Think you're ready for SaaS?
Think again!

http://saasrevenue.com
For the record... I’m a big fan of SaaS

- All of the known end-user reasons
- Allows end-users to focus on business problems not tech
- Many more benefits to the SaaS vendor & end user due to Network Effect
- Business Scalability for both the vendor & the client
Why does it matter if you know what SaaS is?

SaaS vendors take on all of the burden for their clients.

Revenue Modeling, Generation, and Recognition are more complex.

One code-base serves multiple markets without modification & with an in-built revenue model.

All aspects of SaaS differ from Legacy Software; sales, software dev, etc.
If you think SaaS is...

1. Just another software delivery model
2. A way to deliver cheap software
3. A market
4. Another name for subscription pricing
5. Anything in “the cloud”
6. An easy sale: If you build it, will they come?
7. Just another version of your software
8. Right for your firm since everyone else is doing it
9. A ticket to easy success w/ the right checklist
If you think that SaaS is any of those 9 items...
*FAIL!

* A bad thing; let's try to avoid that
SaaS is not... just another software delivery model

- Single-Instance, Multi-Tenant
- Web-Native
- About Rules, not Exceptions
- Unique Business Architecture
Legacy Software Business Structure

Marketing

Intellectual Property

Technology

Revenue Model

Loosely-coupled, at best
All aspects are tightly coupled
SaaS is not... a way to deliver cheap software

- **SaaS doesn’t have to be “Software-Lite”**
- **SaaS has the potential to provide more value than on-prem**
- **Vendor takes on burden of infra, governance, compliance, etc.**
- **Maybe SaaS should cost more than Legacy Software due to value-add**

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SaaS is not... a market

The market is the vertical, industry, etc. who will buy your offering

Don’t model your product, pricing, etc. after other SaaS offerings outside of your market

Competitors, SaaS or not, drive market expectations. Are you in a position to challenge those?
SaaS is not... another name for subscription pricing

Subscriptions are only 1 of 7 Revenue Streams

Even within Subscriptions there are many options: Metric/Timeframe

Key is to be aligned with your market
SaaS Revenue Modeling

Revenue Model consists of Revenue Streams

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Revenue Model is not Pricing Strategy

Revenue Model + Vertically Aligned Pricing = Agility
SaaS is not... anything in the cloud

- Just because it’s on the web doesn’t make it SaaS
- Single-instance Web Apps, ASP, Cloud servers, private clouds, etc. are not SaaS
- PaaS, IaaS, API-based systems probably meet definition of SaaS
- SaaS is UI Agnostic
SaaS is not... an easy sale; if you build it, will they come?

Know your market

Are there channels? Some companies, industries, regions, etc. only buy through 3rd parties. Period.

The sales department is not obsolete no matter how much you want that to be the case

On-boarding, implementation, integration & change management are still real issues
SaaS is not... just another version of your software

Hybrid is hard! So much more than managing “two branches of source code”

Organization issues, technology problems, etc.

One-off versions break the SaaS model & its eliminate many of the benefits to both the vendor & client

Customization is the death nell of a SaaS vendor
SaaS is not... the right move since everybody else is doing it

Is your organization ready?

Internal structural, cultural, & financial challenges can kill a SaaS business before it starts

Is your market ready?

Market culture, laws/governance, and mindset must be aligned
SaaS is not... a ticket to easy success with the right checklists

Might be good at 60k foot level

There is no silver bullet

Blanket statements about different businesses in different markets are usually not valid

Every company & market is different
Get the detailed guide to the 7 SaaS Revenue Streams with examples:

http://saasrevenue.com/7streams.html

If this is a SaaS Revenue Model emergency put down the mouse and call us:

(972) 200-9317