

# The future of software as a service

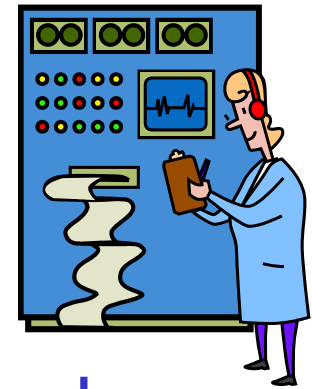
Presentation for Intellect – 8<sup>th</sup> July 2008

Bob Tarzey  
Service Director  
Quocirca Ltd

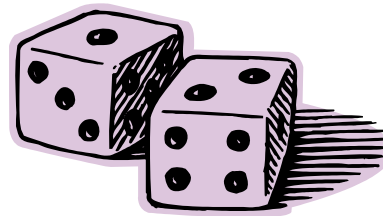
  
REPRESENTING THE UK TECHNOLOGY INDUSTRY



- Mainframe
- PC
- Client-server
- Internet/Web
- Service based computing/on-demand



- To add value
- To reduce risk
- To reduce costs



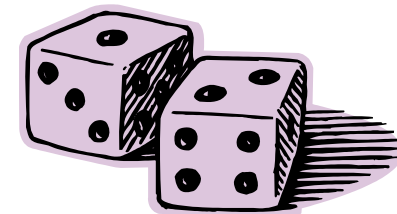
- 5-year cost of ownership
  - £50/user/month
  - 100 users
  - £5000/month
  - £60,000/year
  - **£300,000/5 years**
- A lot of money for a 100 user application



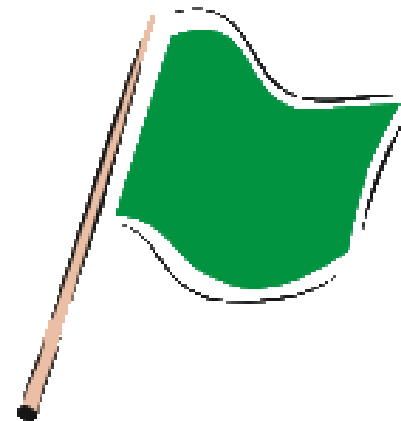
## Hidden costs of on-premise

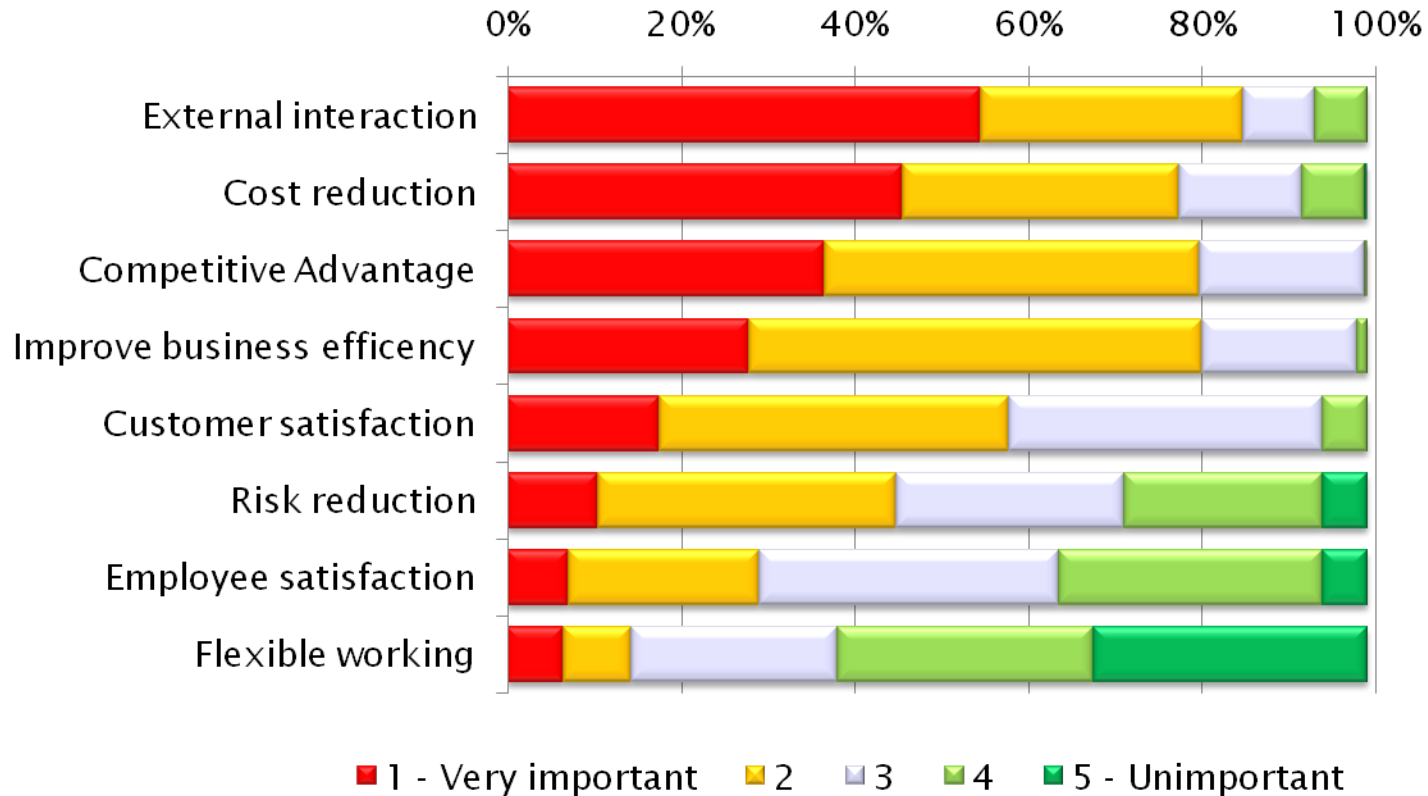
- Infrastructure costs
- Management costs
- Cost of failed deployments

