TAKING THE NEXT STEP: TRANSITIONING YOUR SOFTWARE TO SAAS

HOW TO OPTIMIZE YOUR DIGITAL TRANSFORMATION AND MOVE INTO THE CLOUD

Awingu.com

One Workspace. Any Device. Anywhere.

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INTRO:

> *Cloud-based 'Software-as-a-Service' (SaaS) are driving growth in the software industry today. Yet, most of our spending – roughly 75% - is still going into non-SaaS software.**

The dawn of computing and Information Technology was not just hardware, but also software. Where many laws, like the über-popular Moore's Law, explain the constant evolution in the world of hardware, the evolution of software would be more accurately described as a "revolution" with the advent of the Internet.

Cloud-based 'Software-as-a-Service' (SaaS) is driving growth in the software industry today. Yet, most of our spending – roughly 75% - still goes toward non-SaaS software. Independent Software Vendors (ISV's) catering to this 75% of revenue need to be weary however. Times are beyond changing, they have changed, and business is increasingly demanding the benefits of SaaS.

**(*BASED ON GARTNER REPORT, "IT SPENDING FOR APPLICATIONS IN 2016")**

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THE BENEFITS OF SAAS FOR BUSINESSES

Businesses all over the world are looking for a number of outcomes when deploying new (or replacing old) software packages. The buying drivers typically boil down to:

◆ Getting a predictable cost-stream. This means evolving from a CAPEX-based model to an OPEX-based model, not just because it's OPEX, but because it's predictable. No longer will businesses find themselves beholden to sudden costs for platform upgrades or cumbersome hardware requiring intensive management. SaaS comes with simple and transparent pricing, without the need for heavy upfront investment.

◆ Getting rid of the IT admin hassle. SaaS brings a full service: no longer do businesses need to worry about hardware, upgrades, back-ups, platform uptime etc. SaaS providers come with full accountability, and an SLA to back it up. This also means that businesses no longer need to invest in IT infrastructure and the staff to operate it, and can focus on their core business interests.

◆ A need for a multi-device and mobile solution: where classic software is often desktop-bound and not mobile, SaaS runs in your browser thus it is mobile by definition.

