FORRESTER®

New Technology: The Projected Total Economic Impact™ Of Microsoft Teams Premium

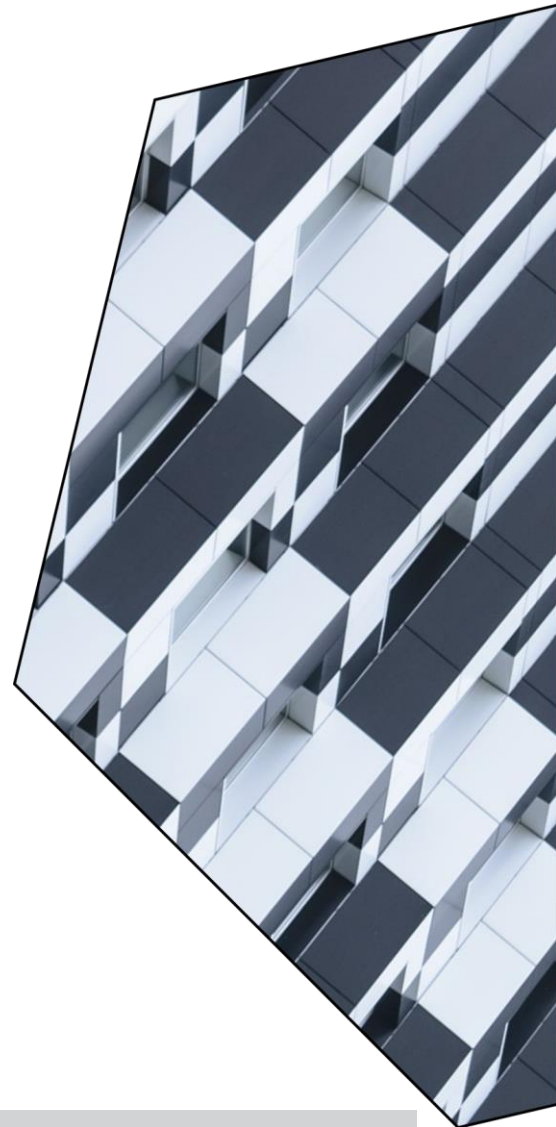Cost Savings And Business Benefits
Enabled By Teams Premium

JULY 2023

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Executive Summary

With the number of meetings growing and calendars becoming increasingly booked, IT and business leaders are looking for tools to lessen the load on employees and help them focus on higher-value work while also making virtual collaboration more secure. Expected benefits of investing in Microsoft Teams Premium include freeing employees' time through AI, automation, and scheduling functionality while improving the security position of the company through watermarking, end-to-end encryption, and sensitivity labels.

Microsoft Teams Premium is an upgrade to the Microsoft Teams collaboration suite and is powered by AI technology, such as OpenAI's generative pre-trained transformer (GPT).[1] Teams Premium offers users advanced collaboration functionality such as intelligent recap, end-to-end encryption, and meeting customization. These capabilities are designed to make meetings more productive and engaging, events more accessible, organizations more secure, and employees' time more focused on higher-value tasks.

Microsoft commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (PROI) enterprises may realize by deploying Teams Premium.[2] The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Teams Premium on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed six representatives from five organizations and surveyed an additional 243 representatives with experience using and/or evaluating Teams Premium. Because Microsoft recently released many features of Teams Premium, this analysis focuses on just the features that interviewees and survey respondents were able to evaluate. However, it is possible that additional features released in the future may provide incremental business value that Forrester is not currently able to evaluate.

KEY STATISTICS

Projected return on investment (PROI)
108% - 360%

Projected net present value (NPV)
$426,000 - $1.4 million

For the purposes of this study, Forrester aggregated the interviewees' and survey respondents' experiences and combined the results into a single composite organization that is a multibillion-dollar organization serving mostly B2B channels with employees using Microsoft 365 E3 and E5 licenses.

Interviewees and survey respondents noted that prior to using Teams Premium, their organizations and employees struggled to keep pace with increasing numbers of meetings. However, prior attempts to improve virtual meetings yielded limited success that left employees with overbooked calendars and resulted in meetings and events that were not as productive as possible.

After the investment in Teams Premium, the organizations saw improvements in their pilot test groups and are either already expanding their Teams Premium usage or planning for expansion in the near

future. Key results from the investment include faster review of key meeting moments using intelligent recap, time saved using meeting templates and virtual appointments, saved labor from live webinar translations, and avoided cost of third-party licenses.

KEY FINDINGS

Quantified projected benefits. Three-year, risk-adjusted present value (PV) quantified benefits for the composite organization include:

- **Faster review of key meeting moments using intelligent recap.** The composite organization invests in Teams Premium in part to provide employees with a safe way to leverage generative AI through its intelligent recap feature. This generates intelligent notes for meetings as well as an audit trail of decisions. Over three years, this reduces the composite's time to catch up from missed meetings by 50% to 90%, which is worth between $323,000 and $639,000 to the organization.

Faster review using intelligent recap

$323,000 to $639,000 in labor savings

- **More efficient scheduling using meeting templates and virtual appointments.** Employees using virtual appointments and meeting templates as a part of Teams Premium save time scheduling large numbers of meetings. Much of this is due to automated functions in Teams Premium that allow employees to reallocate time to higher-value tasks. Over three years, reducing this time by 40% to 80% is worth $328,000 to $689,000 to the composite organization.

- **Saved labor from automatic live translation for captions in webinars.** Teams Premium enables the composite organization's hosts to provide live caption translation during webinar events, which supports multiple languages in real time. This saves the hosts several hours per webinar because they no longer need to manually translate their speeches. This also allows the composite to reach new audiences. Over three years, the labor savings are worth between $29,000 and $116,000 to the composite organization.

- **Avoided cost of third-party licenses.** In addition to saving employees time, Teams Premium also saves the composite organization third-party license costs. This is driven by the broad range of functionality that Teams Premium offers, which means the composite can consolidate the number of licenses employees require for video calling, meeting encryption, and webinar hosting. This saves the composite organization between $141,000 and $376,000 over three years.

> **"Teams Premium can give us confidence when dealing with classified information. For example, we could use watermarks or just encrypted meetings depending on the customer. That's extra value. It opens new possibilities on how you can do hybrid meetings."**
>
> *Principal consultant, Sulava*

Unquantified benefits. Benefits that provide value for the composite organization but are not quantified for this study include:

- **Protection of intellectual property.** Teams Premium protects the intellectual property of the composite organization through watermarking, sensitivity labels, preset meeting security settings, and end-to-end encryption. This helps employees securely collaborate in virtual environments and provides stakeholders with trust that intellectual property is properly secured.

> **98%** of survey respondents with experience using Teams Premium said it would help their organization avoid security incidents.
>
> Base: 124 managers+ in IT functional roles at enterprise organizations in industries that use collaboration software

- **More effective meetings.** With its average number of meetings growing significantly, the composite organization improves its "meeting culture" with Teams Premium. It does this by reducing the number of meetings employees need to attend, which allows meetings to become more effective. In turn, this lowers the cognitive load for many employees, because AI-generated notes are automatically available, and leaders can make better decisions.

- **Additional saved time after meetings.** Teams Premium users in the composite organization save additional time after meetings by leveraging notes automatically provided by intelligent recap. This provides them with an automatic audit trail of decisions as well as assigned next steps.

- **Fewer errors and less misrepresentation.** In addition to making meetings more effective for those participating, Teams Premium provides

> **"If people were fully using Teams Premium, they would have [much] better meetings than they have today. I would love to see everyone utilize meeting options to their full extent, like role-specific meeting controls, watermarking, and intelligent recap."**
>
> *Lead of employee engagement and hybrid work, consumer packaged goods*

more accurate recaps and notes for those who do not join and who previously would need to refer to shorthand notes or potentially biased meeting recaps directly from attendees.

- **Improved employee satisfaction.** Teams Premium helps shift meeting culture and workloads, reducing administrative work and improving employee satisfaction. Employees reallocate their time during work to more important and engaging tasks and reduce time during non-work hours catching up from missed meetings.

Costs. Three-year, risk-adjusted PV costs for the composite organization include:

- **Teams Premium licenses (non-discounted).** The composite organization pays the non-discounted price of $10 per employee per month for Teams Premium. Over three years, this costs the composite organization $231,000 in Teams Premium licenses.

- **Training, administration, and experimentation.** The composite's employees need brief training on Teams Premium to learn

how to best leverage the new features as a part of their day-to-day work. In addition, employees spend time experimenting on their own, and IT leaders also require a small amount of time to administer licenses and evaluate the roles best suited for Teams Premium licenses. The cost of this combined labor is $164,000 for the composite organization over a three-year period.

Forrester modeled a range of projected low-, medium-, and high-impact outcomes based on evaluated risk. This financial analysis projects that the composite organization accrues the following three-year net present value (NPV) for each scenario by enabling Microsoft Teams Premium:

- Projected high impact of a $1.4 million NPV and projected ROI of 360%.

- Projected medium impact of a $904,000 NPV and projected ROI of 229%.

- Projected low impact of a $426,000 NPV and projected ROI of 108%.