- When a critical application fails, business stops
- SaaS mitigates through
  - Enterprise class data centres
  - Enterprise class communications
  - Enterprise class IT management
  - Enforceable service level agreements



- New and enhanced business models
  - Mobile and flexible working
  - Collaborative working
  - Virtual teams
  - Cross organisational business processes
  - Immediate access to news innovations from suppliers



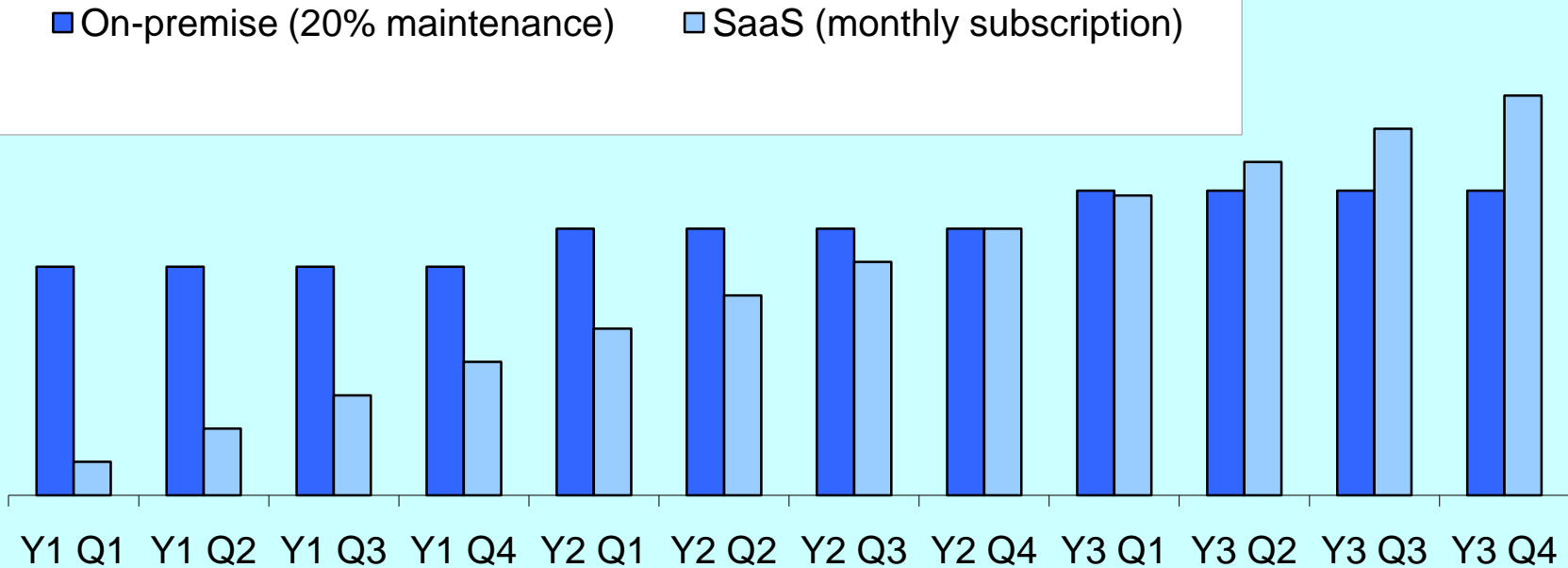


400 respondents from Europe enterprises  
(CPG, retail, manufacturing, hi-tech)



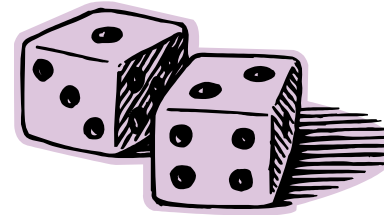
- Capex to opex
- Shared infrastructure
- Fast time to value
- Flexible payment
  - User based
  - Transaction based
  - Volume based
  - Even FREE





