The Register **quocirca**

Email Criticality, Support and Migration

Summary of Results from 1,826 Online Respondents

July 2005

MAIN POINTS

- **Email has become a fundamental part of some key business processes**

  Most of us probably knew this already in an abstract sense, but the importance of email to key business processes was brought into sharp focus by 1,826 readers of The Register in our latest Reader Study. Two thirds of respondents, including 1,102 SMBs, told us that email was critical to the sales process, with a further quarter saying it was important. The picture is similar for the customer service process where over 90% rated email as critical or important.

- **Email criticality is reflected in the business impact of downtime**

  Over a quarter of respondents said the sales side of their business would be significantly impacted within an hour if email went down, whilst a day's downtime would have a significant negative impact on over three quarters of organisations. And things are no different with regard to customer service where the majority, for example, could not tolerate half a day's email downtime without customer satisfaction being impacted significantly.

- **Email criticality is further corroborated by IT support prioritisation practices**

  In case there was any remaining doubt over the importance of email, it is interesting to note that 70% of organisations expect IT to respond within 10 minutes when an email availability problem occurs. In fact, 42% said an email down situation was considered top priority, requiring an immediate response by the IT department.

- **Email service levels are directly affecting the senior management view of IT performance**

  A third of organisations say that increasing use of the BlackBerry and other smart handhelds amongst managers and executives has heightened their awareness and sensitivity to email downtime. As this trend continues, email availability is becoming a significant driver of senior management perceptions of how well IT is performing.

- **Prevention is better than cure**

  Given the criticality of email and the pressure on IT to respond quickly when email problems occur, it obviously makes sense for organisations to think about prevention of problems rather than focusing purely on curing them after they occur. Three quarters of respondents recognised that good patch management is important in helping to achieve this and larger organisations in particular regard support and maintenance contracts as being important.

- **But there is still a lot of old software out there**

  Whilst there is evidence of a great deal of migration activity having taken place over the past 6 months, there are still many organisations running older versions of platforms such as Microsoft Exchange and Lotus Domino. Much of this older software is inefficient to maintain and has more limited end user functionality and application integration capability than the latest releases.

- **The role of email as a business process enabler is highlighted by migration drivers**

  When we look at the benefits organisations are looking for when migrating to a more up-to-date email platform, all types of respondent in our survey highlighted improved robustness and performance as being important. Those respondents in managerial roles also highlighted better integration with other applications, improved support for mobile working and more general enhancements in end user functionality.
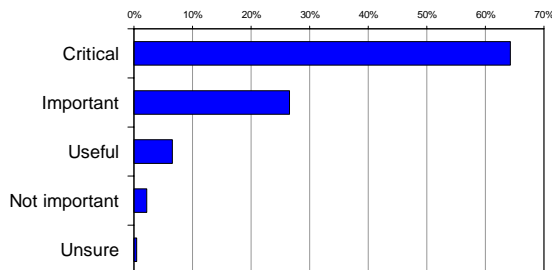
Study sponsored by:

DELL™

THE ROLE OF EMAIL IN KEY BUSINESS PROCESSES

Figure 1
Copyright 2005 Quocirca Ltd
**How important is e-mail in communicating with your customers and prospects?**

The importance of email to the sales side of the business is pretty clear. This is not surprising as in many organisations, email exchanges are used throughout the sales cycle, from initial prospecting, through presales inquiries, to negotiation and often the ordering process itself.

Figure 2
Copyright 2005 Quocirca Ltd
**How important is e-mail in communicating with your customers and prospects?**
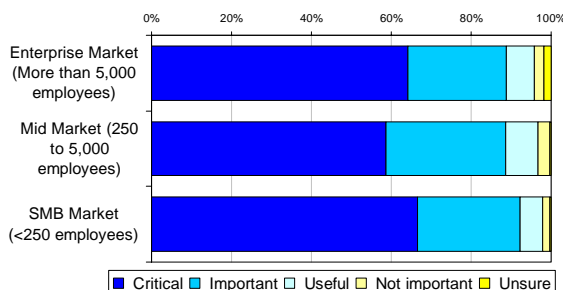
This heavy reliance on email for driving sales is largely independent of company size, being just as important for small organisations as it is for large ones.

