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The primary reason why companies both big and small are taking advantage of the Software-as-a-Service (SaaS) ERP delivery model is that the world is moving towards a web-based business model, because it offers several advantages over the traditional delivery models.

SaaS is a software delivery model, by which enterprise applications are delivered over the Internet, and managed as a service by software vendors such as Ramco. They are priced on a subscription-service basis, often based on the number of users or seats.

Saas has the benefits for the service provider

Industry experts tend to get technical about, but put simply, SaaS is where a provider plays host to an application at a central and pre-defined location. From this point they are able to deliver this application to any number of users who are connected to it via cloud. The customer pays for what he uses and not for an overall service.

Essentially the features that make up on-premise software application and a SaaS application are not really binary. They are in fact based on three variable dimensions.

â€¢ The way software is licensed,

â€¢ Its location

â€¢ Its management.

As an organization you can chart out your requirements based on these three dimensions and choose the kind of application (on-premise vs. SaaS) that would work best for this kind of the business you have.

When you are in the process of analyzing your organizational requirements based on three dimensions, there are several other factors to be considered. These can be based on political, technical, financial and legal backgrounds. A service provider will need to analyze the requirements of the client thoroughly based on the above dimensions in order to give the client what they are expecting. This is the best way to ensure the quality of deliverables as per requirements.

Here is a look at some of the important benefits the provider gets by offering SaaS.

Consistent cash inflow â€“ Since SaaS is offered based on a subscription basis, cash inflow can be clearly calculated based on the number of clients and the type of membership. The more flexible the retainer model, the better the revenue inflow throughout the year.

Plenty of data â€“ One of the biggest advantages of offering SaaS is that the service provider can capture plenty of data regarding user behavior while they access the application. Some of them include â€“ clickstream data, heat maps to capture user navigation patterns, the pain points that the user face while carrying out some operation application performance etc.

Consistent improvementsâ€“ Based on the data captured, it is possible to make consistent improvements to the application. A dedicated team can monitor usage patterns, identify the troubles faced by the users and make suggestions to the development team on required modifications in the

consequent versions. This offers two benefits â€“ serve the client more efficiently and bring down the burden of the development team in coming out with monster patch rollouts.

Complete control over infrastructure â€“ In SaaS based delivery model, the software is hosted in a centralized location and there is no need for a technician to support the client onsite. The centralization offers complete control in optimizing infrastructure based on specific needs of the SaaS application. This is synergy at its best and leads to financial savings and reduced burden of maintenance and client support.

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Ramco OnDemand ERP is a solution from Ramco Systems, a global software solution company in India, which has invested heavily in the state-of-the-industry service delivery, security technologies, and certification programs.

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