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# SaaS Solutions for Service Providers

Five Business-Boosting Advantages to Consider

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## Executive Summary

For years, enterprises have grown increasingly reliant on software-as-a-service (SaaS) models. For many service providers, however, the rate of SaaS adoption hasn't been nearly so fast or widespread—particularly when it comes to the tools they use to power their managed service offerings. This white paper examines why the time may be right for leveraging SaaS-based tools to power your managed service offerings. The paper examines the key advantages SaaS offerings can present your service provider business. If you've been reluctant to start employing SaaS solutions for your managed services, be sure to review this paper and find out whether now may be the time to make the move.

## Introduction

To compete and win in today's digital economy, enterprises continue to embark on a fundamental business transformation. Digital transformation requires innovation across the spectrum of how digital services are developed, supported and delivered. As a result, businesses need a range of new services to help guide, accelerate and sustain this innovation.

Ready or not, service providers will also need to fundamentally transform their service catalog so their offerings are effectively aligned with emerging customer requirements, technology environments and business objectives. In the digital economy, delivering digital services that provide an optimized user experience is paramount. Given this imperative, service providers will need to move from their traditional infrastructure-centric services and into more application- and user-focused service offerings. By delivering services that are aligned with these requirements, service providers will be well poised to address a strategic customer demand and capitalize on a rapidly growing market.

While many service providers have been successful with traditional, infrastructure-oriented services, they're going to encounter significant gaps in their offerings as they look to address the emerging demands of today's customers.

Today, SaaS solutions can provide a fast, pragmatic way for service providers to expand their portfolios. The following sections highlight some of the most significant advantages that service providers can capitalize on when they build their new services on SaaS solutions.

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## Advantage #1: Deliver New Services Fast

For enterprise organizations, and the MSPs that serve them, the business and technology landscape is evolving at a break-neck rate. For service providers, opportunities and threats are also arising with increasing rapidity—which places a premium on speed. The more service providers can accelerate the development and delivery of new services and the onboarding of customers, the faster they can start delivering value and realizing increased revenues.

By leveraging SaaS solutions, service providers can dramatically reduce the time it takes to go from concept to billing. Because they don't require lengthy infrastructure procurement, configuration, deployment or testing cycles, SaaS solutions can enable:

- **Fast solution evaluation.** SaaS solutions can be accessed in a fast, on-demand fashion so evaluation teams can quickly test and validate capabilities and functionality.
- **Fast implementation.** Once a solution is chosen, service providers can more quickly complete activation and setup.
- **Fast customer onboarding.** Because no infrastructure needs to be modified or procured to support their operational solutions, service providers can realize much faster onboarding of new customers.
- **Fast scaling.** As new users and use cases emerge, SaaS solution subscriptions can quickly be modified to support this growth.

As a result, service providers can significantly speed their time to market for new services and respond quickly as requirements change.

## Advantage #2: Test, Validate and Deliver New Services With Minimal Cost and Risk

The term “nothing ventured, nothing gained” very much applies to managed services. Any time a new service is added to the catalog, an investment needs to be made. In making the determination whether to add a new service, the business' leadership needs to assess the risk of that investment versus the potential reward.

The more cost and effort required to establish a new service, the bigger the risk that will be incurred. Especially once a large investment is made, the business is exposed if customer uptake is slow or doesn't materialize as anticipated. Further, the bigger the upfront cost, the longer it will take to break even and recoup that investment.

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By leveraging SaaS offerings to power new services, service providers can significantly tilt the odds of success in their favor. SaaS solutions can reduce risk in a number of areas:

- **Infrastructure procurement, deployment and maintenance.** With SaaS offerings, there's no need to invest in and support infrastructure at any time. That means the service provider isn't starting with sunk costs before the first customer gives the go ahead. Service providers don't need to incur the risk of building a high-throughput infrastructure that may be needed to support a high-demand service, only to find out that the demand doesn't materialize.
- **Tool evaluation.** Even in determining which tools will support a new service, the up-front costs are minimized given many SaaS solutions are available via free trials, and accessible in a fast, easy and on-demand fashion. As a result, operations teams can minimize the time and cost required to evaluate whether a solution is a fit for their organization's new service. The service provider doesn't just save costs during the evaluation phase, but, as outlined above, they can make the determination faster and so ultimately get to market faster.