- Supplier has better long term cash flow
- Supplier and customer both appreciate value over time
- Less aggressive sales

- Need to look at
  - Business risk reduction
  - Business value creation alongside
  - Cost management



- Put all three together and the case can become overwhelming

- ...are hard to tie down
  - Niche usage
  - Low visibility
  - Pervasive
  - Specialist areas



- ❑ Today Average Inc is increasingly reliant on....
  - Mobile and remote workforce
  - Automated interactions with 3<sup>rd</sup> parties
- ❑ But managing this out of a....
  - Single data centre based at HQ
  - With no back up power supply
  - Limited failover
  - No hard SLAs

*Average Inc*

quocirca



# The growing world of SaaS

**RIGHT  
NOW**  
TECHNOLOGIES

  
A R I B A

  
**postini**

Google

salesforce.com

  
MessageLabs

CITRIX | online

 **NETSUITE**  
SOLUTION PROVIDER

 **webex**

Microsoft Office  
**Live Meeting**  
A PlaceWare Service

**And wannabes...**

  
CISCO

**Microsoft**



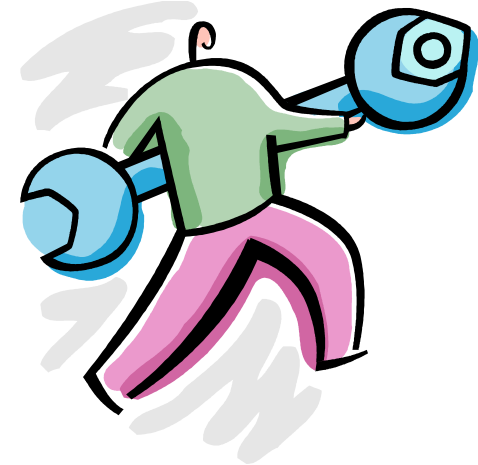


ORACLE

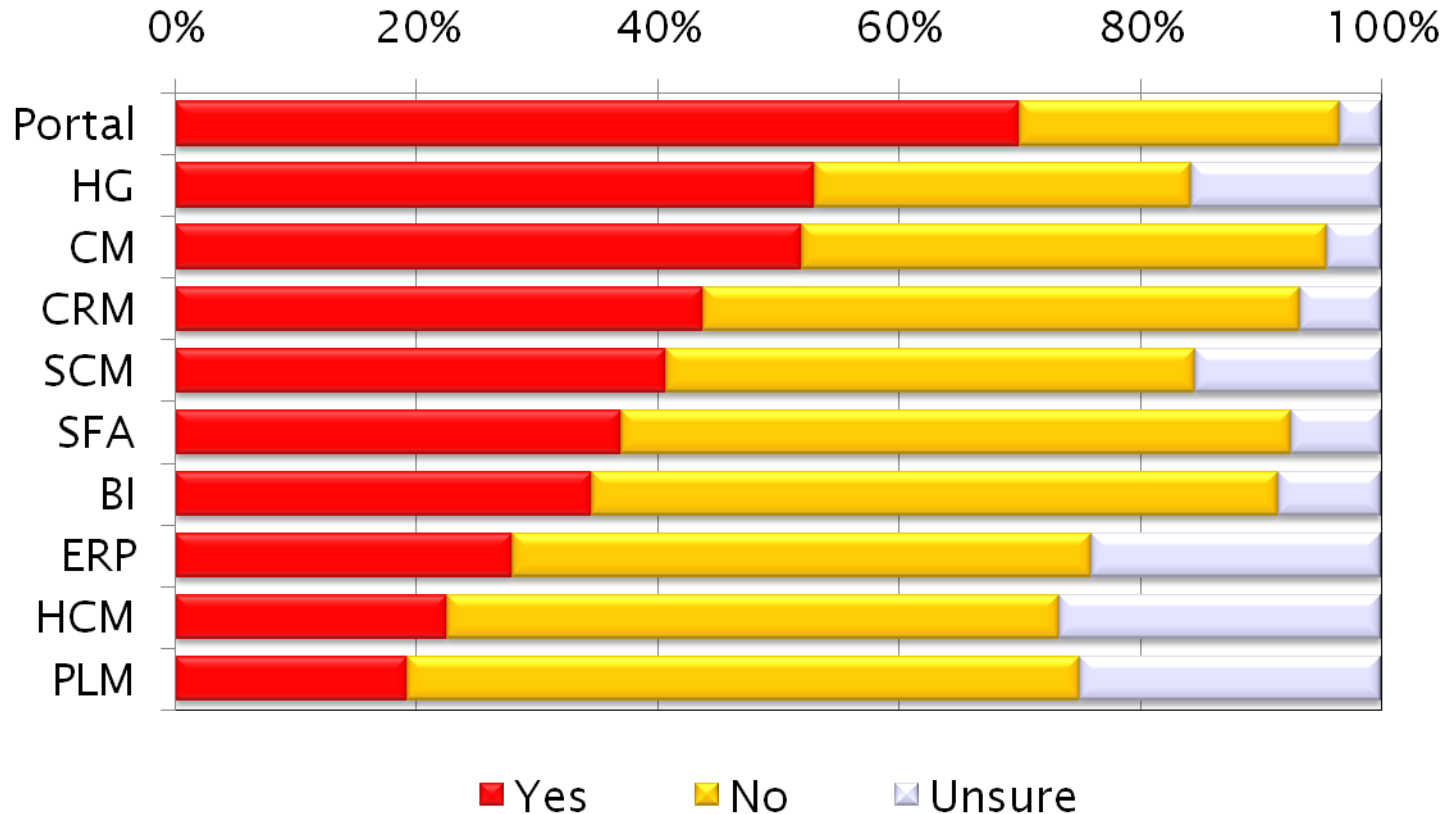




<b>Portal</b>	Portals
<b>HG</b>	Home Grown
<b>CM</b>	Content Management
<b>CRM</b>	Customer Relationship Management
<b>SCM</b>	Supply Chain Management
<b>SFA</b>	Sales Force Automation
<b>BI</b>	Business Intelligence
<b>ERP</b>	Enterprise Resource Planning
<b>HCM</b>	Human Capital Management
<b>PLM</b>	Product Line Management



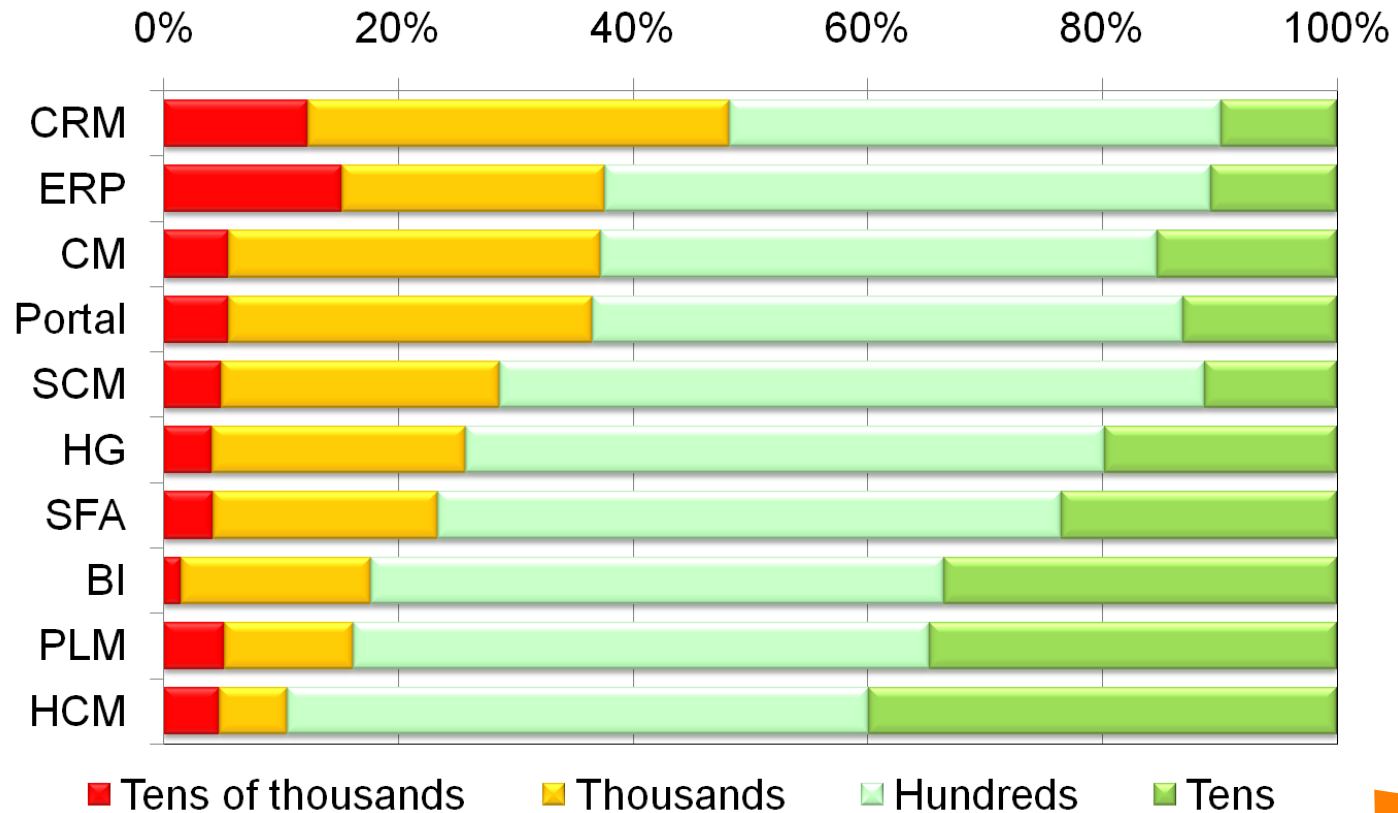
# Applications being web-enabled



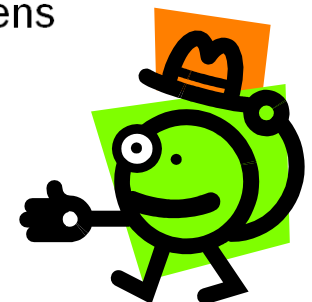
400 respondents from Europe enterprises  
(CPG, retail, manufacturing, hi-tech)

