



**HyperOffice**  
Collaboration Made Simple

**WHITE PAPER**

**Cloud Computing – Threat or  
Opportunity for VARs & MSPs?**

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## Executive Summary

To have a complete understanding of the opportunities and challenges the cloud era poses for resellers, MSPs and the Channel in general, it makes sense to study multiple concurrent forces at play in the IT landscape which are driving change. Moreover, this whitepaper highlights the Channel opportunities in the specific area of cloud based messaging and collaboration. It seeks to answer the key questions of – What is the role of the Channel in the cloud era? Why cloud messaging and collaboration? Why now?

The model of software delivery is in the midst of transition from traditional on premise server based software to software deployed over the internet. This is in interplay with the emergence of new mobile technologies; a business environment where companies have to work in a distributed network of teams, partners and clients; and changed end user needs and expectations.

All these forces are coming together, and impacting traditional relationships between vendors, business users and the Channel. But one thing is for sure – the Channel remains as relevant as ever. The reason quite simply is, **end users still want to be served through the Channel**, and continue playing their roles of trusted advisors.

The whitepaper studies these multiple forces of change, before going on to the specific question of – how does this all impact you – the VAR or MSP? Then it goes on to the unique Channel opportunities and new revenue streams in cloud messaging and collaboration. Finally, you learn about the vendor landscape in cloud messaging and collaboration, and how partnering with HyperOffice offers you some exclusive advantages.

**INDEX**

1.	<a href="#">IT Market Trends</a>	1
	<a href="#">Software will never be the same</a>	3
	<a href="#">SMBs dig SaaS: The reason</a>	4
	<a href="#">Growth and convergence of cloud communication and collaboration software</a>	5
	<a href="#">Universal SMB pain points</a>	7
2.	<a href="#">What does it all mean for you – the VARs and MSPs</a>	9
3.	<a href="#">Business benefits of SaaS for VARs and MSPs</a>	10
4.	<a href="#">Your options.</a>	12
	<a href="#">Comparison Matrix</a>	13
	<a href="#">A viable solution</a>	15
5.	<a href="#">Conclusion</a>	20

## What are Cloud Computing and SaaS?

Cloud Computing is a model in which applications, storage and computing power are provided over the Internet as a service. It includes software-as-a-service, infrastructure-as-a-service and platform-as-a-service.

Software as a service (SaaS) is a delivery model for software applications whereby web-native applications are provided over the internet, which customers pay for using rather than owning.

### NOTE

Normally, SaaS and cloud are used interchangeably, as also for the purposes of the current white paper.

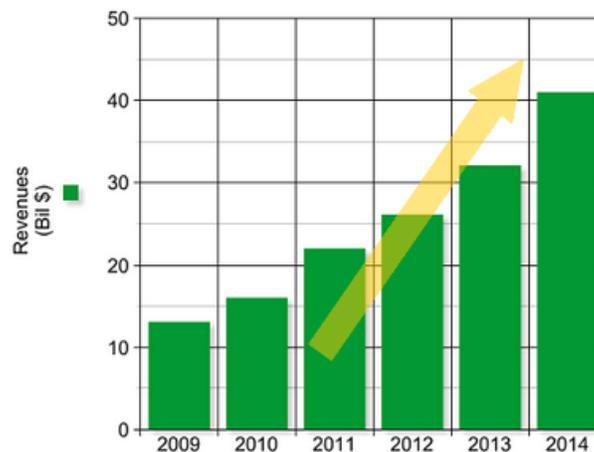
## IT Market Trends

Multiple forces of change are at play in the IT Market, profoundly impacting all players, including customers, vendors and the Channel.

### Software will never be the same

The first decade of the 21st century has seen a sea change in how companies approach, procure and manage business software. Traditional on-premise server based software, known to be complex and expensive, has started to lose favor in the face of recessionary pressures. Accessing IT infrastructure, software, and data remotely over the web is now a requirement in the modern business environment, which increasingly demands flexibility and working in a wider network of customers, suppliers, vendors, partners and regulators. "Disruptive", "Tectonic shift", "fundamental structural shift" are some phrases being used to describe this phenomena.

