

Microsoft 365 E3 helps organizations in emerging markets support geographically diverse teams and working models while reducing infrastructure costs, personnel costs, and user licensing costs by 60%.

Organizations in emerging markets often face challenges similar to those in developed markets, through at an amplified degree. Prior to using Microsoft 365 E3, the majority of interviewed customers maintained a hybrid environment with Microsoft Office in the cloud and the remainder of their deployment on-premises. These organizations relied on third-party tools and vendors to provide solutions for communication, file sharing, and device management across their workforce. Management of these environments required IT FTE hours, relationships with several vendors, and the budget to support redundant solutions. Decision-makers hoped that moving to the cloud and consolidating their solution sets would reduce costs, free up IT resources to focus on more important tasks, and improve IT productivity.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed four customers in emerging markets with experience using Microsoft 365 E3 and conducted a Total Economic Impact™ (TEI) study.¹



Return on investment (ROI)

205%



Net present value (NPV) per user

\$3,175

This abstract will focus on these emerging market interviewees and the value Microsoft 365 E3 delivers to their organizations. On average, an interviewed emerging market Microsoft 365 E3 customer organization supported 6,600 users.



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Interviewed Organizations			
Industry	Region	Interviewee	E3 Users
Agriculture	Asia Pacific	IT director	6,000
Food processing	North America	Global CISO	8,000
Manufacturing	South America	IT manager	6,200
Retailer	Asia Pacific	Chief partner	6,200

INVESTMENT DRIVERS

The interviewees' organizations struggled with several challenges in their legacy environments, including:

- **Disparate sets of legacy solutions.** Legacy on-premises solutions were expensive to maintain, both from infrastructure and personnel perspectives. Redundant applications across several areas of software drove up costs, increased complexity, and reduced standardization across functional areas of the organization. Furthermore, organizations in emerging markets who had growth through acquisitions often remained on several sets of redundant tools at once, driving costs and unnecessary IT complexity.
- **Business continuity.** Disparate solutions across emerging regions, especially those run on-premises, run the risk of outages and downtime. Improving business continuity was cited as a key reason organizations in emerging markets looked to migrate core user applications to Microsoft 365 E3.
- **Suboptimal productivity.** End users had hit the limits of productivity with their existing toolsets. Many demanded better tools, and their organizations sought a means to enhance collaboration and improve productivity. An IT director at an agriculture organization cited the importance of maximizing the value of their users' time as the company positioned for growth.
- **Expensive and aging infrastructure.** Some of the interviewees' organizations were nearing end of life with their existing on-premises infrastructure supporting legacy tools. At this inflection point, interviewees reported taking the opportunity to standardize tools and migrate to cloud solutions where available.

WHY MICROSOFT 365 E3?

“Microsoft 365 gives us 99.9% availability across our solutions to the point where we don’t worry about it anymore. We couldn’t say the same in our on-premises environment.”

Global CISO, food processing

The interviewees' organizations chose to invest in Microsoft 365 E3 in order to:

- Replace disparate solutions with a single, easy-to-use product suite across a hybrid workforce.
- Recognize cost savings and IT efficiencies by being on the cloud.
- Provide employees with robust collaboration tools to enhance both in-person and remote work.
- Provide employees with the ability to access applications and files anywhere.
- Improve business continuity.
- Consolidate license spending.
- Enable a BYOD work environment.
- Improve security.

KEY RESULTS

Three-year, risk-adjusted present value (PV) quantified benefits for the composite organization include:

Cost savings through eliminating redundant solutions:

- **Decreased user licensing spend by 60%.** Organizations consolidated their solution sets under Microsoft 365 E3. This enabled them to eliminate now redundant licenses for communication, collaboration, file sharing, and endpoint management solutions. The related move to the cloud also reduced hardware and support fees. For organizations in emerging

markets, these reclaimed costs are used in growth-related activities.

- **Reduced spending on employee devices by 23%.** Multifactor authentication and device management tools allowed the organizations to transition employees to bring-your-own-device (BYOD) models and retire corporate devices. The food processing CISO also noted that Microsoft Intune helps their organization maintain consistency across BYOD and corporate-owned devices within its environments.

