

Owned MS Exchange vs. Hosted MS Exchange

Costs need to be seen in a broad perspective, taking the “[total cost of ownership in account](#)”. In addition to initial and ongoing product costs this includes set up costs, costs of maintenance, costs of training and cost of support.

In addition it makes sense to calculate costs for different expected future scenarios. This would include expected number of users and memory usage. Products which look very similar at the face of it cost wise, may lead to markedly different costs and team size as usage grows.

Lastly, costs need to be considered in light of the features offered.

Exchange Costs

Total Costs of Ownership (TCO) for Exchange can be broadly broken down into three categories

1. Initial Costs:

- Operating System Software
- License & Subscription Costs
- Email client(s)
- Spam and Virus control software and hardware
- Real time back up software and hardware
- Server hardware
- Software/Hardware required for redundancy, system uptime and data integrity
- Load balancing, security, monitoring and connectivity software/hardware
- Labour costs associated with system integration & configuration

2. Product Costs:

Exchange requires an ANNUAL licensing purchase for every:

- End-user
- Server
- Requires ANNUAL maintenance contract purchase.

3. Ongoing Costs:

- Software upgrades
- IT infrastructure, software and hardware maintenance costs
- Operating costs associated with [system uptime](#), [data backup](#) and [integrity](#)
- User support and training costs
- Hardware upgrades

MS Exchange Comparison Sheet

Please find below an estimate of MS Exchange costs for the first year if you were to host it in house and the cost of using an MS Exchange Hosted Solution with 123 Marbella.

Number of Users	Annual Costs in €		
	5	15	45
Subscription and Licenses	1,000	2,000	4,500
Implementation Consulting	1,500	2,500	3,500
IT Infrastructure (1 Server Computer with appropriate processing, RAM, redundancy, power backup, backup tape)	3,000	5,000	10,000
Professional Anti Virus & Spam Software	500	1,000	1,500
Maintenance Costs (servers, software, networking)	1,000	2,000	3,000
IT Personnel (1 Administrator using 15%, 20% and 30% of his/her time respectively at €50,000 annually)	7,500	10,000	15,000
Total Exchange Costs for year 1	14,500	22,500	37,500
Cost of Hosted Exchange with 123 Marbella	1,200	3,600	10,800
Savings to your bottom line	13,300	18,900	26,700

If you would like some more information on our Hosted Exchange Services, please visit our web site at:

<http://www.123marbella.net/exchange-server.html>