Worldwide SaaS revenues



After gathering momentum over the last 5 years, the "cloud" and "software-as-a-service" are now more than mere buzzwords, witnessing massive adoption from all sectors of the economy, particularly the small and medium business segment. In a recent report, IDC predicts that over 2010-2014, SaaS will grow six times faster than traditional packaged software, reaching over \$40 billion in revenues by 2014.

In contrast, perpetual license software fell \$7 billion in 2009. Goldman Sachs Feb'10 study strongly titled "[Tectonics: Unstoppable shift to SaaS continues](#)" found that 58% of respondents always consider a SaaS option when making an application purchase decision. A total of 39% prefer a SaaS option, if available.

This is causing fundamental structural shift, as evidenced by the fact that IT departments and software giants like Microsoft, IBM, SAP and Oracle are scrambling to incorporate the cloud into their strategy.

If the actions of the biggest global software vendor are anything to go by, Microsoft recently put its entire weight behind the launch of cloud-based Office 365, even at the cost of potentially cannibalizing its on-premise software revenue streams. CEO Steve Ballmer further underlined this by revealing that 70% of Microsoft's 40,000 employees are working on cloud related efforts – a number that may increase to 90% over 2011.

## SMBs Dig SaaS

Of all segments, SMBs have been impacted the most profoundly by software -as-a-service. SaaS fundamentally changes the "rules of the game" where SMBs now have access to the same expensive technologies as enterprises, without owning them, but simply paying for them according to use. This is similar to leasing a home, as opposed to being the owner. It is for these benefits of cost savings, flexibility and minimal lock in that SMBs have been most attracted to SaaS. And it is in no small measure due to the adoption and rigorous testing by small and medium sized businesses that SaaS has gone mainstream today across all sectors.

Global SMB cloud-related spending is expected to go up to \$94 billion by 2014.

AMI Partners



"The multi-tenancy model offers U.S. SMBs comparable performance on a lower-cost basis and the flexibility to scale usage in line with shifting needs of their businesses. This is a value proposition that U.S. SMBs find highly attractive."

Helen Rosen,  
Vice President AMI Partners

### What Drove Your Move To A SaaS Model?



Source: Information Week Analytics 2010 SaaS Survey of 131 business technology professional at organizations using SaaS

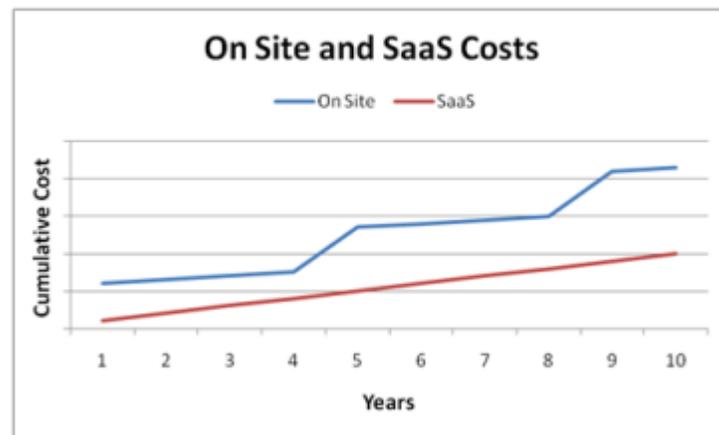
A [recent study](#) by AMI Partners found that 12% of small businesses and 24% of medium businesses are already using SaaS. Going forward over half of US SMBs are looking at SaaS as a potential solution. AMI expects the global SMB cloud-related spending to climb to a whopping \$94 billion by 2014. Another [study by Sandhill](#) found that SMBs are twice as likely as large enterprises to move their core business-critical services to the cloud. SaaS has been called a "[no-brainer](#)" for SMBs not least for the substantial cost savings. The reasons are: -

**1. Cost.** Arguably on the wane now, the recession has exerted tremendous pressure on SMBs to cut corners. This, along with the overall promise of cost savings, both in the short and long term, has been the main driver of SaaS adoption amongst SMBs. SaaS eliminates the ownership costs of hardware, software licenses and implementation, instead renting out software as a "service" over the internet. [Sandhill found](#) that over a 5-7 year time horizon, SaaS often turns out to be cheaper by 25-50% than on premise software.

Another major disincentive for SMBs is the fact that 60-90% of the total costs of on premise software on hardware, licenses and consultants are to be borne up-front in the first three years. Not to forget the cost of upgrading every few years and the associated costs of integration and implementation. SaaS, in contrast, offers a flat cost curve - its costs evenly spread out over the application's life.