Figure 3
Copyright 2005 Quocirca Ltd
Does your company actually take orders by e-mail?
Respondents who said they knew
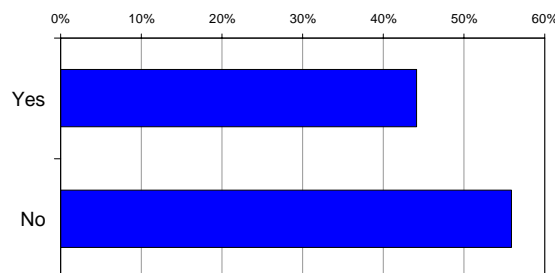
A good number of our respondents told us that email was actually used to capture orders from customers.

Figure 4
Copyright 2005 Quocirca Ltd
Does your company actually take orders by e-mail?
*Respondents who said they knew from the Private Sector*
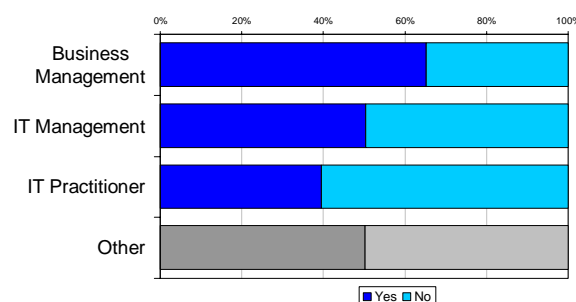
Interestingly, when we compare the feedback from different types of respondent on this question, we see a significant variation based on job role. One possible interpretation here is that IT staff are more inclined to think of email as the generic service and may not always appreciate its precise role in business processes. The likelihood is that the business management view of the world is more accurate, meaning that in reality, two thirds of organisations probably trade using email.

Figure 5 *Copyright 2005 Quocirca Ltd*

If your e-mail systems went down, how long would it be before the sales side of your business was significantly impacted?
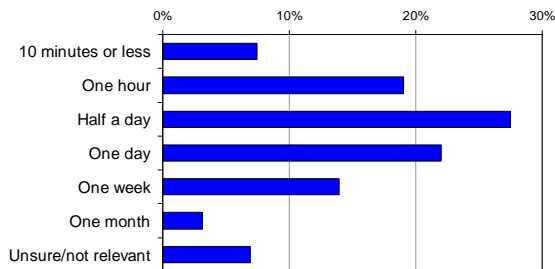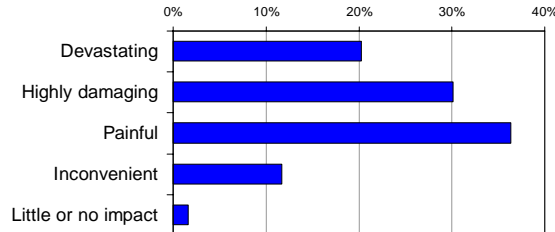

Not surprisingly, it is not long before an email-down situation has a negative impact on the sales side of the business in most organisations.

Figure 6 *Copyright 2005 Quocirca Ltd*

What if e-mail was not available or highly unreliable for a week? What would the impact of that be on your sales capability?
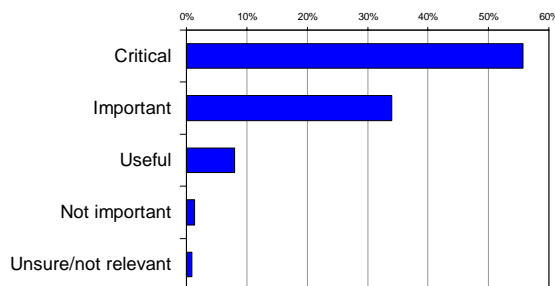

But it's not just email downtime that businesses are sensitive to. 50% of organisations would find it either devastating or highly damaging if email became unreliable for a week. Most of the remainder would find such an occurrence painful.