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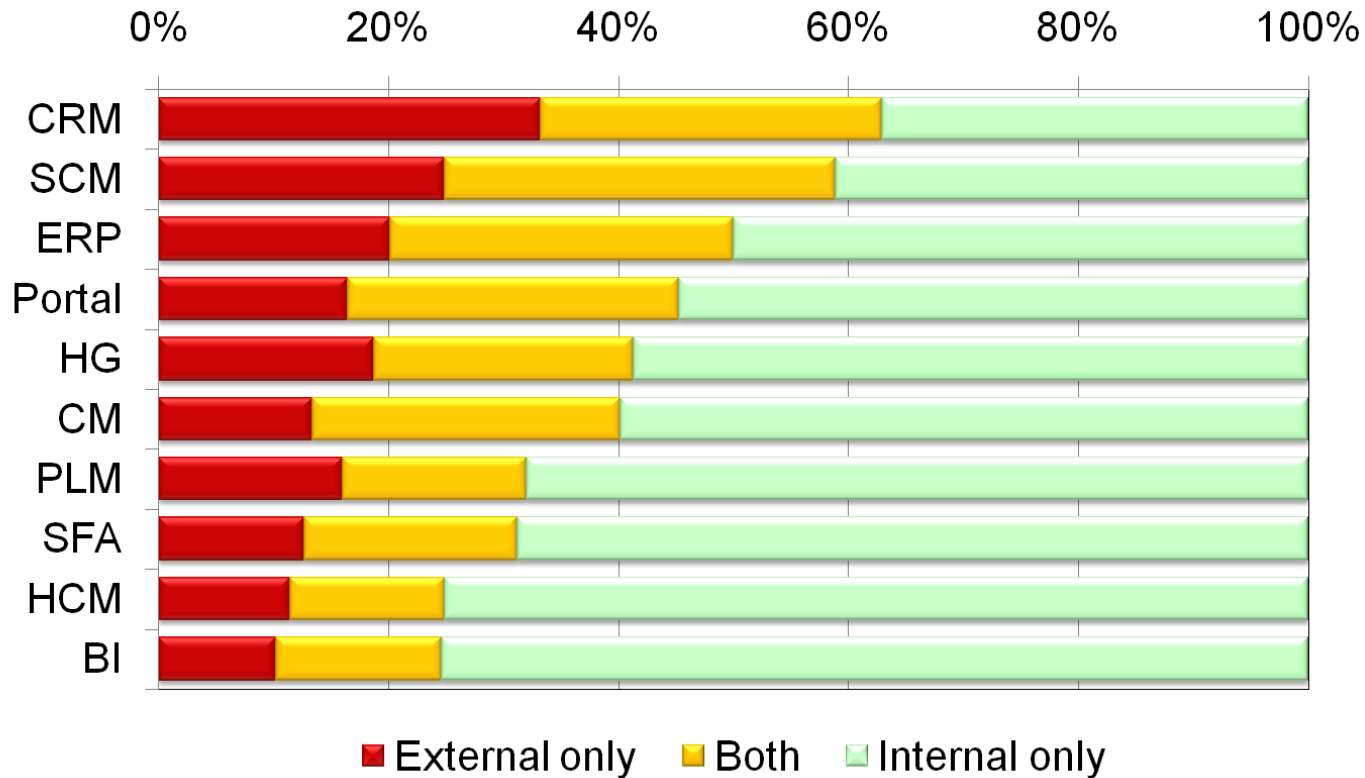




