

## Google and the Enterprise: Push or Pull?

Eager to hear from Google? Just call an authorized partner, reseller, or vendor. Ask a few questions about how Google sells to organizations. Better yet, inquire about a particular customer. Google lists a few here: <http://google.com/enterprise/customers.html>

Sit back. In a day or two, you'll get a call from a Googler inquiring about the purpose of your call. The PR / legal machine throws a wrench into your inquiry, and you end up with whatever information appears in Web logs, public Web pages, or news stories in the media with which Google chooses to permit inside its walled garden.

Here's what we know. Google has relationships with some high profile consulting firms. Two examples I know about are BearingPoint and Cap Gemini. Both of these organizations operate by providing strategic and tactical counsel to organizations with enough money to pay hefty fees. Both consulting firms deliver a blend of technical services, and in some client engagements, fire up programming resources and create code.

I worked for several years in the Washington, D.C. office of Booz, Allen & Hamilton in the late 1970s and early 1980s. What's interesting about blue-chip consulting companies is that in many engagements, the clients are delighted to defer to the experts assigned to the account. An officer-in-charge shepherds the client's Board and top management through findings that suggest certain strategic options. Principals work with lower levels of management to craft implementation plans, and technical consultants work with the client's technical team. In the ideal engagement, Booz, Allen & Hamilton and other firms occupying the consulting stratosphere become part of the organization, almost a shadow staff.

Although consulting has changed in many ways, blue-chip firms like BearingPoint and Cap Gemini adopt a similar approach to deliver advice and counsel. Keep in mind that the fees for these services can easily top \$1 million per year for relatively basic consulting support. Fees in excess of \$10 million are not uncommon. What these firms deliver is assurance that the client is getting objective advice from some of the most capable professionals. Consulting firms reassure management that decisions are not made in a vacuum. When these firms speak, clients listen. Anyone paying upwards of \$1,200 an hour for a 30-year-old to give advice to a manager with 25 years of on-the-job experience has to pay attention.

Google's embrace of blue-chip consulting companies provides useful insight into how Google wants to sell. The approach is from the inside, in fact from a trusted - expensive - insider's perspective. Armed with charts and the latest in management analysis, Google knows that when its partners offer suggestions, particularly a recommendation based on a cost analysis of a Google enterprise product such as Google Maps, the message has been delivered [unclear - do you mean "Google better listen"?]. Google seems content to allow the blue-chip partners to plant seeds and allow the seeds to grow into an order. [Neatness, or purchase?]

Let's call this the "insider strategy".

Google has three other enterprise sales tactics at work. Let's look at each briefly and then look at the net net of its 2008 approach.

First, Google is signing up resellers, but this recruiting process is selective. Google vets potential resellers, picks the ones who are "Googley", Google's jargon for a partner who "gets it". Applicants can be rejected and no explanation given. A reader who had his \$10,000 [reseller

fee?] turned down now knows he or she wasn't "Googley" or simply offered products or services that Google deemed "uninteresting".

These resellers get leads from Google and have the responsibility for closing work. Some resellers are more equal than others. Dell Computer is riding a wave that once was shared with Ingram Micro. Google's attention shifts as does its interest in resellers. A vendor once having an exclusive in the U.S. Federal market has lost that exclusive position. Google leaves the customer interaction largely to its resellers.

Second, Google makes its cloud-based services available to universities. The financial details of Google's agreements with Arizona State University, San Jose State, and other institutions are, like most of Google's activities, shrouded in secrecy. What's happening with this approach to sales is playing the demographic card. By getting student familiar with Google products, Google is embedding in the employment stream individuals who know and use Google. When one of these individuals gets hired, Google is penetrating the hiring organizations. Like the seeds planted by the blue chip firms, the approach takes time, and it remains to be seen if this tactic -- no pun intended -- bears fruit.

Finally, Google's enterprise wizard / tsar David Girouard, who could earn a living as a male model or matinee idol if he leaves Google, is talking about an "IT crisis". Few system professionals would disagree that information technology departments are overworked, underpaid, and in some case, under siege.

What's behind Google's messaging? IT is in crisis because the present approach to enterprise applications is fraught with problems. Applications require more attention than a sick baby. Systems are tough to integrate, with data transformation consuming as much 30 percent of available technical resources. Many enterprise applications such as search and retrieval are viewed as unsatisfactory by as much as 60 percent of their users. Mr. Girouard is, therefore, explaining that a better way must be found. The "better way" of course will be different from the one provided by today's dominant vendors. IBM, Microsoft, Oracle, SAP -- are you listening?

While these techniques are in active use, some organizations are not willing to wait for Google to knock on their door. Information Builders, a high-profile business intelligence vendor, bundles the Google Appliance with its WebFOCUS solution. Various news organizations just use Google Maps, assuming that Google will send a bill. Other organizations just ring up Dell Computer and buy a Google Appliance, assign an engineer to set it up, and leave it up to that person to figure out how to use the OneBox API.

The net net of this approach is a 180 degree change in selling enterprise products and services. The traditional approach to selling an enterprise is easy to see by looking at Autonomy Ltd. or Fast Search & Transfer, two vendors competing with Google in search and retrieval. Both companies have sales forces that call on customers. Both companies have bought companies in order to get customers and access to new markets. Autonomy did this with Zantaz, an email compliance specialist, and Fast Search did it with its publishing acquisitions. Both companies run PR programs, ranging from a steady stream of news releases to invitation-only briefings at tony resorts. These vendors use the proven formulae of IBM, Microsoft, and Oracle; that is, push products, force upgrades, and sell on site platforms.

For those who think Google is indifferent to the enterprise market, reconsider. Google's approach is going to be difficult for incumbents to counter. It's indirect, apparently rudderless, and designed for the long haul. With organizations under increasing budget pressure, the traditional approach to enterprise solutions is at risk. Google is ready, but most of its

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competitors aren't. Google's model and its strategy are in sync with a coming sea change in enterprise applications. Are you Googley?