Osterman Research
SURVEY REPORT

Survey Report by Osterman Research
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Why Your Company Needs Third Party Solutions for Office 365

Figures in this Report

Overview

Office 365 is a capable and robust communications and collaboration platform. Microsoft has assembled a wide collection of features and functions that can satisfy a range of corporate requirements for email, voice, desktop productivity and collaboration that has proven to be highly successful.

Microsoft is attempting to deliver a cloud service that does many things for a broad range across productivity, security, compliance, and data protection. This is a significant task and has many complexities and inter-dependencies that must be traded off against one another. Like any large platform with a large and diverse user base, it frequently provides a "good enough" capability in many areas, but does not necessarily provide the depth of capability or specialized solutions for customers with needs and requirements beyond the basics. These may be companies looking for deeper functionality or better performance in specific areas, or companies with specialized needs, like companies in regulated sectors or those subject to new multi-sector data protection legislation that need to satisfy their legal, regulatory or best practices requirements.

The tight inter-linkages between multiple services also create single points-of-failure, such as the two multi-factor authentication meltdowns that occurred during November 2018. Moreover, Osterman Research has found that many third-party solutions often present a better alternative to some of the native capabilities within the Office 365 platform.

In short, Osterman Research believes that Office 365 and Exchange Online are important and capable platforms that should seriously be considered for use by just about any organization. However, decision makers should understand their real requirements and identify any feature or performance gaps vis-à-vis the platform. Office 365 provides a solid foundation to which many organizations should then add third-party solutions in order to provide higher levels of security, content management, encryption and other capabilities. We note that the use of third-party solutions will often enable the use of less expensive Office 365 plans, resulting in a total cost of ownership that can be lower than if more expensive Office 365 plans are used.

ABOUT THIS WHITE PAPER

This survey report presents the results of a primary market research survey conducted with members of the Osterman Research survey panel and others during October 2018. The survey was conducted with 124 members of the panel, located primarily in North America.

Here are the key details of the survey:

- Mean number of employees at the organizations surveyed: 19,485 (median was 1,400).
- Mean number of email users at the organizations surveyed: 20,764 (median was 1,900).

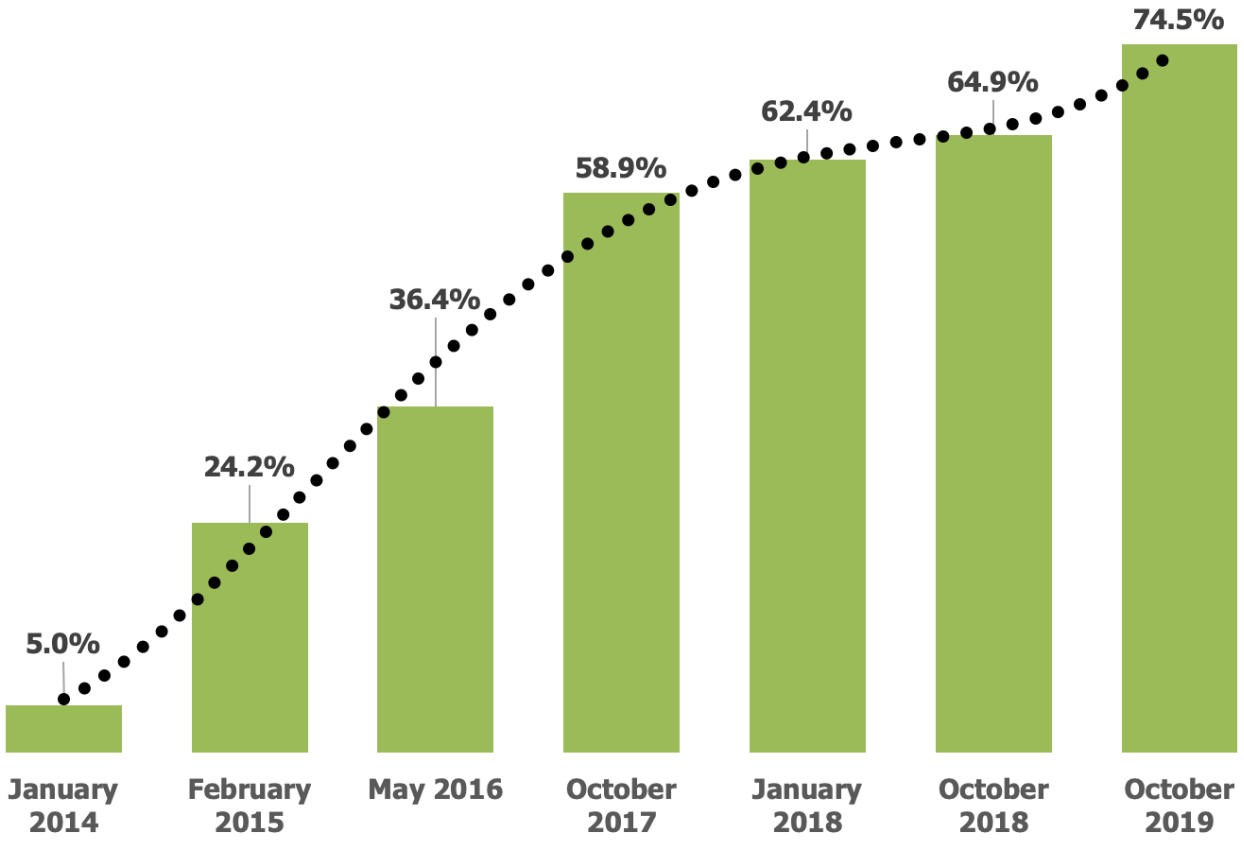
To qualify for the survey, participants had to:

- Work for an organization that had at least 50 employees,
- Had begun migrating employees to Office 365 or had plans to do so within the next 12 months, and
- Be an IT decision maker and/or influencer with regard to the deployment of Office 365 in their organization.

The white paper developed as part of this project is available at ostermanresearch.com.

