

SaaS Assist 4 Pillars of Support

Commercial

Technology

Service Delivery

Sales

The commercial marketplace for business software is moving from on-premise purchases to SaaS. Fast.

The SaaS Assist programme was created to help ISVs keep ahead of the curve.

A clear understanding of the commercial objectives and plans is the foundation of a successful SaaS project, as all other parts of the project need to support this.

That foundation comprises three interrelated elements:

- 1. Target marketplace – The business opportunity**
Define the target marketplace for your SaaS offering and have a clear vision of what needs to be created for it.
- 2. Offering definition – What you're going to sell**
Consider aspects such as the API economy and how new technologies like cognitive computing could be incorporated to make your solution more competitive.
- 3. Business model – How to generate profit**
Address the need for a business plan to generate profit, and to understand the effect a move to SaaS might have on your cash flow.

For further details on each of these, see below.



SaaS Assist aspects of support



Target marketplace – The business opportunity

The first thing to establish is exactly who you want to sell your SaaS Solution to – existing on-premise clients, new clients, or both? If it's for new clients, what size of business are you targeting? What industries? What countries do you aim to sell into? It's also important to understand your competition. How established are they? What are their strengths and

weaknesses? Which of your target segments are they also targeting?

SaaS Assist can help you to answer these questions and to define your marketplace.



Offering definition – What you're going to sell

Will you create your SaaS offerings from part of your current on-premise solutions? If so, which ones? Or will you be developing a completely new SaaS solution?

multiple single instances? What degree of customisation are you going to allow within your SaaS offering?

SaaS Assist can help you to think through these questions and to consider new technologies to grow your SaaS solutions.

From a commercial point of view, would it be better to create and run a single instance multi-tenancy SaaS solution, or to run



Exploiting the API economy

Have you considered how you can benefit from the API (Application Program Interface) economy and exploit your data or application assets by making them available through APIs?

- An administration portal to establish policies for critical API attributes, such as self-registration, quotas, key management and security policies
- An analytics engine to provide role-based insight for API owners, solution administrators and application developers in order to manage your APIs and ensure service levels are being met

How IBM can help with APIs

At IBM, we have experience of helping ISVs enter the API economy. For example, if you develop your APIs within the IBM Cloud platform, you can monetise them by hosting them on the platform as well, making them available for others to buy and use.

Enhancing applications with new technologies

As you create new SaaS offerings from existing solutions, will you take the opportunity to assess whether you can incorporate new functionality to make them even more competitive.

IBM and SaaS Assist can offer pragmatic help to build these new technologies into your SaaS solutions.

IBM also offers API Management, which lets you create, assemble, manage, secure and socialise your APIs by providing:

- A developer portal to attract and engage application developers and foster use of published APIs

Cognitive capability

IBM is working with ISVs across the world who are building Watson-based cognitive capability into their offerings. There are already over 100 ISV solutions being sold today that incorporate Watson cognitive capability, with over 250 more in development. SaaS Assist can benefit ISVs in a number of ways:

- We can make our technical resources available to help you to incorporate cognitive functions into your offering.
- We offer a workshop exploring how you can take advantage of IBM's cognitive computing capability to enhance your SaaS application



Mobile experience

In today's marketplace the mobile interface to a SaaS solution can be an important part of the selling proposition. It's another area where IBM can be of value to ISVs – thanks to our partnership with Apple.

We've developed over 30 enterprise mobile apps that can be incorporated into SaaS offerings. And through SaaS Assist, we offer a workshop enabling you to explore how you might use these apps to deliver rapid client engagement and improve their mobile experience.

If you need new apps to support your SaaS Solution, we have people who can help you with that too. IBM Interactive Experience is a next-generation services company with a network of global studios that can support you from strategy, creative and design to scalable digital, commerce, mobile and wearable platforms.

ISVs can take advantage of a SaaS Assist workshop that's focused on the mobile experience, and which explores:

- Approaches to building your own apps or getting a trusted provider to do it
- Tools to allow your apps to be developed efficiently and deployed easily across multiple mobile platforms



Social media

With 80% of the world's online population using social networks on a regular basis, there are opportunities to increase the level of engagement and collaboration with users, and to gain insight from incorporating social data into your applications.

IBM has been named IDC worldwide market share leader in enterprise social software for the last 6 years. You may be able to benefit from integrating our social capabilities into your applications, which in turn can be integrated into the IBM social business platform.

SaaS Assist offers a workshop where you can explore and plan ways in which you can take advantage of enterprise social tools to attract and delight your users.