Figure 7 *Copyright 2005 Quocirca Ltd*

How important is e-mail to customer relationship management and customer service?
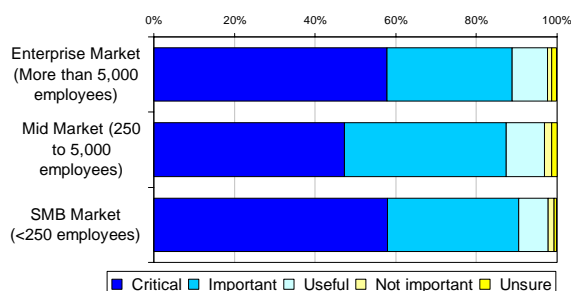

We also need to remember the customer service side of the business, which has also become very dependent on email. This covers everything from product and service support, through to delivery inquiries, complaints, and so on.

Figure 8 *Copyright 2005 Quocirca Ltd*

How important is e-mail to customer relationship management and customer service?
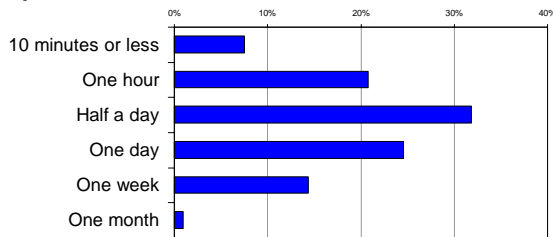

Again, we do not see a huge difference based on company size.

Figure 9 *Copyright 2005 Quocirca Ltd*

If your e-mail systems went down, how long would it be before customer satisfaction was significantly impacted?
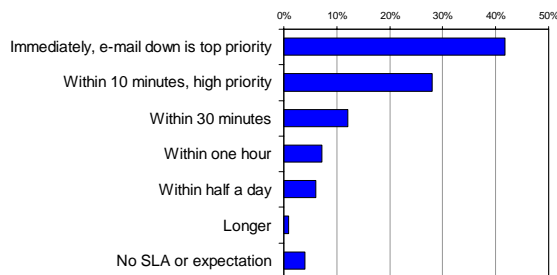

Tolerance of email downtime in relation to customer service is similar to the sales side of the business.

EMAIL SUPPORT AND MAINTENANCE

Figure 10 *Copyright 2005 Quocirca Ltd*

When problems with e-mail availability occur, how quickly is the IT department expected to respond?


With the level of business criticality we have seen, email problems are allocated a very high priority by IT departments when they occur. Almost three quarters of organisations expect a response within 10 minutes, with over 40% expecting an immediate response.

Figure 11 *Copyright 2005 Quocirca Ltd*

Would you regard patch management as critical to maintaining a stable, reliable and secure email service?
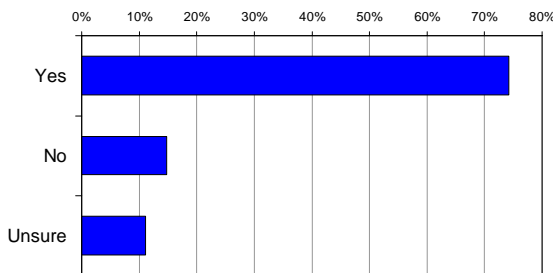

Given the criticality of email and the pressure on IT to respond quickly when email problems occur, it obviously makes sense for organisations to think about prevention of problems rather than focusing purely on curing them when they occur. Three quarters of respondents rated good patch management as critical.