Over a 5-7 year time horizon, SaaS often turns out to be cheaper by 25-50% than on premise software.





**2. Time to Value.** Typically, a SaaS solution up and running in a matter of days or weeks, rather than months, as with traditional on-premise software. As a consequence, SMBs can begin to realize the business benefits of the software solution earlier, which means the ROI is significantly better than on-premise software.

**3. Levelling the Playing Field.** SaaS allows SMBs access to powerful and expensive software technology previously available only to large enterprises. This robs enterprises of their traditional competitive advantage and allows SMBs to compete in new and innovative ways.

**4. Simpler.** The SaaS revolution has run parallel with the web 2.0 revolution, and many of the best characteristics of consumer oriented web 2.0 technologies have found their way into business SaaS solutions. The rich and intuitive web interfaces of SaaS solutions are end user focused, often requiring little or no IT intermediation to implement and use. This is ideal for SMBs which have small or no IT departments, and increases productivity as end users and subject matter experts have more control over technology.

**5. Lower Risk.** SaaS solutions pose a lower risk for SMBs, because there is no lock in of initial capital expenditure like on premise software. Companies are freer to move to alternate solutions if the current one is found not to be the best fit.

**6. Flexibility.** SaaS solutions are accessible over the Internet, allowing employees to access company systems and data outside the confines of the company network, when they may be travelling or working from home. Moreover, SaaS has also straddled the mobility revolution, which gained ground at the same time as SaaS. Most SaaS applications are compatible with and accessible from powerful new mobile devices.

**7. Continuous Innovation.** Upgrades are continuous in SaaS, and users have ongoing access to new functionality in tune with the changing business and technological landscape, rather than waiting for the typical 2-3 year upgrade cycle of on premise software. Since SaaS vendors have access to application usage data as the SaaS solution runs on their servers, they can use data on user behaviour to innovate and upgrade their product. Since SaaS solutions are not a one-time sell, but an ongoing relationship, they tie users and vendors in a “community of interest”, where everyone benefits from developing the solution – the vendors in terms of continued patronage from the users, and the users in terms of technology.

**8. Focus.** Technology has never been a core strength of most SMBs. The ability to outsource the IT burden through SaaS allows them to focus on business and strategic strengths.

## Growth and Convergence of Cloud Communication and Collaboration

**Messaging/Email** is universal across industries and sectors, a bare minimum technological requirement, and one of the first to be implemented in almost any organization. This popularity is the reason that it was one of the first areas to gain credence as a cloud based solution. There is a groundswell of SMB customers who are unhappy with the cost and effort of supporting on premise email servers like Microsoft Exchange in their organizations. Since it is a commoditized application, requiring little customization, and hosted email offers significant cost savings, email is ideal for delivery over the cloud.

Email is going to be the first large-scale cloud application. The reasons are simple: Email in the cloud is cheaper; it will evolve faster.

Ted Schandler  
Chief Analyst, Forrester



[AMI predicted](#) that messaging/email will be the most demanded cloud service till 2014.



[Frost and Sullivan expects](#) the SaaS email market to double by 2015.

[Gartner predicts](#) that by 2012, 10% of enterprise mail seats will use a cloud or SaaS model.

[Sandhill identified](#) messaging as one of the most popular SaaS applications in 2010.

Google Apps has the credit of validating cloud email and making it mainstream. This forced Microsoft and IBM, the heavyweights in on premise messaging software to introduce cloud versions of their offerings.

[Forrester estimated](#) a whopping 44% of SMBs expanded or initially invested in collaboration software in 2010.

In [March 2009, Forrester predicted](#) that SaaS collaboration applications were poised to experience significant success in the enterprise market:

[MarketResearch.com](#) found that collaboration was one of the top 3 fastest growing SaaS segments in 2010.

In contrast to communication, which allows people to transmit information, **collaboration technology** is a set of tools which allows people to *work together* on information. Some examples of these tools are document management, project management, workspaces, or wikis. It is no surprise that collaboration is another SaaS application area witnessing great growth, since the economy is increasingly information driven, and every company has to work in a wider network of distributed employees, customers, partners, vendors, and suppliers.