PROI
108% - 360%

PROJECTED BENEFITS PV
$821,000 - $1.8 million

PROJECTED NPV
$426,000 - $1.4 million

TOTAL COSTS
$395,000

Figures in chart below are projections for the mid-case scenario.
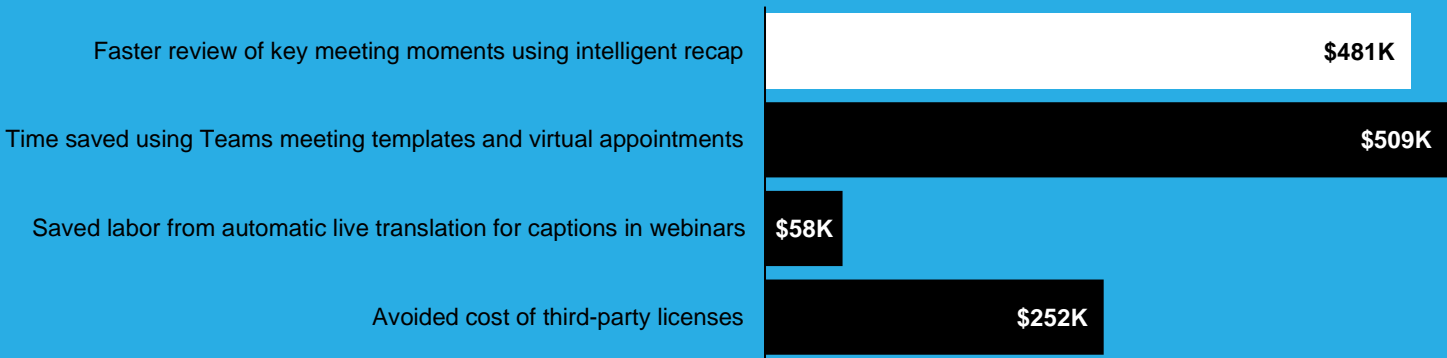
Faster review of key meeting moments using intelligent recap	**$481K**
Time saved using Teams meeting templates and virtual appointments	**$509K**
Saved labor from automatic live translation for captions in webinars	**$58K**
Avoided cost of third-party licenses	**$252K**

Faster Review Using Intelligent Recap Module: Range of Three-Year Cumulative Impact, PV

High projection, $639K

Mid projection, $481K

Low projection, $323K

$700K
$600K
$500K
$400K
$300K
$200K
$100K
$0K

Initial   Year 1   Year 2   Year 3
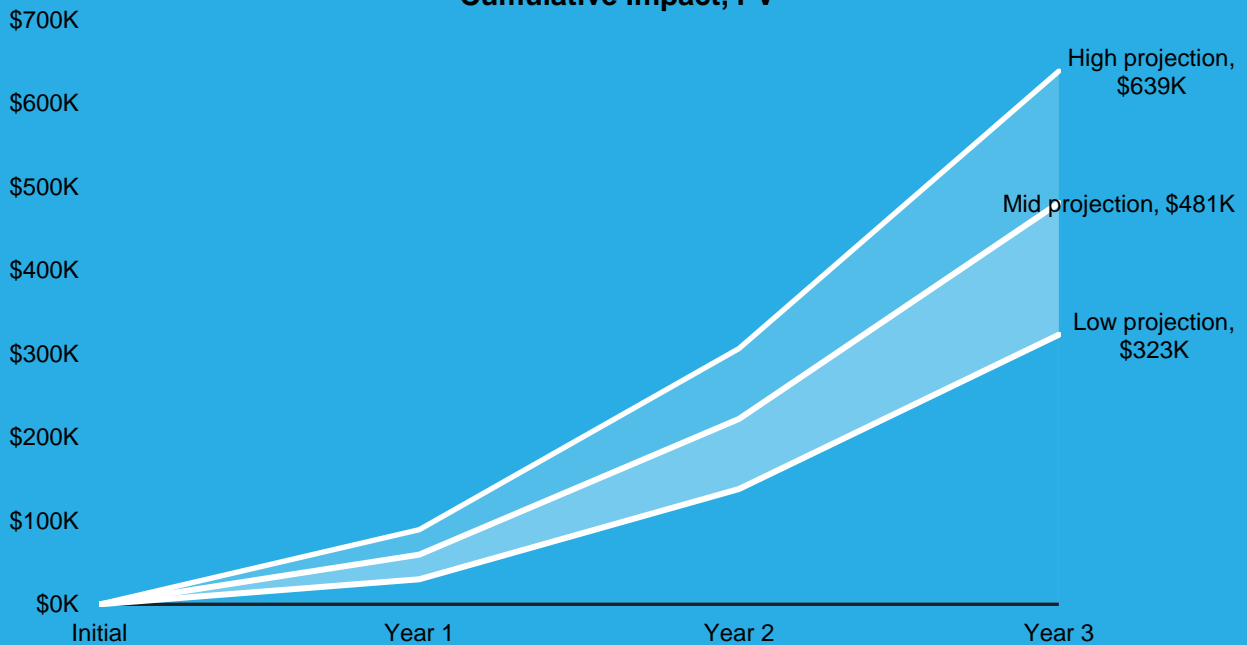
NEW TECH TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a New Technology: Projected Total Economic Impact™ (New Tech TEI) framework for those organizations considering an investment in Microsoft Teams Premium.

The objective of the framework is to identify the potential cost, benefit, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the projected impact that Teams Premium can have on an organization.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by Microsoft and delivered by Forrester Consulting. It is not meant to be used as a competitive analysis.

Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the study to determine the appropriateness of an investment in Teams Premium.

Microsoft reviewed and provided feedback to Forrester, but Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning of the study.

Microsoft provided the customer names for the interviews but did not participate in the interviews.

DUE DILIGENCE
Interviewed Microsoft stakeholders and Forrester analysts to gather data relative to Microsoft Teams Premium.

EARLY-IMPLEMENTATION INTERVIEWS
Interviewed six representatives at five organizations using Teams Premium in a pilot or beta stage to obtain data with respect to projected costs, benefits, and risks. Surveyed an additional 243 IT collaboration suite decision-makers.

COMPOSITE ORGANIZATION
Designed a composite organization based on characteristics of the interviewees' and survey respondents' organizations.

PROJECTED FINANCIAL MODEL FRAMEWORK
Constructed a projected financial model representative of the interviews using the New Tech TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewees.

CASE STUDY
Employed four fundamental elements of New Tech TEI in modeling the investment's potential impact: benefits, costs, flexibility, and risks. Given the increasing sophistication of ROI analyses related to IT investments, Forrester's TEI methodology provides a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the TEI methodology.

The Microsoft Teams Premium Customer Journey

Interviews

Role	Industry	Region	Employees
Lead of employee engagement and hybrid work	Consumer packaged goods	EMEA	20,000
Principal consultant	Global systems integration Company: Sulava	EMEA	<200
Head of operations and application support	Management consulting Company: BearingPoint	EMEA	6,000
Microsoft 365 product owner	Financial services	EMEA	31,000
Senior innovation manager	Financial services	EMEA	31,000
Chief information officer	Healthcare analytics	North America	<5,000

KEY CHALLENGES

Forrester interviewed six representatives from five organizations with experience using Teams Premium at their organizations. [3] Additionally, Forrester surveyed 243 cross-industry, global collaboration suite decision-makers at organizations using collaboration software from various providers, including Microsoft. For more information on the survey respondents and the organizations they represent, see Appendix C.

Interviewees noted that prior to piloting and investing in Teams Premium, their organizations experienced reductions in meeting efficiency. At the same time, technology costs were increasing as more specialized functionality (e.g., encryption, webinar hosting) was required. In fact, only 26% of survey respondents reported their organization has had no issues and that they are happy with their firm's current, non-Teams Premium collaboration suite. [4]

The interviewees and survey respondents noted how their organizations struggled with common challenges, including:

- **A sharp increase in the number and size of meetings, and a simultaneous decrease in meeting effectiveness.** As the organizations migrated to more virtual and hybrid environments during the past several years, the number of meetings significantly increased. This created a fear of missing out, and the audience sizes for meetings also increased. Not only did this require employees to spend more time in meetings, but the meetings themselves became less focused and less productive.

The Microsoft 365 product owner of a financial services company said: "Not only have meetings increased by 250%, but we also saw more senior people starting to join more meetings. This is a general trend across the industry, and [it] has several impacts. Junior people in the meetings don't feel empowered and aren't as active because you have someone senior there. And the senior people themselves are overloaded by joining everything and making decisions on everything."

