

# SAAS IN MINDLANCE

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## What is SaaS

Technocrats thirst for innovation resulted Software application as Service (SaaS). However, SaaS is not a new concept evolved recently out of recession even though it is heard very frequently now days.

Application Service Provisioning (ASP) can be considered as precursor for SaaS. Lot of domain hosting companies were living in the arena by providing domain services, email solutions and e-commerce etc. However, these models could not be successful due to high costs to manage complicated payment option for end customers and could not provide software applications that use multiple technologies.

Present SaaS applications service providers are now ready to provide sophisticated multi-tenanted application to provide quality application at reduced costs. All these applications can be used via the Internet platform and charged la carte. This is in contrary to traditional way of managing client server application which requires huge initial investment from the ISV as well as end users.

The dramatic change to the business models of system integrators, Independent Software Vendors (ISV), big corporate associated with SaaS concepts are eyeing towards new business avenues. "Necessity is the mother of invention" is an apt statement to make here as recent downtrend is forcing ISV and big cooperates are looking at spending less yet helping to keep their customers happy to come out of recession shell faster

## How SaaS Benefits Me

Key factors for exploring new delivery model abundant availability of Internet service every corner of the world and availability of reliable open source applications. Making best use of these resources will greatly cut your IT expenditure by providing better services to your customers. La carte usage of application reduces cost for end user significantly when compared to traditional client server model with EULA.

Bigger corporate looking at ceasing monolithic application running on mainframe as part of application modernization strategy. SaaS enables them to modernize their legacy applications to most advanced service model that gives greater business opportunities at reduced costs.

At this given juncture, new independent software vendors or corporate are not ready to spend huge initial investment in hardware, software licenses and traditional maintenance fees, rather ready to pay as per usage to SaaS enables to get higher revenues at short period of investment. The sharing of EULA and on-demand usage will reduce the cost significantly for ISVs as well as their end users. Various pricing models provided by SaaS enablers are very lucrative.

Large corporates and ISVs can focus on key business developments and their customer satisfaction by leaving the responsibility of application maintenance to the SaaS enables.

Service providers are providing SaaS in the following models:

1. Direct Model: Service providers sell service directly to end customers by sharing the revenues.
2. Indirect Models:
  - a. Service providers will allow reseller, channel partners resell what direct provider makes

# SAAS IN MINDLANCE

available. Pricing agreement between SaaS provider's resellers will be different from end users. Here, resellers and channel partners have leverage to decide their one pricing models

- b. White Label: Versions of a service is rebranded and sold as product of resellers or channel partners while SaaS service providers and resellers entering into fixed price model.

Each model has its own advantages and disadvantages built within.

| Direct Model  | Indirect Model   |
|---|--|
| <p>☞ Advantages:</p> <ul style="list-style-type: none"> <li>• More flexibility for application management lies with SaaS provider</li> <li>• End-to-end customer ownership and control</li> <li>• Better Profit margin</li> </ul>   | <p>☞ Advantages:</p> <ul style="list-style-type: none"> <li>• End user cost is very much lower for sale</li> <li>• Resellers or channel partners can sell their application with Minimal infrastructure</li> <li>• Resellers or channel partners need not worry about domain expertise</li> <li>• Resellers and Channel partners need not worry about IT infrastructure maintenance</li> </ul> |
| <p>☞ Disadvantages:</p> <ul style="list-style-type: none"> <li>• SaaS providers have to bear large cost of sale and huge capital expenditure. Not suitable for SME providers.</li> <li>• High initial capital investment</li> </ul> | <p>☞ Disadvantages:</p> <ul style="list-style-type: none"> <li>• SaaS providers revenue depends on direct provider.</li> <li>• Profit margins shared with direct providers</li> <li>• Reduced control of the customer experience</li> </ul>  |

## SaaS Best Suited

Highly standardized application that can be customized for end users easily are the best cases for SaaS. For example, E-Mail hosting, CRM / SFA, HR / Payroll, Travel Services. Recent days it is found that ERP/manufacturing solutions are also functioning in SaaS model.

However, most of the data sensitive business applications used by BFSI, some confidential applications related to defense and legal departments that come under government acts and competitor sensitive applications are not the best cases for SaaS.

## Mindlance Design

Mindlance SaaS business model works in 3 layers to leverage its capabilities

### Infrastructure Management Layer

State of art technology lab will be built up with required hardware, data storages, operating systems and firmware. These devices are managed by IT Infrastructure teams by imposing strict IEEE data security standards.

Proper network facilities are provided for better interconnectivity between servers to end users through internet and intranet.