(The significant use of SaaS in the area of collaboration) is a trend I have been observing in my talks with businesses from different parts of the world. In my opinion, cloud has the necessary DNA for collaboration.

Krishnan Subramanian,  
Editor, CloudAve



It may be noted that collaboration is one of the key pillars of SaaS, or “embedded in the DNA of SaaS”, since the basic premise of both collaboration and SaaS is essentially the same - multiple people distributed over locations contributing to the same system using the internet.

### **The Inevitable Convergence**

It is no fluke that cloud communication (or email/messaging) and collaboration are spoken of in the same breath, especially in the last year. The SMB Group [identifies the continued](#) convergence of communication and collaboration as one of the main technology trends in 2011. Customers are no longer content with vanilla email systems, and software vendors have woken up to the close connection between communication and collaboration technologies and the benefits of integrating them in a single suite. All the major vendors in the market are offering a combination of email and collaboration technologies to a greater or lesser extent.

#### **Top IT Trends of 2011** **#10**

*Continued Convergence  
of Unified  
Communication and  
Collaboration Suites*

Laurie McCabe  
SMB Group



## SMB Pain Points

Against the backdrop of the larger trends afoot in the IT market, vendors will need to deal with a number of universal SMB business needs at the operational level. These are needs workers face on a day to day basis, working in their network of colleagues, bosses, clients and partners. These are often the difference between performing ones job productively or not, or meeting a deadline and clinching a deal. And these themes are common across industries. It is in successfully dealing with one or more of these issues that vendors will find success. These universal needs are as follows:-

**Email.** Every company needs a customized business email system to enable interaction between employees and outsiders. It shall not suffice to have a vanilla email system. SMBs will be looking for hosted systems with offer them web access, integrate with popular on local email clients like Outlook, and offer them integrated collaboration features over and beyond email.

**Mobile/Push Email.** The proliferation of powerful and internet friendly mobile devices like BlackBerry, iPhone and Android have lead employees to see their mobile devices as business tools. They want to have access to their business email, schedules, documents and other information even while they're travelling or at a client site. While mobile internet usage is expected to surpass desktop internet usage in the years to come, users spend a majority of their mobile internet time on email.

However, most push messaging solutions like MS Exchange and BlackBerry Enterprise Server are expensive, or work only with one or a limited set of devices. With limited budgets and a workforce which brings a large and ever increasing array of mobile devices, SMBs are looking for low cost mobile messaging solutions which are independent of mobile device/platform.

**Document Sharing.** Working together on documents is at the heart of what most knowledge workers do during their workday. With collaborators increasingly situated in remote office locations, separate countries, at home or on the road, or consisting of customers, partners and vendors in addition to colleagues; companies need a system to organize and secure company documents, and enable the collaboration process.

Email use devoured 41.6 percent of mobile Web users' time between 2009 to June 2010

Nielsen





*"We were using SharePoint for about five months, which I thought was long enough. My business partner is not extremely Web 2.0 savvy and he was just having trouble getting SharePoint to work. ... I never want to go back to SharePoint."*

Craig Asher, Principal  
Vital Financial  
8/18/2010

**Entrepreneur**

**Outlook Sharing.** A 2009 study by Forrester found that in 2009, 76% of US employees in small companies used Outlook for e-mail. This is a testimony to the massive popularity of Outlook in SMBs. Companies are looking at cloud email systems because of the benefits, but end users are likely to continue using Outlook as their email client. Therefore, any hosted email system which does not include Outlook integration does so at its own peril. Moreover, users want the ability to share data in their Outlook accounts, and use it as a collaborative system to coordinate schedule, manage tasks etc; without needing to set up expensive on premise software like MS Exchange.

**Exchange and SharePoint Alternatives.** Many SMBs are stuck with Exchange and SharePoint implementations to serve their messaging and collaboration needs, sapping them of resources, for want of dependable alternatives in earlier years. The mismatch is understandable, since Microsoft products have been developed and priced for enterprise customers. It is no wonder then that SMBs find the features to be overkill, the interfaces complicated and hard to garner adoption for, and the thousands of dollars' costs of hosting and implementation to be crushing. But now that the cloud offers an array of inexpensive, simple and robust systems, SMBs are looking for alternatives which offer them the same functionality.