The chief information officer of a healthcare analytics organization said: "In my typical day, I've got meetings back-to-back, and I'm literally hanging up [from one meeting] at 10:29 to join a 10:30 meeting. I don't have time to document
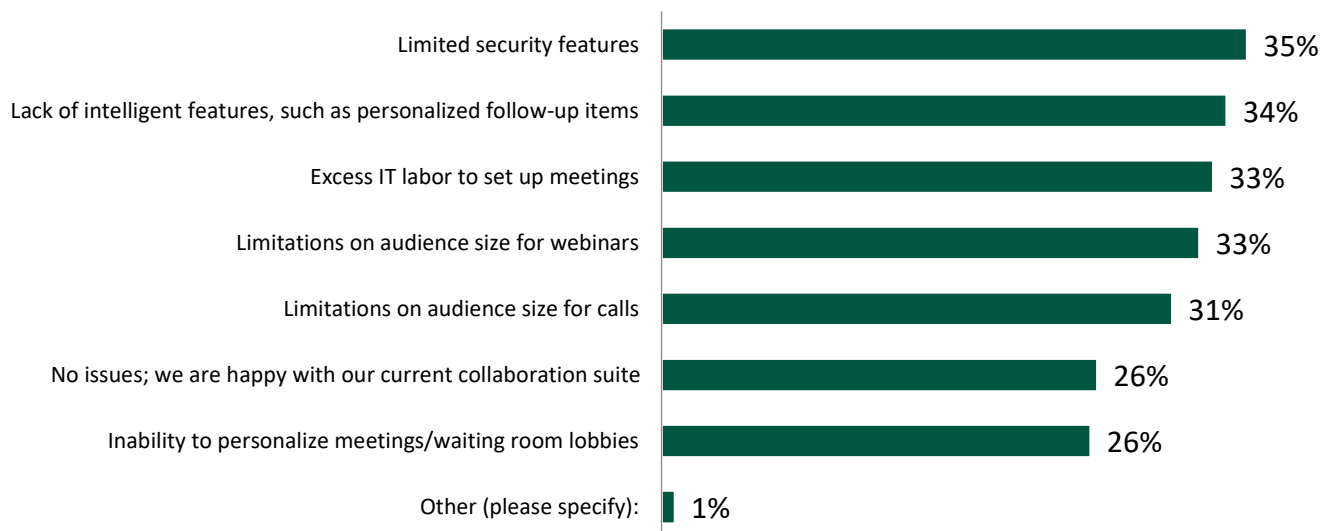
what I've been talking about for the past 29 minutes."

The Microsoft 365 product owner of a financial services organization said: "Our senior people used to all have personal assistants to organize meetings for them. That's changed in the past few years [to] where only the most senior people have that benefit. So, we have a group of senior people who used to have someone help write minutes and organize their meetings, and they are now struggling without that help."

- **Growing concerns over security and intellectual property protection.** Business and industry stakeholders had concerns about confidential information being shared across geographically distributed teams and outside of corporate firewalls. Further, lack of security features increased risk as 35% of survey respondents noted that limited security features are an issue with their organization's current collaboration suite.[5] The organizations invested in additional technologies and capabilities to try

"Our [number of] meetings [has] gone up 250% since [before the COVID-19 pandemic], and [it hasn't] dropped back down. When we look at the Microsoft dashboards compared to our peers, our meeting practice is generally poor. There's a huge amount of time and effort invested in these meetings, so anything that can help improve those interactions is going to be a big benefit for all of us."

Microsoft 365 product owner, financial services

"What issues, if any, do you see with your organization's current collaboration suite?"

Issue	Percentage
Limited security features	35%
Lack of intelligent features, such as personalized follow-up items	34%
Excess IT labor to set up meetings	33%
Limitations on audience size for webinars	33%
Limitations on audience size for calls	31%
No issues; we are happy with our current collaboration suite	26%
Inability to personalize meetings/waiting room lobbies	26%
Other (please specify):	1%

Base: 243 managers+ in IT functional roles at enterprise organizations in industries that use collaboration software
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, May 2023

to mitigate these issues, but needs varied greatly across teams and created significant strain and costs to IT groups.

> **"Any data breach can cause a lot of damage to the brand. If we are not trusted anymore, customers won't sign contracts."**
>
> *Head of operations and application support, BearingPoint*

- **Improving employee productivity.** With the significant increase in the number of meetings, maintaining and improving employee productivity was essential to decision-makers. However, employee productivity was negatively impacted by excess meeting administration work for IT and a lack of intelligence within collaboration suites. In fact, 33% of survey respondents said excess IT labor to set up meetings is a challenge for their organization while 34% noted that lack of intelligent features (e.g., AI-generated notes, personalized highlights) are an issue.[6]

- **Desire to own brands within virtual environments.** External client meetings also shifted to virtual environments, creating challenges for organizations to control their brands across diverse technologies and platforms. In fact, 26% of survey respondents reported that the inability to personalize meetings or waiting room lobbies is an issue with their organization's current collaboration suite.[7] Business decision-makers looked for their IT groups to provide solutions that could better portray their company's image to customers.

- **Interest in AI technology, but difficulty with adoption.** Many interviewees mentioned that

they had strong interest in finding ways to leverage AI technology in their business, but they struggled to find safe technologies and appropriate use cases. The Microsoft 365 product owner at a financial services organization said: "AI features are a disruptive technology, and there is a feeling that this is something we need to get ahead of before we fall behind. … If we don't get on board, other [companies] will get ahead."

The chief information officer of a healthcare analytics organization said, "We are just dipping our toe in the water with generative AI [and] experimenting with what I call 'safe' use cases. And one of those safe use cases is Teams Premium."

> **"What I found is that people are very interested in branding and wanting to control the identity of how we are presenting ourselves. It also keeps customer confidence and trust that they know they are joining a Sulava meeting."**
>
> *Principal consultant, Sulava*

SOLUTION REQUIREMENTS/INVESTMENT OBJECTIVES

The interviewees' and survey respondents' organizations searched for a solution that could:

- Provide a low-effort transition and integrate seamlessly into their company's Microsoft 365 suite.

- Give employees an easy way to leverage AI to make them more effective in their daily work.

- Allow IT to have an opportunity to provide value to senior leadership and decrease the burden of their increasing number of meetings.

- Improve employee productivity and enable remote or hybrid workforces.

- Drive better customer experiences and improve customer satisfaction while also saving time and money when engaging with them.

- Provide premium features including end-to-end encryption, advanced virtual appointments, advanced webinar functionality, and intelligent recap.

After evaluating multiple vendors, the interviewees' organizations chose Teams Premium and began deployment:

- Each interviewee's organization had either begun a pilot program to evaluate Teams Premium or planned to begin one soon.

- The organizations initially deployed Teams Premium to teams of a few dozen employees, and those teams represented use cases the organizations expected to be the most common.

- Some interviewees said their organization had begun expanding Teams Premium usage after the initial success of the pilot program. Most interviewees said their organization planned to move 10% to 25% of employees from Teams to Teams Premium within the first year of the rollout.

COMPOSITE ORGANIZATION

Based on the interviews, Forrester constructed a TEI framework, a composite company, and a PROI analysis that illustrates the areas financially affected. The composite organization is representative of the five interviewees, and it is used to present the aggregate financial analysis in the next section. The

> **"It's a big win for us in IT to give management a piece of technology that will help them with the problem. ... It's low risk, easy to get in, and gets us good PR internally. I've looked at that as a priority because I think it will get us the most support."**
>
> *Microsoft 365 product owner, financial services*

composite organization has the following characteristics:

Description of composite. The composite organization is a global, multibillion-dollar organization that's headquartered in North America and serves mostly B2B channels. Employees have Office E5 licenses and use Microsoft productivity tools such as Teams for communication and collaboration. Of these employees, 1,200 are identified to receive Teams Premium licenses. These employees include business leaders, project managers, media team members, client-facing consultants, analysts, IT administrators, and general knowledge workers. Prior to investing in Teams Premium, these employees used third-party licenses to encrypt their meetings and to provide webinar functionality. In addition, 20% of these Teams Premium users had previously been issued third-party video calling licenses and can stop using the additional software with Teams Premium.

Deployment characteristics. In the first year, the organization gives 400 employees access to Teams Premium. This number increases to 800 employees in Year 2 and to 1,200 in Year 3. This group includes 120 administrative employees who schedule large numbers of meetings and 60 employees who host webinars.

Key Assumptions
- **1,200 Teams Premium users**
- **120 administrative employees**
- **60 webinar hosts**

Analysis Of Benefits

Quantified benefit data as applied to the composite

Total Projected Benefits					
Projected Benefits	Year 1	Year 2	Year 3	Total	Present Value
Total projected benefits (low)	$124,400	$332,400	$576,600	$1,033,400	$821,010
Total projected benefits (mid)	$223,600	$532,000	$874,200	$1,629,800	$1,299,742
Total projected benefits (high)	$331,200	$747,200	$1,198,800	$2,277,200	$1,819,287

FASTER REVIEW OF KEY MEETING MOMENTS USING INTELLIGENT RECAP

Evidence and data. Interviewees said one of the main reasons their organizations are interested in expanding Teams Premium licenses is to give more employees access to intelligent recap.

- Interviewees expect that intelligent recap would significantly reduce the amount of time it takes employees to catch up on meetings they miss.

- When asked to estimate the amount of time employees could save per missed meeting, interviewees consistently said employees could review meeting notes in approximately 5 to 15 minutes using intelligent recap. This is instead of taking 45 to 60 minutes to watch a recording or read a transcript or needing a combined 40 minutes to ask another employee to review with them. This is equivalent to a 63% to 92% decrease.

- Interviewees also said they expect intelligent recap would help employees keep better notes from meetings they did attend and that this would provide an audit trail of decisions and improve the quality of future meetings and decisions.