While the transition from OPEX to CAPEX might not be cheaper – in fact in the long term your business`s case for running a software in-house might still bring in a better total cost of ownership compared to SaaS – the benefits of SaaS go far beyond the financial.
They bring peace-of-mind and mobility, and, they enable IT departments to start focusing on the things that matter for their business - creating a competitive edge and differentiate.
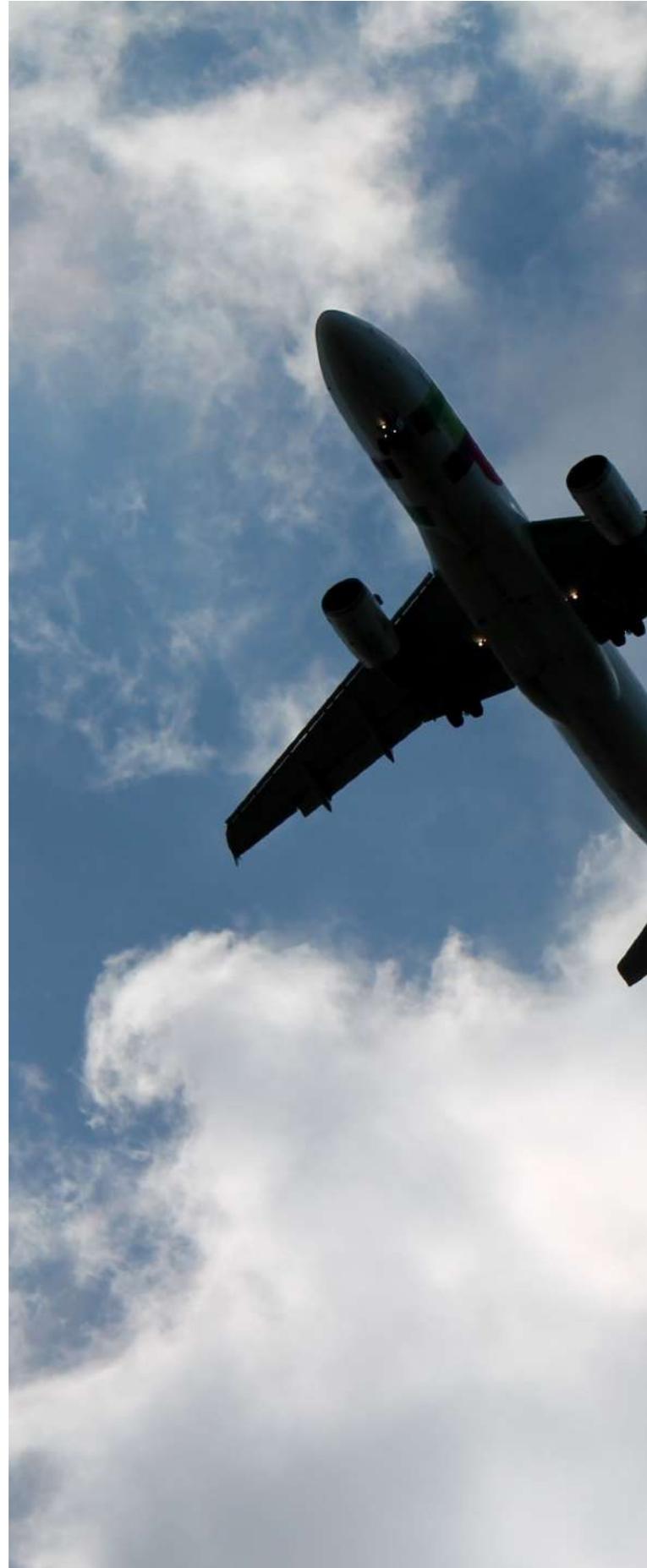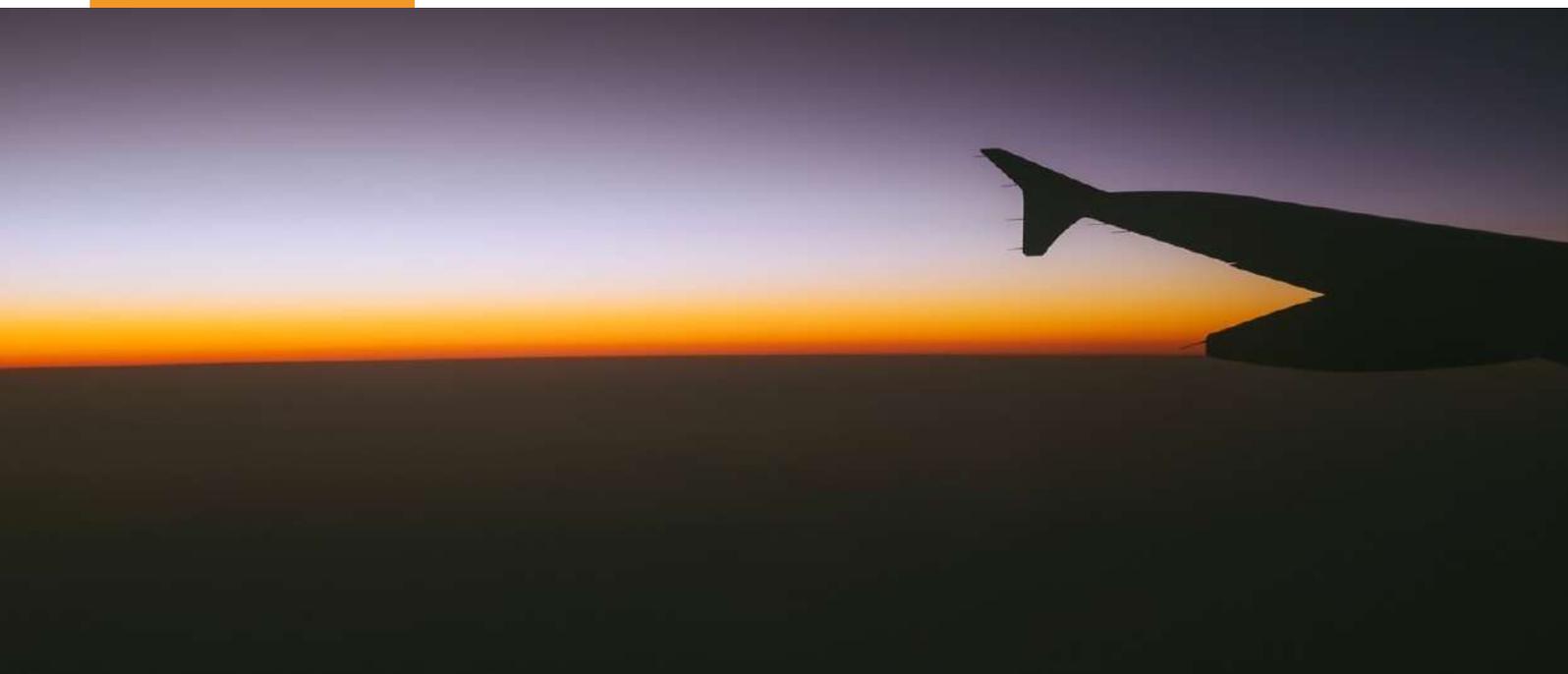
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JASON LEBLANC