Figure 12 *Copyright 2005 Quocirca Ltd*

Would you regard patch management as critical to maintaining a stable, reliable and secure email service?
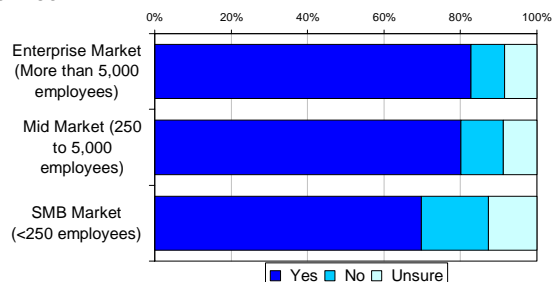

Whilst the importance of patch management was acknowledged across all company sizes, smaller organisations appear to put less emphasis on it, though we need to remember that SMBs are much more likely to be using ISP services making patch management less of a relevant issue to them.

Figure 13 *Copyright 2005 Quocirca Ltd*

How important is it to maintain up-to-date support and maintenance contracts on email systems to ensure you have the right level of backup from suppliers when things go wrong?
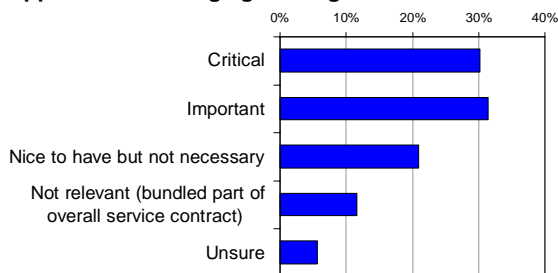
There was some variation in how respondents rated the importance of maintaining up-to-date support and maintenance contracts. 30% regarded supplier support and maintenance as critical, with just over another 30% saying it was important. Of the remainder, some had no need for explicit arrangements because of support being bundled with their service provider contract, but that still leaves 1 in 5 organisations with a fairly relaxed attitude in this area.

Figure 14 *Copyright 2005 Quocirca Ltd*

How important is it to maintain up-to-date support and maintenance contracts on email systems to ensure you have the right level of backup from suppliers when things go wrong?
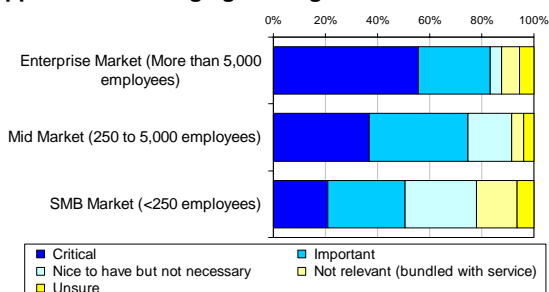
The variation here by company size was extremely significant. Larger organisations take supplier maintenance and support extremely seriously, pretty much across the board. Amongst smaller organisations, however, there is a much more relaxed attitude in general. When reading this chart, though, it is important to bear in mind that many small businesses rely on service provider solutions, in which support is bundled and maintenance is dealt with by the provider.

EMAIL AND MOBILITY

Figure 15 *Copyright 2005 Quocirca Ltd*

Does mobile email on handheld devices make senior business managers more aware of and sensitive to email downtime?
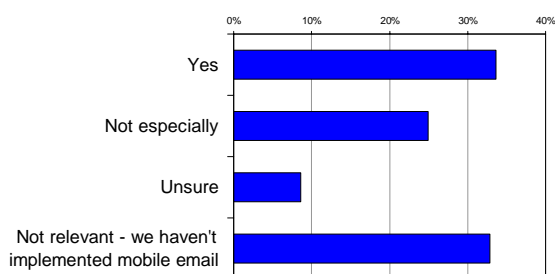
Switching tack slightly, an interesting recent development is the increasing reliance of senior managers on BlackBerries and other handheld email devices. Apart from representing another important application of email, this also means that executives are now far more aware of email availability.
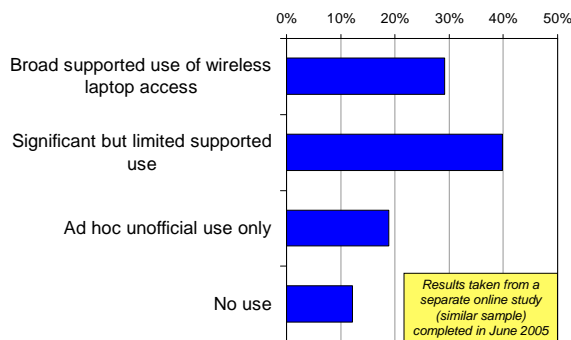
Figure 16 *Copyright 2005 Quocirca Ltd*

