Hosted Exchange 101

Introduction

The purpose of this guide is to introduce people to the advantages and benefits of hosted Microsoft Exchange as both a business and a personal email service. This guide will explain just what the Microsoft Exchange hosted email service is, how it works, the features it includes and why it is one of the most secure email hosting platforms around.

Whether you wish to use a desktop email client such as Microsoft Outlook or Entourage, or prefer to access your Microsoft Exchange inbox using the Outlook Web Access web based email client, this guide will tell you how to do so. Additionally, it will also cover accessing a hosted Exchange service using either a smartphone or tablet.

This guide will also cover specific technical features of a hosted Exchange account, such as security, storage space, mail archiving, spam filtering, virus protection, and migrating from an existing mail hosting provider, to a hosted Microsoft Exchange account.

Also within this guide, we will take a look at the many features of a hosted exchange server that are of special interest to business users. This includes the robustness of service and advanced security, as well as collaboration and team cooperation using Exchange, and demonstrate just why Microsoft Exchange is the best email for business use.

Below you will find all of the information you need to either decide whether a hosted Exchange service is right for you, or to find out how to make the most of your existing exchange mailbox.

What is Hosted Exchange?

What is hosted Microsoft Exchange, and how does it differ from other email hosting solutions? The answer to these two questions are both simple, and also complex. The simple answer is that Microsoft Exchange is a full client/server architecture for messaging, scheduling and collaboration, offering far more advanced features than simple cheap email hosting provided by standard hosts. Now let's take a look at the complex answer.

A hosted Exchange mailbox connects to a specialized server, the Exchange server, using a proprietary protocol named Microsoft ActiveSync. This is far more than a simple mail

protocol such as IMAP or POP, it is quite capable of handling all types of data that we would associate with a PIM (Personal Information Manager). This includes email, calendar, contacts, tasks and notes. All of this data, is synchronized in real-time, using push technology. This means that if you access you Exchange mailbox from multiple devices, any change to email, calendar, contacts, tasks and notes is automatically synchronized across all devices. This includes compatible mobile devices such as smartphones and tablets.

So how does this differ from traditional email hosting? Well let's list the features that a hosted Exchange service provider offers, that cheap email hosting solutions such as IMAP and POP do not:

- Full push delivery of all Exchange data using Microsoft ActiveSync.
- Advanced functionality, including synchronized email, calendar, contacts, tasks and notes.
- Full collaboration, at group and individual user level for all resources.
- Shared resources such as calendars and public folders, permissions can be set at group and resource level.
- Special mailboxes for managing business resources such as meeting rooms, overhead projectors etc.
- Secure and robust email archiving, compliant with most international business standards.
- Full anti-virus and email spam filtering implemented at server level.
- Server side rules and conditions, active 24/7 regardless of whether a mail client is connected.
- Connection can be made directly to the Exchange server across any internet connection using Exchange Anywhere.
- Access to enterprise level web mail, using Outlook Web Access. A fully featured web based client that reproduces the feature set of Microsoft Outlook.
- Integration with Microsoft Office, and many other Microsoft products.
- Full integration with Microsoft SharePoint hosting.
- Advanced calendar scheduling, with meeting requests, reminders and automatic acceptance/declining.

So as we can see, having access to a Microsoft Exchange hosted mailbox provides far more than simply email. Exchange, combined with Outlook, creates a truly synergistic, incredibly powerful personal information center, entirely suitable for managing all messaging, calendar entries, tasks, notes and contacts. Indeed, the true power of hosted Exchange comes not from the email functionality, but the fact it provides a truly integrated PIM solution, accessible from anywhere an internet connection is present. There is a reason why many large corporations choose Microsoft Exchange as their email and collaboration platform, it is simply the best available. Hosted Exchange providers bring enterprise level email to small businesses and individuals at an affordable price.

Hosted Exchange for Business

Although Microsoft Exchange hosting makes a great email host for individuals, it is in the area of small business email that hosted Exchange really comes into its own. Every business needs to be able to trust its email and messaging infrastructure, but smaller businesses may not be able to allocate the resources and funding to bring their email hosting in-house. In this situation, renting Exchange services on a managed server via an Exchange reseller simply makes sense. It is a cost effective, easy way to gain access to enterprise level email and collaboration tools, the most robust and secure around.