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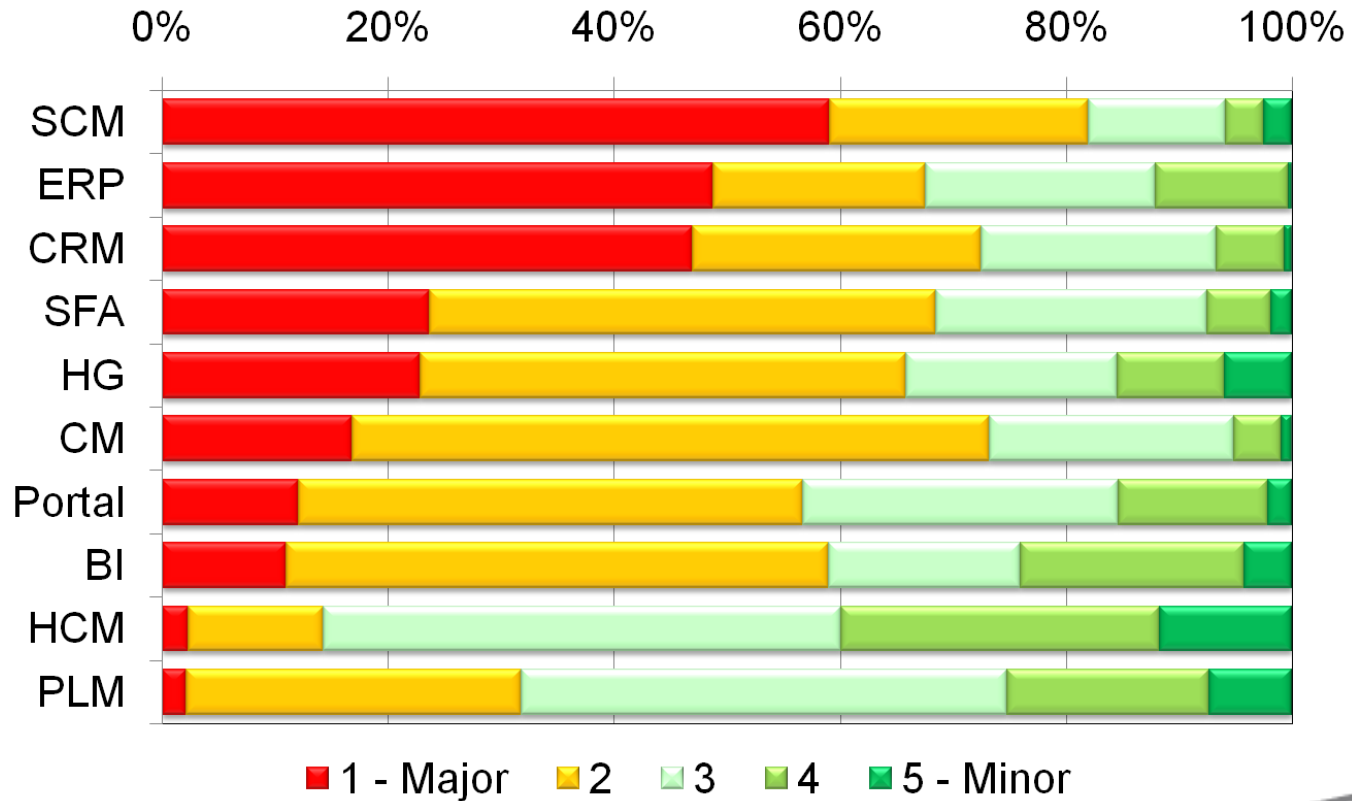
# Users of web-enabled applications