CLOUD SERVICES MANAGER, PELOTON, CANADA

> "*Awingu provides a seamless transition for our Windows client applications to move to a SaaS-based Cloud solution. The simplicity is the key.*"

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COMPARING THE OLD AND THE NEW

Obviously, SaaS doesn't only benefit businesses. It's also an important growth engine for ISV's.
It brings a predictable and potentially high-scale revenue stream.

Looking at the SaaS landscape today, a lot of the players are 'Cloud natives', such as Salesforce.com and Google. They never had to make the transition from classic software to SaaS.

SaaS results in much more than the utilization of different technologies. ISV's adopting SaaS work in a fundamentally different way. The entire business model is different.
The table on the next page gives insight into extensions of the spectrum. Some ISV`s might be in between.
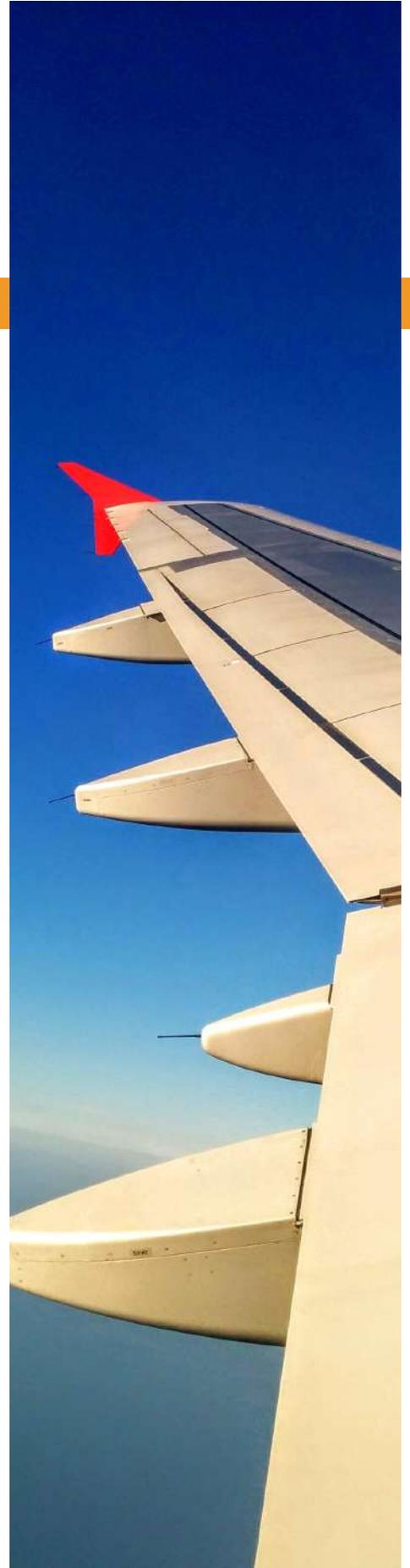
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SALES AND MARKETING

THE OLD ('LEGACY SOFTWARE')

• Often a 'face-to-face' driven sales process with limited online sales.