Simplified IT Management:

- **Reduced the time spent deploying and managing new software by 25%.** By moving applications to Azure AD, enabling single sign-on (SSO) and multifactor authentication (MFA), IT teams reduced the effort required to support new software. Deploying software, managing updates, troubleshooting, and supporting end users all became much easier with Microsoft Intune — the unified management platform that includes Microsoft Intune and Configuration Manager.
- **Decreased endpoint configuration times by 75% and the time required to set up a user on a new endpoint by 75%.** The low-touch endpoint configuration capabilities provided by Windows Autopilot saved IT administrators significant amounts of time. By leveraging Microsoft's modern application stack, the interviewed organizations were able to fully set up a user on a new device in a fraction of the time it took before. Connecting apps to Azure Active Directory (Azure AD) reduced the extra work IT needed to do to set up a user on a new device.
- **Eliminated 15% of help desk tickets and decreased the average resolution time by 15%.** The organizations reduced annual tickets with self-service options and automated fixes for common issues, such as password resets and

software installs. The enhanced management capabilities offered through Microsoft Intune enabled IT teams to address issues more quickly than before. Several interviewees from organizations in emerging markets reported a greater reduction in ticket volume (than the 15% quantified for this analysis).

Supporting and protecting the hybrid workforce

Improved end user productivity, saving users an average of 60 hours per year. End users became more productive by combining the communication features of Teams with the collaboration and document-sharing capabilities afforded through Microsoft 365 Apps, Teams, OneDrive, and SharePoint, and Azure AD SSO. The chief partner of an Asia Pacific-based retailer told Forrester that Microsoft Teams has greatly facilitated communication among their organization's teams distributed throughout the region, while SharePoint and OneDrive have fostered an estimated a 70% productivity improvement for their organizations' users in tasks related to locating, accessing, and sharing key files.

Saved on travel and expenses by 25%.

Interviewees reported that they could shift onsite meetings to Teams without affecting quality. By conducting these meetings remotely, the interviewed customers saved substantial amounts of money on airfare, meals, insurance, and other costs. Furthermore, interviewees expressed optimism about improving their organization's sustainability efforts and carbon footprints in the future as a result of reduced travel. The IT manager at the manufacturing organization told Forrester that their company has offset many of the costs associated with in-person client meetings and conferences, including transportation expense, printing of physical materials,

and venue expense, while at the same time making it easier for prospects and customers to attend virtually.

Reduced the risk of a data breach by 35%.

Microsoft 365 E3 has a number of features that enhance organizational security and improve an organization’s ability to identify, investigate, and remediate threats. Organizations can reduce exposure with granular conditional access policies, detailed and integrated security logs, multifactor authentication, and the overall security of Azure.

“Microsoft is one of most innovative companies are in the world. Not only do we feel more secure with them, but we know that if there is a new security threat or technological trend, Microsoft is going to be there.”

Global CISO, food processing

TOTAL ECONOMIC IMPACT ANALYSIS

For more information, download the full study: “The Total Economic Impact™ Of Microsoft 365 E3, a commissioned study conducted by Forrester Consulting on behalf of Microsoft, October 2022.

STUDY FINDINGS

Forrester interviewed 15 representatives at organizations over two years and fielded a survey of 79 IT decision makers with experience using Microsoft 365 E3 and combined the results into a three-year composite organization financial analysis. Risk-adjusted present value (PV) quantified benefits for the composite organization include:

- Decreased licensing spend by an average of 60%. Reduced spending on employee devices by 23%
- Reduced the time spent deploying and managing new software by 25% and endpoint configuration times by 75%. Reduced IT help desk ticket volume by 15% and improved resolution time by 15%.
- Improved end user productivity, saving users an average of 60 hours per year.



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DISCLOSURES

The reader should be aware of the following:

- The study is commissioned by Microsoft and delivered by Forrester Consulting. It is not meant to be a competitive analysis.
- Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the report to determine the appropriateness of an investment in Microsoft 365 E3.
- Microsoft reviewed and provided feedback to Forrester. 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.
- Microsoft provided the customer names for the interview(s) but did not participate in the interviews.

ABOUT TEI

Total Economic Impact™ (TEI) is a methodology developed by Forrester Research that enhances a company’s technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders. The TEI methodology consists of four components to evaluate investment value: benefits, costs, risks, and flexibility.

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Appendix A: Endnotes

¹ Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

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