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**Gartner Says Cloud Office Systems Total 8 Per Cent of the Overall Office Market and Will Rise to 33 Per Cent by 2017**

***Analysts to Discuss Latest Collaboration Trends at the Gartner Portals, Content & Collaboration Summit 2013, 16-17 September, in London, UK***

Egham, UK, 13 June, 2013 — Claims that most organisations have moved, or are moving, to cloud email or cloud office systems are not consistent with research by Gartner, Inc. Gartner estimates that there are currently about 50 million enterprise users of cloud office systems, which represent only 8 per cent of overall office system users (excluding China and India). Gartner, however, predicts that a major shift toward cloud office systems will begin by the first half of 2015 and reach 33 per cent penetration by 2017.

"Despite the hype surrounding migration to the cloud, big differences in movement rates continue, depending on organisations' size, industry, geography and specific requirements," said Tom Austin, vice president and Gartner Fellow. "While 8 per cent of business people were using cloud office systems at the start of 2013, we estimate this number will grow to 695 million users by 2022, to represent 60 per cent."

Although email remains the world's primary collaboration tool, others, such as team sites and communities are growing in importance. Nonetheless, email is typically pivotal in decisions to move — or not move — to cloud office systems. Gartner estimates that by the end of 2014 at least 10 per cent of enterprise email seats will be based on a cloud or software-as-a-service model. This figure will rise to at least one-third by the end of 2017.

In addition, there has been a substantial expansion in the number of devices people use to access cloud office systems in recent years. In 2007, when the cloud office system market first appeared, typical individual users would employ just one device to access their enterprise's office systems. In 2013, that number has soared. Gartner estimates the typical knowledge worker now employs up to four devices — for example, mobile phone, media tablet, personal PC and enterprise PC — to access their organisation's office system capabilities in a single week. This explosion in the number of devices per user could drive some organisations to cloud office systems as they can reduce the IT burden of software installation, maintenance and upgrades of locally installed office software.

Device counts are an important consideration. While organisations may need to buy licences, for each and every device that a user uses to access non-cloud office systems and applications, cloud office systems are typically provisioned to each user, not to each device. As a result, two alternative cases emerge: for knowledge workers who are increasingly using multiple devices, moving to a per-user (not per-device) payment scheme can lead to significant savings if the customer would otherwise have to licence (or buy subscriptions for) each device under older, per-device licensing approaches. Alternatively, organisations with many devices shared between workers — as in the banking and healthcare industries — may be better off licencing or subscribing by device.

Current levels of adoption vary significantly by industry. Organisations in industries at the leading edge, such as higher education, discrete manufacturing, retail and hospitality, are significantly more likely to adopt cloud-based office systems at present. Those in the intelligence and defence sectors, and in heavily regulated parts of the financial services and healthcare industries, are among the least likely to be early adopters.

"Although it is still early in the overall evolution of this cloud-based segment, there are many cases where businesses — particularly smaller ones and those in the retail, hospitality and manufacturing industries — should move at least some users to cloud office systems during the next two years," said Mr Austin. "However, readiness varies by service provider, and caution is warranted."

More detailed analysis is available in "New Developments in the Cloud Office System Market," which is available on Gartner's web site at <http://www.gartner.com/document/2492216>.

Cloud office suites and collaboration software will be discussed in more detail at the Gartner Portals, Content & Collaboration Summit 2013 hosted in London on 16-17 September. If you would like to register for the Summit please contact rob.vandermeulen@gartner.com.

You can also follow the event on Twitter at <http://twitter.com/Gartner_inc> using #GartnerPCC.

**About the Gartner Portals, Content and Communications Summit 2013**

At the Gartner Portals, Content & Collaboration Summit 2013, Gartner analysts will help IT and business leaders get the most out of their investments in social, cloud and mobile technologies. Attendees will learn how social software, portals, and content and information management systems can drive innovation and collaboration. For further information about the Summit, which will take place 16-17 September in London, please visit [www.gartner.com/eu/pcc](http://www.gartner.com/eu/pcc).

**About Gartner**

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