Let's look at some of the advantages to be had by using hosted Microsoft Exchange services for enterprise email and collaboration:

- Very low setup costs, as the services are rented, on a managed server that is maintained by the Exchange hosting provider. There is no requirement to purchase server hardware, or the Microsoft Exchange server software itself. Simply purchase the number of exchange mailboxes the business requires, and then pay a fixed monthly fee.
- Fixed fees, in the form of monthly or annual subscriptions. This means that budgeting is simple, as there are no hardware maintenance costs to factor in, no depreciation, and no expert services required to keep the Exchange server running. You always know what your hosted Exchange email will cost every month.
- Scalability, in the form of only paying for the number of mailboxes the business needs. No need to buy a Microsoft Exchange server license, licensed for a set number of users. Instead, simply order the number of mailboxes you need from

your Exchange reseller, and then add or subtract from this number as business requirements dictate.

- Security is assured, due to the fact that the Exchange provider will be managing the email server. This means that a professional team is making sure that the server operating system, Exchange software, and network security is kept up to date, and water tight.
- Service is guaranteed via a Service Level Agreement (SLA), most usually offering a 99.9% uptime guarantee. This means that if a good hosting provider was chosen, that business email and collaboration tools will be available at all times.

So we can see how hosted Microsoft Exchange offers businesses a cost effective, entirely hands free way to gain access to enterprise level email and collaboration, that is robust, secure and reliable.

Hosted Exchange Providers

All hosted Microsoft Exchange providers are no equal. Some exchange service providers are more suited to some types of email usage than others. For example, an individual, who simply wants a cheap email host, may find that the lowest price package Direct from Microsoft is suitable. However, a small business, with a need for a dynamic, scalable Exchange provider, may find Microsoft restrictive, especially when it comes to receiving good quality technical support (oddly enough). Instead, they may be better off with one of the specialist Microsoft Exchange providers, who are on hand to help with any technical issues when they arise. Below are a few things to consider when looking for a new Exchange host:

- Price is an issue, especially when we are talking about dozens of mailboxes. However, cheapest is not always the best. It is also important to note whether there is any setup fee. Also, many Exchange email services will offer a discount if subscriptions are paid for by the year, not the month.
- Technical support is a major issue. Many of the budget Exchange server companies will not offer the same level of support as the more expensive. Most usually the quality of the support will be similar, but the time to resolution may take much longer, possibly several day.

- Storage offered is also a major consideration. Some cheaper email providers only offer a relatively small 2GB mailbox. This is really too small for long-term commercial use, unless some form of email archiving is used.

Hosted Exchange Pricing

As mentioned in the section above about hosted Microsoft Exchange providers, cheapest is not always the best. You really do get what you pay for. There are often hidden costs associated with cheap email providers, such as one time setup costs, and inflated prices unless a full year's subscription is paid in advance. Below are some things to consider when trying to find the right prices Exchange host.

- Is there a onetime setup fee for each mailbox?
- Is there a default contract length, meaning you cannot cancel a mailbox subscription until this contract duration has been reached?
- Does the provider offer a discount for purchasing additional Exchange mailboxes? This is of particular consideration for small businesses who may need to purchase additional services in the future.
- Is the cost of a Microsoft Outlook license included in the package? If not, then there will be a requirement to either purchase a license on top of the cost of the mailbox, or to use an alternative desktop mail client.
- Is there any SharePoint hosting included? Many Exchange service providers offer a limited amount of SharePoint storage for free as part of the package.
- What uptime guarantee does the SLA offer? Anything less than 99.9% really should be avoided.
- Which version of Microsoft Exchange Server is the provider using to host the Exchange mailbox? Many cheaper providers still use Exchange 2010 instead of the newer Exchange 2013. This means that the newer, advanced functionality in Outlook 2013 will not work 100%.
- Does the provider offer regular backups, or are you expected to do this yourself?

Getting Your E-mail

There are many ways to access a hosted Exchange mailbox. The web based Outlook Web Access client can be used, as well as both Outlook (for the PC) and Entourage (for the

Mac) from Microsoft. There are also several third party email clients that can connect to Microsoft Exchange using Exchange ActiveSync.