**Does mobile email on handheld devices make senior business managers more aware of and sensitive to email downtime?**
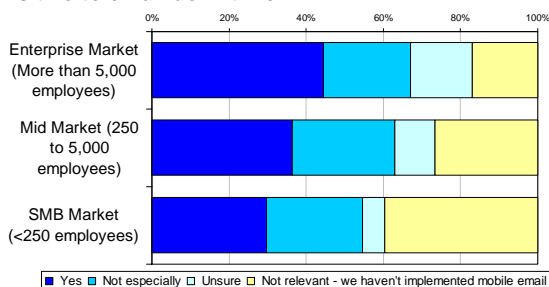
This phenomenon is more pronounced in large organisations that are more likely to have mobile email facilities in place.

Figure 17 *Copyright 2005 Quocirca Ltd*
Degree of wireless access by laptop users

To continue with the mobile theme, we stole this chart from a previous Register reader study to illustrate the growing use of wireless in connection with laptops. (see "Exec + PDA = Security Alert " and associated report at www.theregister.co.uk/odds/surveys).

Figure 18 *Copyright 2005 Quocirca Ltd*
On a general basis, looking across all of your laptop users, what is the main reason for them wanting to connect?
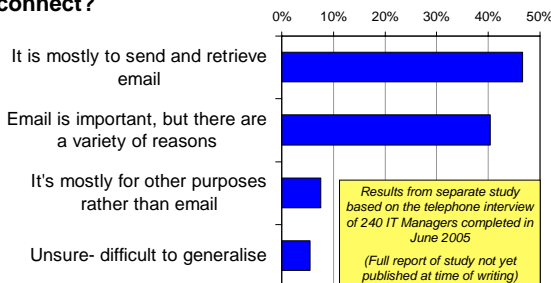
Again, a chart from another study (yet to be reported at the time of writing), this time based on 240 telephone interviews with IT managers, illustrating that email is by far the most important application for laptop users connecting remotely. We have included this mobility related information to underline one of the important ways in which email usage has evolved in recent times.

USE OF SPECIFIC EMAIL SOLUTIONS

Figure 19 *Copyright 2005 Quocirca Ltd*
**Which of the following types of email server do you use?**
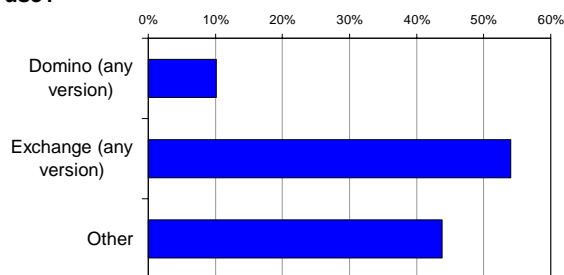
In terms of specific email systems, Microsoft Exchange is being used by over 50% of respondents. About 10% of organisations are using Lotus Domino and 40% some other kind of email solution. Within this "other" category, responses were extremely fragmented, though there were frequent mentions of Sendmail, Groupwise, Postfix, SquirrelMail, various Open Source solutions and, of course, ISP services.