- 53% of surveyed decision-makers ranked intelligent recap in their top five use cases for Teams Premium.[8]

> **"If you miss a meeting, you could spend one hour [watching] the recording or ask someone else to spend 20 minutes reviewing notes with you. Or, if you use intelligent recap, it will take just 10 minutes to read it and catch up by yourself."**
>
> *Principal consultant, Sulava*

Modeling and assumptions. Forrester leveraged interview and survey data to model the financial impact for the composite organization and assumes the following:
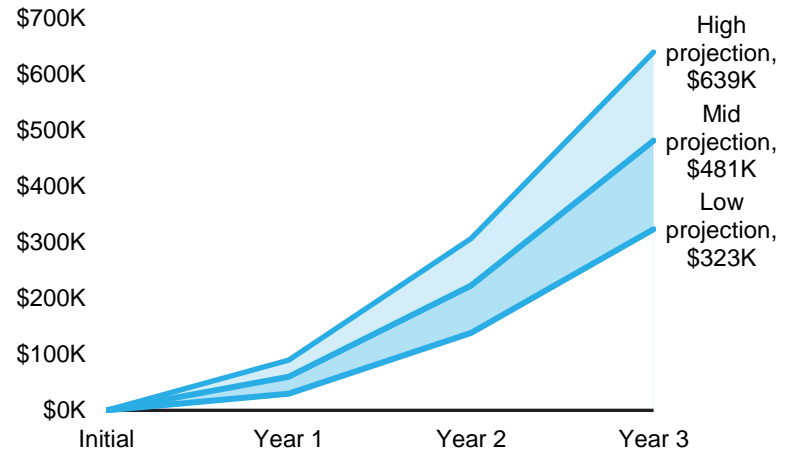
- The composite's average Teams Premium user is required to review notes in detail from missed meetings for 10 weeks per year when they are sick, on vacation, or significantly overbooked. This takes an additional 5 hours per week of missed meetings. While some employees miss a significantly higher number of meetings each

year, this average includes employees who will have fewer missed meetings.

- Although the composite's employees benefit from intelligent recap the rest of the year, Forrester did not include the time saved in other weeks as part of this analysis.

- The composite's Teams Premium users reduce the time it takes to review notes from a missed meeting by 50% to 90% by Year 3 of the Teams Premium deployment, and the organization captures half of this saved time.

- In the first year, the composite gives Teams Premium licenses to 400 employees. This number increases to 1,200 employees by the third year.

- The average fully burdened hourly wage of a Teams Premium user is $41.

Results. This yields a three-year projected PV ranging from $323,000 to $639,000.

Faster Review Of Key Meeting Moments Using Intelligent Recap Module: Range of Three-Year Cumulative Impact, PV

High projection, $639K

Mid projection, $481K

Low projection, $323K

$700K
$600K
$500K
$400K
$300K
$200K
$100K
$0K

Initial   Year 1   Year 2   Year 3

"If you miss a bunch of meetings, then you can use intelligent recap instead of scrolling your way through everything to find one particular point. You could definitely save a few hours a week when you're sick, traveling, or have a full calendar."

Lead of employee engagement and hybrid work, consumer packaged goods

Faster Review Of Key Meeting Moments Using Intelligent Recap

Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	Average weeks per year during which an employee needs to review detailed notes of missed meetings	Interviews	10	10	10
A2	Weekly time spent per Teams Premium user reviewing notes from missed meetings (hours)	Interviews	5	5	5
$A3_{Low}$	Reduction in time to review notes from missed meetings using intelligent recap	Interviews	20%	40%	50%
$A3_{Mid}$			40%	60%	70%
$A3_{High}$			60%	80%	90%
$A4_{Low}$	Time saved per Teams Premium user per year using intelligent recap (hours)	A1*A2*A3	10	20	25
$A4_{Mid}$			20	30	35
$A4_{High}$			30	40	45
A5	Teams Premium users	Interviews	400	800	1,200
A6	Percentage of time recaptured	TEI standard	50%	50%	50%
A7	Fully burdened hourly wage of a Teams Premium user	TEI standard	$41	$41	$41
At_{Low}	Faster review of key meeting moments using intelligent recap	A4*A5*A6*A7	$82,000	$328,000	$615,000
At_{Mid}			$164,000	$492,000	$861,000
At_{High}			$246,000	$656,000	$1,107,000
	Three-year projected total: $410,000 to $803,600		**Three-year projected present value: $323,071 to $638,996**		

MORE EFFICIENT SCHEDULING USING TEAMS MEETING TEMPLATES AND VIRTUAL APPOINTMENTS

Evidence and data. Prior to using Teams Premium, interviewees noted that administrative employees spent significantly more time scheduling meetings due to an increasing number of meetings along with more types and formats of meetings.

- Interviewees expect that employees who use virtual appointments on Microsoft Teams will save significant amounts of time scheduling meetings because each participant can select their own preferred slot and the meeting will automatically be scheduled. This frees up administrative employees for other tasks.

- Interviewed decision-makers said that after testing pilot groups, they anticipate the magnitude of time savings enabled by virtual appointments and meeting templates will be comparable to time savings enabled by intelligent recap (63% to 92% time saved on relevant tasks).

- Virtual appointments and meeting templates are expected to provide the most time savings to employees who regularly schedule a large number of meetings.

- Interviewees expect employees who use Teams meeting templates to save additional time as common meeting formats can be prebuilt and not require custom configuration each time. This is also expected to reduce the number of security incidents and the time required to configure security settings because they would not need to be manually set each time.

- Interviewees said using Teams meeting templates doesn't just save time, but that it also can improve the security position of a company. The lead of employee engagement and hybrid work at a consumer packaged goods organization said: "If people are guided into their

> **"Meeting templates save time. But, also from the company's perspective, [leaders] know that the security settings are right. This can save IT support as well."**
>
> *Principal consultant, Sulava*

meetings correctly, you're mitigating risks. This could potentially save both time and money."

- 59% of surveyed decision-makers listed advanced virtual appointments as one of their top five use cases for Teams Premium.[9]

- Surveyed decision-makers who indicated some employees had started using Teams Premium indicated they expect an average of 54% of Teams Premium users to use meeting templates.[10]

Modeling and assumptions. Forrester leveraged interview and survey data to model the financial impact for the composite organization and assumes the following:

- The average administrative worker at the composite spends 6 hours per week scheduling meetings, and this includes setting up meetings with custom security and permissions settings.

- By using both Teams meeting templates and virtual appointments, these employees schedule meetings 40% to 80% faster than they could before.

- The number of employees who use Teams meeting templates and virtual appointments to schedule many meetings grows from 40 to 120 by the third year. The average fully burdened hourly wage of these employees is $30.

Results. This yields a three-year projected PV ranging from $328,000 to $689,000.

More Efficient Scheduling Using Teams Meeting Templates And Virtual Appointments Module: Range of Three-Year Cumulative Impact, PV

High projection, $689K
Mid projection, $509K
Low projection, $328K
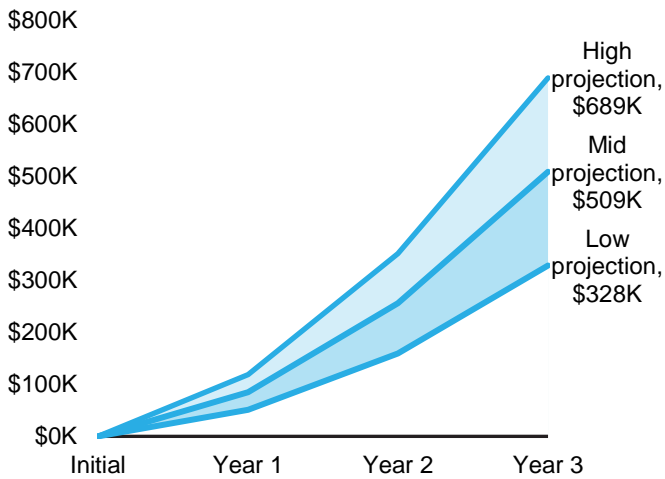
More Efficient Scheduling Using Teams Meeting Templates And Virtual Appointments					
Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Weekly time spent per administrative worker scheduling meetings (hours)	Interviews	6	6	6
B2$_{Low}$	Reduction in time to schedule meetings using Teams meeting templates and virtual appointments	Interviews	30%	35%	40%
B2$_{Mid}$			50%	55%	60%
B2$_{High}$			70%	75%	80%
B3$_{Low}$	Time saved per administrative employee per year using Teams meeting templates and virtual appointments (rounded hours)	B1*B2*52 weeks	94	109	125
B3$_{Mid}$			156	172	187
B3$_{High}$			218	234	250
B4	Teams Premium users who schedule a large number of meetings	Composite	40	80	120
B5	Percentage of time recaptured	TEI standard	50%	50%	50%
B6	Fully burdened hourly wage of an administrative employee	TEI standard	$30	$30	$30
Bt$_{Low}$	More efficient scheduling using Teams meeting templates and virtual appointments	B3*B4*B5*B6	$56,400	$130,800	$225,000
Bt$_{Mid}$			$93,600	$206,400	$336,600
Bt$_{High}$			$130,800	$280,800	$450,000
	Three-year projected total: $412,200 to $861,600		**Three-year projected present value: $328,418 to $689,067**		

SAVED LABOR FROM AUTOMATIC LIVE TRANSLATION FOR CAPTIONS IN WEBINARS

Evidence and data. Some interviewees and survey respondents said their organizations produce webinars across several countries and in different languages as a core part of their business. To effectively reach diverse markets, the webinars either need a live interpreter or a manual transcript translation afterwards. Teams Premium allows these moderators to instead offer automatic caption translation, which reduces costs and allows them to reach even more markets.

