



SaaS Case Study

The X-file

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ADM Info Session “Cloud Computing”
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Agenda

- Introduction
- Business Case
- Budget & ROI
- Challenges
- Conclusions

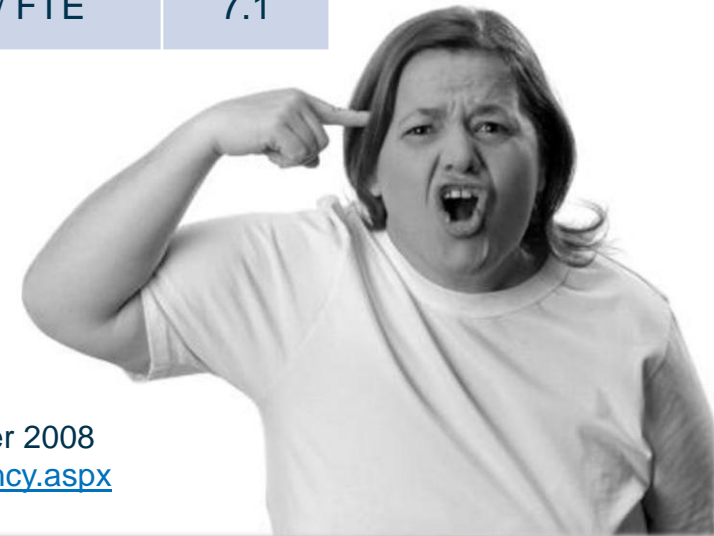
The following events are based on a true story. The names have been changed to protect the innocent.

- An online SaaS mail offering
- A company
 - 1850 mailboxes
 - Mail volumes:
 - 400 GB active data
 - 500 GB archived data



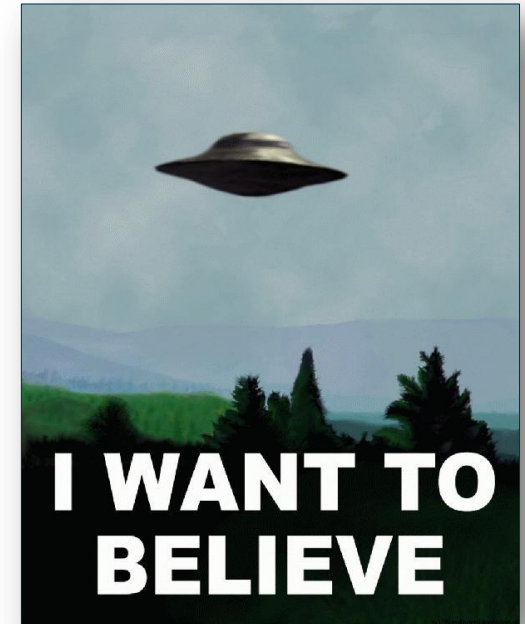
- My e-mail in the cloud?
 - Why worry about a commodity like e-mail?
 - Economy of scale

Resource	Your DC	A very large DC	Ratio
Network	\$95 per Mbps / month	\$13 per Mbps / month	7.1
Storage	\$2.20 per GB / month	\$0.40 per GB / month	5.7
Staff	≈ 140 servers / FTE	> 1000 servers / FTE	7.1

