

Google in the Enterprise 2009: The Cuculus Strategy

Google's enterprise strategy can be difficult to pin down. I attended a lecture at a museum in Denmark and learned about a remarkable bird and its stealthy, quite clever behavior. The birds are in the subfamily *Cuculinae* in the genus *cuculus*. These avians wait until another bird is preoccupied and when the coast is clear, the cuculi lay their eggs in the other bird's nest. When the bird who built the nest returns, the cuculi gets a free ride. No nest building, thank you, and even better, another bird keeps the unhatched *cuculi* warm. Because *cuculi* are good competitors often hatch before the other bird's eggs, the cuculi eat or pult from the nest the other bird's eggs.

Recently I met with a small group of United Kingdom investigators. The subject of Google Maps came up even though we were talking about general trends in open source intelligence.

"Google Maps," said one senior official, "those are must haves in our unit."

I asked "Why?" The response, which I am paraphrasing, is useful in understanding how Google is perceived in organizational settings:

"Those Google Maps are wonderful. I can pinpoint a location, find a route, and see the lay of the land before I arrive. One of our young computer whizzes put our own data on top of the local map. I could hover my mouse over a flag and see the information in our files about that particular location."

Notice that this accidental Google cheerleader did not talk about search, advertising, or browsers. A 55-year-old government professional saw Google as a better solution to a tough problem-- knowing how to get from A to B and having pertinent information "pop up."

I concluded that Google's enterprise approach relies upon providing useful services and letting 55-year-old officials do the selling as opposed to other enterprise vendors like Microsoft or Salesforce.com that define a goal and unleash the sales and marketing foot soldiers.

Once Google has a useful service, it becomes a logical step for a technologist to experiment with it. The result is Google attacking the enterprise market with adaptive products. Once the Google product performs usefully, then other services reproduce from that initial product. Because Google's products and services are woven from a more homogeneous digital fabric than products from IBM, Microsoft, or Oracle, Google's enterprise strategy is more subtle, non-directive, and-- quite frankly--chaotic.

In the last few months, I have noticed that Google's Enterprise Division has dialed in more product and marketing horsepower in the run up to year end. Google appears to have become more active on several different fronts in the battle for enterprise markets. What makes the developments significant is that people fear the weakening U.S. economy presages lower online advertising revenues. So this enterprise push pays several dividends to Google.

First, the uptake of the Google Search Appliance continues to be strong if Google's comments at

the September Enterprise Search Summit West were accurate. The company has licensed more than 24,000 Google Search Appliances. The prices published on the U.S. government's General Services Administration Advantage site reveal that Google is making upgrades from the GB 1001 device to the more robust GB 5005, GB 7007, and GB 8008 financially attractive. For as little as \$2,000 per month, a licensee can jump from the GB 1001 to the four million document capacity GB 5005. Google's strategy of seeding the market with Google Minis and GB 1001s appears to be part of an upgrade push that seems to be designed to expand the Google Search Appliance's presence in the enterprise market.

Second, Google has slowly and steadily built upon the original Google Docs product line. In the last few months, Google has added features to its Calendar and Gmail services. One of the most interesting innovations is the addition of video chat to Gmail. The functionality of the product provides Skype-like telephony and video conferencing to Gmail users. Skype, when I last used the service, had more than 14 million users online at 9 a.m. EST, Nov. 17, 2008. Google's potential reach is probably as wide, maybe even greater. Skype works well, but it is a service that does not provide a comprehensive information environment like Google's. Furthermore, Google offers what some users may perceive as a more integrated experience. If one "lives in" Gmail, Skype remains a separate application outside the Googleplex's ecosystem of services.

Third, at the Web 2.0 conference in November 2008, David Girouard, the top enterprise Googler, hinted at making the Google Apps a development platform. The media jumped on Mr. Girouard's announcement, but it was "old news." Google already had revealed those intentions in Web log posts across its network of more than 70 Web logs. Google announced a Google Apps "hackathon" in two locations: Ann Arbor, Michigan, and Atlanta, Georgia. The purpose of these events, for which pre-registration was required, was to provide examples and information about building applications for Google Apps.

