

Zoho's Workplace platform offers organizations an alternative to Office 365 and G Suite

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Introduction

The rise of agile and hybrid work models as a response to increasingly prevalent remote work highlights which work tool vendors are quick to respond to the fast clip of work evolution and which are slow to adapt to this shift. Online productivity and SaaS application vendor Zoho is one company that has reinvented itself a few times over in response to market trends and user needs. The company's latest shift comes in the form of Zoho's recently relaunched workplace tool, which has been updated to ensure more continuity of work processes and productivity across different locations, teams and functional areas.

The 451 Take

Zoho Workplace combines the expansive number of Zoho's existing productivity, collaboration and communication tools into one platform, enabling end users of all kinds to stay focused and achieve tasks without having to toggle in and out of work apps. Although Zoho has years of experience and a large portfolio of products, the company's brand is not as prevalent outside APAC as some of its competitors.

Zoho also competes with several vendors in different areas including office suites, next-generation intranets, CRM tools and team collaboration and communications tools. Staying ahead of competitors will certainly be a challenge. Despite this, Zoho Workplace could leverage these recent updates and its focus on remote work enablement to present organizations with an alternative office suite that delivers on both team and individual needs in one streamlined and feature-rich digital workspace.

Context

Chennai, India-based Zoho was founded in 1996 under the name AdventNet Inc. Over its 24-year history, the company rebranded and continuously added to its portfolio of products, eventually

developing into an integrated, extensible office suite with over 1,000 extensions. Currently, Zoho has more than 50 million users supported by a global team of more than 9,000 employees. Zoho is unique in that despite its many years on the market and its growth, the company remains private. The company reports that revenue has grown a steady 35-40% for the last 10 years. 451 Research estimates Zoho's annual revenue to be between \$900m-\$1bn.

Products

Zoho's Workplace platform is designed around four main themes: context, continuity, convenience and collaboration. Workplace is a single suite of apps that includes content creation (Writer, Sheet, Show), collaboration (WorkDrive, Meeting, ShowTime) and communication tools (Mail, Cliq, Connect). All the tools can be accessed from one dashboard with a central canvas where users can lay out their content as desired. Users can search across the Workplace suite and any other Zoho applications to track down files and messages.

Users can host meetings, conferences and webinars and store, share and collaborate on files in their workspaces. Dashboards are organized by user-created folders, which can be shared with team members. The dashboard panel also includes favorites, recent files and unread messages. Unified communications play a big part of Zoho's Workplace because it allows users to connect with teammates via email, chat or group-wide discussions in forums. The embedded Zoho Mail Suite includes built-in applications such as Tasks, Notes, Bookmarks, Calendar and Contacts.

Use cases include collaborative work among groups of internal and external parties, project execution, and coordinating and managing work. Zoho customers represent an array of industries including technology, marketing, insurance, finance and manufacturing. When marketing and branding agency Hstaqs transitioned to remote work during the COVID-19 pandemic, it turned to Zoho for increased communication. ONE Business Solutions, a business process outsourcing company, uses Zoho to increase employee visibility and organizational cohesion across multiple branches.

Strategy

Zoho Workplace's strategy is to offer organizations a more collaboration-focused alternative to other office suites. The company saw a need for employees to be able to execute business processes using Zoho's many tools, but these tools needed to be in a single collaborative platform for users to be able to get the most out of them. It's similar to other workspace efforts like Dropbox and Citrix, but in this case, Zoho would own the whole stack.

Plans include an increased focus on mobile-first work models and bringing in more automation for end users. Pricing for Workplace currently starts at \$3 per user, per month, billed annually for the standard subscription, \$6 for the professional account and \$1 for Zoho mail-only accounts. Zoho Workplace sells direct to businesses and also has a partner program for resellers and hosting providers that helps the company expand their geographical reach.

Competition

Zoho Workplace competes with office suite vendors like G Suite and Office 365; however, Zoho differentiates itself from both vendors in its sharing capabilities around notes, emails and tasks as well as archiving and e-discovery. The company also competes with team collaboration and communication tools such as Workplace by Facebook and Slack.

Zoho Workplace also overlaps with next-generation intranet vendors that enable workforce communications in organizations with a large distributed workforce such as Unily, Akumina and Smarp. Beyond Workplace, Zoho indirectly competes with an array of vendors in CRM (Salesforce, HubSpot) and virtual meetings (Zoom, Bluejeans, GoToMeeting).

SWOT Analysis

Strengths	Weaknesses
<p>Zoho Workplace brings together a number of its existing productivity, collaboration and communication tools into one platform, enabling end users of all kinds to stay focused and achieve tasks without having to toggle in and out of work apps. This integrated approach allows Zoho to offer some of the same experiences as its competitors, while owning more of the stack. This enables Zoho to be a true one-stop shop.</p>	<p>Although Zoho has years of experience and a large portfolio of work apps, the company is not as well known as some of its competitors outside APAC. Low global brand recognition is perhaps the company's largest hurdle when it comes to competing with Office 365 and G Suite.</p>
Opportunities	Threats
<p>Zoho could make transitioning to Workplace easier on new customers by building templates for its content creation tools and providing preconfigured dashboards for various job functions to expedite the onboarding process. This is particularly useful for employees who have only used Office 365 or G Suite and could allow for more targeted vertical solutions in the future.</p>	<p>Zoho competes with several vendors in different markets including office suites, next-generation intranets, CRM tools and team collaboration and communications tools. Staying ahead of competitors will be a challenge because Zoho Workplace covers a breadth of needs and may not be able to deliver depth in some areas where other vendors can.</p>

Source: 451 Research, LLC