Figure 20 *Copyright 2005 Quocirca Ltd*
**Which of the following types of email server do you use?**
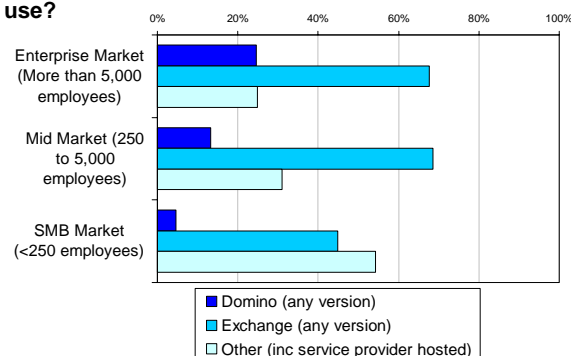
As is to be expected, responses varied considerably depending on size of organisation, with Lotus Domino having a larger market share amongst large corporates but less of a presence in smaller companies. There is no doubt, however, that Microsoft Exchange is by far the market leader in terms of number of installations. The fall off in the percentage of Exchange users within smaller companies is largely due to the increased use of ISP services.

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Figure 21
Copyright 2005 Quocirca Ltd
Which of the following types of email server do you use?
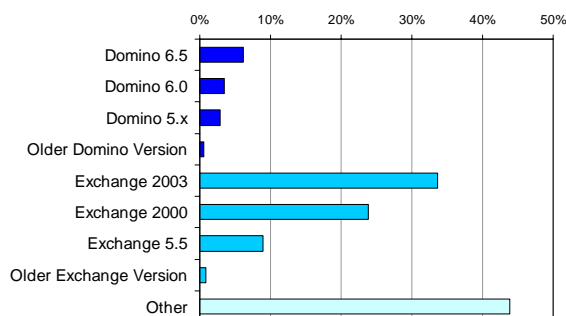
It is encouraging to see the reasonable level of use of the latest server releases, an indication that a significant number of organisations have been going through upgrades or migrations in recent times. We pick up on this in more detail a bit later.
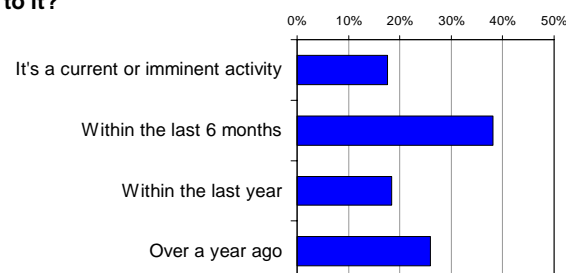
Figure 22
Copyright 2005 Quocirca Ltd
Which of the following would you regard as your standard e-mail server platform moving forward?
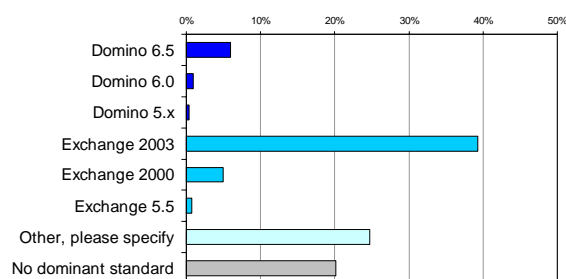
Looking at standards moving forward, the intention to move to the latest release for both Exchange and Domino users is pretty clear, but it is interesting to note that 20% of organisations still have no dominant standard.

EMAIL SERVER UPGRADE AND MIGRATION

Figure 23
Copyright 2005 Quocirca Ltd
When did you implement your email server environment or last apply a major version upgrade to it?

Confirming the circumstantial evidence we saw earlier, over 50% of organisations have either migrated in the last six months or are currently active with migrations.

Figure 24
Copyright 2005 Quocirca Ltd
When did you implement your email server environment or last apply a major version upgrade to it?
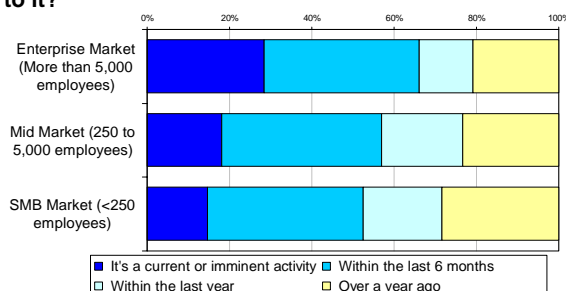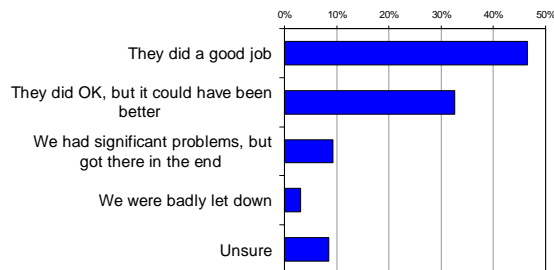

Having said this, there are indications that SMBs are falling behind with regard to migration activity.