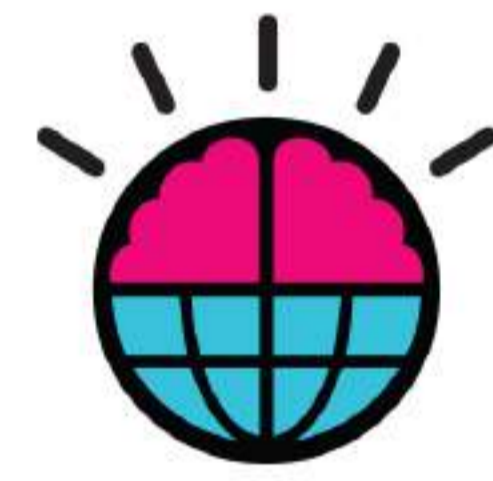


Business analytics

The volume of data potentially available to business is exploding – 90% of the data on the planet is less than 2 years old. This is being driven by new technologies like the Internet of Things, Cloud, Social Media and Mobile. Being able to offer your customers new and powerful ways to extract actionable insight from data is becoming fundamental to the value ISVs are being asked to deliver. And we can help you.

IBM has invested \$26 billion in Big Data and Analytics capabilities. We have 15,000 consultants and 400 mathematicians working in this space, and generate over 500 analytics patents each year. Having collaborated with clients on over 50,000 analytics engagements, we've produced a set of industry analytics solutions that can be used to deliver predictive analytics, data preparation, and interfaces tailor-made for specific industry use cases.

So if you're looking to maximise the commercial value you can gain from Business Analytics – we're here to help. SaaS Assist offers a workshop that reviews the current use of Business Analytics and discusses and demonstrates ways in which IBM's Business Analytics capability could be used to enhance your SaaS solution.



Business Model – How to generate profit

For a SaaS solution to be successful it has to protect and grow your business. And it has to be profitable. This means making some fundamental business decisions:

- On what basis will you offer your SaaS solution? Is it a full online sign-up and use offering, or will you be contracting more formally with clients?
- On what basis will you charge for your solution? Is your market opportunity and solution right for completely variable usage-based charging? If so, how will you charge – by time, user, transaction...?
- If your solution requires implementation services to integrate it into clients' other systems, to tailor it and to train users, how will you handle charging for this?
- What sales predictions are you using as the business case for investing in your SaaS solution? How many clients do you anticipate signing up, and what is your predicted revenue flow from them over time?
- Is your strategy to move entirely over to SaaS-based offerings, or do you intend to maintain a portfolio of on-premise solutions in parallel?
- What is your assessment of the impact of your SaaS solutions on your existing client base?
- If you will be selling in multiple countries what approach will you take to pricing localisation?

We know that SaaS solutions can present unique challenges for ISVs. So SaaS Assist can help you to think through some of the considerations around these questions, and to formulate a clear financial plan to generate profit.

Managing cash flow

Marketing, sales, legal costs, account management... winning new clients can be expensive. With on-premise solutions, you are usually paid up-front, so you immediately earn those costs back. With SaaS solutions, however, revenue flows over time, so it might take 12 – 24 months to get those same costs back. This is compounded further as you cover other fixed costs such as R&D, office space, tech support, legal, billing...

This means your cash flow and profit position need careful planning and management.

SaaS Assist can help you with this in two ways:

- 1) SaaS Assist offers financial modelling of your SaaS project to calculate the impact it will have on your business and cash flow. It also shows the result of focusing on key areas to maximise profit, like upsells and upgrades, reducing the cost of acquisition and reducing the cost of client servicing.
- 2) IBM Global Financing can review with you how it might be able to assist with the financial engineering of your SaaS project. This could include:

- Exploring ways to align the cost of capital investments needed in infrastructure with the expected SaaS revenue flow
- Where a client is committed to a minimum contract term, exploring how you can receive all the payments up-front, while the client still pays monthly



Practical ways IBM can help

- Business Analytics for SaaS Workshop
- Cognitive Computing for SaaS Workshop
- Monetise applications via APIs in IBM Cloud
- Business iOS apps developed with Apple
- Finance and leasing support
- Mobile Apps Design Workshop
- Social for SaaS Workshop
- SaaS financial modelling



Why IBM?

IBM is the perfect partner to help you on your journey from on-premise to the cloud, no matter what stage of that journey you are on, because:

- ✓ We're engaged in SaaS ourselves.
- ✓ We understand the technology and the software involved.
- ✓ We have a multitude of offerings to help ISVs make the most of their SaaS solutions.
- ✓ We provide ISVs with access to resources that can support the successful transition to SaaS.



If you have any questions about any aspect of SaaS, or SaaS Assist, please call: **020 318 0057**.