- The principal consultant at Sulava estimated that for every webinar that no longer needs to be translated due to Teams Premium, their company saved 4 hours of labor. They said, "We are easily taking half a day, depending on video length, because you have to translate to text and then you have to start putting captions in."

- 41% of surveyed decision-makers listed live translations for meeting captions as one of their top five use cases for Teams Premium.[11]

Survey respondents expect live translations to save their organizations **2.8 hours** of labor per webinar.

Base: 42 managers+ in IT functional roles at enterprise organizations in industries that use collaboration software

Modeling and assumptions. Forrester leveraged interview and survey data to model the financial impact for the composite organization and assumes the following:

- The number of Teams Premium users who host webinars for the composite starts at 20 in Year 1 and grows to 60 in Year 3.

- The average webinar host needs to spend between 1 and 4 labor hours per webinar that needs to be translated. This range accounts for some webinars being shorter than others, and some languages taking less effort to translate than others.

- On average, one webinar host needs one webinar per month to be translated. This accounts for some hosts having many webinars that need to be translated while others not having any.

Results. This yields a three-year projected PV ranging from $29,000 (low) to $116,000 (high).

> **"If you are a global organization with multiple nationalities, Teams Premium adds the possibility to create [real-time captions] for different languages, and that's when you start adding value. You save time translating, but more importantly, you can reach people in their own language."**
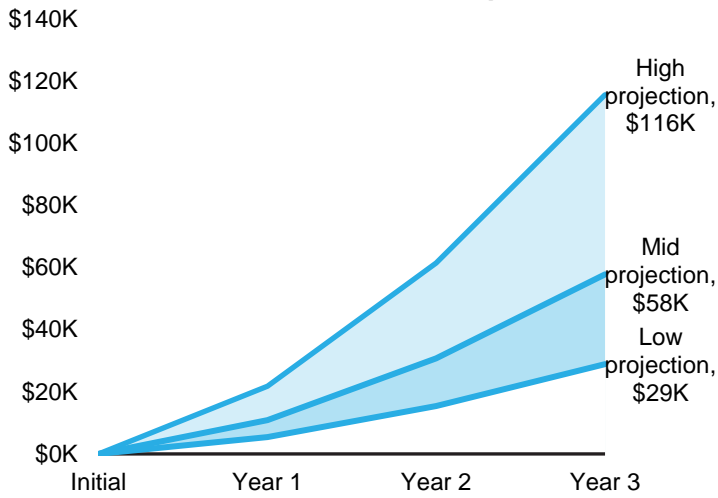>
> *Principal consultant, Sulava*

**Saved Labor From Live Webinar
Caption Translation Module: Range of
Three-Year Cumulative Impact, PV**

High projection, $116K

Mid projection, $58K

Low projection, $29K

Saved Labor From Automatic Live Webinar Translation					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
C1	Monthly webinars per moderator that require language translation	Interviews	1	1	1
$C2_{Low}$	Time saved per webinar using live caption translation (hours)	Interviews	1	1	1
$C2_{Mid}$			2	2	2
$C2_{High}$			4	4	4
$C3_{Low}$	Time saved per webinar moderator per year (hours)	C2*12 months	12	12	12
$C3_{Mid}$			24	24	24
$C3_{High}$			48	48	48
C4	Teams Premium users who host webinars	Composite	20	40	60
C5	Percentage of time recaptured	TEI standard	50%	50%	50%
C6	Fully burdened average hourly salary of a webinar moderator	TEI standard	$50	$50	$50
Ct_{Low}	Saved labor from automatic live webinar translation	C3*C4*C5*C6	$6,000	$12,000	$18,000
Ct_{Mid}			$12,000	$24,000	$36,000
Ct_{High}			$24,000	$48,000	$72,000
	Three-year projected total: $36,000 to $144,000		**Three-year projected present value: $28,896 to $115,582**		

AVOIDED COSTS OF THIRD-PARTY LICENSES

Evidence and data. Interviewees and survey respondents expect that Teams Premium will allow their organizations to either retire or partially reduce usage of third-party tools and licenses. While the specific tools vary by company, they tend to fall into the categories of third-party video calling tools, meeting encryption software, and webinar-hosting platforms.

- The Microsoft 365 product owner of a financial services organization estimated that once Teams Premium is fully implemented, it could reduce webinar-hosting license costs by £250,000 (approximately $319,000) across two or three teams.[12]

- In addition, the same interviewee estimated their organization spent £1 million to £2 million (approximately $1.3 million to $2.6 million) on meeting security software and that a portion of that cost could be avoided with Teams Premium because end-to-end meeting encryption would make some other services redundant.[13]

- The principal consultant at Sulava estimated their organization could save about $10,000 per year across a few dozen people who would no longer need a third-party webinar platform license.

- The same interviewee helped other organizations implement Teams Premium, and they said they expect those companies to receive similar benefits in consolidating third-party licenses over time.

- The expected third-party license cost savings due to Teams Premium are between $150 to $310 per user per year for video calling tools, between $30 and $80 for security licenses, and between $1,500 to $4,200 for webinar hosting platforms.

- 57% of surveyed decision-makers listed end-to-end encryption and 52% listed advanced webinar functionality as their top five use cases for Teams Premium.[14]

> **"The end-to-end encryption is going to make it possible for companies to basically drop out of external protected meeting software and start using Teams Premium instead."**
>
> *Principal consultant, Sulava*

Modeling and assumptions. Forrester leveraged interview and survey data to model the financial impact for the composite organization and assumes the following:

- Of the composite's Teams Premium users, 15% previously used multiple video calling tools. But because the additional tools are no longer necessary, the organization saves between $150 to $300 per user.

- Each Teams Premium user previously used third-party meeting security tools. But because Teams Premium provides end-to-end meeting encryption, the composite no longer needs these tools. This cost is reduced between $8 and $25 per user per year.

- Webinar hosts who use Teams Premium no longer require the composite's previous webinar hosting platform, which saves between $700 and $2,200 per user per year.

Results. This yields a three-year projected PV ranging from $141,000 (low) to $376,000 (high).

Avoided Cost Of Third-Party Licenses Module: Range of Three-Year Cumulative Impact, PV

- High projection, $376K
- Mid projection, $252K
- Low projection, $141K

(Y-axis: $0K to $400K; X-axis: Initial, Year 1, Year 2, Year 3)
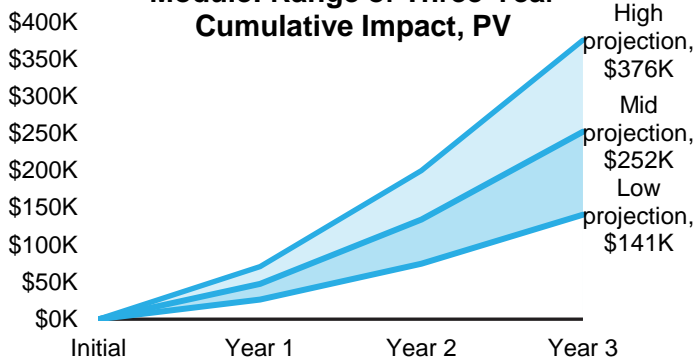
Avoided Cost Of Third-Party Licenses

Ref.	Metric	Source	Year 1	Year 2	Year 3
D1	Teams Premium users	Composite	400	800	1,200
D2	Percentage of Teams Premium users who previously used multiple video calling licenses	Composite	20%	20%	20%
$D3_{Low}$			$150	$150	$150
$D3_{Mid}$	Per-user cost of third-party video calling license	Interviews	$200	$200	$200
$D3_{High}$			$300	$300	$300
$D4_{Low}$			$12,000	$24,000	$36,000
$D4_{Mid}$	Subtotal: Avoided cost of third-party video calling licenses	D1*D2*D3	$16,000	$32,000	$48,000
$D4_{High}$			$24,000	$48,000	$72,000
$D5_{Low}$			$8	$8	$8
$D5_{Mid}$	Per-user reduction in cost of third-party meeting encryption license	Interviews	$16	$16	$16
$D5_{High}$			$25	$25	$25
$D6_{Low}$			$3,200	$6,400	$9,600
$D6_{Mid}$	Subtotal: Avoided cost of third-party meeting encryption licenses	D1*D5	$6,400	$12,800	$19,200
$D6_{High}$			$10,000	$20,000	$30,000
D7	Webinar moderators who use Teams Premium	Composite	20	40	60
$D8_{Low}$			$700	$700	$700
$D8_{Mid}$	Per-user cost of third-party webinar hosting license	Interviews	$1,500	$1,500	$1,500
$D8_{High}$			$2,200	$2,200	$2,200
$D9_{Low}$			$14,000	$28,000	$42,000
$D9_{Mid}$	Subtotal: Avoided cost of third-party webinar hosting licenses	D7*D8	$30,000	$60,000	$90,000
$D9_{High}$			$44,000	$88,000	$132,000
Dt_{Low}			$29,200	$58,400	$87,600
Dt_{Mid}	Avoided cost of third-party licenses	D4+D6+D9	$52,400	$104,800	$157,200
Dt_{High}			$78,000	$156,000	$234,000

Three-year projected total: $175,200 to $468,000   **Three-year projected present value: $140,625 to $375,642**

UNQUANTIFIED BENEFITS

Interviewees mentioned the following additional benefits that their organizations experienced but were not able to quantify:

- **Protection of intellectual property.** Interviewees expect that watermark and meeting encryption functionality from Teams Premium would help their organizations keep confidential information secure. Out of 124 survey respondents using Teams Premium, 98% indicated it would help their organization avoid security incidents.[15]

   Of survey respondents using Teams Premium's end-to-end encryption, 85% noted that it could help their organization avoid at least one security incident each year. In addition, 25 out of 26 respondents with experience using Teams Premium's watermarking said it would also help their organization avoid at least one security incident each year.[16]

   The lead of employee engagement and hybrid work of a consumer packaged goods conglomerate said: "Applying watermarking can become very relevant. We do a ton of product launches in February, for example, and we would want to use watermarking in the Teams meetings with our distributors."