**Calendar Sharing.** Knowledge workers need the ability to organize packed schedules, and keep on top of important appointments. They also need to coordinate and share schedules with colleagues, bosses, clients and partners spread across geographies and time zones.

**Project Management.** Modern managers need to work on projects which consist of members inside their organization and outside, working across locations in different shifts and time zones. It is not viable to coordinate project and status meetings with everyone for every task and project. It is often enough to just have an at-a-glance look at how the project is going, Therefore managers need a system to keep on top of multiple projects, assign responsibilities, attach resources, set deadlines and priorities. A system which gives them a quick view of where different projects stand, and allows them to get updates and notifications of progress as it happens, as they drive each project to its conclusion.

**Intranets.** Intranets have been a popular business solution for more than a decade now, especially for mid sized and large businesses.

They serve a number of important purposes – two way corporate communications, motivation, giving employees easy access to important information and documents, managing workflows, or housing employee communities and team tools. Intranets help organize this information around teams, departments and divisions.

In a world where teams may consist of Americans, Asians or Europeans who will likely never meet, intranets also help in motivating members and garner a sense of camaraderie. Members have conversations in intranet discussion forums, find out more about each other through profile pages, or keep updated with news feeds.

## What does it all mean for you – the VARs and MSPs?

### **SAAS END USERS WANT THE CHANNEL!**

More than half of end users want to make their purchases from a third-party cloud services provider, defined as a value-added reseller, solution provider or other channel organization.

CompTIA Survey,  
Sept 2010



The channel has always been an essential cog in the IT eco-system that puts products and solutions in the hands of the customers. The emergence of SaaS and the Cloud has led to fears amongst the Channel of being cut out in face of decreased relevance of traditional channel roles and revenue streams such as system installation, integration, customization and maintenance. This besides losing their percentage on licenses for physical distribution, which disappears altogether.

Indeed, in the earlier years of SaaS, vendors did try the direct to market approach. But as vendors and channel partners have discovered, the channel remains a valuable and trusted advisory to educate and encourage SMBs in adopting emerging technologies including SaaS. The primary reason for this is that consumers simply want to be served by the Channel. [A recent CompTia survey found](#) that more than half of end users want to make their purchases from a third-party cloud services provider, defined as a value-added reseller, solution provider or other channel organization.

This is understandable. Channel partners are the traditional source of business software for customers, have deep relationships with end users in their local markets, and are trusted advisors. In the era of on premise software, customers have depended on the channel to analyze their business problems, map them to the available IT technology, and hold their hands through the entire process of implementation and maintenance.

A late 2010 Forrester Research survey found that a quarter of channel partners say they are already reselling SaaS, and a further 30% have plans to do so.

**Are you one of them?**

Customers want channel partners to carry forward their earlier roles in the era of SaaS to minimize their risk. It is for this reason that many SaaS vendors have incorporated a channel strategy. For example, Google recently launched its Google Marketplace, and Microsoft's major thrust for Microsoft BPOS has been through its partner network.

Backup, CRM and VOIP were early SaaS areas in which channel partners ventured and found success – Salesforce, Fidelity, Introis. But as the breadth of SaaS widens and starts to encompass almost every area of software, and new leading areas of SaaS emerge, channel partners are starting to venture into SaaS collaboration, email, document management etc. A recent [Forrester Research survey found](#) that a quarter of channel partners say they are already reselling SaaS, and a further 30% have plans to do so. Are you one of them?

## Business Benefits of SaaS for VARs and MSPs

As SaaS crossed its tipping point in 2009, channel partners will find that reselling SaaS makes sense from a strategic standpoint. End customer demand for SaaS is sizeable, and specifically SaaS based messaging and collaboration. As SaaS is increasingly sold through the Channel, channel partners would want to be on the leading edge of this wave, and develop new competencies. Apart from this, there are a range of incentives for SaaS channel partners as follows:-

**Build recurring revenue stream.** Since SaaS is based on a subscription model, channel partners get recurring revenues for as long as the customer relationship exists, rather than the one-time margin on packaged software. This is cash flow friendly, and leads to a higher aggregate revenue the longer the relationship lasts.

**Get into hot market with minimal investment.** The SaaS model does not require channel partners to maintain an inventory, or set up servers. Partners can enter the red hot SaaS market with zero capex costs.

