

Logicalis eBook: Ready to **Transform** Your Business?

6 Things to Look for in Your
Software as a Service partner

Start Here!



1 The New Software Landscape



As a software solutions provider, you spend most of your time developing new features, improving your customer service and understanding the latest industry trends, regulations, pricing models and distribution channels your software must support.

But while you've been focusing on the particular industry you serve, your own business – software – has been shifting beneath your feet. Rather than hosting your software in their own data centers, more and more of your customers are seeking the greater flexibility, lower cost and “pay as you go pricing” offered by the cloud.



You may already be aware of the benefits a Software as a Service (SaaS) delivery model offers your customers. It eliminates their need to buy, host, maintain, monitor and manage their own servers, storage or networking hardware to run your solution. The money (and time) your customers save by not building and managing their own application infrastructures can go toward new initiatives that grow their businesses.

Another huge advantage: The monthly per-user fee for the application comes from the customer's operating, rather than capital, budget. This reduces the need to tie up large sums in up-front implementation costs before seeing any benefits from the software itself.



SaaS also allows an organization to adjust its software spend to its business needs. If business is good, your client can add new users with the click of a button. If your customer's business is going through a downturn, seasonal or otherwise, your customer can instantly dial back application usage and spend less until sales pick up later in the year.

A Start-up Grows in Healthcare Analytics

When the founders of Health Care DataWorks left the Ohio State University Wexner Medical Center to market their advanced analytics solution, they knew developing the software and the data model behind it was their core skills. Building the infrastructure to host it was not.

“At the university, we had a whole IT shop to lean on,” recalls HCD Chief Technology Officer Mike Ostrander. “We wanted to focus on what we did best – healthcare analytics. We wanted to find a partner for the technical and hardware aspects of the solution.”

In looking for a deployment and hosting provider, Ostrander says, “We needed one company that could take responsibility for everything from the operating system down – including servers, storage and networking – and implement, as well as monitor and manage. Our partner would need to have a national presence and be able to deploy and support our technology locally. We also wanted them to have a consulting arm with specialized people we could tap for extra help to support our sales team and ensure the successful implementation of our product at a customer organization.”

[READ THEIR STORY](#)

An “as a service” model is especially attractive to clients that are moving into new geographies, product lines or distribution channels, or that are acquiring (or being acquired by) other companies. With a click of the mouse, an as-a-service model can accommodate virtually any number of new users instantly, making it an efficient and cost-effective way to meet new user demand. Once the as-a-service provider makes a one-time software update on its servers, the new functionality is available to each user the next time they log in without the lengthy and expensive installation of the update on every user’s PC.

Such “no pain” updates made possible by the “as a service” model are useful in nearly every vertical market. Take the education sector, for example. When states or the federal government impose new reporting rules on student progress, the software provider can instantly support those new rules for all its customers with a single code change on its servers. In the retail sector, SaaS allows businesses to turn on a dime, quickly and easily meeting new regulations for charging state sales taxes as lawmakers require it. In financial services, as-a-service software allows customers to instantly meet new regulatory reporting requirements, or to serve their clients through new channels such as mobile devices.

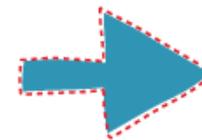
SaaS also allows any user with a web browser to access corporate data and applications. That ease of access was, in fact, the most-cited attraction of SaaS according to a recent survey. Although cost is the most obvious driver of SaaS demand, saving money ranked only fifth in the survey. Today’s SaaS customers place even more value on the flexibility they gain in growing, shrinking and changing the way their own businesses operate as market forces dictate. In today’s world, where immediacy is king, any software solution provider that doesn’t at least make SaaS an option for its clients is in grave and immediate danger of losing customers to competitors that do.

Although there are obvious advantages to an as-a-service delivery model, SaaS also presents some challenges. Moving to an as-a-service model can involve significant changes to your business and, in some cases, to your software. Understanding which road you should take in this new world of software delivery is the place to begin.