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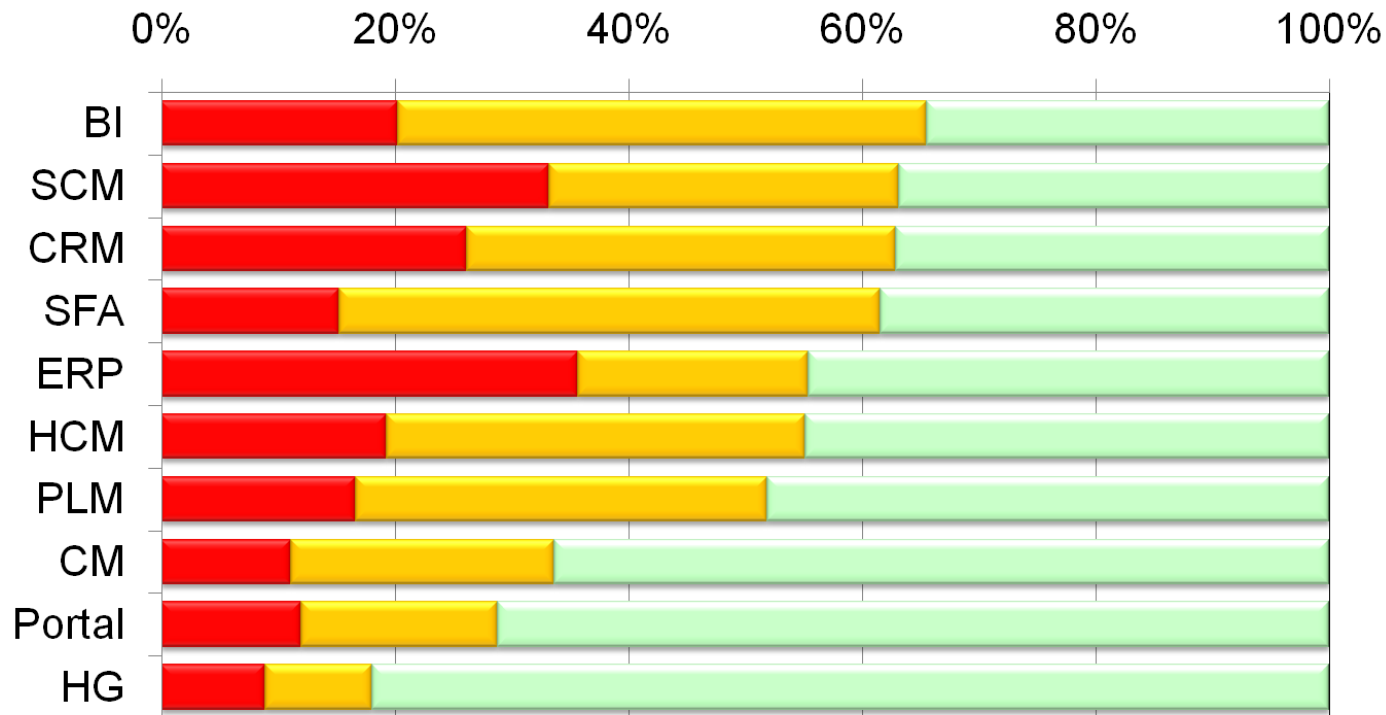
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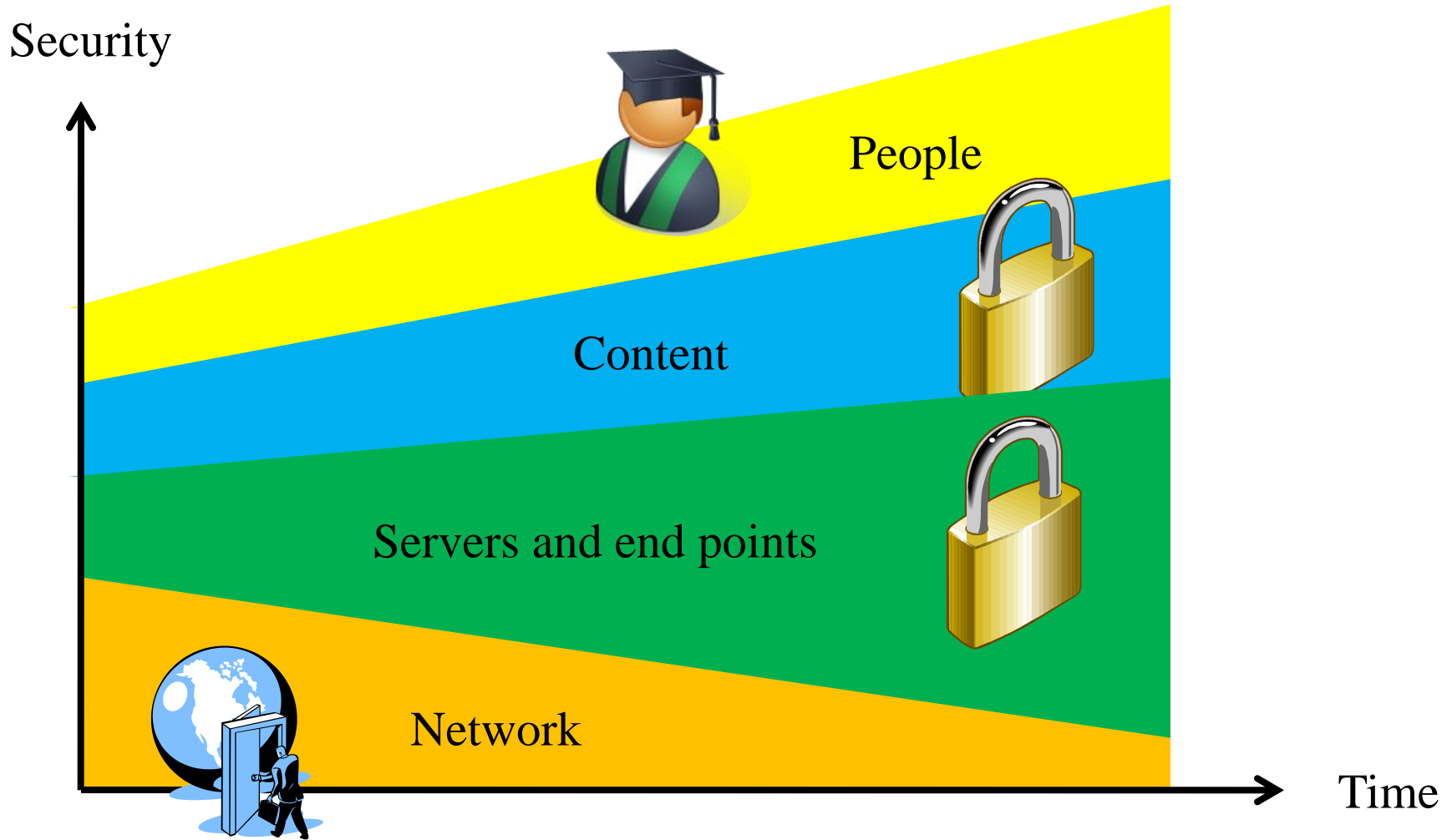