   The same interviewee also said: "For business executives speaking in highly confidential meetings about stock-sensitive information, applying watermarking would be very useful for them as well. I think watermarking will be a very relevant feature in the near future because it reduces risk."

- **More effective meetings.** While interviewees quantified the benefit of Teams Premium for those who missed and set up meetings, they also expect additional benefit to come to those who join the meetings live. This is due to several reasons:

> **"With Microsoft, our data stays within our tenant, and that is extremely valuable to us. If the Teams Premium security features help us further prevent these kinds of leakages and gives our CISO team a track record and history, that may be justification alone to give it to all employees."**
>
> *Chief information officer, healthcare analytics*

- **Lower cognitive load in taking notes.** Interviewees mentioned that employees are often expected to take minutes and notes of meetings to pass to the larger group, and these employees are not then able to fully participate in the meetings themselves. By having intelligent recap take over this manual work, interviewees expect meeting culture to shift to be more proactive and action-oriented.

- **Better decisions and less fear of missing out.** Interviewees expect that having intelligent and automatic notes from meetings would reassure employees that they do not need to attend every meeting and can instead prioritize their time where they would be the most effective. Interviewees expect this would help meetings to be more effective because those who are in the best positions to make decisions would be more likely to attend.

- **Additional saved time after meetings.** While interviewees expect using intelligent recap would help make meetings more productive, they also expect it to save time after meetings with less or no time required to summarize and formalize in-meeting notes. This would free employees to focus on higher-value tasks, such as acting on decisions made in the meetings.

- **Fewer errors and less misrepresentation.** Some interviewees found that when employees take meeting notes for a broader group, their notes are unintentionally subjective and do not convey all other points of those present for the meeting. By having AI recap notes for the group, interviewees expect fewer errors would occur from missing data.

"[By] Using intelligent recap, everyone can pay attention to the meeting, and someone doesn't always have to take notes. From my experience it is very difficult to be 100% focused on participating if you are multitasking with detailed note taking."

Principal consultant, Sulava

- **Improved employee satisfaction.** Many interviewees expect the improvement to meeting culture and the reduction in effort to keep up with meetings would increase employee satisfaction. While some of the time saved would be reallocated towards higher-value tasks, other time saved would help prevent employees from working outside of business hours, which would improve work-life balance.

"A lot of these features will save people time and … sanity. They will result in better quality meetings overall."

Lead of employee engagement and hybrid work, consumer packaged goods

FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement Teams Premium and later realize additional uses and business opportunities, including:

- **Broader reach of more diverse audiences.** Interviewees from organizations that specialize in webinars said they had been delayed in reaching markets because translation is costly and time-consuming. These companies found that because Teams Premium allows for automated and real-time translation, it not only reduces translation costs but also allows for instant and significant reductions in language barriers to their content.

  A principal consultant at Sulava said: "I had a friend from Poland join my webinar using the Teams Premium captions and translation, and he was surprised by how good the experience was. It really works, and it's a feasible option for people to join Teams Premium webinars [in other languages]."

- **Ability to address future security concerns and get ahead of complex issues.** While interviewees expect that Teams Premium would

provide direct benefit in improving their organizations' security positions, they also expect it would help them get ahead of future security issues and complexity.

The principal consultant from Sulava said: "In the future, there will probably be more questions about securing meetings and reducing risks. We know that security and compliance is always a little bit behind AI, and the process is getting more complex. The question becomes, 'Okay, how can we very clearly reduce risks of people sharing confidential information?' And then you realize you can do that for $10 per user per month."

Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in Appendix A).

"Tools like Teams Premium can help us shift our meeting culture and improve outcomes. We can divide and conquer meetings, and there will be an audit trail afterwards to help us track actions and decisions."

Senior innovation manager, financial services

"Even if folks try Teams Premium and [they] aren't using it in their day-to-day [work] but the security team comes back and says, 'This is helping us improve our security posture,' that a pretty good deal for $10 a user."

Chief information officer, healthcare analytics

Analysis Of Costs

■ Quantified cost data as applied to the composite

Total Costs

Ref.	Cost	Initial	Year 1	Year 2	Year 3	Total	Present Value
Etr	Teams Premium licenses (non-discounted)	$0	$48,000	$96,000	$144,000	$288,000	$231,165
Ftr	Training, administration, and experimentation	$61,424	$10,695	$56,242	$61,900	$190,261	$164,134
	Total costs (risk adjusted)	$61,424	$58,695	$152,242	$205,900	$478,261	$395,299

TEAMS PREMIUM LICENSES

Evidence and data. Giving employees access to Teams Premium costs a monthly license fee.

While many interviewees' organizations were given discounted Teams Premium licenses for evaluation purposes, they evaluated the impact of Teams Premium based on the non-discounted monthly cost of $10 per user per month.

Modeling and assumptions. Forrester leveraged interview data to model the financial impact for the composite organization and assumes the following:

• In the first year, 400 employees begin using Teams Premium. This number increases to 1,200 employees by Year 3.

• The composite organization pays the non-discounted price of $10 per Teams Premium license per month per user.

Risks. Results may not be representative of all experiences and the benefit will vary between organizations. As an organization sees success with Teams Premium, it may expand usage more broadly than what is modeled for the composite organization. While this would provide greater benefit, it would also increase the total license cost.

Results. To account for these risks, Forrester adjusted this cost upward by 0%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $231,000.

Teams Premium Licenses (Non-Discounted)

Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
D1	Teams Premium users	Composite	0	400	800	1,200
D2	Monthly Teams Premium license cost per user (non-discounted)	Interviews	$10	$10	$10	$10
Dt	Teams Premium licenses (non-discounted)	E1*E2*12 months	$0	$48,000	$96,000	$144,000
	Risk adjustment	↑0%				
Dtr	Teams Premium licenses (non-discounted)		$0	$48,000	$96,000	$144,000
	Three-year total: $288,000			Three-year present value: $231,165		

TRAINING, ADMINISTRATION, AND EXPERIMENTATION

Evidence and data. Interviewees' organizations scheduled training sessions with employees to help them quickly adopt Teams Premium features and accelerate its time to value.

- Many interviewees' organizations already held periodic technology training sessions and planned to focus on Teams Premium as a part of future sessions.

- Interviewees said they expect most employees to quickly understand and integrate the new features of Teams Premium into their work and that they would only need a high-level introduction.

- A principal consultant at Sulava estimated that each employee would need just a 15- to 30-minute introduction to Teams Premium before they could begin using it effectively.

- Interviewees expect webinar moderators would need additional training because they would use more functionality of Teams Premium than other users.

Modeling and assumptions. Forrester leveraged interview data to model the financial impact for the composite organization and assumes the following:

- The composite organization has two Teams Premium trainers develop and lead introductory sessions for employees. The trainers spend an initial 33 hours developing their material, and then another 20 hours each year leading training sessions and answering questions.

- In the first year, 400 employees begin using Teams Premium and each requires an hour of training. In the second year, an additional 460 employees need training, and this number accounts for 15% employee attrition from the first 400 employees. In the third year, an additional 469 employees need training, again accounting for 15% employee attrition from the year prior.

- In the first year, 20 webinar moderators require an additional 2 hours of training on the webinar functionality of Teams Premium. An additional 23 webinar moderators require training in the second and third years, accounting for a 15% attrition rate from the previous year.

- The fully burdened hourly salary of a Teams Premium trainer is $62. The fully burdened hourly salary of a Teams Premium user, including webinar moderators, is $41.