• 'Trial' process is available but requires sales effort given installations needed.

THE NEW (SAAS)

• Highly online driven sales process.

• 'Online trial' is a default part of the sales process.

PRICING AND FINANCE

THE OLD ('LEGACY SOFTWARE')

• Pricing is typically based on a one-off' fee combined with a yearly recurring maintenance and support fee. Sometimes setup costs apply.

• Company cash-flow is heavily impacted by net new sales (i.e. driven by setup & 'one-off' revenues).

THE NEW (SAAS)

• Pricing is usage based: e.g. per user per month with typically short-term contracts (monthly cancellation possible).

• Cash flow is more predictable as revenues are monthly. Impact of net new sales are visible in the long run, not short term.

SUPPORT AND DELIVERY

THE OLD ('LEGACY SOFTWARE')

• Service Level Agreements are typically limited to service desk hours.

• Customers are running different versions of the software. The customer is in control of the upgrade-path.

• Installations are local (on the end-user device or classic client-server). This increases effort to setup and generates after-sales support calls, especially since ISV's typically need to align with the IT infrastructure teams of their customers (be it internal or outsourced).

THE NEW (SAAS)

• Service Level Agreements cover a full service. They are linked to up-time of a service and not only service desk hours.

• All customers run on the same up-to-date version of the software.

• Given the software is available via a browser, the setup effort and complexity is considerably lower, as are the after-sales support calls.

PRODUCT AND TECHNOLOGY

THE OLD ('LEGACY SOFTWARE')

• Installed locally on the devices of end-users, or, leveraging client-server technology (e.g. Microsoft's RDS).

• The software is single-tenant. It is not built to run multiple businesses on the same deployment.

• Limited to no insights for the ISV into usage of the software (requires a 'call-home' function).

• Development typically follows a release schedule. Customers will need to update their software periodically.

THE NEW (SAAS)

• Access to the software runs via a browser. The software itself is hosted in an external data center. There is no need for local installations (except for potentially mobile device Native Apps).

• The software is multi-tenant and caters multiple customers on the same platform.

• ISV has deep insights into usage of the platform.

• Continuous development and release/deployment model requiring operations and development to work hand-in-hand.

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KAREL TAVERNIER

TECHNICAL DIRECTOR, B.REKENCENTRA, BELGIUM

" *Awingu is used to give demonstrations to current and potential customers. One of our potential customers was convinced after a demo with Awingu.* "

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THE TECHNOLOGICAL CHALLENGES OF DEVELOPING SAAS

Where SaaS comes with a significantly different business model, it also comes with significant differences in how to "code" (or compile) the software. It means new technologies, new architectures and thus also new skills.

Whether an ISV tries to refactor its existing software into SaaS, or, starts from scratch, they will need to consider:

- Leveraging different front-end technologies such as JavaScript, browsers, and HTML. In some cases, the development of Native Mobile Apps might also be required adding new skills to the list. Furthermore, with new front-end technologies also come new security challenges to tackle.

- Making a multi-tenant back-end platform. This might require adoption of different database technologies, and will for sure require different thinking in the architecture design that allows secure multi-tenancy, dynamic scaling, auto-provisioning…

- Building of 'full stack' solution that is not limited to a specific software, but also includes infrastructure management. It requires the setup of DevOps, requires adding skilled resources in networking, windows server, cloud management, etc. The ISV as a whole will need to guarantee platform uptimes at high scale. It will also need to minimize customer impacts during a continuous upgrading process.