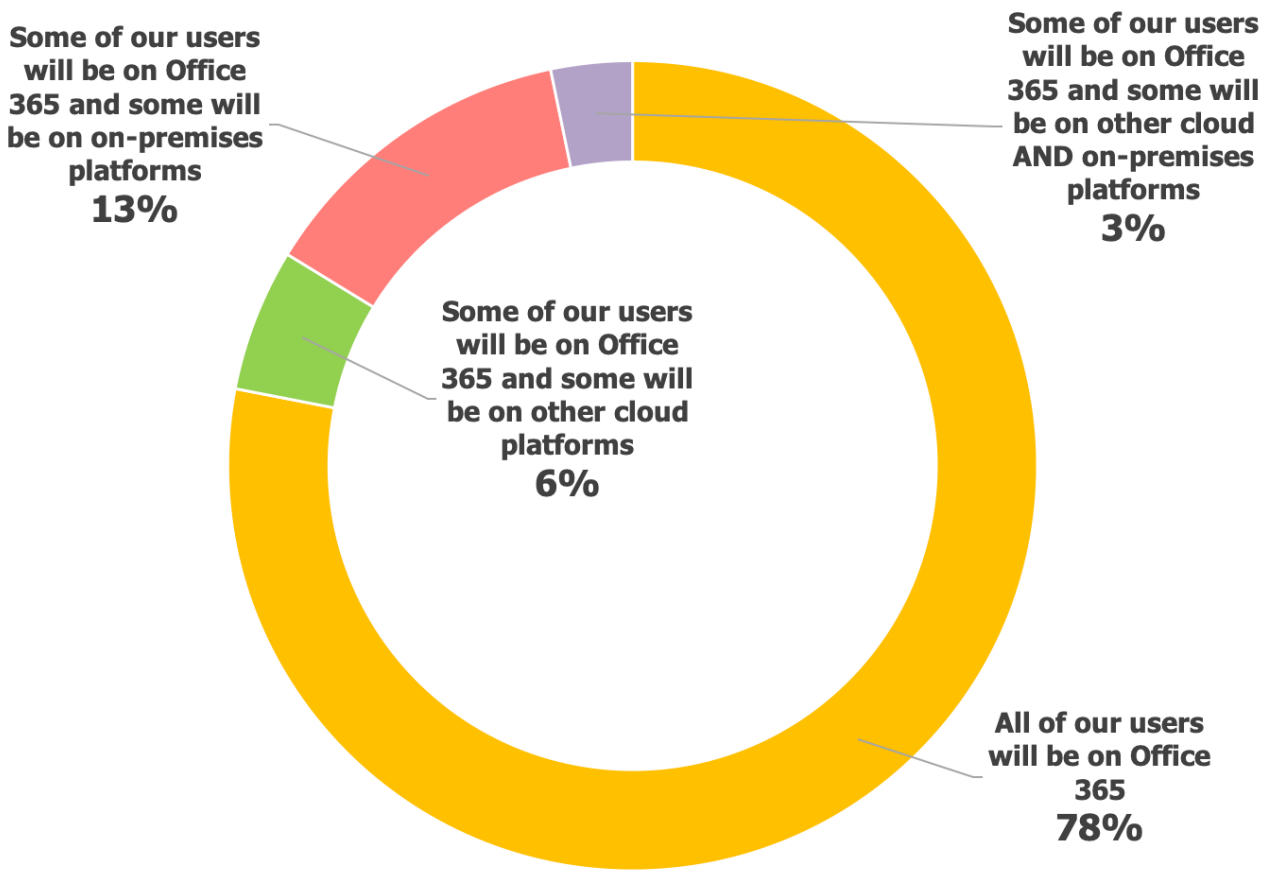
Survey Findings

Figure 1
Percentage of Users that Employ Office 365



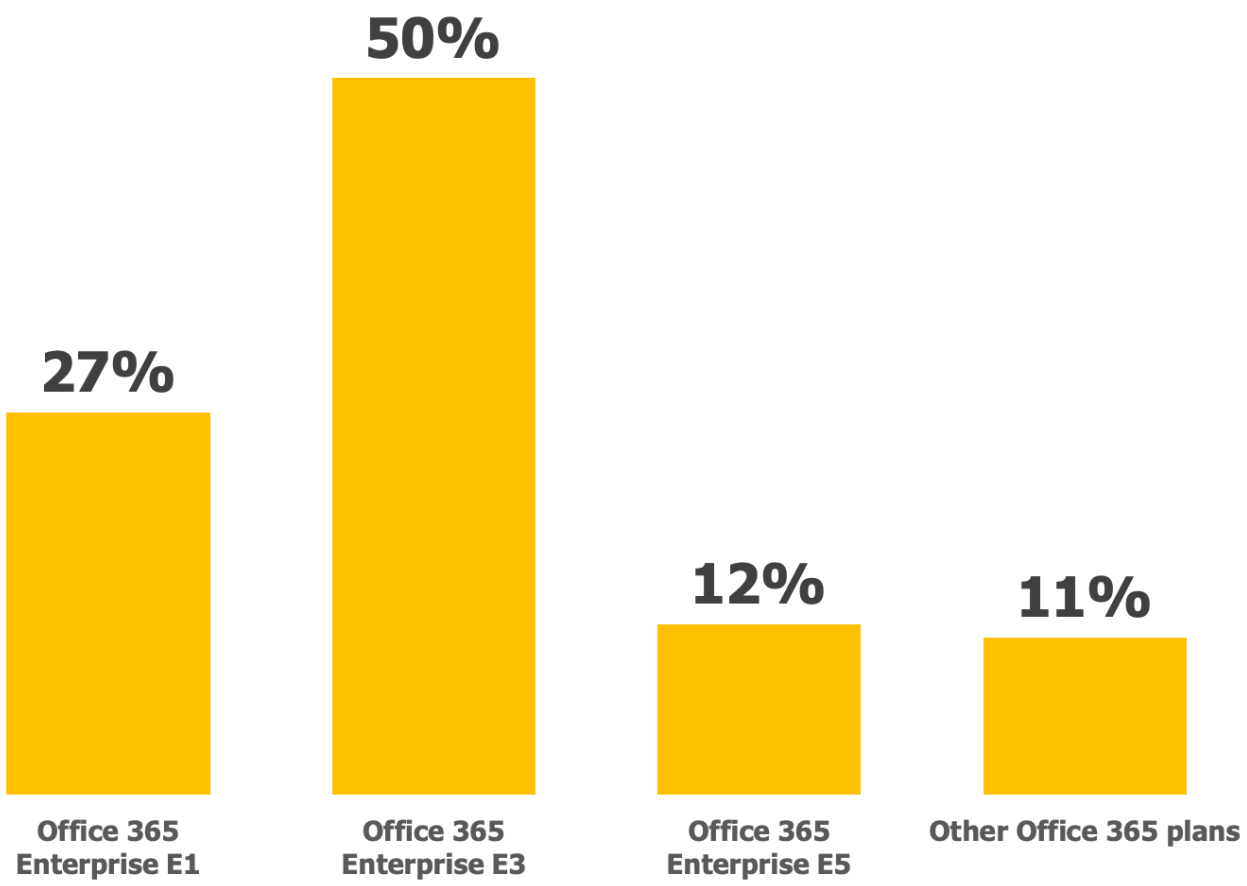
Source: Osterman Research, Inc.
Data taken from the current survey, as well as past Osterman Research surveys

Figure 2
Plans for the Office 365 Deployment Once it is Completed



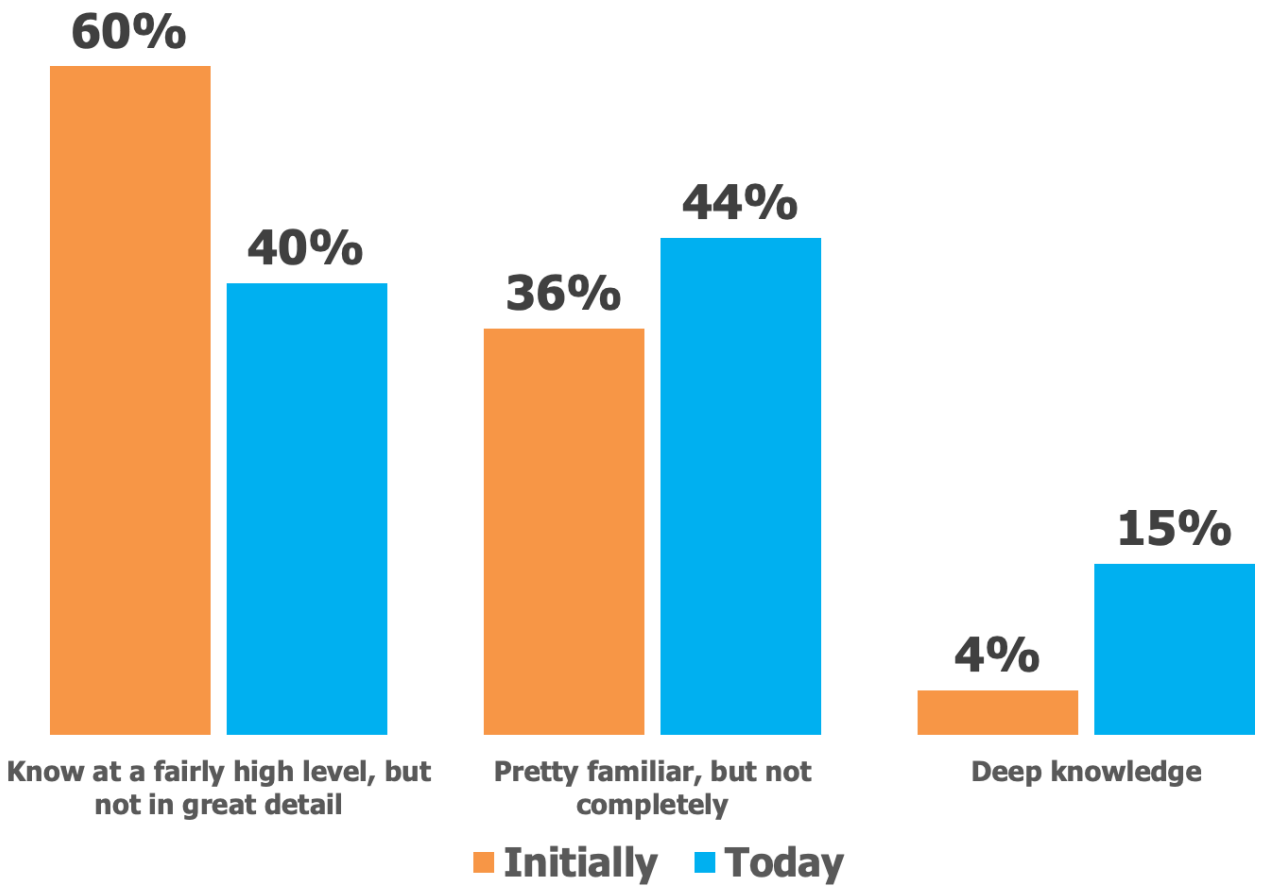
Source: Osterman Research, Inc.