> **"It would require employees an hour to an hour-and-a-half with someone who has deep knowledge of the webinar features to understand how to utilize the features and for what types of scenarios."**
>
> *Lead of employee engagement and hybrid work, consumer packaged goods*

> **"If you know what's in Teams Premium, the configuration doesn't take long."**
>
> *Principal consultant, Sulava*

Risks. Results may not be representative of all experiences and the benefit will vary between organizations depending on the following factors:

- As an organization sees success with Teams Premium, it may expand usage more broadly than what is modeled for the composite organization. While this would provide greater
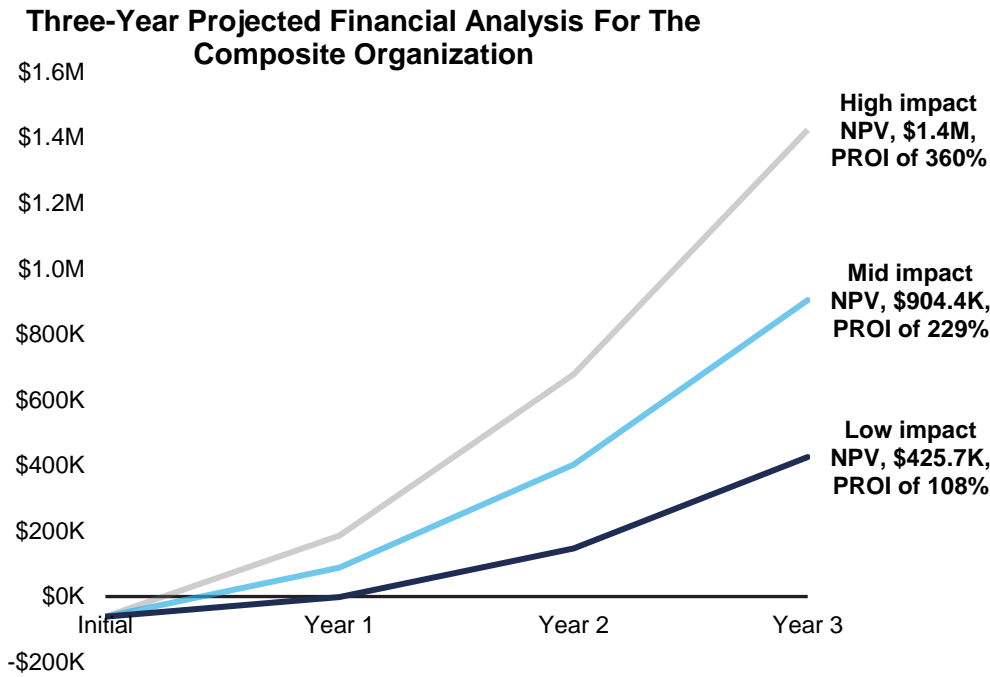
benefit, it would also increase the total training cost.

- An organization with employees who are less technically proficient may require additional training time.

Results. To account for these risks, Forrester adjusted this cost upward by 15%, yielding a three-year, risk-adjusted total PV of $164,000.

Training, Administration, And Experimentation						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
F1	Teams Premium trainers	Interviews	2	2	2	2
F2	Time per trainer to develop and lead sessions (hours)	Interviews	33	15	15	15
F3	Time per trainer for configuration, integration, and license administration (hours)	Interviews	120	60	60	60
F4	Fully burdened hourly wage of a Teams Premium trainer	TEI standard	$62	$62	$62	$62
F5	Subtotal: Labor to lead training sessions	F1*(F2+F3)*F4	$18,972	$9,300	$9,300	$9,300
F6	New Teams Premium users	Composite	400	0	460	520
F7	Time per Teams Premium user to be trained and experimentation (hours)	Interviews	2	2	2	2
F8	Fully burdened hourly wage of Teams Premium user	TEI standard	$41	$41	$41	$41
F9	Subtotal: Labor to train Teams Premium users	F6*F7*F8	$32,800	$0	$37,720	$42,640
F10	Webinar moderators to train	Composite	20	0	23	23
F11	Time to train a webinar moderator (hours)	Interviews	2	2	2	2
F12	Fully burdened hourly wage of a webinar moderator	TEI standard	$41	$41	$41	$41
F13	Subtotal: Labor to train webinar moderators	F10*F11*F12	$1,640	$0	$1,886	$1,886
Ft	Training, administration, and experimentation	F5+F9+F13	$53,412	$9,300	$48,906	$53,826
	Risk adjustment	↑15%				
Ftr	Training, administration, and experimentation (risk-adjusted)		$61,424	$10,695	$56,242	$61,900
	Three-year total: $190,261			**Three-year present value: $164,134**		

Financial Summary

CONSOLIDATED THREE-YEAR RISK-ADJUSTED METRICS

Three-Year Projected Financial Analysis For The Composite Organization

High impact
NPV, $1.4M,
PROI of 360%

Mid impact
NPV, $904.4K,
PROI of 229%

Low impact
NPV, $425.7K,
PROI of 108%

The financial results calculated in the Benefits and Costs sections can be used to determine the PROI and projected NPV for the composite organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

These risk-adjusted PROI and projected NPV values are determined by applying risk-adjustment factors to the unadjusted results in each Benefit and Cost section.

Cash Flow Analysis (Risk-Adjusted Estimates)

	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	($61,424)	($58,695)	($152,242)	($205,900)	($478,261)	($395,299)
Total benefits (low)	$0	$124,400	$332,400	$576,600	$1,033,400	$821,010
Total benefits (mid)	$0	$223,600	$532,000	$874,200	$1,629,800	$1,299,742
Total benefits (high)	$0	$331,200	$747,200	$1,198,800	$2,277,200	$1,819,287
Net benefits (low)	($61,424)	$65,705	$180,158	$370,700	$555,139	$425,711
Net benefits (mid)	($61,424)	$164,905	$379,758	$668,300	$1,151,539	$904,443
Net benefits (high)	($61,424)	$272,505	$594,958	$992,900	$1,798,939	$1,423,988
PROI (low)						108%
PROI (mid)						229%
PROI (high)						360%

Appendix A: New Technology: Projected Total Economic Impact

New Technology: Projected Total Economic Impact (New Tech TEI) is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value of their products and services to clients. The New Tech TEI methodology helps companies demonstrate and justify the projected tangible value of IT initiatives to senior management and key business stakeholders.

TOTAL ECONOMIC IMPACT APPROACH

Projected Benefits represent the projected value to be delivered to the business by the product. The New Tech TEI methodology places equal weight on the measure of projected benefits and the measure of projected costs, allowing for a full examination of the effect of the technology on the entire organization.

Projected Costs consider all expenses necessary to deliver the proposed value of the product. The projected cost category within New Tech TEI captures incremental ongoing costs over the existing environment that are associated with the solution.

Flexibility represents the strategic value that can be obtained for some future additional investment building on top of the initial investment already made. Having the ability to capture that benefit has a PV that can be estimated.

Risks measure the uncertainty of benefit and cost estimates given: 1) the likelihood that estimates will meet original projections and 2) the likelihood that estimates will be tracked over time. TEI risk factors are based on "triangular distribution."

The initial investment column contains costs incurred at "time 0" or at the beginning of Year 1 that are not discounted. All other cash flows are discounted using the discount rate at the end of the year. PV calculations are calculated for each total cost and benefit estimate. NPV calculations in the summary tables are the sum of the initial investment and the discounted cash flows in each year. Sums and present value calculations of the Total Benefits, Total Costs, and Cash Flow tables may not exactly add up, as some rounding may occur.

PRESENT VALUE (PV)

The present or current value of (discounted) cost and benefit estimates given at an interest rate (the discount rate). The PV of costs and benefits feed into the total NPV of cash flows.

PROJECTED NET PRESENT VALUE (NPV)

The projected present or current value of (discounted) future net cash flows given an interest rate (the discount rate). A positive project NPV normally indicates that the investment should be made, unless other projects have higher NPVs.

PROJECTED RETURN ON INVESTMENT (PROI)

A project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits less costs) by costs.

DISCOUNT RATE

The interest rate used in cash flow analysis to take into account the time value of money. Organizations typically use discount rates between 8% and 16%.

Appendix B: Supplemental Material

Related Forrester Research

"Master Hybrid Meetings With These Five Steps," Forrester Research, Inc., March 6, 2023

"Generative AI: The Top Six Things Tech Executives Need To Know," Forrester Research, Inc., April 17, 2023

"What Makes A Future Fit Practice Strategy?," Forrester Research, Inc., May 11, 2023

"Effectiveness Is The New Metric For Tech Value," Forrester Research, Inc., June 23, 2021
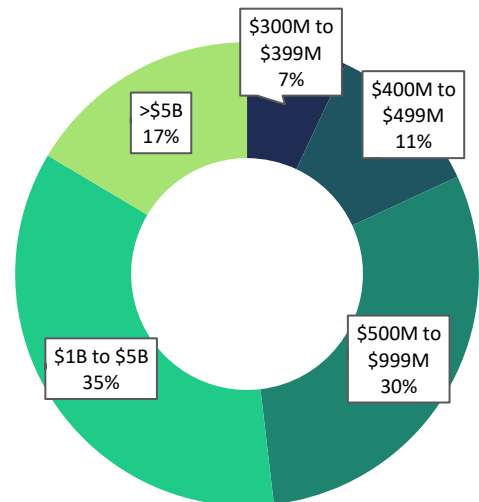
Appendix C: Survey Demographics

"In which country are you located?"