Figure 25   *Copyright 2005 Quocirca Ltd*

If you used a third party to implement your email systems or the last major upgrade, how satisfied were you? (292 respondents)


When we asked about how migrations were executed, most respondents said they used in-house resource, though it is interesting to see the views of the 292 respondents who had used a third-party implementer. Generally, this group was content with the service they received.

Figure 26   *Copyright 2005 Quocirca Ltd*

How would you rate the following benefits or potential benefits of moving to the latest release of the email server(s) you use?
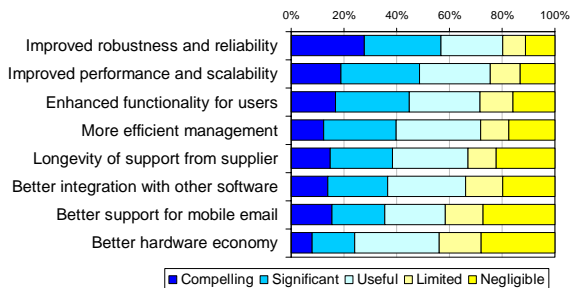

The motivations for migration in the first place, are completely in line with the role of email as a business critical service. Top of the list are improved robustness and performance, both consistent with the need for high service levels to the business.

Figure 27   *Copyright 2005 Quocirca Ltd*

Functionality benefits of moving to Exchange 2003
*IT/Business Manager view from 241 Exchange 2003 Users*
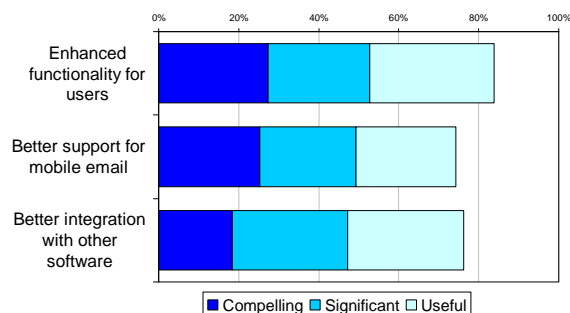
If we home in on the user functionality related questions, we find that managerial respondents, who are likely to have more visibility of business impact, put more emphasis on mobility, integration with other applications and user functionality in general than the general pool of respondents. This difference is most obvious when we look at users of the latest email platforms (e.g. Exchange 2003 shown here)

Figure 28   *Copyright 2005 Quocirca Ltd*

What specifically would you regard as the key challenges associated with migrating to the latest release?
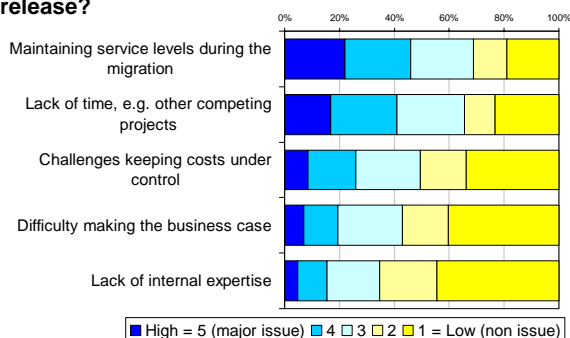
Despite the benefits, respondents identified some important challenges associated with migrating email servers. Maintaining service levels during the migration process is an obvious one, but there are also often issues with availability of time and the control of costs.