Finally, Google began playing hardball with Sun Microsystems. Google removed StarOffice, a project supported by Sun Microsystems' open source group, from the Google Pack. Google Pack, which is available for download here [http://pack.google.com/intl/en/pack_installer.html?hl=en&brand=GPMD&utm_source=en_US-et-more&utm_medium=et&utm_campaign=en_US] provides a suite of utilities that Google "certifies." Instead of StarOffice, Google includes its own word processing, spreadsheet, and presentation tools. Sun Microsystems inked a deal to bundle Microsoft's desktop toolbar, which includes Microsoft's Live.com search function with its Java virtual machine technology. Java, like Adobe Flash, has become one of the must-have browser add-ons. The breach between Google and Sun Microsystems suggests how serious Google is in its new enterprise initiatives.

These four developments are interesting to me. But Google has made two other tactical moves that may be of greater consequence. Let's look at each of these developments and then risk a look at what's ahead for Google in the enterprise in 2009.

A service-level agreement is little more than a guarantee of a minimum level of service. The service level agreement--or SLA, as those in the know prefer--provides enterprise customers with a guarantee that a particular service will be available for a specified period of time and meet specific minimum levels of performance. The metrics of an SLA can be quite complex, but

the idea is that if a vendor does not meet the specification, the customer either gets a discount or some other consideration for the delivery problem. Google has a number of SLA-related patent documents like US7142536, filed in late 2000. But Google did not offer an SLA for its Apps suite until October 2008.

October 2008 was a period during which Google Apps and Gmail users encountered downtime. No online service can be online 24x7 unless users pay for the additional hardware and infrastructure required to keep a mechanical device and services provided by telecommunication vendors in redundant, hot fail over assemblies. Google's SLA for Google Apps and Gmail guarantees that service outages will be less than 45 minutes each month or when user error rate exceeds five percent measured on the server side of the system the customer uses. You can read the legalese for the Google SLA at <http://www.google.com/apps/intl/en/terms/sla.html>, but take an attorney to lunch when you work through the document. Google's lawyers are more syntactically challenged than its sales professionals.

The second big development was the addition of Google Analytics to the enterprise services. Google has provided a range of analytical tools for its advertisers and consumer search customers since Google bought Urchin Software Corporation in March 2005. In November 2008 Google added analytics for its Apps service. The enterprise customer can use Google Analytics to determine how many authorized users reviewed a particular Google document or to cross-tabulate users, content, time, and other useful views of enterprise user behavior. Most organizations lack even basic tools for figuring out what an employee does with content. The Google Analytics for Apps creates a new, compelling feature that is easy to use and essentially a free add-on to the enterprise license.

Let's step back. What is Google doing with these different initiatives? My research suggests that Google is adding more *cuculi* to its enterprise offerings. The idea is that these Google clamators get into an organization. When the organization learns what Google delivers, the Google clamators step forward with highly desirable hard data and service level guarantees. Each clamator grows from a tiny egg into a full grown enterprise opportunity. For many organizations, concrete data about user behavior remains difficult to obtain. The notion of reducing risk is aimed directly at reducing uncertainty, which may be quite high in some organizations.

The clamators' behavior may shed some light on Google's 2009 enterprise tactics. The company wants to lay its eggs in organizations already dominated by enterprise giants like IBM, Oracle, and Microsoft. With the Google eggs in the nest, it is only a matter of time for the new Google products and services to hatch, hopefully to flourish in the organization's ecosystem.

I know the *cuculi* analogy is far removed from Google's software and information services. But in 2009, Google is going to become a larger presence in organizations precisely because of its ability to use tactics that don't match up to the received wisdom about enterprise sales. A company like Microsoft may find that its best customers are using Google services such as Google Maps because they are useful. IBM may realize that it has been keeping Google's presence warm in the IBM nest, assuming that Google is a partner or no threat to IBM's iron grip on a particular customer.

Now what's the outlook for 2009? That's an easy question. More of the same. Summary: Google is attacking existing market leaders in the enterprise market using its *cuculi* methods. Google is making headway in the organization, but the company uses unconventional techniques that are as unexpected and difficult to duplicate as its free online translation service or its expanding suite of communication tools.

One final question: "Do Google's competitors recognize the threat Google poses to incumbent vendors' revenues from enterprise sales?" In a word, "Nope." I don't think the light will go on until two or three blue chip enterprise software vendors wake up one morning, here Google *cuculi* in the employee break room and in the organization's information space.