Customers Are Demanding New Software Capabilities

- Shorter implementation times
- Lower cost by offloading administration to cloud providers
- Ability to pay for software as an operating vs. capital expense
- “Pay as you go” pricing
- Reduction or elimination of capital costs for servers, software and associated tech support
- Freeing of funds for innovation instead of management of applications and licenses
- Single update/single version control



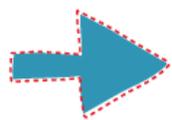
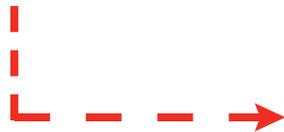
Next Article:
Your Path to Growth

2 Your Path to Growth



Depending on whether you're new to the as-a-service model, already offering it (and have run into challenges) or are looking to launch a start-up SaaS solution, there are different paths you can take within this new software landscape.

Select the path that most represents where you are now. You will find some of the challenging questions you'll face in each scenario.



Next Article:
[Cloud Provider Partner Checklist](#)

Startup

You're a start-up looking to launch a new solution offering using a SaaS model. Questions you may face include:

- How do I choose a cloud provider, and what are the key capabilities to look for?
- Do I understand my customers' needs for security, availability and performance?
- Have I identified various service levels and the price premium (if any) these levels would command from customers?
- Should I choose a public, private or hybrid cloud hosting model?
- What level of detailed information do I need from a cloud provider to properly bill clients for their application usage?

Traditional

You're an established vertical solution provider that sells your application under a traditional licensing/customer on-premises model and are being driven by customer demands to also offer it via an as-a-service model. Questions you may face include:

- Is it possible or even desirable to "cloudify" rather than rewrite my existing application?
- Should I host the application myself or rely on a cloud provider?
- Should I provide the 24/7 support, including service desk, required for the SaaS environment myself or rely on a third-party managed services provider?
- How do I select the right cloud provider to partner with?

Expert

You are already offering your application(s) via an as-a-service model, but are challenged to provide your customers the required levels of innovative technology, reliability, performance or security. Questions you may face include:

- Have I identified the specific levels of reliability, security or performance my customers require and what they will pay for each?
- Do I understand where in my (or my cloud provider's) infrastructure the reliability, performance or security issues are arising?
- Can I or my cloud provider offer customer experience monitoring?
- Am I growing my profits after the cost of supporting my own cloud technology? Or would I be better served focusing on my core business and letting a provider support my cloud infrastructure?

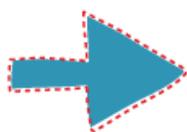
3 Cloud Provider Partner Checklist



As a vertical market software expert, your core competencies include in-depth knowledge of your customers, their industry and how to develop applications to support their needs.

They probably don't include running a massive data center, providing 24/7 global support, clustering servers for business continuity or backing up and restoring massive customer databases for disaster recovery.

To provide those services for your customers, at some point along the way, you'll probably turn, to a cloud service provider. But how do you choose one? Everywhere you turn there are a seemingly infinite number of cloud providers, all of whom claim they can support "enterprise level" applications. Which one is best for your specific needs—and the needs of your customers?



Next Article:
[Logicalis: Your Partner in SaaS Success](#)

Key Requirements for a SaaS Provider

6 Things to Look for in Your Software as a Service Partner



Ongoing support. Some cloud providers simply sell you a given amount of server, storage and networking capacity and then you are on your own. That's fine for your own test or development environment, but not if your customers will instantly see any hiccup in performance or availability that occurs. Unless you can provide 24/7 infrastructure and application support, including service desk and remote management if needed, carefully assess (and ask reference customers about) the provider's support capabilities.



Consulting on architectural choices. Public, private and hybrid cloud architectures each have benefits and drawbacks. Which is best for you depends on factors such as the sensitivity of the data to be stored, how sensitive an application is to heavy usage by various users in a multitenant environment, and the amount and type of data that must be transferred between the public and private environments. Look for a cloud provider that can not only give you unbiased advice; but is also willing to consult with you on ways to transform your business and grow annuity revenues.