Conclusions

Email is something we all take for granted so we rarely stand back and consider the precise nature of its role within the business. The findings of this Register Reader Study, however, suggest very strongly that email has moved beyond a messaging convenience and is now fundamental to the support and enablement of key business processes. As a result, user requirements have evolved with an increasing emphasis being placed on the functionality delivered by email platforms in addition to the basics of availability, performance and manageability.

This evolution of requirements has driven interest in the latest releases of popular email platforms that are generally more robust, stable and performant with richer end user functionality and better integration capabilities.

But some organisations are finding it difficult to allocate time and resource to migration activity and are uncertain about whether they can control costs and maintain service levels along the way. Some have used third party implementers to help overcome these challenges and have had a generally positive experience with this approach.

Looking forward, it is unlikely that email will diminish in importance in the sales and customer services functions of the average organisation. Furthermore, other forms of electronic communication and collaboration are also likely to increase with time, and we recently saw the beginnings of this in another Register Research Study on collaboration in general (see http://www.theregister.co.uk/odds/surveys/).

As organisations consider email platform migrations, therefore, it is important to keep the bigger picture in mind and ensure that the dependencies between email, other applications and the business in general are fully understood.

Respondent Profiles

SAMPLE BY JOB FUNCTION

Other 20%
Business Management 9%
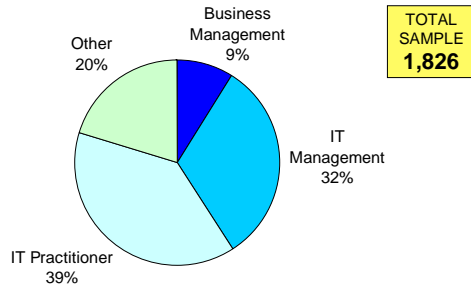IT Management 32%
IT Practitioner 39%

TOTAL SAMPLE **1,826**

SAMPLE BY ORGANISATION SIZE

Enterprise Market (More than 5,000 employees) 17%
SMB Market (<250 employees) 61%
Mid Market (250 to 5,000 employees) 22%

TOTAL SAMPLE **1,826**

SAMPLE BY GEOGRAPHY

Other (predominantly Asia Pacific) 13%
North America (USA/Canada) 25%
Europe 62%

TOTAL SAMPLE **1,826**

SAMPLE BY ORGANISATION TYPE

Other 13%
Public Sector 10%
Private Sector 77%

TOTAL SAMPLE **1,826**
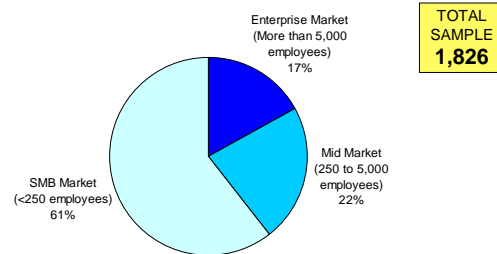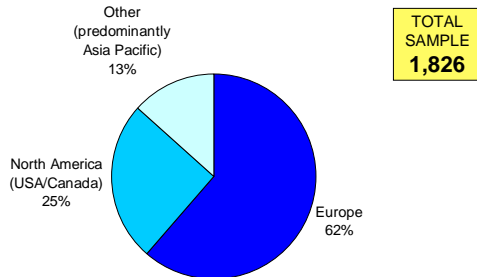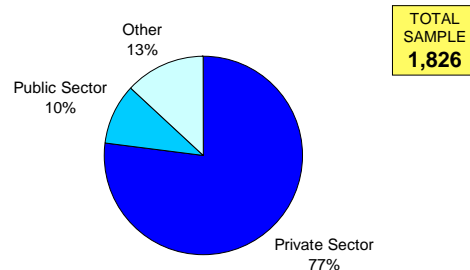
Methodology and Further Information

The information presented in this document was gathered from an online survey of readers of The Register internet news site (www.theregister.com) in June 2005.

Information was collected, analysed and reported by Quocirca Ltd, the independent industry analyst firm.

More details about Quocirca and other research reports available free of charge may be found at www.quocirca.com.

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