Google Enterprise Apps: A Microsoft Migraine?

At a recent business lunch, one executive asked the question, "What do $50 per user Google Apps for the Enterprise mean?" One of the wits dining with me offered, "A Microsoft migraine."

Laughter ensued, but I did not join the chuckles. Many Google watchers see each Google enterprise announcement as evidence that Microsoft is Google's primary target. I am not so sure, particularly in the short- and mid-term. As Karl Von Clausewitz noted, "Many intelligence reports in war are contradictory; even more are false, and most are uncertain."

Google knows that Microsoft is deeply entrenched in the enterprise. Not even Google's money and muscle can move Redmond, Washington's digital Mount Ranier quickly, maybe at all. My opinion is that Google is probing Microsoft's defenses. After 11 years, Google is on the move to the enterprise, just not galloping.

What is Google doing as we enter the summer of 2010?

eWeek Europe reported in March 2009 that enterprise use of Google Apps was soaring. Google's winners, according to a research report fro Palo Alto Networks, were Gmail, Google Docs, and Google calendar. The *eWeek* article quoted A Palo Alto Networks' executive as saying, "The Google stuff is really sticky. Docs and Calendar are extremely well used." The study, if accurate, indicates that Google is gaining some support in the enterprise. I think Google's own actions provide more useful insight into what is happening in the enterprise as we head toward the mid-point of 2010.

Google's hiring of 20-year Oracle executive Amit Singh, is a significant event. Mr. Singh understands the "Oracle way," a method of business that leaves few competitors unscathed. Executives who thrive under Larry Ellison, the larger-than-life Oracle CEO, know how to hit their sales targets. Google's approach to its enterprise applications business has been maturing over the last few years. With Mr. Singh, the Googley method may be given a dose of sales discipline. Mr. Singh may inject some of the Oracle DNA into the Google enterprise sales method.

Critics of Google are quick to point out that Google is almost completely dependent on advertising for its $24 billion in revenue. Nevertheless, Google management is taking steps that could bring much needed steroid-infused strength to the Google Applications business.

Another example of Google's commitment to its enterprise initiative is the roll out of Marketplace or Google Apps Marketplace store. When I first visited this subsite available at http://www.google.com/enterprise/Marketplace/home, I was expecting a base camp from which to strike at Microsoft. After some exploration, I realized that Marketplace is a shot across the bow of Salesforce.com and its App Exchange

(http://sites.force.com/appexchange/home). For several years, rumors that Google would acquire Salesforce.com would wax and wane. What the Marketplace site awakened in me was a realization that Google had learned about cloud-based enterprise application delivery from the market leader. Google is delivering on its notion of small, customizable applications that are created and distributed by individual developers and Google partners.

The Google Apps Marketplace, like Salesforce.com's store front, presents enterprise software in an iTunes-like way. Enterprise software is traditionally complicated, expensive, and about as non-consumer friendly as a product could be. Like Salesforce.com, Google makes enterprise software into a more friendly, affordable experience.

The graphic presentation is different from the naked search box on Google's home page. Software is grouped by "Marketplaces" and offers easy-to-scan lists highlighting the most installed and highest-rated products. I noticed the "Featured Apps" in the center of the Web page. This is no graphic bandage. Google is paying attention to marketing's visual conventions to make sales.

The attention given the Google Apps Marketplace is evident. What I find more interesting is that Google includes useful "Success Stories" and makes use of a star system to rate enterprise applications.

Another dose of sales is the Google Apps Marketplace video Channel (http://www.youtube.com/appsMarketplace). As of April 2010, there was a baker's dozen of programs available from Google partners. Participants include Expensify, Skytap, and Zoho. The presentation of the software and its benefits was quite effective for the videos I sampled. Google's enterprise partners, based on my sampling of programs, have taken healthy swigs of the Google cough syrup.

Eye candy is important. Google, however, is a deeply technical company. I have remarked that Google has more employees with Math Club than rugby club experience across its 19,000-strong workforce. Google has been extending the enterprise application programming interfaces (APIs) with each passing month. Google has some work to do to make its various enterprise code components more findable. There is a Google Apps Developer blog, which is a useful resource (http://googleappsdeveloper.blogspot.com/). But the key resource is tucked away in nooks and crannies on the sprawling Google site. For example, you can track down APIs for products like Google Maps via the Google search box with the query "Google Maps API" The good stuff is located at http://www.google.com/enterprise/maps. You can find treasure troves of code and information following this approach for OneBox (search appliance), Google Earth (satellite imagery), Google Apps Enterprise Edition (Microsoft Exchange support and more), and the little known Google Apps Blackberry Enterprise Server.

To be blunt, Google has done a great deal of work to make coding to support the enterprise reasonably straightforward. Google now needs to do more to make the information findable.

The impact of Google's increased focus on the enterprise is evident in the volume and tenor of commentary about the firm's push in this multi-billion dollar market sector. Some commentators have identified a specific activity such as Google's Directory Sync product. Others have pointed to Google's predilection to handle inquiries via email, often leaving telephone calls unreturned or unanswered. Even the rhetoric of enterprise software

incumbents has increased in pitch. The Silicon Alley Insider reported in February 2009, "Google Apps are overpriced and under-featured" with the source none other than Microsoft's CEO, Steve Ballmer.

One conclusion is warranted: Google is serious about the enterprise. I know that I have to stop and think about the differences among Google Apps Marketplace and Google Android Market. Perhaps better naming and site organization will make it easier for prospects to locate information? No migraine for Microsoft just yet, however.

Stephen E Arnold, ArnoldIT.com

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