Figure 3
Deployment of Various Office 365 Plans



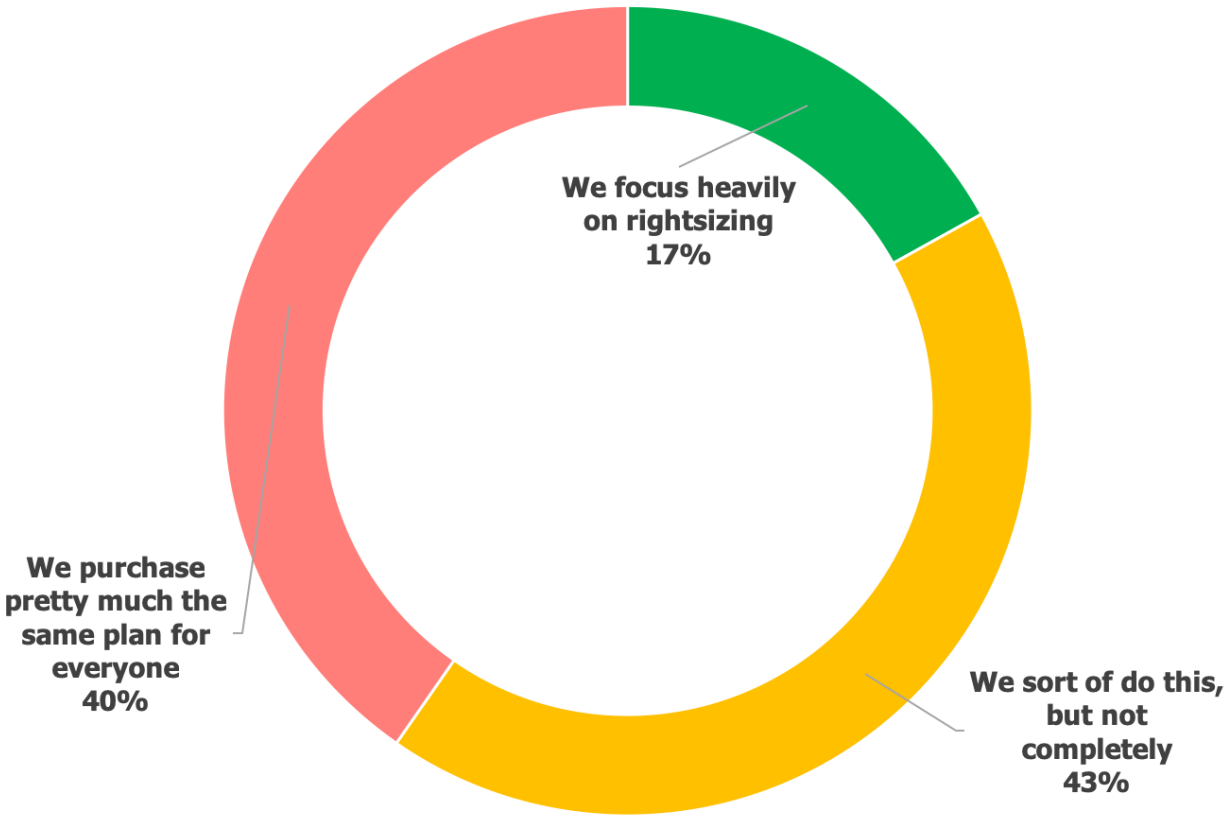
Source: Osterman Research, Inc.

Figure 4
Knowledge Level of Decision Makers About Office 365 Currently and When the Initial Decision to Implement Office 365 Was Made



Source: Osterman Research, Inc.

Figure 5
Extent to Which Organizations "Rightsize" Office 365



Source: Osterman Research, Inc.

Figure 6
Importance of Various IT Issues
Percentage Responding "Important" or "Extremely Important"

	%
The ability to protect against Phishing attacks	85%
The ability to detect malicious email send	73%
The ability to identify, monitor and automatically protect sensitive information	71%
The ability to search content	62%
The ability to archive email	60%
The ability to detect unauthorized sharing of content through OneDrive or SharePoint	56%
Enabling inspection of inbound encrypted email	56%
The ability to automatically redact sensitive information sent in email or attachments	55%
The ability to monitor email and other Microsoft workloads	51%
Rapid email delivery that is as close to real time as possible	50%
The ability to report on email and other Microsoft workloads	48%
The ability to archive content types other than email	43%
Highly granular policy management	42%
To be able to recover OneDrive data on demand	41%
To be able to recover SharePoint Online data on demand	41%
To be able to recover individual SharePoint online files	39%
Having archived content stored separately from the email infrastructure	35%
Giving users the ability to manage encrypted messages that they send (create expiration time, recall sent messages, etc.)	35%
To be able to recover OneDrive data from any point in time	35%
The ability to measure the end user experience	35%
Enabling desktop-to-desktop encryption	31%
The ability to remove hidden information in attachments, such as document properties or version information	27%
The ability to protect users against accidental email send	25%

Source: Osterman Research, Inc.

Figure 7
Importance of Native Office 365 Capabilities
Percentage Responding "Important" or "Extremely Important"

	%
Email	93%
Multi-factor authentication	68%
Exchange Online Advanced Threat Protection	68%
Data loss prevention policies	66%
Advanced Security Management	66%
Office 365 Cloud App Security	58%
Reporting	58%
Skype for Business	54%
Exchange Online Archiving	53%
Advanced eDiscovery	50%
SharePoint Online	47%
Auto classification using Advanced Data Governance	46%
Monitoring	46%
OneDrive for Business	45%
Manual retention and deletion policies	37%
Microsoft Team	33%
Skype Meeting Broadcast	29%
Manual classification of content	27%
Power BI Pro	25%
Customer Lockbox	23%
PSTN calling	19%
MyAnalytics	18%
Cloud PBX	18%
Microsoft Planner	14%
Yammer	10%
Microsoft StaffHub	9%

Source: Osterman Research, Inc.

Figure 8
Importance of Various Archiving Capabilities
Percentage Responding "Important" or "Extremely Important"

	%
The ability to archive email from Office 365	71%
The ability to place content on legal hold in Office 365	71%
The ability to perform eDiscovery in Office 365	69%
The ability to supervise data in Office 365	52%
Maintaining chain-of-custody for archived data	50%
Indexing of all file types used by your organization in an archiving system	45%
The ability to ensure the immutability of archived data	43%
The ability to provide a preview of attachments during a review of archived data without the need to open the attachments themselves	43%
The ability to archive content in OneDrive for Business	41%
The ability to archive SharePoint content	41%
The ability to archive Microsoft teams content	30%
The ability to archive content from other non-Microsoft platforms	28%
The ability to archive Skype for Business content	25%
The ability to archive content from Slack	13%
The ability to archive Yammer content	12%

Source: Osterman Research, Inc.