Moving into SaaS is far from trivial from a technology perspective. It requires learning new tools, changing organizations (i.e. DevOps) and often hiring new people with new skills.

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THE PATH
FORWARD

Transitioning into a SaaS business model is key for the survival of many ISV`s. Their customers want it, it brings predictable revenue streams and opens up new markets and larger scales. The international dimension and scale of SaaS, with its online sales models, auto-provisioning - and other features - also means, quite simply: "Eat or be eaten".

The transition from a classic on-premise software ISV to SaaS-based ISV can follow different paths. We observed the following steps.

SaaS MATURITY

Multi-tenancy

Auto-provisioning

Single-tenant and hosted

Classic on-premise

CUSTOMER BENEFITS
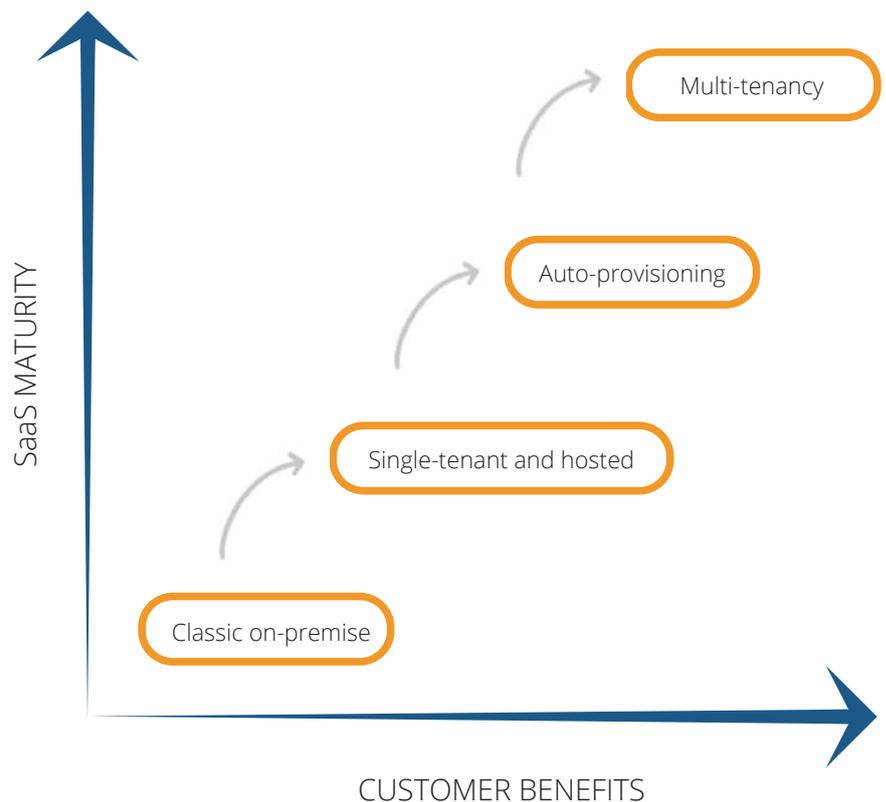
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TRANSITIONS TO A SAAS-BASED ISV

Classic on-premise
This is step 1 for many ISV's that have been in business since the early 2000`s. A software is deployed locally on a PC, or when a client-server setup is used, a local agent is installed on the devices of end-users. Users of this setup are often satisfied with the functional characteristics of their software, however, they lack the mobility to work remotely and from any device. Furthermore, the IT department needs to spend time and effort to keep packages up-to-date.

Single-tenant app hosted
The classic, single-tenant, software is moved into a data center or public cloud. The infrastructure costs can sometimes be shared among multiple customers. In any case, this scenario enables the ISV to offer a 'full service' to its customers and to transition to a monthly invoicing model – even if this is often still covered by a long-term contract.

Auto-provisioning
An important step as a part of the transition into the SaaS business model for any software provider is the ability to enable online sales and trial processes. Having a "straight-through" deployment mechanism is important here. In this step, ISV's enable easy online ordering.