Outlook Web Access is very easy to use, and emulates the functionality of Microsoft Outlook in a web browser. If you are happy using a web based client, there is no need to set up Outlook or Entourage, simply point your browser at the OWA site, and log in.

Setting up Microsoft Outlook is very easy. Every hosted exchange provider will provide full instructions to do this. However, here are the basic steps required to set up Microsoft Outlook with a hosted Exchange mailbox.

1. Open Microsoft Exchange.
2. Click the **File** tab.
3. Locate the **Account Settings** section of the page, and then click the **Add Account**.
4. Enter your **Name** and **Email** address.
5. Click **Next**. Microsoft Outlook will then attempt to set up the Exchange email account automatically.

If the automatic setup of the hosted Exchange mailbox fails in Microsoft Outlook, then the following steps will need to be taken:

1. Complete steps 1 through 4 above.
2. Instead of clicking **Next**, click the **Manually Configure Server Settings** button.
3. Enter the server address, and port numbers provided by your Exchange hosting provider into the relevant fields.
4. Click **Next**.

Setting up Entourage on an Apple Mac is very similar to the way we configured Outlook above, here are the steps after opening Entourage:

1. Open the **Tools** menu, then **Accounts** and then **New**. Select **Exchange** as the account type.
2. Enter an **Account Name** (local name for the email account).
3. Enter your **Name**.
4. Enter your **Email Address** (in lower case only).
5. Enter your **Account ID** (this is your email address again).
6. Leave the **Domain** field empty.

7. Enter your Exchange **Password**.
8. Click on the **Advanced** tab at the top of the window.
9. Enter the server address provided by the Exchange host and click OK.

If you are using one of the third party email clients that have the Microsoft ActiveSync mail transport protocol built in, then the process for setting up a hosted Exchange mailbox will be very similar to the above two examples. Check with the supplier's documentation for exact instructions.

It is also possible to connect to a hosted Exchange mailbox using with the IMAP or POP email transport protocols. However, please note that POP should be used as a last resort, there is no way to synchronize changes back to the exchange server when POP is used.

For an IMAP connection, simply use the hosted Exchange server address as the both the **Incoming Mail Server** address and the **SMTP Mail Server** address. You will need to check with your hosted Exchange provider to find out which security protocol is being used (TLS or SSL) and which ports are used by the IMAP and SMTP server. An IMAP connection to a hosted Exchange mailbox will synchronize changes to emails, as well as the contents of folders, back to the exchange server. However, it should be noted that IMAP does not provide access to contacts, calendar, tasks or notes, it is purely of use for accessing Exchange email.

Migrating Your E-Mail to Hosted Exchange

A problem faced by many people who decide to switch to a hosted Microsoft Exchange solution for their email, tasks, calendar and contacts, is the migration of existing emails from another email service, to their new Exchange mailbox.

It may sound like a daunting task, copying hundreds or even thousands of emails from one mailbox to another. However, the process is really quite simple. There are several ways to go about performing a migration to Exchange, the simplest of which, is to use a desktop email client, such as Microsoft Outlook, to copy emails from one email host to another, using IMAP.

The simple way to do this, is to set up a new Microsoft Outlook profile for the hosted Exchange mailbox, and then add the email account that emails need to be migrated from, as an IMAP account. Here are the steps for doing this:

1. Set up fresh Outlook profile with the hosted Exchange mailbox as the default account.
2. Add the mailbox to be migrated from, as an IMAP account.
3. Wait for all IMAP folders to fully synchronize and download all emails and attachments.
4. Switch Microsoft Outlook to offline mode. This is an important step that will speed up the actual copying of emails significantly.
5. Select all of the emails to be migrated from the source account, and copy them to the Exchange inbox. Repeat this step for the sent items folder, and any other custom folders. Copying large numbers of emails can take some time.
6. Once the emails have finished copying, and are now visible within the Exchange mailbox, remove the IMAP account for the email address being migrated from.
7. Switch Microsoft Outlook into online mode. All emails copied will now be uploaded the hosted exchange server. It is possible to continue using Outlook normally whilst this takes place in the background.