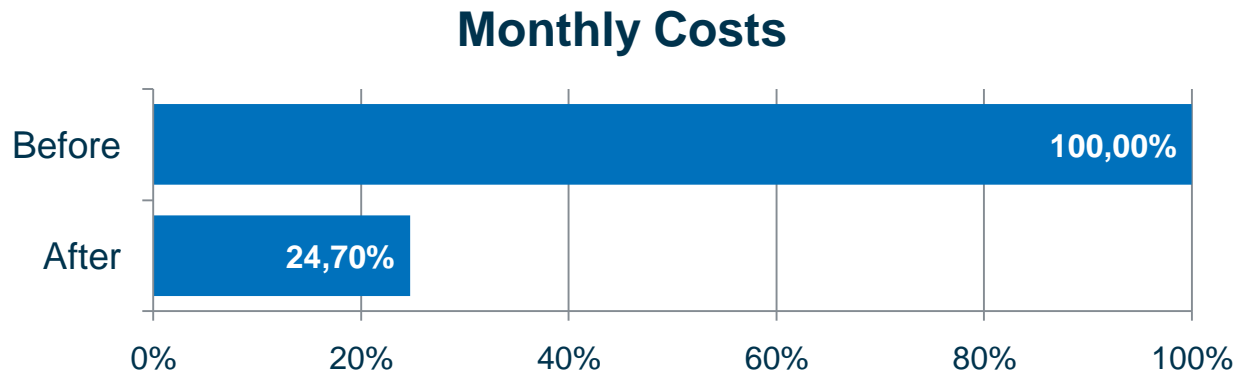


Source: *Internet Scale Service Efficiency*, J. Hamilton, LADIS, September 2008
<http://perspectives.mvdirona.com/2008/09/16/InternetScaleServiceEfficiency.aspx>

- The X-file's main goals:
 - Cost reduction
 - Save on infrastructure +
 - No more upgrades, monitoring, backups, troubleshooting, ...
 - Standardize mail service offering to users
 - Standard
 - = less exceptions
 - = easier to manage
 - Sorry VIP's!



- The expected cost reduction is amazing!
 - Situation before: external housing
 - Situation after: online SaaS mail

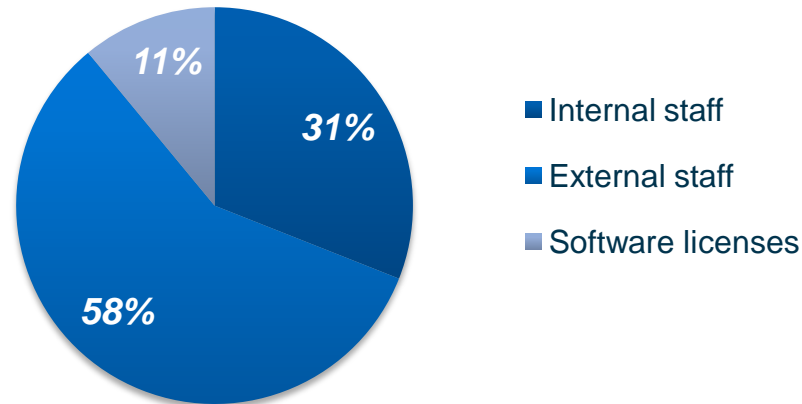


- Excludes human resources!

Before	After
2 FTE System Administrators	1 FTE Mail Service Manager

- Migration project details
 - Budget: € 420.000, \approx €230 per mailbox

One-time migration costs



- Estimated timing for project: 8 months

- Break-even point attained **10 months** after the migration project, or 18 months after project startup.



- Integration with other servers/applications
 - Inventory of all applications that send mail?
 - Support for internet based mail for these applications, mainframe, ...



- Required & missing functionality
 - Quid archiving?
 - Advanced signature management
 - Need for additional bandwidth!
- Technical challenges:
 - Get 1 TB in provider's DC?
 - Identity management & password synchronisation
 - Plan B



- The numbers are good... really good.
- Beware of common cloud pitfall:
 - Integration issues
 - Cited as most common reason for backing out of SaaS solutions^(*)
- Challenging, yet technically feasible.



^(*) **Source:** “User Survey Analysis: Software as a Service, Enterprise Application Markets, Worldwide, 2010”, S.A. Mertz, C. Eschinger, Y. Dharmasthira, C. Pang, Gartner Research G00175549, 8 April 2010.

Two to take away



- Take away 1:

An online mail SaaS platform is a financially attractive solution. Yet, don't restrict the discussion to cost reduction alone!

- Take away 2:

Do not underestimate the effort and complexity required to convert your datacenter into a hybrid on-premise/cloud platform.



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