- **New service validation and testing.** Further, the service provider can lay the groundwork for a new service, and ultimately begin to market and sell it—all before any software investment is made. In this way, they can validate a solution and test and prove the viability of a service with minimal up-front risk. Ultimately, the service provider gains the assurance that any investments they make in software will be monetized.
- **Long-term scaling.** Many SaaS solutions are run in cloud environments that possess virtually unlimited scalability. This offers the service provider another way to avoid risk. They can avoid the potential of having their environment hit a sudden performance or scalability ceiling if the number or usage of customers begins to grow rapidly. This means they don't have to confront a scenario in which they're either unable to support growth or forced to make big hardware investments to support that growth.

By changing the risk/reward calculation in all these ways, SaaS solutions can open up new opportunities for service providers, enabling them to pursue new services that may have been too costly and risky to support in the past. By lowering the barrier to entry, SaaS offerings make it practical for service providers to expand services more rapidly and broadly than previously possible.

## Advantage #3: Deliver New Services With Maximum Flexibility and Agility

By employing SaaS solutions, service providers can move away from the complexity and rigidity associated with traditional on-premises IT infrastructures. SaaS offerings provide flexibility in two key areas:

### Budgetary flexibility

Many SaaS solutions feature consumption-based subscription pricing. Rather than paying for the infrastructure used to support a service, service providers only pay for their service usage. SaaS offerings can therefore significantly streamline and simplify the billing process. The service provider gets direct visibility into their usage and costs and can ensure billings to their customers are aligned with those costs.

Today, enterprise decision makers largely prefer pay-as-you-go models, and SaaS solutions offer a model that's aligned with this preference, making it easy for service providers to package their services accordingly. In addition, many SaaS solutions offer the flexibility of both monthly and yearly subscription terms, giving decision makers the ability to align their commitments with those of their customers.

### Technical and architectural flexibility

SaaS solutions can offer a range of advantages in terms of technical ease and agility. By virtue of their cloud architectures, SaaS offerings can enable more flexible connectivity. For example, in the case of monitoring, service providers can employ SaaS solutions to more easily monitor customers' clouds and hybrid environments. SaaS-based development offerings can efficiently support DevOps approaches by making it easier for distributed internal teams and external testing and development organizations to access common assets. Many SaaS offerings also harness a common data model that makes it easy for service providers to add solutions and capabilities over time.

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While SaaS offerings will typically be housed and run within the SaaS provider's data centers, some vendors will offer partners the opportunity to run complete, packaged instances of SaaS solutions in their own premises. If specific customer requirements preclude standard SaaS implementations, for example due to compliance mandates or geographic constraints, this SaaS/on-premises hybrid approach may represent an optimal compromise.

## Advantage #4: Deliver New Services With Maximum Staff and Resource Efficiency

Maintaining on-premises infrastructures isn't easy. It involves such activities as architecting, procuring, deploying, provisioning, scaling and more—tasks that require significant time, effort and expertise.

While service providers can be experts in all these areas, it is important to recognize that support of a tool's infrastructure isn't where a service provider delivers the most significant differentiation and value. Managing tool infrastructure is very much a thankless task, one that is only noticed by the customer when things go wrong.

In today's competitive markets, service providers need to maximize their focus on delivering customer value and differentiation, not on the "plumbing" needed to support their services. SaaS solutions help service providers better focus their staff time and efforts on the needs of the customer, rather than the care and feeding of the infrastructure.

SaaS solutions can provide a range of other efficiency benefits as well, enabling service providers to:

- Reduce the need to hire and retain experts with extensive infrastructure scaling experience—and avoid the distraction of maintaining and scaling infrastructure.
- Reduce the wasted time and inefficiency associated with responding to infrastructure issues.
- Eliminate the time and energy that are required to do effective capacity planning—and the wasted costs associated with infrastructure over provisioning.

