What Secures Your Company’s Success: Technology Or Business Strategies?

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Reaching For The Clouds
Feeling Cloudy Today?

SaaS
Software as a Service
- Email
- CRM
- Collaborative
- ERP

PaaS
Platform as a Service
- Application Development
- Decision Support
- Web
- Streaming

IaaS
Infrastructure as a Service
- Caching
- Legacy
- File
- Networking
- Technical
- Security
- System Mgmt
• Customers no longer care about the hardware, the technology, the database, the infrastructure or the underlying software that makes it work, because they never see any of them.

• They care about one thing: Whether the company they sign up with can deliver a service that resolves their pain and meets their needs - all with round-the-clock availability, outstanding support, and an easily customizable user experience.
Security and Compliance Holding Back Public Cloud Market

• CIO’s and IT Managers still care about:
  • Data security and compliance

• Joint work of cloud providers and cloud services vendors

• For example, one cloud provider reached PCI Level 1 Compliance (Payment Card Industry Data Security Standard) in 2011 which was a significant, short term competitive advantage.
Cloud Advantages and Disadvantages

- Quick to deploy
- Low up-front investment
- Low maintenance costs
- Managed
- Scalable
- It’s “all the rage”

- Legal and data compliance
- Security implications
- Selecting the right cloud provider
- Misplaced focus on Platform rather than Service
How Far Will $500K or $1 Million Get You?

Prior to 2008
- Product Development

Post 2008
- Sales Ready Product
  - Traction
  - Revenue
Cloud Considerations – Technical

Not all clouds are created equal!
Cloud Considerations – Technical

- What does your GTM dictate?
  - Public cloud-hosted
  - Private cloud
  - Fully on-premises
  - Hybrid cloud

- Consider compliance and legal requirements:
  - Disaster Recovery
  - Business Continuity
  - Cloud Provider SLA

- Do your research!
Technology Seen In Business Context

B2B / B2C
No Touch Sales
Inside SMB Sales
Enterprise Sales

Which one (or which combination) is relevant to your business?
# Go-To-Market Strategies

<table>
<thead>
<tr>
<th>Questions to ask before selecting your &quot;Go To Market&quot;</th>
<th>No Touch Sales</th>
<th>Inside SMB Sales</th>
<th>Enterprise Sales</th>
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</thead>
<tbody>
<tr>
<td>Market size</td>
<td>Very Large</td>
<td>Large</td>
<td>Medium</td>
</tr>
<tr>
<td>Product</td>
<td>Quick and easy to use</td>
<td>Quick and easy to use</td>
<td>Sophisticated</td>
</tr>
<tr>
<td>Pricing Point</td>
<td>Low ($9-$50 MRR)</td>
<td>Medium ($$79-$1000 MRR)</td>
<td>High ($3000 MRR+higher)</td>
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<tr>
<td>Capital Raised</td>
<td>Medium</td>
<td>Medium</td>
<td>Large</td>
</tr>
<tr>
<td>Sales Lifecycle</td>
<td>Automatic</td>
<td>1-2 weeks</td>
<td>3-6 months</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Additional influencing factors</th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>HR - main ppl you need</td>
<td>Inbound Marketing, Product</td>
<td>Sales Team, Success Managers, Inbound Marketing</td>
<td>ENT Sales, Prof Services, Inbound Marketing/Outbound Sales</td>
</tr>
<tr>
<td>How hard to find in IL</td>
<td>Very</td>
<td>Very</td>
<td>Very</td>
</tr>
<tr>
<td>Inbound Marketing</td>
<td>High Importance</td>
<td>High Importance</td>
<td>Medium Importance</td>
</tr>
<tr>
<td>Outbound Sales Team</td>
<td>N/A</td>
<td>N/A</td>
<td>If Inbound is not sufficient of CAC to high</td>
</tr>
<tr>
<td>Sales Team</td>
<td>N/A</td>
<td>Farmers and Hunters</td>
<td>Farmers and Hunters</td>
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<tr>
<td>MRR Quota / Sales Rep</td>
<td>N/A</td>
<td>$5,000</td>
<td>$10,000</td>
</tr>
<tr>
<td>Professional Services</td>
<td>N/A</td>
<td>Success Managers (support base on package level)</td>
<td>Professional Services</td>
</tr>
<tr>
<td>Commission</td>
<td>N/A</td>
<td>New MRR, reduced on Renewals, Reduced on Churn</td>
<td>New MRR, reduced on Renewals, Reduced on Churn</td>
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<tr>
<td>Churn</td>
<td>High</td>
<td>10% annual</td>
<td>10% annual</td>
</tr>
</tbody>
</table>
Cloud Considerations – Business