Multi-tenancy
Finally, to fully optimize the back-end infrastructure and software cost, ISV's must ensure that their platform is 'multi-tenant'. It enables optimal usage of the required hardware (and software) infrastructure. It is typically linked to ISV's that step into a full monthly invoicing model.

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AWINGU CAN HELP ISV'S ALONG ALL PHASES OF THE TRANSITION

Awingu helps ISV's in their transition towards a SaaS-based model in all steps of the life-cycle. We understand what the transition to SaaS means, both from a technical as well as a business perspective.

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HOW DOES IT WORK?

Awingu is a workspace aggregator software. It will connect 'legacy' applications to a browser, in HTML5. Awingu will 'connect' to an application server via Microsoft RDS (Terminal Server). The legacy application can be hosted in a cloud of choice, be it private or public. There is no need to change the source code for the front-end which results in considerable time and cost savings.

Awingu is not limited to bringing legacy applications to a browser – or "any" device. It also adds layers of security and helps maintain compliance. For example, Awingu provides a built-in support for Multi-factor Authentication, SSL encryption for HTTPS access and a full audit view on the activities of end-users. Support is also facilitated with built-in "session sharing" capabilities.

The Awingu platform itself is multi-tenant, allowing easy management and cost effectiveness. So even if the legacy software itself might not be multi-tenant, some components will already be cost-optimized. When evolving into auto-provisioning, Awingu's Open API can be leveraged to create a straight-forward solution to online sales and online trial accounts.

Finally, as an ISV you will want to bring your own look-and-feel to our software. You will be able to extend this into the Awingu platform.

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AWINGU HELPS YOU TRANSFORM LEGACY APPLICATION INTO A SAAS SOLUTION

We know your business and we understand how legacy applications need to be transitioned into a Software-as-a-Service model. With Awingu you get all the features to make this journey easy and simple.

NO CODE CHANGE NEEDED

Make your software available in HTML5 without need to change your code

MULTI-TENANT

Easily manage your offering from one single platform

CUSTOMIZABLE

Customize everything, from login page to relevant color patterns of your brand

RUNS IN ANY CLOUD

You are in control of the technology used, and the margins generated

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WHAT DOES THAT MEAN FOR THE ISV?

Awingu's technology can help ISV's in their transformation to SaaS, throughout every step of the life-cycle.

PHASE 1: MOVE TO SINGLE TENANT AND HOSTED
Awingu makes the transition to a cloud model easier. Without any code changes to the original software, Awingu will make it available as if it were a SaaS service. No more hassle with local installations, etc. End-users will get all the mobility benefits commensurate with SaaS service. Also, given that the software is available in a browser, the sales cycle can start benefiting from a 'try-and-buy' process.

PHASE 2: MOVE TO AUTO-PROVISIONING
ISV's leverage the Open API of Awingu to enable auto-provisioning, driving online sales and on the fly creation of trial accounts.

PHASE 3: MOVE TO MULTI-TENANCY
When the back-end of a software is re-coded into a multi-tenant platform, both front-end and back-end layers are available in a cost-efficient model.
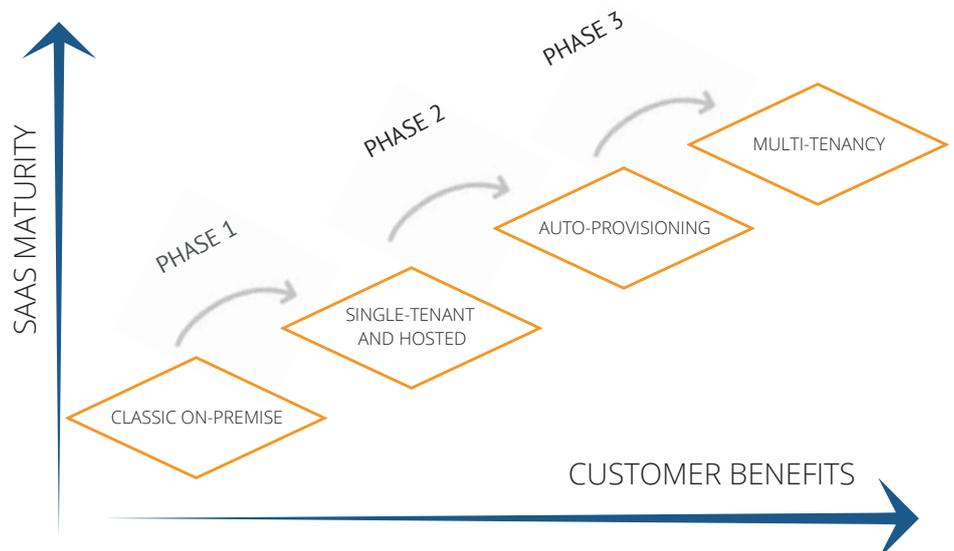
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RENAUD ZIEGLER