Figure 9
Importance of Various Security Capabilities
Percentage Responding "Important" or "Extremely Important"

	%
The ability to block ransomware attacks	92%
The ability to block advanced threats	91%
The ability to block spearphishing attacks	91%
The ability to block zero-day threats	90%
The ability to detect and block all known threats	89%
The ability to detect and block email fraud and email spoofing	89%
The ability to remove active content and other components in an email that might be malicious	87%
The ability to block internal email threats	77%
The ability to offer multi-factor authentication to manage user access	77%
The ability to block malicious files on OneDrive and SharePoint	76%
The ability to plug in third party anti-malware, anti-spam and other security capabilities to Office 365	71%
The ability to centrally manage policies across all communication channels, both within Office 365 and on other platforms	69%
Maintaining control over third-party app access to Office 365 resources	67%
The ability to leverage a third-party two-factor authentication or multi-factor authentication solution	66%
Integration points into our security ecosystem (such as web, network access enforcement points)	58%
The ability to retract emails after they are sent	57%
Support for an outbound email quarantine	57%
The ability to retract documents once they are sent	56%
The ability to protect the personal email of employees, as well as enterprise email	52%
The ability to audit and reverse retractions	50%

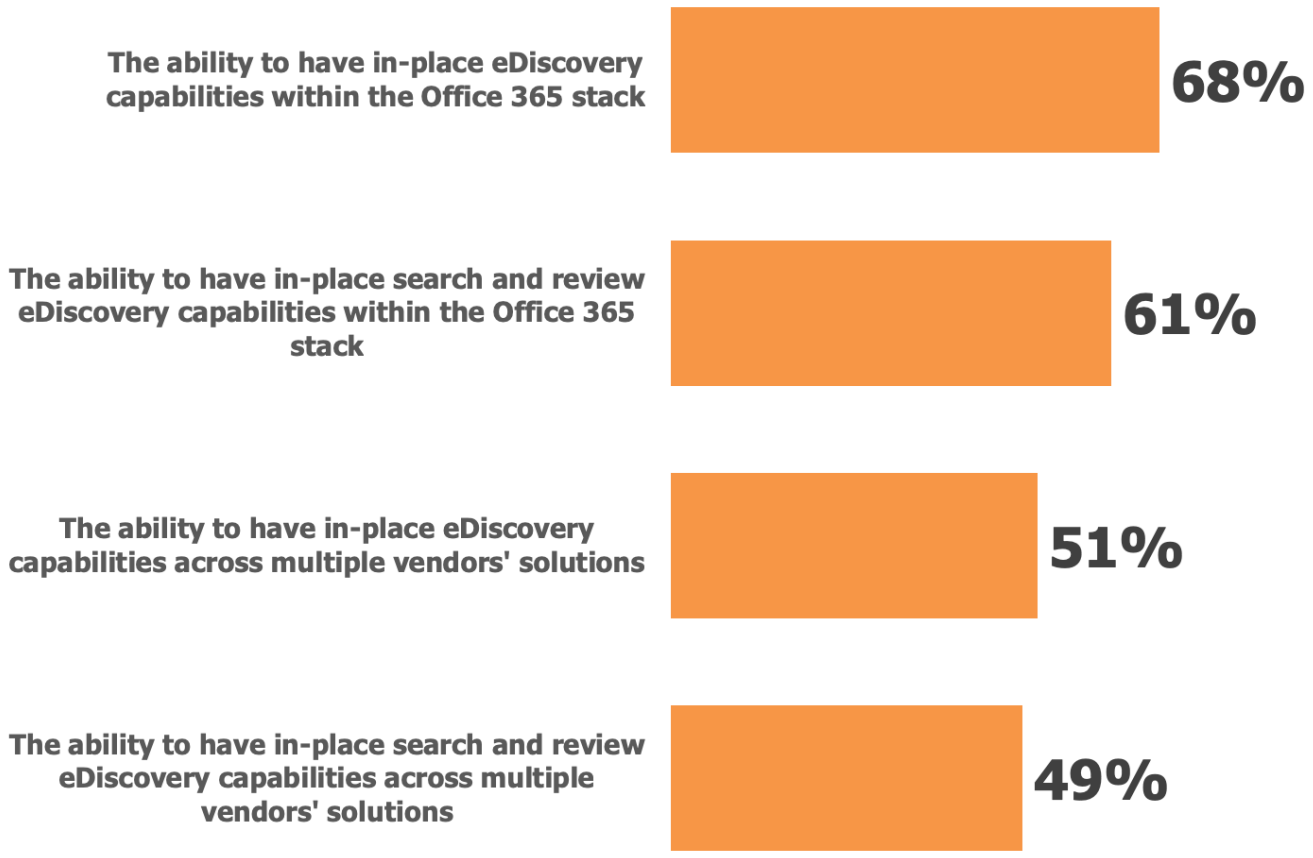
Source: Osterman Research, Inc.

Figure 10
Importance of Various Office 365 Capabilities
Percentage Responding "Important" or "Extremely Important"

	%
Ensuring that Office 365 remains up 24x7	92%
Maintaining continuity in Office 365	74%
The ability to implement role-based access control	71%
Maintaining tight control over user access to Office 365 resources	68%
The ability to monitor Office 365 and hybrid deployments	64%
The ability to migrate data into Office 365 while maintaining its chain-of-custody	59%
Re-evaluating and rightsizing exiting on-premises security controls	59%
Managing permissions in SharePoint	55%
The ability to measure the end user experience for Office 365 users	50%
Auditing SharePoint	46%

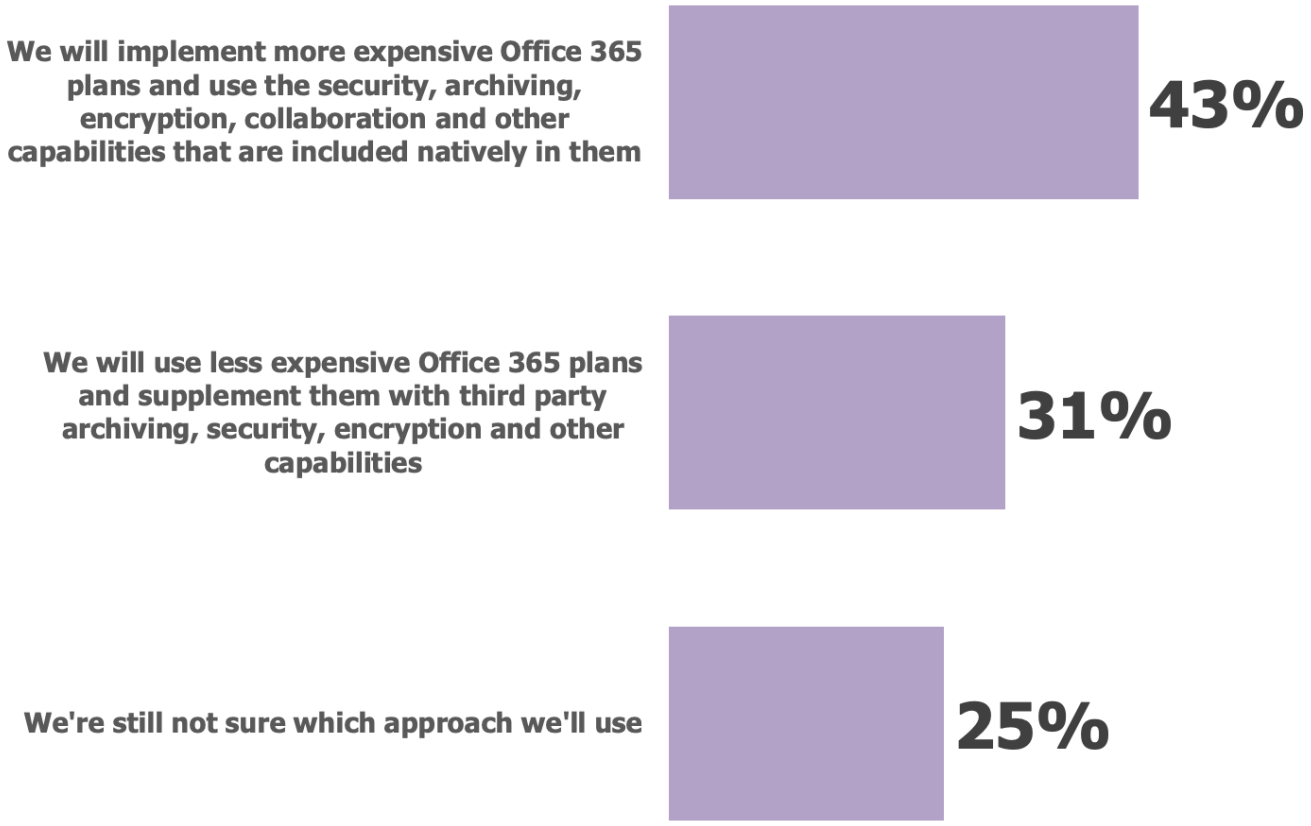
Source: Osterman Research, Inc.