• Where are we?
  • Geographically?
  • Commercially?
  • Technically?
• What type of data do we have?
• What is our go-to-market?
• Who are our customers?
• How much can we afford?
Would you go Hybrid?

Do you give your customers the option of installing your SaaS software behind their own firewall (on their servers, the license model) rather than on your servers?

59% Do not
29% Do
Cloud Considerations – Legal & Compliance

- What does your GTM dictate?
- High Availability Platform SLA
- Safe Harbor
- ISO Compliance (e.g. ISO 27001)
- Disaster Recovery
- Business Continuity
- PCI
- HIPAA
- ADA/Section 508 Compliance
- Sarbanes–Oxley

- At what point do you say no?
- What is your roadmap?
Cloud Best Practices

Identify those business values you can offer that are best supported by cloud:

- **Strong Admin** – Central provisioning of all customers and customer services
- **White Labeling** – Offering your services as a service
- **Differentiated Service Levels** – Differentiated product offerings based on highly granular control, monitoring and reporting of service levels
- **Flexible Billing Models** – Allows creative billing and payment solutions based on your customer requirements
- **Resource Management** – The ability to optimize your environment without impacting your customers (e.g. relocating customers or their data to minimize costs or maximize performance)
- **One-time Deployment** – Reduce implementation costs and ongoing maintenance by managing and delivering your system on-demand via a cloud-based management platform
Long-term cloud success is based on cloud-thinking from day one:

• Your thinking must be as scalable as your design, your code and infrastructure so it can grow continuously without the need to stop and “reboot” as you grow
• Always make sure you can “Scale Out” and not just “Scale Up”
• The minimum number of users you support should be “unlimited”
Cloud Computing created a major change in the way consumers view technology and service, and how companies deliver them.
Sell a Service, Not a Product

“The Customer is always wrong”

• **Nu! Don’t be Israeli!**

• As an international company – make sure you have the right DNA in your company for your Level of Service.
Sell a Service, Not a Product

- **Monitor**
  - Track key usage matrices
  - Understand and reduce churn
  - Track upselling and additional penetration to customers

- **Talk to your customers and listen to them**
  - Input into product road map
  - Prepare the ground before renewals

- **Customer data – Benchmark**
  - Enhance your offering with benchmarks
  - Codify and share best practices
In Conclusion...

Being a successful cloud business is more about the way you operate than where you operate from.
Kampyle: In Support of Israel’s SaaS Industry

Kampyle’s SaaS Lectures

- Some Highlights:
  - Ben Jesson at the IGT Cloud Summit 2012: How we grew Crazy Egg’s revenue by 510%!
  - Sam Decker: 8 Principles of Go-to-Market Success For SaaS Companies
  - Jim Dicso: Selling SaaS to Enterprises
  - SaaS Sales and Professional Services
  - Building a Killer SMB Inside Sales Team

- Held in co-operation with IGT Cloud

- Info about upcoming events:

Kampyle’s SaaS Business Forum

- Documenting and publishing Kampyle’s SaaS Lectures
- Industry News, Events Updates
- Visit our forum at: [http://saas.kampyle.com](http://saas.kampyle.com)
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