The second way to migrate an existing email account to a new Exchange account, is to use Microsoft Outlook to export all of the contents of the source account, into a .PST file. Once this has been done, set up a new Outlook Profile with the Exchange account as the default, and then import the .PST file.

Both of these methods work, the first method however, is much more visual, giving complete control over what is migrated, and the target location. The second method is more automated, and really only works better for very large migrations of several GB or more.

There are also many websites that offer migration services, and these may be a better option for businesses that need to migrate many mailboxes. Typically, the cost is under $10 per mailbox. Additionally, many hosted Exchange service providers can provide assistance with the migration of mailboxes as part of the sign up process, although there is usually an additional charge for this.

Overall, migration of emails from another service provider to Exchange is pretty simple, as long as the source account allows the IMAP protocol to be used.

Storage Space

As mentioned above, one of the things to check with hosted exchange pricing, is how much storage is offered by the Microsoft Exchange mail provider you are evaluating. Most of the cheaper Exchange hosting companies only offer a small 2GB mailbox. This may initially seem like quite a lot, but once we consider that all attachments you receive, or send, are also stored in this 2GB Exchange mailbox, we begin to realize this really isn't very much at all. Additionally, all calendar, contact and task entries are also stored in the Exchange mailbox storage space provided as part of the package.

If you are a heavy email user, who also likes to keep their email history going back years, then 2GB is almost certainly not going to be enough Exchange storage space. Most good Exchange hosts offer larger mailboxes, usually around the 25Gb range in size. This may seem like an awful lot of storage space at first. But it really isn't, not if you intend to use all of the Microsoft Exchange features to the fullest, including public folders and collaboration. As a rule of thumb, the average business user will see their mailbox size grow by around 1Gb to 1.5Gb a year. Use this basic fact when trying to decide whether the Exchange hosting package you are considering is offering enough Storage space or not. Most good Exchange hosts also offer additional storage packages, if more is needed.

Spam Filtering

Unfortunately, spam email is a fact of life, an ongoing problem that ranges from harmless marketing messages, to malicious emails, intended to infect the recipient with malware, or to attempt to scam them in some way. Hosted Microsoft Exchange provides a comprehensive set of tools for managing spam filtering.

Because of this, spam filtering is a must have feature of every email host. Microsoft Exchange server provides both server side spam filtering (meaning that spam is intercepted as it is delivered to the server, before it appears in a user's mailbox), and also client side spam filtering tools.

One of the main spam filtering features of Microsoft Exchange, is the use of blacklists and whitelists, that individual mailbox users can set, from within Microsoft Outlook. This allows users to either allow mail through, that has previously been marked as spam, or to tag either individual email addresses, or entire domains, as spam addresses, which will then be added to the spam filtering rules run by the Microsoft Exchange host.

This combination of server side spam filtering, and client side tools for tweaking spam filtering rules, makes the combination of Microsoft Exchange server and Microsoft Outlook, one of the most effective spam filtering engines available.

Advanced users of hosted Exchange server, can also edit the spam filtering rules directly on the server, changing spam filtering for all users. This is especially useful for companies that want to make sure the entire organization has standardized spam filtering rules that can be easily updated and modified.

Virus Protection

In the same way that a hosted Exchange mailbox offers a very good level of spam filtering, it is also one of the most robust mail servers when it comes to virus protection. It is possible to configure the Exchange Server software to automatically scan all incoming emails for viruses, as they are received by the server, before they are delivered to the mailbox user.

Exchange can scan both the content of the email (including HTML), and any attachments that are included with the email. This means that in theory, users should never receive a potentially dangerous email, containing either a virus or some other type of malware. In practice however, it is still advisable for users to run a local anti-virus application on their own PC. The virus protection built in to Exchange server is only as good as the last virus definition update. If an email is received that contains a virus that has yet to be added to the Exchange virus database, there is a slight risk that it could be delivered to the users mailbox. In this case, having a locally installed anti-virus suite in place, will lessen this risk considerably.

