You can access the **full study here**.

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* Forrester Research is a global research and advisory firm serving professionals in 13 key roles across three distinct client segments. It provides proprietary research, consumer and business data, custom consulting, events and online communities, and peer-to-peer executive programs. Forrester Consulting's total economic impact (TEI) analyses helps businesses articulate how their products and services benefit current customers in terms of cost and ROI.