Country	Percentage
United States	33%
United Kingdom	21%
Canada	20%
Germany	14%
France	12%
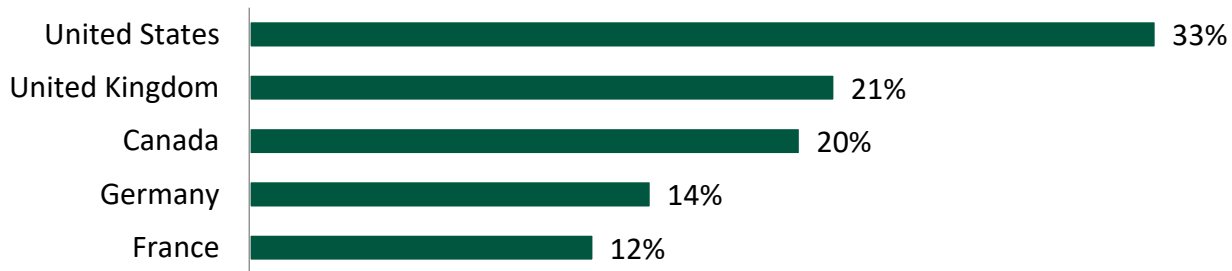
"Using your best estimate, how many employees work for your firm/organization worldwide?"

- 20,000 or more employees — 16%
- 1,000 to 4,999 employees — 50%
- 5,000 to 19,999 employees — 34%
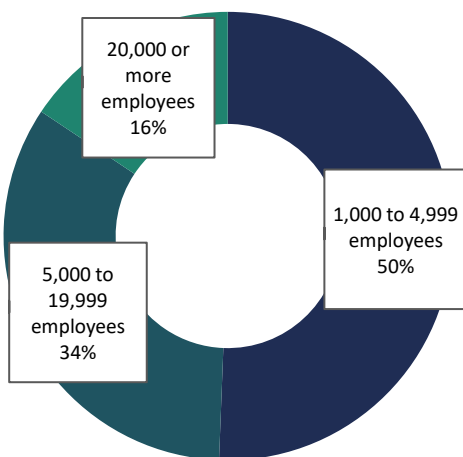
"Using your best estimate, what is your organization's annual revenue (USD)?"

- $300M to $399M — 7%
- $400M to $499M — 11%
- $500M to $999M — 30%
- $1B to $5B — 35%
- >$5B — 17%

"Which of the following best describes the industry to which your company belongs?"
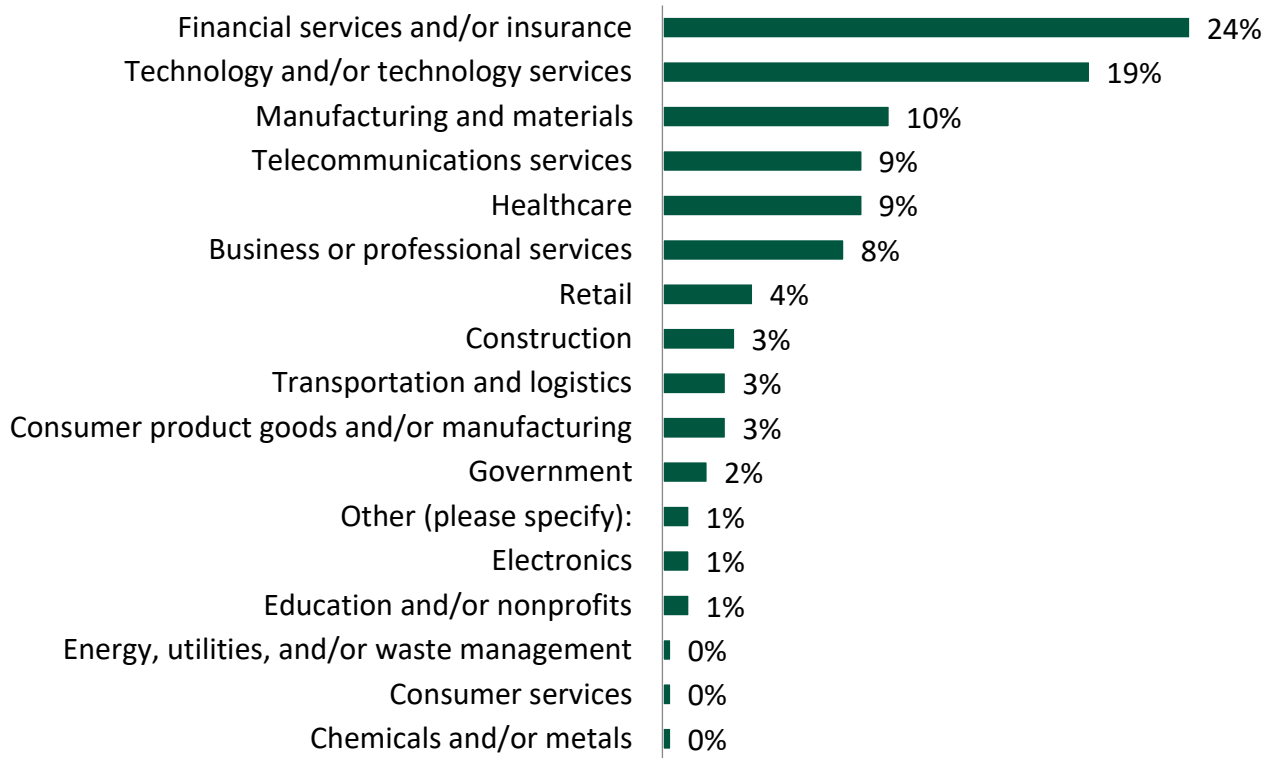
Industry	Percentage
Financial services and/or insurance	24%
Technology and/or technology services	19%
Manufacturing and materials	10%
Telecommunications services	9%
Healthcare	9%
Business or professional services	8%
Retail	4%
Construction	3%
Transportation and logistics	3%
Consumer product goods and/or manufacturing	3%
Government	2%
Other (please specify):	1%
Electronics	1%
Education and/or nonprofits	1%
Energy, utilities, and/or waste management	0%
Consumer services	0%
Chemicals and/or metals	0%

Base: 243 managers+ in IT functional roles at enterprise organizations in industries that use collaboration software

Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, May 2023

Appendix D: Endnotes

[1] Nicole Herskowitz, "Microsoft Teams Premium: Cut costs and add AI-powered productivity," Microsoft, February 1, 2023.

[2] Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

[3] While most interviewees had seen results from piloting Teams Premium in their organization, the financial services organization was in an earlier phase of evaluation at the time of interview. As such, data provided by this organization focuses on a current state of collaboration and potential for improvement with Teams Premium. The

projected financial analysis in this case study is based on observed benefits and costs of Teams Premium by other interviewees in later stages of pilot programs.

[4] This information is based on a survey of 243 global collaboration suite decision-makers responding to the following question: "What issues, if any, do you see with your organization's current collaboration suite?" A combined 26% of these respondents replied: "No issues; we are happy with our current collaboration suite."

[5] This information is based on a survey of 243 global collaboration suite decision-makers responding to the following question: "What issues, if any, do you see with your organization's current collaboration suite?" A combined 35% of these respondents replied: "Limited security features."

[6] This information is based on a survey of 243 global collaboration suite decision-makers responding to the following question: "What issues, if any, do you see with your organization's current collaboration suite?" A combined 33% of these respondents replied: "Excess IT labor to set up meetings," and a combined 34% replied: "Lack of intelligent features, such as personalized follow-up items."

[7] This information is based on a survey of 243 global collaboration suite decision-makers responding to the following question: "What issues, if any, do you see with your organization's current collaboration suite?" A combined 26% of these respondents replied: "Inability to personalize meetings/waiting room lobbies."

[8] This information is based on a survey of 218 global collaboration suite decision-makers asked to "Please rank your top five use cases according to the following features that you expect your organization will use regularly as a part of Teams Premium." A combined 53% of these respondents replied: "Intelligent recap: (recording, transcript, notes, action items)."

[9] This information is based on a survey of 218 global collaboration suite decision-makers asked to "Please rank your top five use cases according to the following features that you expect your organization will use regularly as part of Teams Premium." A combined 59% of these respondents replied: "Advanced Virtual Appointments."

[10] This information is based on a survey of 101 global collaboration suite decision-makers who indicated some employees at their organization had begun using Teams Premium responding to the following question: "On average, what percentage of Teams Premium users do you expect to use meeting templates?" The average answer was 54%.

[11] This information is based on a survey of 218 global collaboration suite decision-makers asked to "Please rank your top five use cases according to the following features that you expect your organization will use regularly as part of Teams Premium." A combined 41% of these respondents replied: "Live translations for meeting captions."

[12] This currency conversion is based on $1.28 per £1.00 as reported by Google Finance on June 21, 2023.

[13] Ibid.

[14] This information is based on a survey of 218 global collaboration suite decision-makers asked to "Please rank your top five use cases according to the following features that you expect your organization will use regularly as part of Teams Premium." A combined 57% of these respondents replied: "End-to-end encryption," and a combined 52% replied: "Advanced webinar functionality."

[15] This information is based on survey responses from global collaboration suite decision-makers who said their organization had begun providing some users with Teams Premium. Of the 121 who indicated their organization

used Teams Premium's end-to-end encryption, 98% said they expect Teams Premium to help their organization "avoid security incidents in collaboration tools with end-to-end encryption."

[16] This information is based on survey responses from global collaboration suite decision-makers who said their organization had begun providing some users with Teams Premium. Of the 124 who indicated their organization used Teams Premium's end-to-end encryption, 85% said they expect the functionality to help their organization avoid at least one security incident in a given year. And of the 26 who indicated their organization uses Teams Premium's watermarking, 25 said they expect the same results.