Many anti-virus applications are designed to integrate with Microsoft Outlook and actively scan each email received. This added level of virus protection, on top of that which is active server side, combine to make the Exchange/Outlook combination one of the least virus susceptible email solutions available.

Archiving

One of the most important features of hosted Exchange, from a corporate viewpoint, is the way that mail archiving is handled. Individual users of a hosted Exchange mailbox

may never use Exchange email archiving, but business users will find it a convenient way to reduce mailbox clutter, whilst remaining compliant with business best practices.

Many countries have legislation in place, for certain industries, such as finance and medical, that states that all communication and documents (email included) must be kept for a set number of years. Of course, it is not logical to keep all of this historic email in the user's mailbox, and this is where hosted email archiving comes in.

Exchange email archiving allows businesses to store historic emails, outside of the user's mailbox. The email archiving solution offered by many hosted Exchange services, backs up the archived emails, and makes them available should they be needed in the future, but removes them from the users mailbox, thus cutting down on clutter, and remaining compliant with local email archiving laws.

Email that has been archived either by the Exchange server, or locally by the user from within Microsoft Outlook is kept secure, and is available should the need arise to actually access it again. However, from a user point of view, the emails are no longer within their working inbox. They are not deleted, simply archived away, stored safely, and available for restore should they be needed again in the future.

Security

Email security is one of the truly strong points of a hosted Exchange solution. Exchange is an enterprise grade email and collaboration solution, with email security protocols built in that satisfy even the most stringent regulations, making compliance with email security legislation easy to achieve for every business.

As covered in the spam filtering and virus protection sections of this guide, Exchange business hosting comes equipped with some of the best email security features, right out of the box. However, Exchange offers additional email server security features, over and above simple virus protection and spam filtering.

The most comprehensive security feature built in to Exchange Server is what Microsoft terms Data Loss Prevention (DLP). This is a whole suite of email security protocols, which combined, result in an extremely secure email service.

DLP works on several levels. Primarily, DLP attempts to stop email users from sending potentially sensitive data, to people who are not authorized to view it, by enforcing

system wide security policies. DLP analyses the contents of each email being sent, and compares it to the compliance policies in place. If something is found within an outgoing email that conflicts with the server side policies the email user is warned, and the email will not be sent.

Data Loss Prevention comes pre-configured for several widely used compliance standards such as Payment Card Industry (PCI) and Personal Identifiable Information (PII). This means that businesses who make the move to a hosted Exchange email environment, can simply and quickly enforce a recognized compliance standard, with very little effort. Furthermore, these compliance standards can be modified to suit the exact requirements of the company.

Microsoft Outlook users receive an additional set of security functions whilst sending and receiving emails, in the form of PolicyTips. These are security features that are enabled within Outlook, and help to advise email users when they are potentially taking an action that is in conflict with the security policies in place on the Exchange server. For example, if an email user attaches a document to en email, that contains information that the Exchange server security policies deems as being a security risk to send, then they will be advised by a simple pop-up message that they are sending a potentially insecure email, and asked to revise the content.

Overall, when it comes to email server security, few other email solutions can match a hosted Microsoft Exchange service in terms of features and robustness. Here is a summary of the main business email security features to be found in Microsoft Exchange:

- Server side spam filtering.
- Server side anti-virus protection.
- Integrate security policies based on business rules and standard compliance rules.
- Data Loss Prevention actively monitoring the content of all outgoing emails.
- Additional layer of security for Microsoft Outlook users, in the form of PolicyTips.

These security features are provided by almost every hosted Exchange company, and are one of the most compelling reasons for moving to a hosted Exchange server.

Team Collaboration in Microsoft Exchange

Business Technology Sample

Although Microsoft Exchange offers one of the most secure and feature rich email hosting services around, it can also do so much more. Indeed, for mailbox users that are accessing Exchange using either Microsoft Outlook or the web based Outlook Web Access email client, Exchange becomes a fully collaborative application for handling team based workflow. This includes shared items (folders and calendars), automated event scheduling and resource management.

One of the most useful collaboration features of Exchange, is the concept of public folders. A public folder acts exactly the same as any exchange inbox, and is capable of containing the full range of Outlook items, including emails, tasks, contacts, calendar events and notes. The entire folder can be shared with email users, and permissions set at individual or group level. This allows all of the people subscribing to the public folder to make changes, add new items and update existing ones.