**Diversify offerings in a changing market, and offer clients choice.** As many studies find, most SMBs [will prefer a hybrid model](#) rather than pure cloud or pure on-premise IT. Similarly, it makes sense for

Cloud e-mail will be the entry point to deeper and more profitable collaboration deals. For every dollar users spend on cloud e-mail, they'll spend around \$3 to \$10 on other cloud collaboration and communications services

Forrester  
Ted Schandler



channel partners to diversify their offerings to include both packaged and cloud based software. In a market where both on premise and SaaS applications exist in every area, channel partners may also give clients choice by offering both.

**Open horizontal and vertical cross selling opportunities.** As established by numerous studies quoted above, communication and collaboration are likely to be the biggest areas of SaaS uptake. The reason is the universality of these needs across organizations. Partners will find cloud communication and collaboration solutions a relatively easy entry point into organizations, which they can leverage to cross sell further solutions or services.

It is like a salesman's foot-in-the-door - once you demonstrate a quick win which is easy to quantify and illustrate as a smart decision, you will be the person they go to for accounting-in-the-cloud with NetSuite, or backup with Intronis, etc, as the cloud builds more acceptance. Cross selling opportunities in a cloud world abound with solutions and software like backup, security, customization or consultation. With industry specific SaaS solutions available for every domain, other cross-sell opportunities also arise like cloud based financial software for finance companies, property management software to realty companies and so on.

**From break-fix to strategic services.** Packaged software typically requires a lot of menial maintenance effort involving numerous onsite visits. Since SaaS solutions require no on-premise setup, customers are largely self-reliant after the first month.

Resellers stand to gain in two ways from this. Firstly, resellers stand to reduce costs of numerous on site visits, and serve a larger number of customers. Secondly, the nature of value added services also shifts from low-value, low-margin services, such as hardware and software installs, upgrades, patching, database tuning, etc to typically higher margin strategic services. Some examples are:-

- Change Management. Shifting to SaaS entails major change for organizations – integration, data migration, training etc – which the partner can help with.
- Business Process Reengineering. Reengineering and automation of business process around the SaaS application.

- Customization. SaaS applications will invariably require customization according to processes and needs, which end users may prefer to handle through channel partners.

## The Options.

Once you have decided to take the SaaS communication and collaboration plunge, the next decision is the product to place your bets on to maximize your revenue and your customer's ROI.

### Decision Criteria

Before making a call, it makes sense to lay down the criteria on which to base the decision. Apart from opting for a product which is likely to expand your customer base, and ensures customer retention, it should be aligned with the channel partner's long term strategy.

The criteria are:-

- Earning Potential. What primary, secondary and cross sell revenue opportunities does the SaaS solution offer? For example, implementation, setup, training, customization and consultation.
- White Labeling. Can you white label the solution? Will you be building your own brand or that of the SaaS vendor?
- Who Owns Billing? Channel partners which want to retain ownership of their customers would want the ability of invoice and bill the customers. This enables a range of cross-selling, up-selling, and product and service bundling opportunities to help partners grow their customer relationships.
- Vendor Stability. How long has the vendor been in the market? What is the vendor's market standing?
- Product Features. How robust, comprehensive and well integrated are the features?
- How crowded is the market? Are lots of other channel partners promoting the same product, creating competition amongst channel companies?

## Comparison Matrix

Based on the above criteria, we have created a comparison of Google Apps, Microsoft Office 365 (or BPOS), and HyperOffice three prominent solutions in the integrated cloud communication and collaboration market.

### Business Model

	 HyperOffice	 Google Apps	 Microsoft Office 365
<b>Earnings potential:</b>			
- License (per user per year)	\$65 or 55%	\$10 or 20%	12% 1st year (6% 2nd year)
- Support	✓	✓	✓
- Consulting	✓	✓	✓
White label — Rebranding	✓	✗	✗
Reseller owns billing relationship	✓	✓	✗
<b>Additional</b>			
Ease of implementation	Easy	Easy	Difficult
Number of years selling integrated Cloud Messaging & Collaboration to SMBs	10 years	4 years	2 years
% of revenues generated from Cloud Messaging & Collaboration	100%	< 2%	< 5%
Integration across products	Developed ground-up as a single, fully integrated solution	Components are stand-alone products	Components are stand-alone products, and refurbishments of on premise solutions
License terms	Monthly or annual	Annual only	Annual only
How crowded is the channel	Dozens of partners	Over 2,000 partners	Thousands of partners