Help "cloudifying" legacy applications. Many legacy applications may not be well-suited to the multitenant, public cloud architecture. Choose a cloud provider who can solve not only technical issues such as whether you require "replatforming" of applications, but also address software licensing issues such as consolidating databases in the cloud to reduce costs—or architecting a hybrid solution instead of re-designing applications.



Support for legacy or niche operating systems your application requires. Public clouds that provide "bare bones" servers are fine for common platforms such as Windows or Linux. Many legacy vertical market solutions, however, require legacy or niche operating systems. If yours is one of them, you need a cloud provider who can support it and provide the performance, reliability and security your customers require.



Support for the levels of disaster response/business continuity your customers demand. Assuring appropriate levels of backup, recovery and disaster continuity can take considerable work. It's not something the average "credit card" hosting provider will or can guarantee. Once you understand your customers' disaster recovery/business continuity (DR/BC) requirements, make sure your provider can meet them. This not only meets your customers' needs, but gives you an opportunity for recurring revenue.



Industry-specific security requirements. Whether its general security requirements such as SAS-70 or industry-specific requirements such as HIPAA in healthcare or PCI in retail, make sure your cloud provider has the security certifications your customers require. Also ensure they can provide technical security capabilities they need such as encrypted storage for healthcare providers.

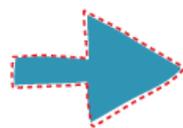
4 Logicalis: Your Partner in SaaS Success



We are an award-winning cloud consulting firm that has helped many software solution providers—customers like API Healthcare, Health Care DataWorks and IFS—take their applications to market through a SaaS model.

We understand the importance of your customers' user experience, the security of their data and the availability of their applications. Our dashboards and reporting make it easy to see what resources you and your end-customers are using, while we handle any alerts on your behalf.

Our consultative approach offers you multiple options, including public cloud, private cloud, hybrid cloud and on-premise appliances, along with multiple licensing and billing options. We provide managed services, including disaster recovery and business continuity, as well as help desk services to you and your customers based on more than a decade of experience and a host of leading IT service management standards, including SSAE and ITIL.



Next Step:
Contact Logicalis.
We can help.

Let's Get Started: Ready to Take the Next Step?



Cloud Readiness Assessment

Don't know where to start? Let us help you scope your SaaS needs by defining the number of users you will serve, the amount and type of data you must store in the cloud, your recovery time and availability requirements/objectives and your bandwidth and data retention needs.

Give us a call at **866.456.4422** or click [here](#) to learn more about our Cloud Readiness Assessment.



LEARN MORE

Cloud Foundation Workshop

Let us help you define your strategic cloud objectives, rate the cloud-readiness of your IT environment, identify areas that will help you move to the cloud and outline actionable next steps.

Give us a call at **866.456.4422** or click [here](#) to learn more about our Cloud Foundation Workshop.



LEARN MORE

On Demand Cloud Proof-of-Concept

Take a test run on Logicalis' infrastructure to see for yourself what benefits a SaaS delivery model can provide your customers and your business.

Give us a call at **866.456.4422** to learn more about our On Demand Cloud Proof-of-Concept.



LEARN MORE

Thank you for contacting us!



Logicalis can help you deliver your SaaS solution! Contact us at 866.456.4422 or visit www.us.logicalis.com/isvebook and fill out our contact form.

About Logicalis

Logicalis is an international IT solutions and managed services provider with a breadth of knowledge and expertise in communications and collaboration; data center and cloud services; and managed services.

Logicalis employs nearly 3,500 people worldwide, including highly trained service specialists who design, specify, deploy and manage complex ICT infrastructures to meet the needs of almost 6,000 corporate and public sector customers. To achieve this, Logicalis maintains strong partnerships with technology leaders such as Cisco, HP, IBM, CA Technologies, EMC, NetApp, Microsoft, VMware and ServiceNow.

The Logicalis Group has annualized revenues of over \$1.4 billion, from operations in Europe, North America, South America and Asia Pacific, and is fast establishing itself as one of the leading IT and Communications solution integrators, specializing in the areas of advanced technologies and services.

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