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## Advantage #5: Deliver New Services While Maximizing Resiliency and Security

In the digital economy, maximizing the performance, resiliency and security of IT environments and business services is a vital imperative. To serve customers in this climate, service providers need to ensure their services fulfill these objectives. When rolling out a new service, service providers can therefore be faced with the massive undertaking associated with building an environment that offers the scalability, redundancy and security required.

Today, many SaaS solutions are run in cloud data centers that offer state-of-the-art technologies and capabilities. By adopting these SaaS solutions, service providers can capitalize on these features:

- **Resiliency and availability.** Many SaaS offerings are run in environments that deliver near-100 percent service availability levels and rigorous recovery time and recovery point commitments.

- **Scalable, cloud-optimized architecture.** With SaaS offerings, the vendor handles the scaling and maintenance. Designed to be run in cloud environments, SaaS offerings often feature capabilities like automatic scaling and bi-weekly updates.
- **Security.** Many SaaS vendors have invested in capabilities that address stringent security policies and privacy mandates.
- **Certifications.** These data centers will often be audited and certified for compliance with a number of standards, such as the System and Organization Controls (SOC) standards through the American Institute of CPAs (AICPA).

By employing SaaS offerings, service providers can leverage all these features—without having to build and support them.

## Conclusion

The long-term success of service providers will ultimately be predicated by their ability to support customers' digital transformation journeys. To address their customers' emerging requirements, many service providers will have to address gaps in their service catalog. By using SaaS solutions to power their new services, service providers can more quickly respond to these changing requirements, while minimizing costs and risks.

## CA SaaS Solutions: Powering Winning Managed Services Offerings

CA provides a range of SaaS solutions that power modern digital transformation-focused services.

### Application planning, testing and delivery

<a href="#">CA Agile Central</a>	Build and deliver the right software with speed, quality and efficiency.
<a href="#">CA API Management</a>	Help customers become open enterprises by securely exposing application and data APIs to developers.
<a href="#">CA Atomic Release Automation</a>	Establish automated deployments that help customers become more agile.
<a href="#">CA BlazeMeter®</a>	Enable DevOps and agile teams to validate performance at every stage of development and delivery.
<a href="#">CA Continuous Delivery Director</a>	Help customers make release planning and management as agile as their development.
<a href="#">CA Flowdock</a>	Ensure that your customers' teams work better together.
<a href="#">CA Project &amp; Portfolio Management</a>	Help customers avoid the time and effort of deploying and maintaining an on-premises PPM platform.

## Security

<a href="#">CA Identity Manager SaaS</a>	Harness user provisioning and identity management to boost user productivity and business flexibility.
<a href="#">CA Identity Service</a>	Accelerate customers' cloud adoption and deliver single sign-on for hybrid environments.
<a href="#">CA Technologies   Veracode</a>	Help customers incorporate security across the software lifecycle.

## IT operations

<a href="#">CA App Experience Analytics</a>	Leverage analytics that provide deep visibility into the user's experience. (Featured as a component of CA Digital Experience Insights.)
<a href="#">CA App Synthetic Monitor</a>	Harness synthetic transaction application and website monitoring that can be deployed in minutes.
<a href="#">CA Application Performance Management</a>	Employ rich, correlated intelligence to improve the user experience and application performance. (Featured as a component of CA Digital Experience Insights.)
<a href="#">CA Digital Experience Insights</a>	Gain a holistic view of the user experience, business transactions and modern infrastructures.
<a href="#">Runscope</a>	Help DevOps teams collaborate and improve performance of API-powered applications.
<a href="#">CA Unified Infrastructure Management</a>	Use a unified monitoring and management solution that optimizes IT and business services. (Featured as a component of CA Digital Experience Insights.)

For more information, be sure to visit the [SaaS Solutions from CA Technologies](#) page.

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