Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface

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Agenda

› Introduction & setting the stage
› What is TEI
› Executive summary
› Analysis: customer journey and results
› Financial summary
› Question and answer

Please note:
This slide presentation is an abridged, graphical, and complementary representation of a case study.

For a full explanation of methodology and details on model calculations, please refer to the full case study (Source: Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface, May 2018)
Setting The Stage

Surface: Designed for the Modern Workplace
Introduction

• In April 2018 Forrester published its research paper: “Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface.”
• This study built on an existing Microsoft 365 TEI study and calls out how Surface adds value to Microsoft 365 environments.
• The results of the study have been incorporated into the FY19 Surface commercial narrative.
• Surface will be incorporated into the marketing GEP efforts online.
What Is TEI

Background and methodology
The objective of the TEI framework is to identify all of the factors that affect an investment decision.
Forrester created a composite organization representative of customer respondents

- **5,000 Employees**
- **1,000-1,500 Employees using Microsoft 365 Enterprise and Surface**
- **Microsoft 365 Enterprise E5**
- **250 Users added per year**
- **10 Month Initial deployment period**
- **Global, distributed workforce**

Source: Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface, May 2018
Disclosures

The audience should be aware of the following:

› This document is an abridged webinar version of a full case study (Forrester Total Economic Impact Study: Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface, May 2018).

› The study is commissioned by Microsoft and delivered by the Forrester Consulting group.

› Forrester makes no assumptions as to the potential return on investment that other organizations will receive. Forrester strongly advises that readers should use their own estimates within the framework provided in the report to determine the appropriateness of an investment in Microsoft 365 Enterprise with Microsoft Surface.

› Microsoft reviewed and provided feedback to Forrester, but Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester’s findings or obscure the meaning of the study.

› Forrester does not endorse Microsoft.
Executive Summary

High-level findings
Forrester has determined the following three-year impact

Based on an analysis of Microsoft 365 Enterprise and Surface customer feedback and quantified benefit, cost, risk, and flexibility factors.

ROI on Surface: 112%
ROI on non-Surface: 101%
NPV PER USER: $7,420
Increase in NPV per user on Surface: $2,720
PAYBACK: 16 months

Source: Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface, May 2018
Analysis

*Customer journey and key results*
Forrester interviewed two organizations and surveyed 308 decision makers across seven countries.

**COMPANY #1**
- 2,500 Microsoft Surface and Microsoft 365 Enterprise E5 users

**COMPANY #2**
- 1,000 Microsoft Surface and Microsoft 365 Enterprise E5 users

Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, January 2018

Base: 308 Global Microsoft 365 Powered Surface device users

Source: Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface, May 2018
The customers shared experiences before and after using Microsoft 365 Enterprise with Surface

<table>
<thead>
<tr>
<th>KEY DRIVERS</th>
<th>OBJECTIVES</th>
<th>IMPACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boost employee productivity</td>
<td>Empower employees with time-saving technology</td>
<td>Productivity improvements free up resources to digitally transform the business</td>
</tr>
<tr>
<td>Growing IT complexity</td>
<td>Reduce costs and improve IT manageability</td>
<td>Reduction or elimination of redundant third-party technologies, infrastructure, and IT support requirements</td>
</tr>
<tr>
<td>Increasing security and compliance challenges</td>
<td>Improve security and compliance efficiency</td>
<td>Reduction in security breach volume and remediation costs</td>
</tr>
</tbody>
</table>

Source: Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface, May 2018
Interviewees and survey respondents shared the following key results from the investment:

“Microsoft 365 powered Surface devices have greatly eased access to critical information and content in the field, improving our sales function and helping us drive growth.”
Survey Respondent

“Our wealth managers are constantly collaborating with the trade desk, and Microsoft 365 powered Surface devices make it easier for them to navigate information and communicate with the team.”
Managing Director, Financial Services

Source: Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface, May 2018
Microsoft Surface grows the business value and ROI of Microsoft 365