# SAAS IN MINDLANCE

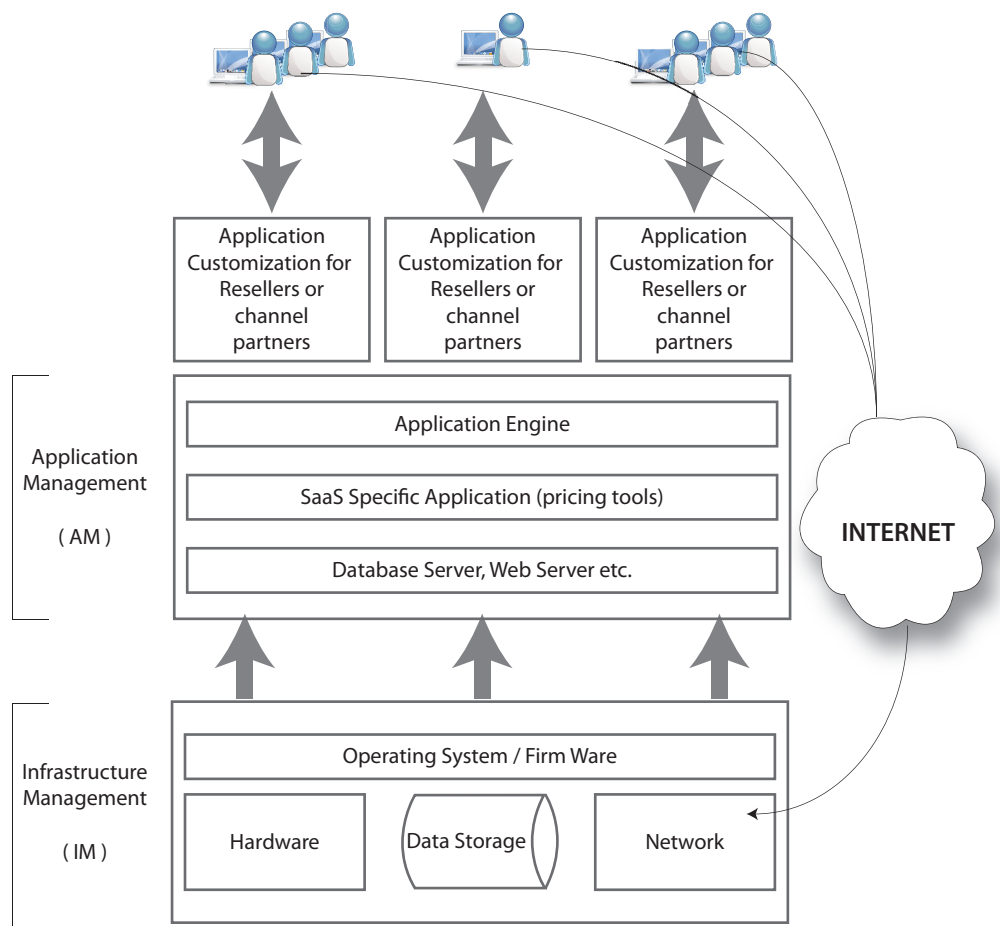
## Application Management Layer

SaaS specific software application engine holds the generic business logic. This engine interacts with Database Servers, Web Servers and Application Servers to serve the end users.

## End User Application Layer

SaaS application is customized for different end users to suit their needs as specified by the Resellers or channel partners. User interface and functionality will look like a standalone application for end users except it runs on internet cloud.

End users can use the application on web browser directly or can install application on their machine and run via internet.



# SAAS IN MINDLANCE

## Mindlance Advantage

Mindlance can help you implement and execute on your SaaS application for better time to market with higher quality. Application Management team has dedicated teams providing various services to clients in PLM like,

- Development
  - Development team helps to conceptualize your application, create development road-map and delivers high quality engineering services to suit your customer needs.
- Maintenance
  - Maintenance team helps you to increase your customers satisfaction with the help of our well-defined and mature practices and processes
- Support
  - Support team always stays on their toes to provide quick solutions for your customer immediate needs.
- Migration
  - Migration team experienced to port legacy applications effectively into newer platforms that offers offer better functionality, unmatched features and scalability.
- Integration
  - Integration team can transform your enterprise applications into one streamlined and optimally functional entity by integrating with advanced technologies.
- Reengineering
  - Reengineering team brings you the benefit of upgrading your legacy systems to the contemporary platforms with easier navigation without interrupting the basic foundation of your system

Application Management teams can evaluate your idea or exiting product, design, develop and support your application.

Infrastructure Management teams can take care of remote infrastructure management services by taking over the operational responsibility for your application using an ITIL-compliant infrastructure.

Mindlance highly skilled Application Management team and IT Infrastructure team collaborate to develop SaaS enabled application as well as end user application. Customers can get best pricing advantage as entire project is executed under one roof.

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