Figure 11
Importance of Various eDiscovery Capabilities
Percentage Responding "Important" or "Extremely Important"



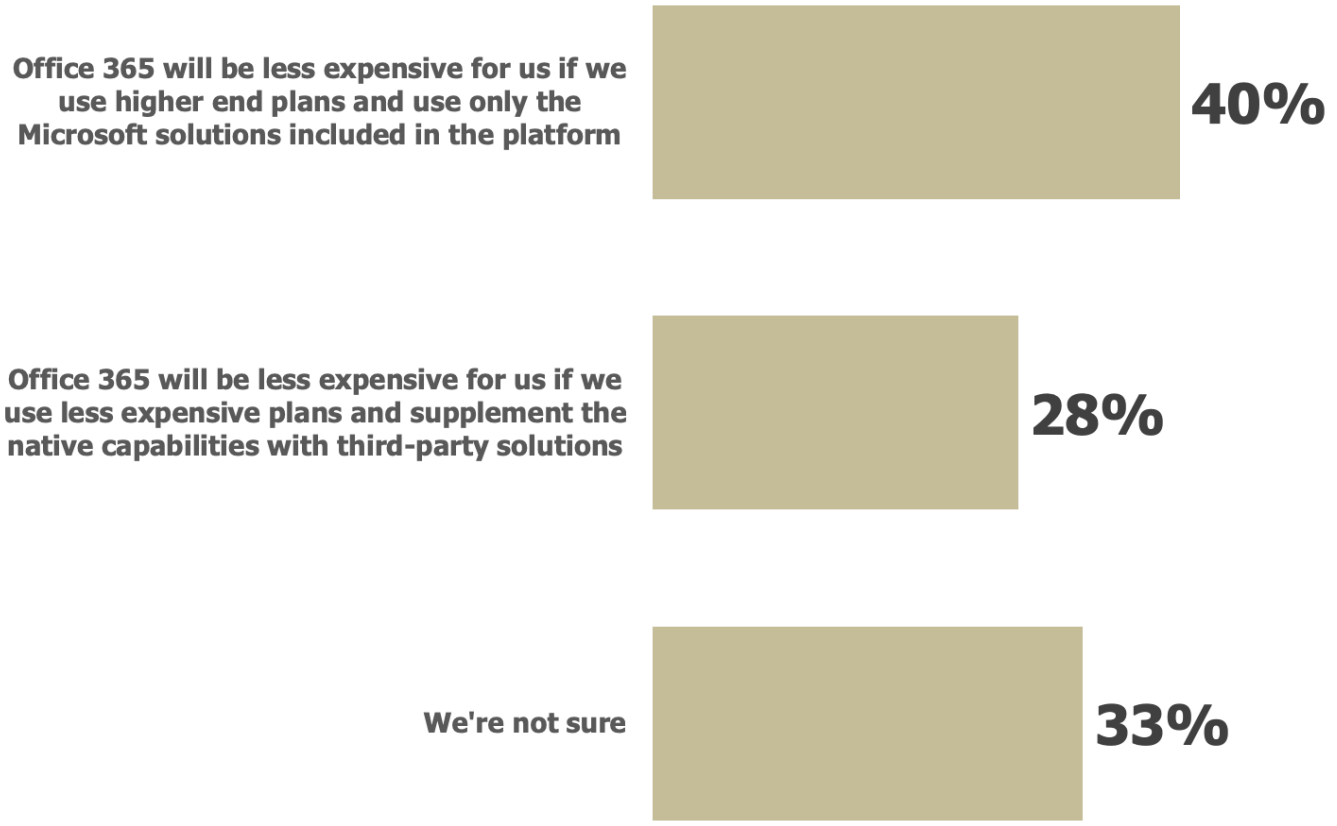
Source: Osterman Research, Inc.

Figure 12
Views About Using Office 365 Plans and Third-Party Applications



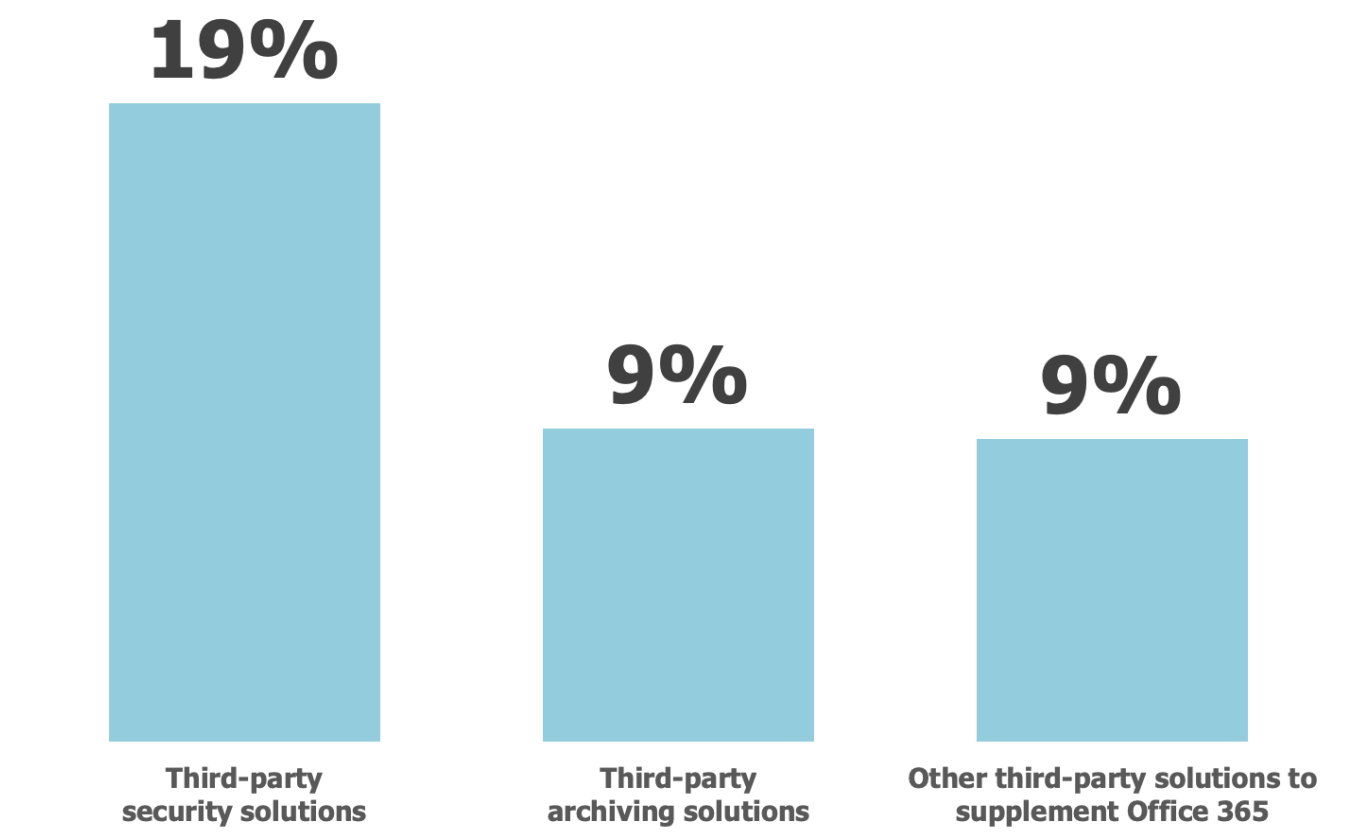
Source: Osterman Research, Inc.