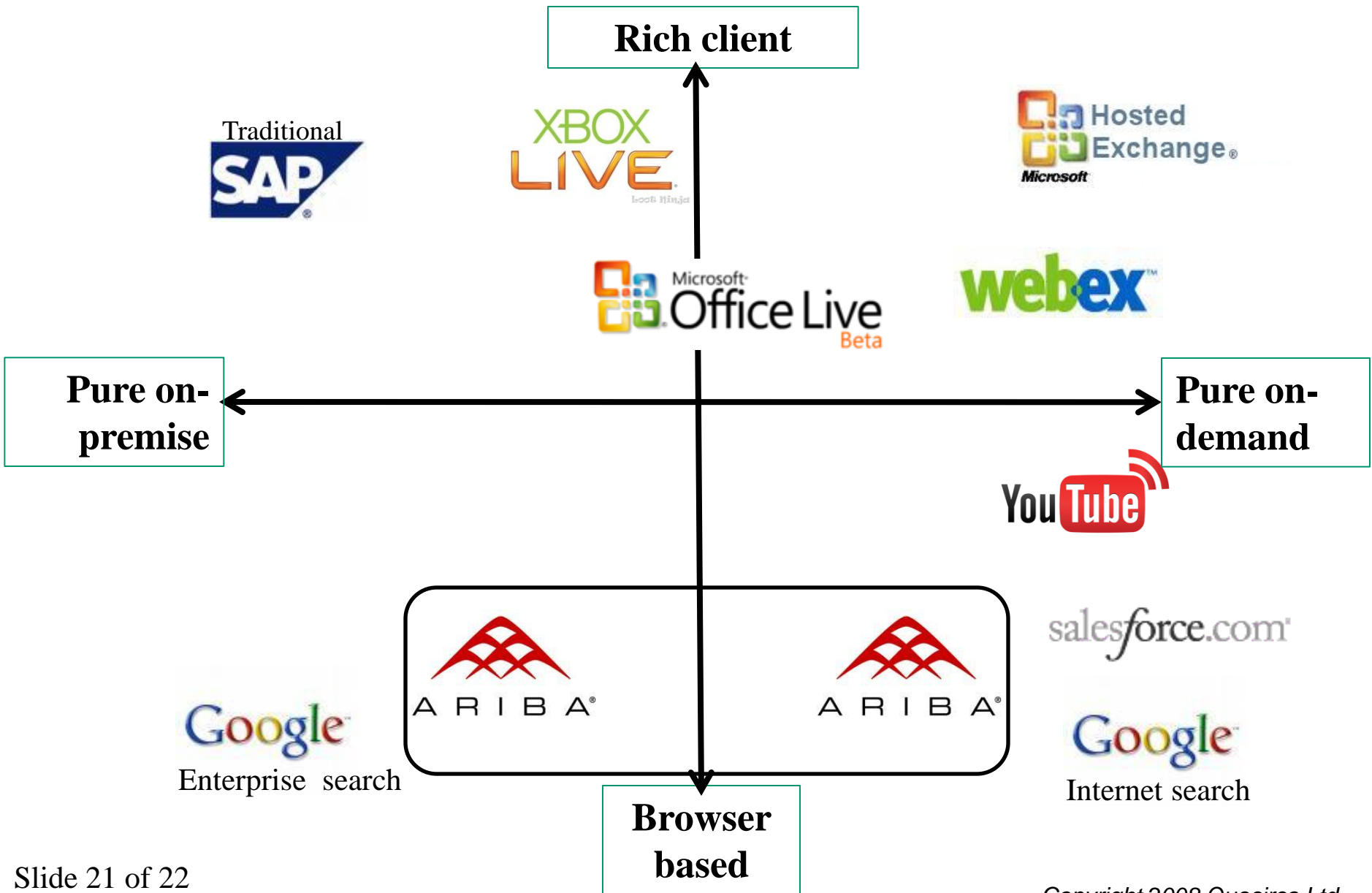
■ Board level management   ■ Business management   ■ IT management

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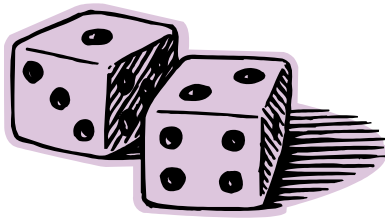
Sponsored by:







- Businesses are turning to SaaS because there are real tangible benefits



- SaaS is becoming an integrated part of mainstream IT delivery

Free at [www.quocirca.com](http://www.quocirca.com)  
Web enabled applications and the internet  
The distributed business index  
Average Inc

Bob Tarzey  
Quocirca  
[bob.tarzey@quocirca.com](mailto:bob.tarzey@quocirca.com)