CEO, INFODIAC, BELGIUM

"Awingu allows us to run our application via the internet while it was not developed to do so originally."

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INFODIDAC BUILDS A CLOUD OFFER WITH AWINGU AND MICROSOFT AZURE

InfoDidac is the developer of 'ProEco'. This is the core administration software, used in 1300 schools in the Belgian French Community. 'ProEco' is a legacy software that runs locally on the PC of the end-user. It was not built to run as a SaaS solution. In the 21st century, schools and their staff need to work more even more efficiently and flexibly. InfoDidac chose to build their "ClouEco" on Awingu and Microsoft Azure platform.

Benefits for InfoDidac:

- **No new code**: No need to re-write legacy application. Awingu makes it available in the browser (in HTML5).
- **Easy to install and maintain**: The setup of Awingu was done in a very short time, upgrades are done in a matter of minutes.
- **Customized**: The Awingu workspace is customized to the wishes and look and feel of Infodidac.
- **Multi-tenant**: Thanks to the multi-tenancy of Awingu, management and support of schools and users became a lot easier.

Benefits for the end-users (users of 'CloudEco'):

- **Flexible**: Work from anywhere and any device.
- **Stress-free**: Back-ups are done automatically by InfoDidac.
- **Aggregated**: Possibility to access multiple schools' data from the same platform (for administrative staff that work for multiple schools).