Figure 13
Views on the Cost of Office 365 Based on Use of Native or Third-Party Capabilities



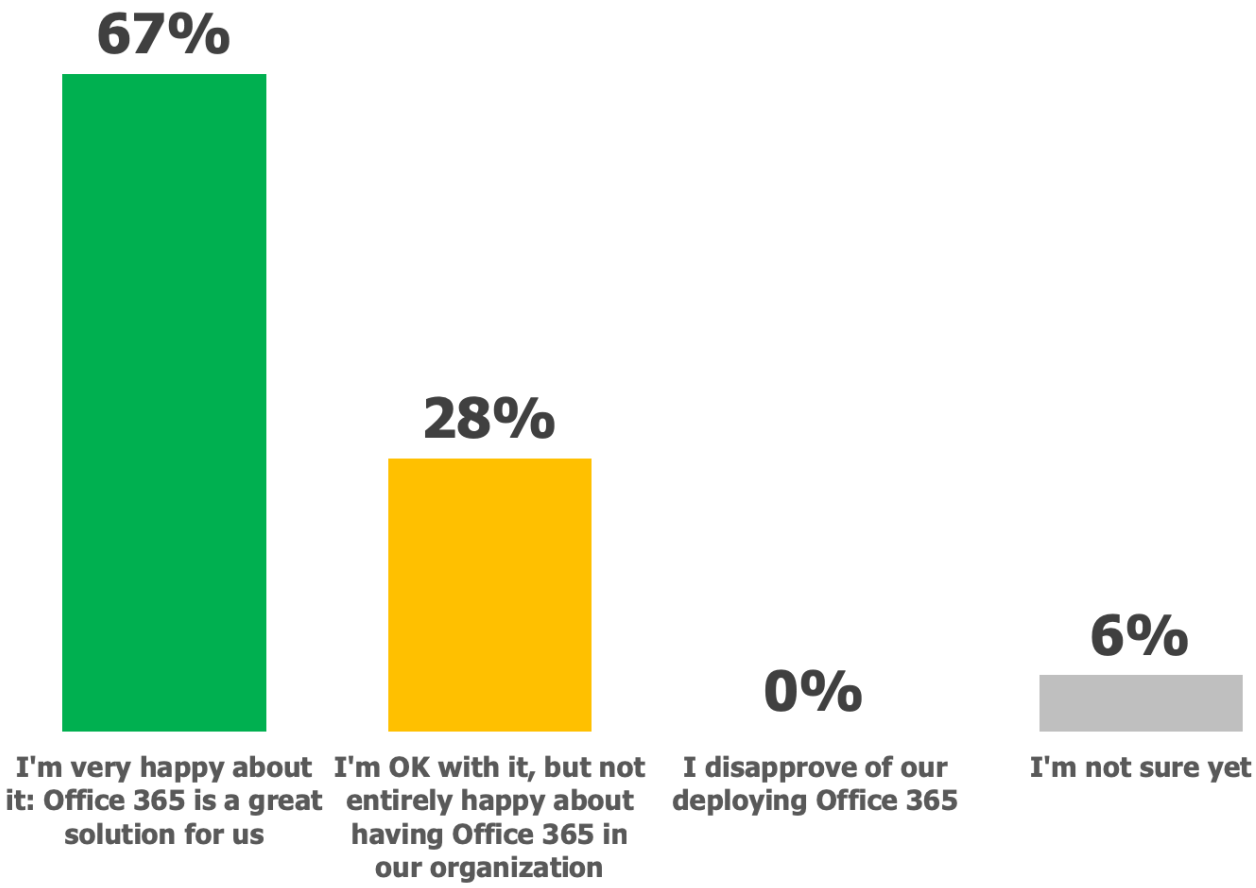
Source: Osterman Research, Inc.

Figure 14
Percentage of the 2019 Office 365 Budget to be Spent on Third-Party Solutions



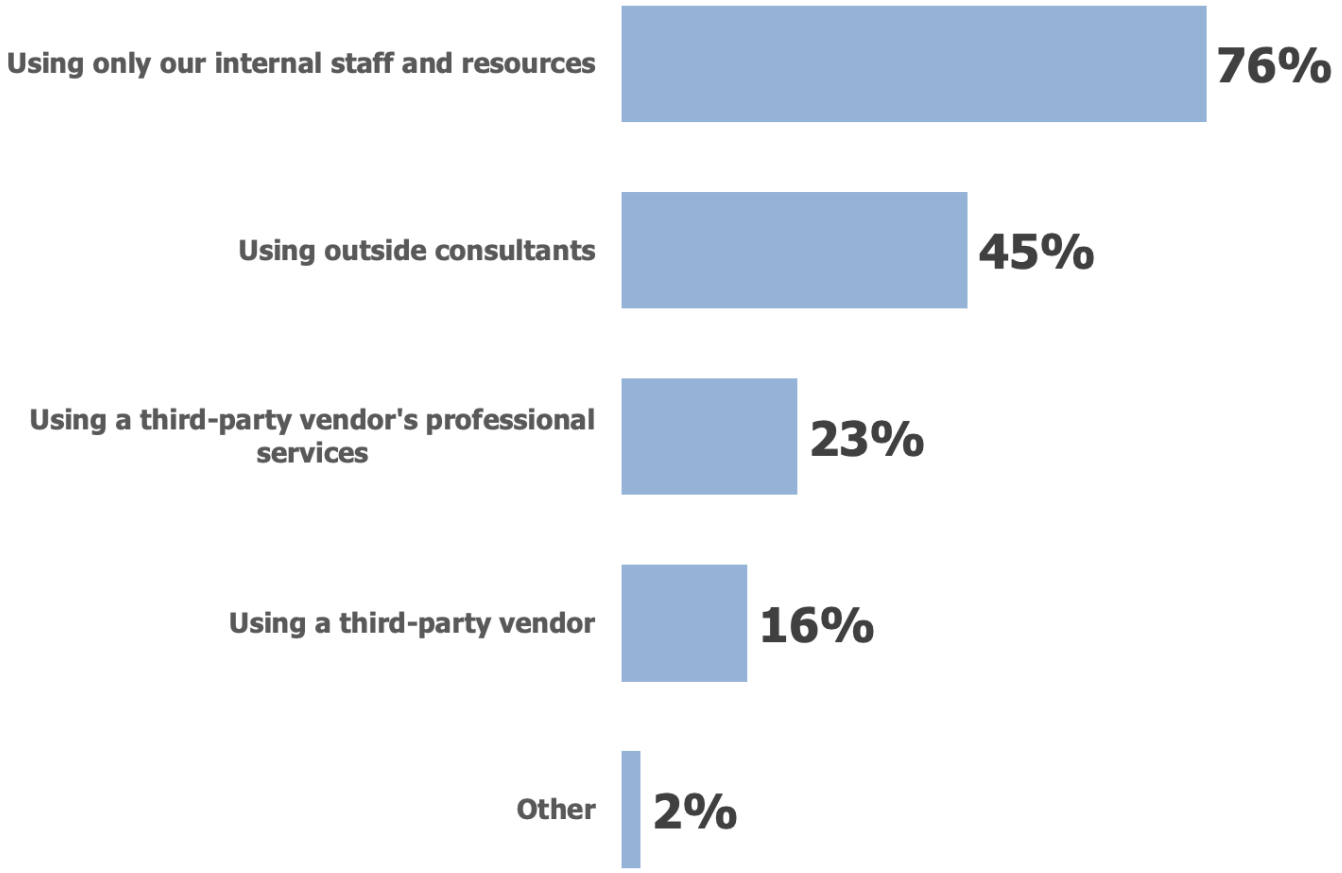
Source: Osterman Research, Inc.