### Features

	 HyperOffice	 Google Apps	 Microsoft Office 365
<b>Collaboration</b>			
Online database/workflow	✓	✗	✓
Outlook support	✓	✓	✓
Project management	✓	✗	Basic ***
Document management	✓	✓	✓
Calendars	✓	✓	✓
<b>Push email to mobile devices:</b>			
<b>Devices:</b>			
- Android	✓	✓	✓
- BlackBerry	✓	✗ *	✗ **
- iPhone	✓	✓	✓
- Symbian/Nokia	✓	✓	✓
- Windows Mobile	✓	✓	✓
<b>Over-the-air synch of calendars, contacts, &amp; tasks:</b>			
- Android	✓	✓	✓
- BlackBerry	✓	✓	✗ **
- iPhone	✓	✓	✓
- Symbian/Nokia	✓	✓	✓
- Windows Mobile	✓	✓	✓
<b>Browsers supported</b>			
Firefox	✓	✓	✓
Internet Explorer	✓	✓	✓
Chrome	✓	✓	✗
Safari	✓	✓	✓
Chat & voice	Integrates with Skype	Integrates with Google Voice	Integrates with MS Lync
Web conferencing	✓	✗	✓

Online word processing spreadsheets	✗	✓	✓
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\* Google Apps Push support for Blackberry requires Blackberry Enterprise Server. Alternatively, you can access Gmail on Blackberry using the Gmail BlackBerry application.

\*\* Support for BlackBerry devices that use Microsoft's Hosted BlackBerry service, BIS, or NotifySync.

\*\*\* Office 365 offers only online basic shared tasks and Gantt charting capabilities.

The sheer breadth and ambition they (HyperOffice) bring to the table when it comes to SaaS groupware makes HyperOffice a company worth watching.

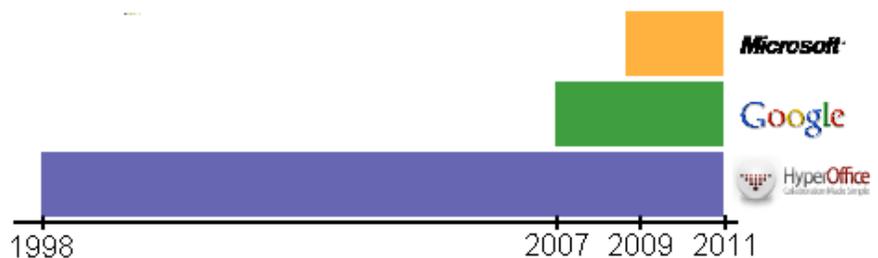
Matthew Weinberger  
The VAR Guy  
March 2010



## A Viable Solution

HyperOffice is a solution that VARs and MSP may want to consider, given some key partner benefits missing in the partner programs of other companies. These are as following.

1. Experience and Stability. HyperOffice is one of the pioneers in the integrated cloud communication and collaboration market since 1998, and widely respected and recognised. This is a market which Google only entered in 2007, and Microsoft in 2009. Unlike Google and Microsoft, which have multiple product lines, HyperOffice's communication and collaboration solutions are its sole focus, and it has served over 300,000 SMB users over 10 years in the market.



2. Robust, Fully Integrated Features. HyperOffice has one of the most comprehensive feature sets in the market, which have been built organically over 10 years in the market. All of HyperOffice's features are fully integrated at the data level, unlike Google Apps and Microsoft BPOS, whose individual components are also stand alone products.

**HyperOffice a Great Solution for Cloud-based Collaboration**

HyperOffice has more than earned a seat at the table for VARs discussing cloud-based collaboration with customers, and it provides a solution that the CRN Test Center is happy to recommend.

Edward Moltzen  
CRN.com  
Jan 31, 2011



"Overall, I was deeply impressed by HyperOffice's depth of features, tight integration of all its elements, sleek appearance ..."

Edward Mendelson  
8/18/2010



This is different from Google’s “add-on” approach, where modules like project management missing in Google Apps can be found its “Marketplace”, and plugged into Google Apps. But the downside of this approach is that integration is ad-hoc or superficial (in many cases just a unified login), given the different designs and agendas of solutions in the marketplace.