**Improved Productivity**
- **5 hours** in weekly savings per user
- **12%** of the average work week

**Boosts Creativity**
- **2 hours** in weekly savings for creative workers
- **5%** of the average work week

**Streamlines Teamwork**
- **3 hours** in weekly savings per user
- **8%** of the average work week

**Enables Mobility**
- **4 hours** in weekly savings per user
- **11%** of the average work week

**Inspires Modern IT**
- **80% reduction** in security breach costs
- **15%** reduction in device and application performance tickets

Source: Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface, May 2018
Microsoft 365 + Surface: Saves You Time

Improves productivity- $9.9 PV million over three years

<table>
<thead>
<tr>
<th>Total users</th>
<th>Hourly compensation</th>
<th>Total time saved per week</th>
<th>Productivity capture</th>
<th>Risk adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,000 users in year 1 increasing by 250 per year</td>
<td>$42.50/hour</td>
<td>5 hours</td>
<td>50%</td>
<td>▼25%</td>
</tr>
</tbody>
</table>

Source: Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface, May 2018
## Microsoft 365 + Surface: Boosts Creativity

**Boosts creativity- $1.1 million PV over three years**

- Of survey respondents indicated that Microsoft Surface + Microsoft 365 helped employees be more creative.

<table>
<thead>
<tr>
<th>Creative users</th>
<th>Hourly compensation</th>
<th>Total time saved</th>
<th>Productivity capture</th>
<th>Risk adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td>25% of total user base (250 in year 1)</td>
<td>$42.50/hour</td>
<td>5%</td>
<td>50%</td>
<td>▼25%</td>
</tr>
</tbody>
</table>

Source: Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface, May 2018
Microsoft 365 + Surface: Streamlines Teamwork

Streamlines teamwork - $3.5 million PV over three years

1 additional hour per week saved using Microsoft 365 Enterprise on Surface

- Highly collaborative users: 50% of total users
- Hourly compensation: $42.50/hour
- Total time saved per week: 3 hours
- Productivity capture: 50%
- Risk adjustment: ▼25%

11% reduction in product development costs with Microsoft 365 + Surface
10.2% reduction in product development costs with Microsoft 365
9% increase in product development cost savings using Microsoft 365 on Surface

Source: Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface, May 2018
Microsoft 365 + Surface: Enhances Mobility

Enhances mobility- $2.8 million PV over three years

Believe Surface and M365 has made employees more productive in mobile settings.

- 84%

Mobile users: 1/3 of total users

- Hourly compensation: $42.50/hour
- Total time saved per week: 4 hours
- Productivity capture: 50%
- Risk adjustment: ▼25%

Source: Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface, May 2018
Microsoft 365 + Surface: Inspires Modern IT

Inspires modern IT: $3.7 million PV over three years

THREE-YEAR FINANCIAL VALUE OF MODERN MANAGEMENT BENEFITS

- $934K: Reduction in security breaches
- $687K: Device and application provisioning savings
- $151K: Reduction in help desk calls

- 86%: Reduction in help desk calls for password resets.
- 80%: Reduction in security breach costs.
- 50%: Reduction in annual security breach volume
- 15%: Reduction in device and application performance tickets

$1.9 million three year savings from technology costs, devices, infrastructure, and IT support requirements.

Source: Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface, May 2018
Improves The Employee Experience

76%
Agree that M365 powered Surface devices improve employee retention

75%
Agree that M365 powered Surface devices improved employee satisfaction

71%
Agree that M365 powered Surface devices position their organization as a top employer

Source: Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface, May 2018
Customers incurred 3 categories of cost to use Microsoft 365 Enterprise with Surface Devices

**Surface Device & Microsoft 365 Licensing Costs**
- $4.1M PV over 3-years
- Surface device procurement
- End-of-life device costs
- Microsoft 365 licenses per device & enterprise

**Implementation & Training Costs**
- $4.8M PV over 3-years
- FTE & LOB resources
- Internal pilot & implementation efforts
- Professional services

**Ongoing System Administration Costs**
- $1.0M PV over 3-years
- FTE resources
- Incremental bandwidth
- System administration

Source: Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface, May 2018
Financial summary

Three-year model
Three-year model summary results

- **ROI**: 112%
- **NPV**: $11.13 million
- **Payback**: 16 months

Source: Maximizing Your ROI From Microsoft 365 Enterprise With Microsoft Surface, May 2018