Hosted exchange offers advanced calendar functions. These can be split into two main parts. Firstly, calendars can be shared with other users (again, with permissions being set at individual or group level). For example, a manager can share his calendar with their secretary or assistant, and this will allow them to schedule events and meetings on behalf of the manager. The second collaborative calendaring function are meeting requests. This is a powerful feature that makes event planning much simpler. When an exchange user creates a new calendar event, they have the ability to invite other exchange users. At this stage, each person invited will receive a meeting request, and they may choose to accept the appointment, decline it, or tentatively accept. All event members can see the status of other attendees, and access the attachments and details of the calendar event.

Yet another unique feature that hosted Exchange can offer businesses, is the automatic management of usable resources. This is done by setting up a resource mailbox for each business resource. A resource mailbox can be used to manage all sorts of resources such as meeting rooms, overhead projectors, vehicles, really any resource that is shared. For example, an Exchange user can create a calendar event, invite the attendees, and then also invite resource mailboxes for the meeting room, and an overhead projector. These resource mailboxes have their own calendar, and this resource usage is tracked and planned.

The final way that a hosted Exchange provider can help business users collaborate, is via the Global Address List (GAL). This is, as the name suggests, a companywide contact database. This can include both individual email addresses, as well as email groups. These can be either internal company email addresses, or external email addresses. All users of the hosted Exchange domain are able to access the Global Address List.

As we can see, Exchange Server and Microsoft Outlook, or Outlook Web Access, can provide a sophisticated range of tools to make team collaboration an invaluable tool for any business.

Exchange and Mobile Devices

Microsoft Exchange offers several mail protocols as standard, and this includes the native Exchange ActiveSync, IMAP and POP. This means that most mobile devices, smartphones and tablets can receive email delivered via hosted Exchange. However, there are some considerations.

Firstly, it is important to remember that the only two email clients that can access all hosted Exchange features, are Microsoft Outlook and the web based Outlook Web Access. Other email clients, including mobile email clients, even if they use the Microsoft ActiveSync protocol, will not give access to all the features of a hosted exchange mailbox. This usually means that collaboration features, and also notes and journal entries will not be available. It also means that many of the additional fields such as those used to set the start and end date of tasks, will not be available.

Blackberry devices require an additional Microsoft Exchange Server add-on. There is a per mailbox license cost for this. Because of this additional cost, most hosted Exchange providers charge a small additional fee if Blackberry access is required.

Google Android ships with some Exchange compatibility. It is capable of connecting to an Exchange mailbox using ActiveSync natively. Android will sync emails, tasks, calendar and contacts. Although as mentioned above, not all features of Exchange will be available in the cut down mobile clients. So every Google Android equipped smart phone and tablet can access Exchange using ActiveSync, but with a cut down feature set.

Apple iOS has native support for Microsoft ActiveSync, and setting up an Exchange mailbox on an iPhone or iPad is very easy, due to the in-built mail setup wizard. However,

Business Technology Sample

Apple iOS suffers from the same limitations as Google Android. The mobile email client does not contain the features required to use every Microsoft Exchange feature.

Windows 8, which is often used as the operating system on Windows powered tablets, does ship with ActiveSync as a native mail protocol. Integration of Exchange into Windows 8 is much better than both Google Android and Apple iOS. However, there are still limitation son the features of the Exchange mailbox that can be accessed.

Blackberry, Apple iOS, Google Android and Windows 8 are all able to receive email from an Exchange server, using push technology. As well as contact data, calendar and tasks. However, none of them offer the full exchange feature set.

Users of other mobile devices can use either IMAP or POP to access their exchange mailbox. POP should be used as a last resort, as there is no backward synchronization with the Exchange server when using the POP protocol. IMAP is preferred, and this will give fully synchronized access to emails, but not calendar, contacts or tasks.

It is important to understand that Microsoft Exchange is so much more than an email hosting server. Because of this, no mobile client supports every single feature. However, tor simply checking and replying to emails, and accessing contacts and calendar, Blackberry, Google Android and Apple iOS all do a great job.