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ABOUT THE AUTHORS

ARNAUD MARLIÈRE in

Arnaud is Chief Marketing Officer for Awingu.
He has launched multiple cloud services during his
time at Belgacom (the Belgian incumbent Telco).
He has lived 'first hand' the challenges of bringing to
market a SaaS service and is passionate about the
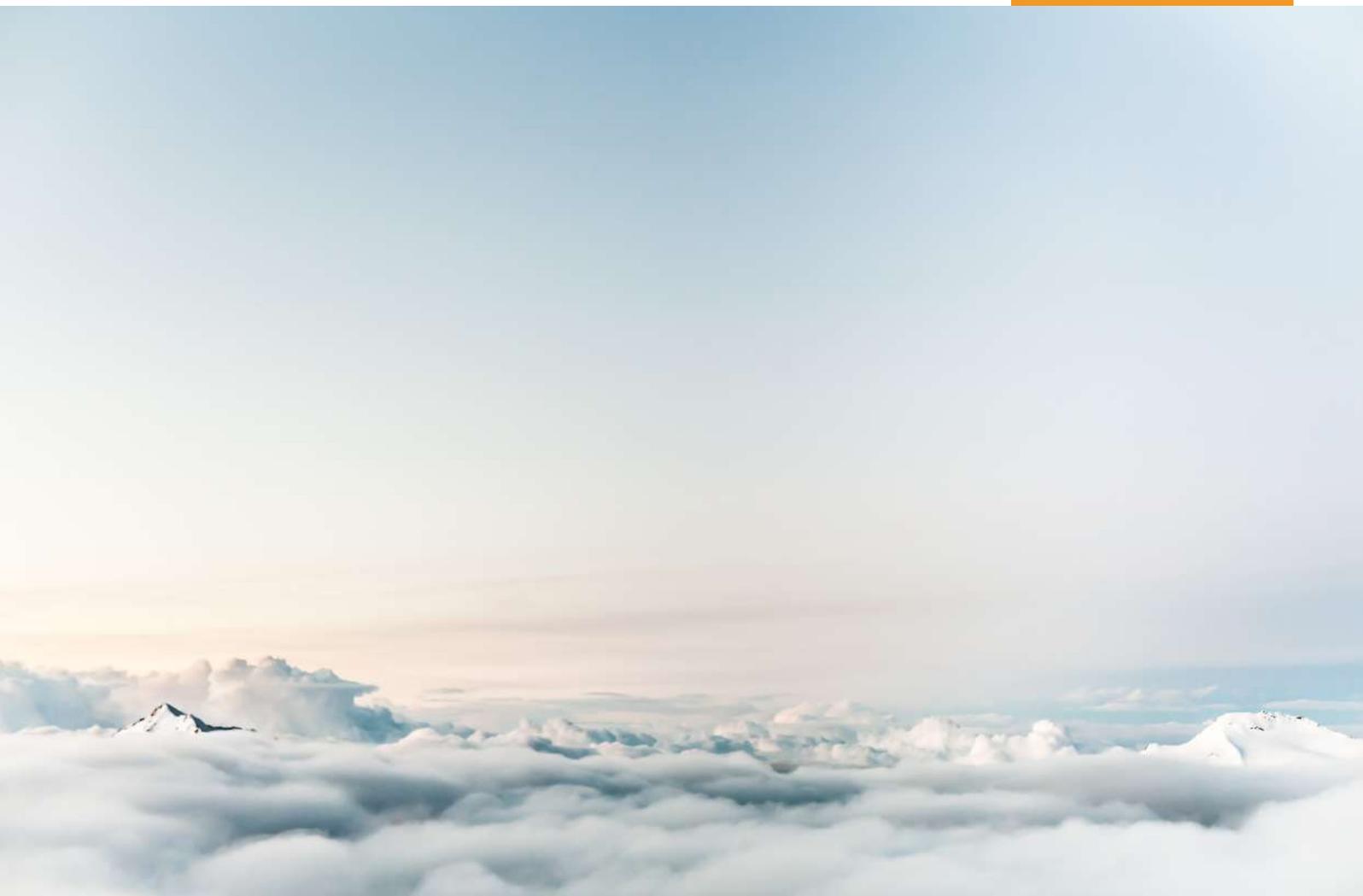topic.

KURT BONNE in

Kurt is Chief Technology Officer at Awingu and has
more than 15 years experience in software product
development. He bootstrapped and mentored various
cross-functional teams and designed and implemented
products in various domains, including Cloud
Computing, Datacenter Automation, Distributed
Databases, Security, Web and Mobile.
He is passionate about the intersection of product,
technology and people.

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ABOUT AWINGU

Awingu develops software to simplify enterprise mobility and liberate legacy applications. Our software aggregates all company files and applications to one secure online workspace that can be accessed from any device or OS using any HTML5-based browser. Awingu mobilizes all company applications without disrupting how you run your IT and works with any cloud service. No agent is required on personal or corporate devices, and collaboration and file sharing are as simple as sending a URL. IT assets remain centrally secure and no data footprint is ever left behind for a safe way to implement BYOD. Awingu is the fastest and easiest way to empower a mobile workforce. Awingu is headquartered in Ghent, Belgium with affiliate offices in San Francisco and New York. Gartner named Awingu as a 'Cool Vendor' when it released its "Cool Vendor in Unified Workspaces 2017" report.

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www.version-2.com 二版
Hong Kong | Taiwan | Singapore | Macau | Mainland China

Hong Kong & Macau
Tel : (852) 2893 8860
Email : sales@version-2.com.hk

Taiwan
Tel : (886) 02 7722 6899
Email : sales@version-2.com.tw

Singapore
Tel : (65) 6296 4268
Email : sales@version-2.com.sg