Figure 15
Satisfaction With the Organization's Decision to Deploy Office 365



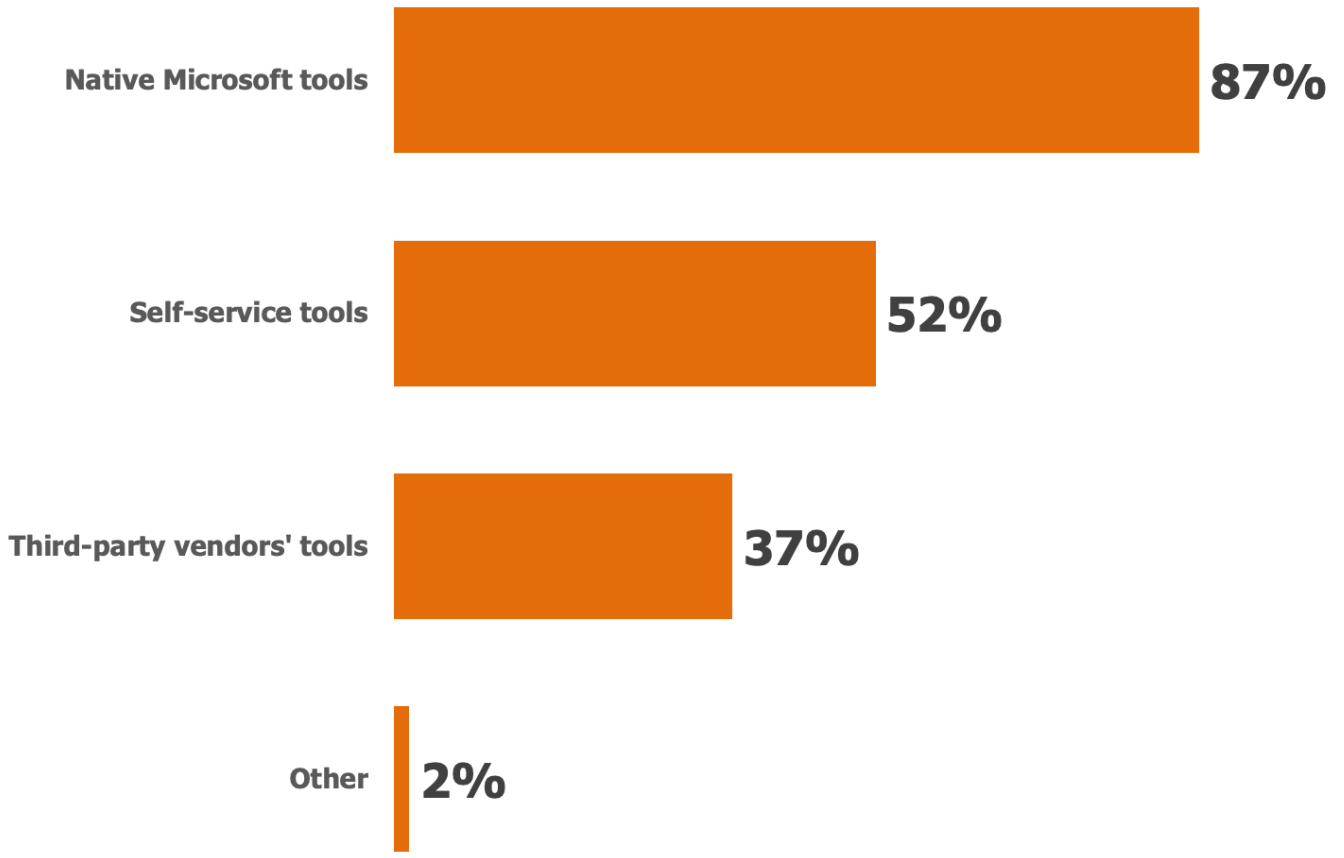
Source: Osterman Research, Inc.

Figure 16
How Organizations are Preparing or Prepared for the Office 365 Migration or Implementation



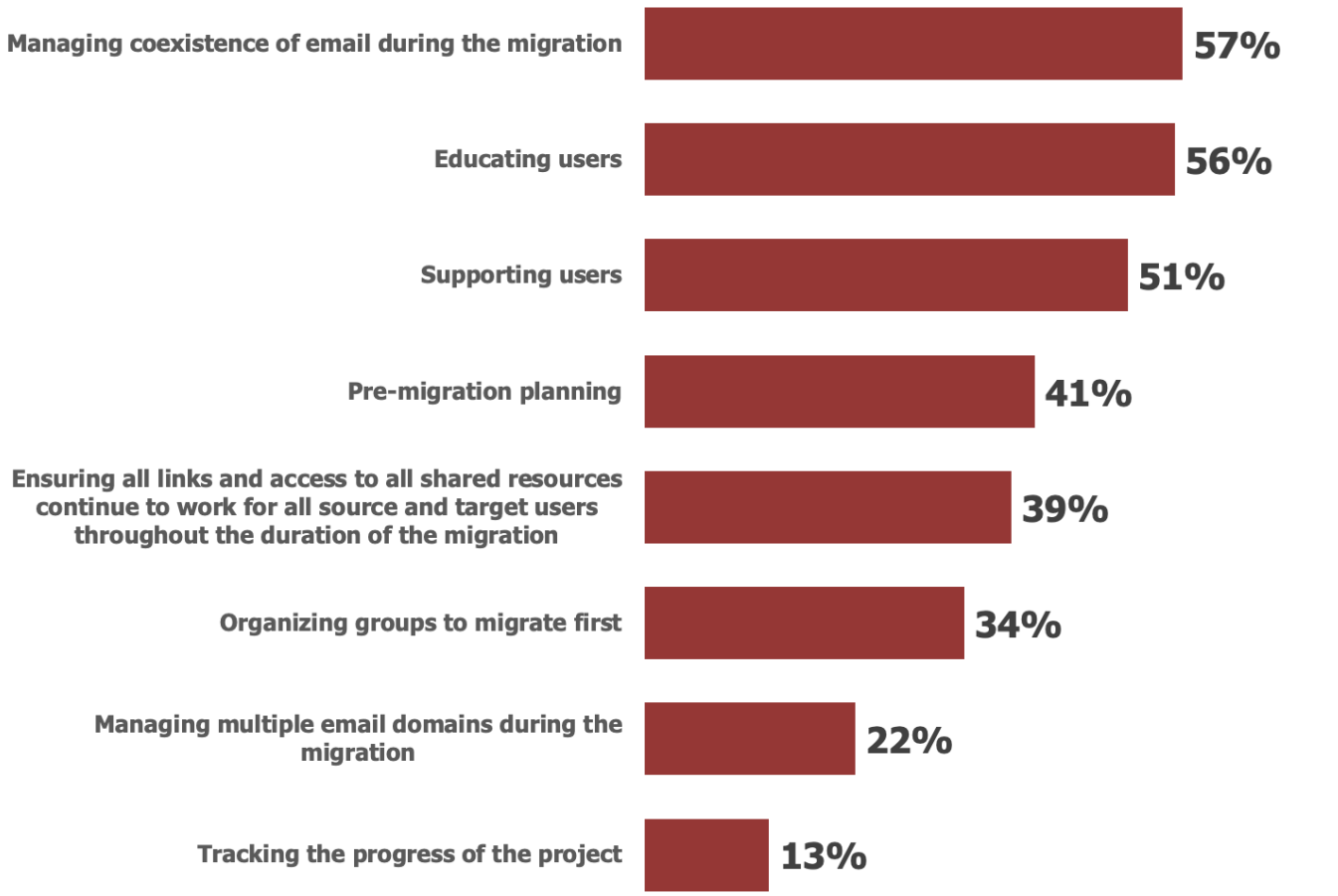
Source: Osterman Research, Inc.