In addition to a wider range of features, the integration of features at an architectural and data level gives HyperOffice users better responsiveness, and naturally complementing touch points across the solution. Channel partners can leverage this by scoring an easy customer win with a low barrier solution like email or push email, then gradually build on that by offering complementing collaboration tools and gaining deeper inroads into the customers’ productivity pie.

HyperOffice VARs can white label their cloud-based offerings, a capability not available to Google and Microsoft cloud VARs.

Andrew Hickey  
CRN.com  
Nov 2010



- 3 White Labeling. All marketing and sales investments in Google or Microsoft solutions build their brand rather than that of the Partner, since they don’t allow white labeling.

HyperOffice’s white labelling option lets Partners leverage its features, technology and other resources, *under their own brand name*. Every marketing dollar the Partner spends builds their own brand, not that of HyperOffice. This means that even if Partners wish to change vendors at a later stage, or enter a new product line, they can still leverage the goodwill and visibility their brand gained over the life of the partnership.

- 4 Me-too or Differentiation? Google Apps has over 2000 partners for Google Apps, while Microsoft Office 365/BPOS has over 7000. When potentially thousands of resellers are presenting solutions from the same vendors, and the vendors set the price point, it is very difficult for Partners to differentiate themselves. Since all partners in these markets offer almost exactly the same solution, and geographic barriers no longer apply in the cloud era, customer barriers to exit are extremely low.

HyperOffice has a highly select list of 50 partners which closely align with its business. Plus, with greater control on branding and pricing, Partners can differentiate themselves rather than simply being another drop in the Google and Microsoft ocean.

- 5 Greater Margins. HyperOffice partners can earn up to \$65 per user per year, or 55% over the base price. Google Apps and Microsoft Office 365/BPOS offer Partners only 10% and 12% (6% after first year) respectively.

- 6 Control Billing and Prices. With HyperOffice, partners retain tight control over their hard-won customers as they handle the entire customer life cycle from sales to support, billing and collection.

 <b>Profit Margin</b>	
	<b>\$65 or 55%</b>
	<b>\$10 or 20%</b>
	<b>12% (6% from 2<sup>nd</sup> year)</b>

- 7 Marketing and Sales Support. HyperOffice offers extensive marketing and sales support on an ongoing basis to help build the Partners' customer base. Marketing resources include whitepapers, presentations, email templates, videos and more.
- 8 Training. HyperOffice partners get in-depth training on using and implementing HyperOffice solutions through live webinars.

### **NEXT STEPS**

1. Visit our Partner Site -  
<http://partners.hyperoffice.com>



2. Check our [Partner Programs](#).



3. [Contact us](#) and get started!  
(or call 1.800.434.5136)

## **Conclusion**

As IT vendors have found, moving to the cloud is no longer an "if" question. The benefits of SaaS are so obvious, and now that it's a trusted and proven model, the next five years are going to witness massive adoption, which numerous studies confirm.

The Channel remains as relevant as it's ever been, because end users still see them serving their traditional roles of advisors and consultants in the IT value chain. Increasingly distributed workforces and the emergence of business mobile technology have ensured that cloud based communication and collaboration are going to be the first wave of SaaS for SMBs. They also offer the largest opportunity because they are universal needs across businesses and industries.

So why shouldn't they get these solutions through you?

HyperOffice brings VARs and MSPs a trusted and experienced partner willing to go the extra mile to ensure their success. It offers Partners an opportunity to be in the eye of multiple converging trends – SaaS, communication, collaboration, mobility. Partners can find a place in the SMB market early, and open new vistas.

The window to the cloud is open, and VARs and MSPs have to decide if they want to be amongst the leaders, or lag behind.

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### **About HyperOffice**

Launched in 1998, HyperOffice Inc., is a leading provider of online messaging & collaboration software providing SMBs productivity tools to collaborate, communicate, and manage information from any browser or mobile device. Available under pay-as-you-go plans, HyperOffice includes all the tools teams need to be effective - [business email](#), document management, calendars, task management, online meetings, or online databases. Companies use HyperOffice as an [intranet solution](#), for [team collaboration](#) and [project management](#), or as an inexpensive alternative to expensive on-premise software like [MS Exchange and SharePoint](#).