Figure 17
Tools Used for the Migration to or Implementation of Office 365



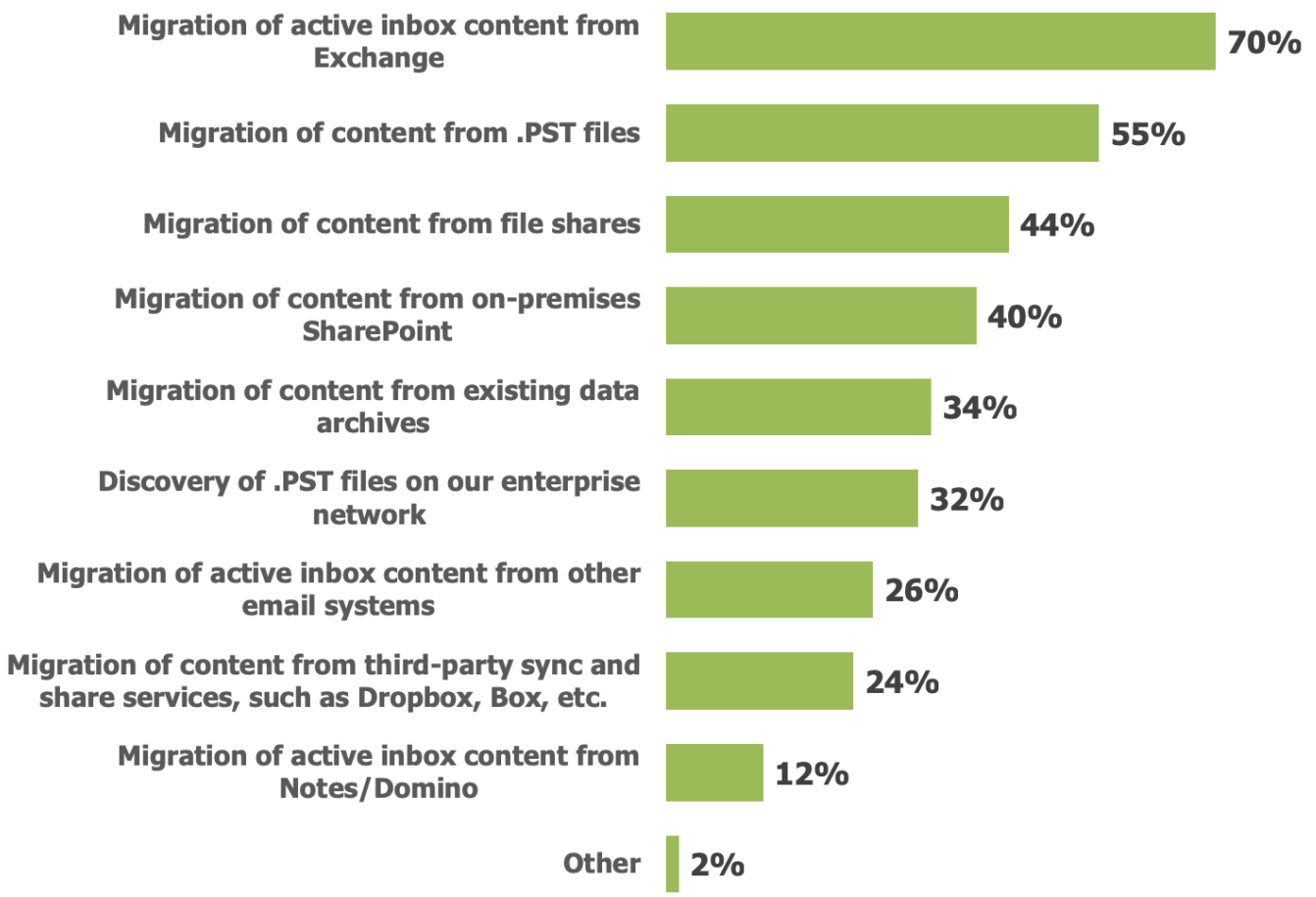
Source: Osterman Research, Inc.

Figure 18
Views on the Most Difficult Part of the Migration to Office 365



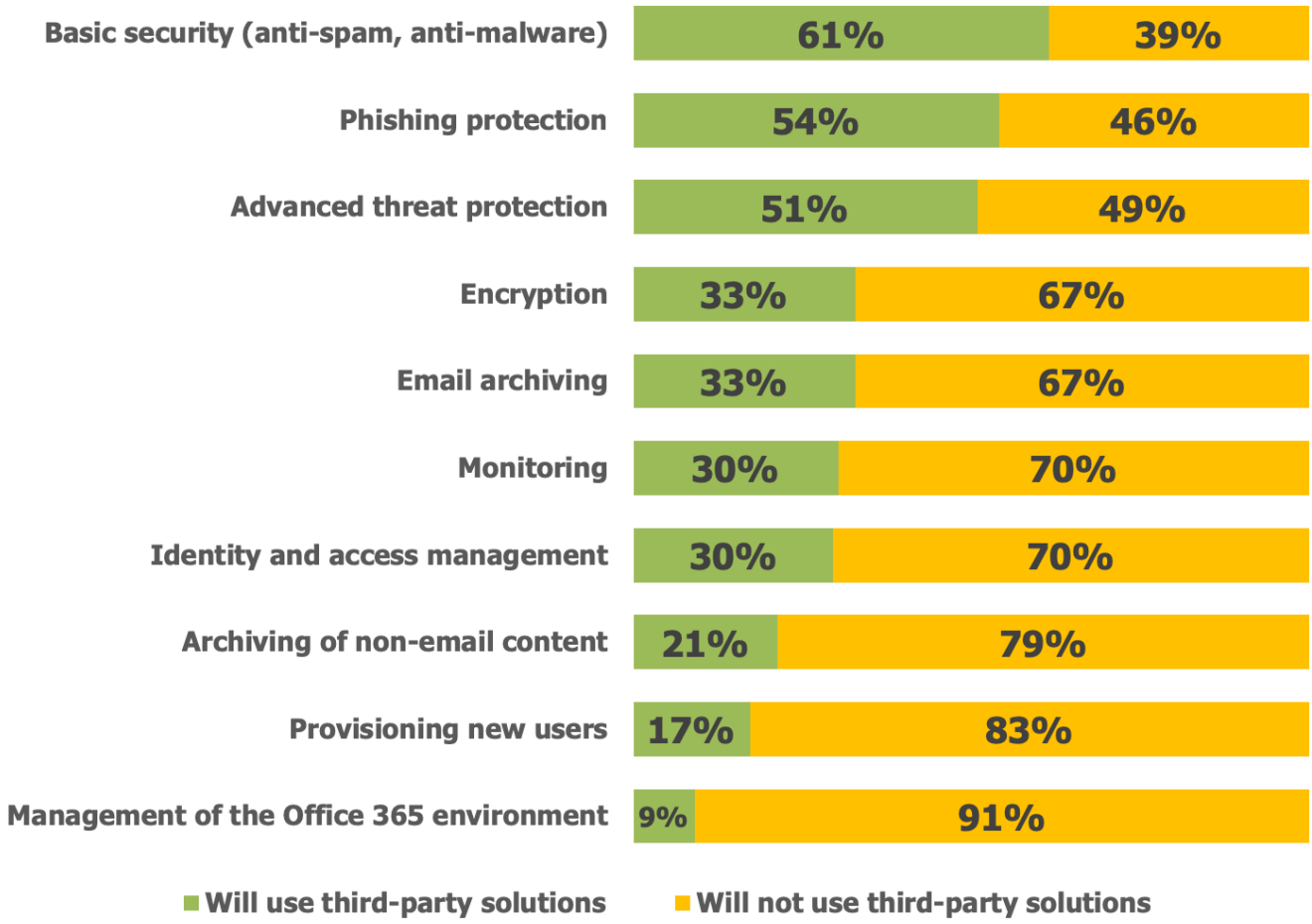
Source: Osterman Research, Inc.

Figure 19
Types of Content That Will be or Were Migrated to Office 365



Source: Osterman Research, Inc.

Figure 20
Use of Third-Party Capabilities for Various Capabilities Within Office 365



Source: Osterman Research, Inc.