Why Software Vendors Are Choosing Application Streaming Instead of Rewriting Their Desktop Apps

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Today's Speakers

Jeffrey Hammond

VP & Principal Analyst,

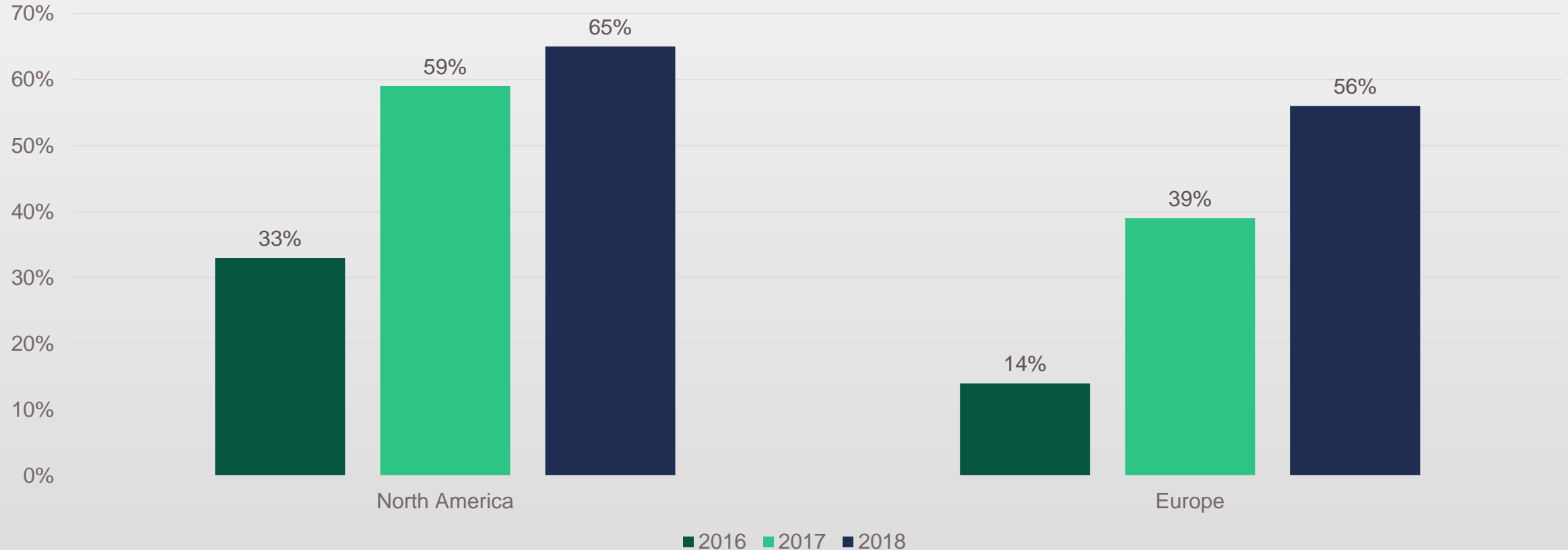*Forrester Research*

Vinoth Narasimhan

Principal Product Manager,

Amazon Web Services (AWS)

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Agenda

➢ Introductions

➢ Forrester insights

➢ Amazon AppStream 2.0 overview

➢ Forrester recommendations

➢ Q&A

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Enterprise public cloud adoption is growing

"What are your firm's plans to adopt the public cloud platform deployment models?"

Base: 419 to 472 North American enterprise infrastructure technology decision makers, 363 to 401 European enterprise infrastructure technology decision makers

Source: Forrester Analytics Global Business Technographics® Infrastructure Surveys, 2016 to 2018

"Every customer is saying, 'We want a cloud version.' No one is asking for on-premises installation anymore."

Director of technology services at a financial services ISV

Customers expect cloud-ready applications

81% expect SaaS versions of desktop applications.

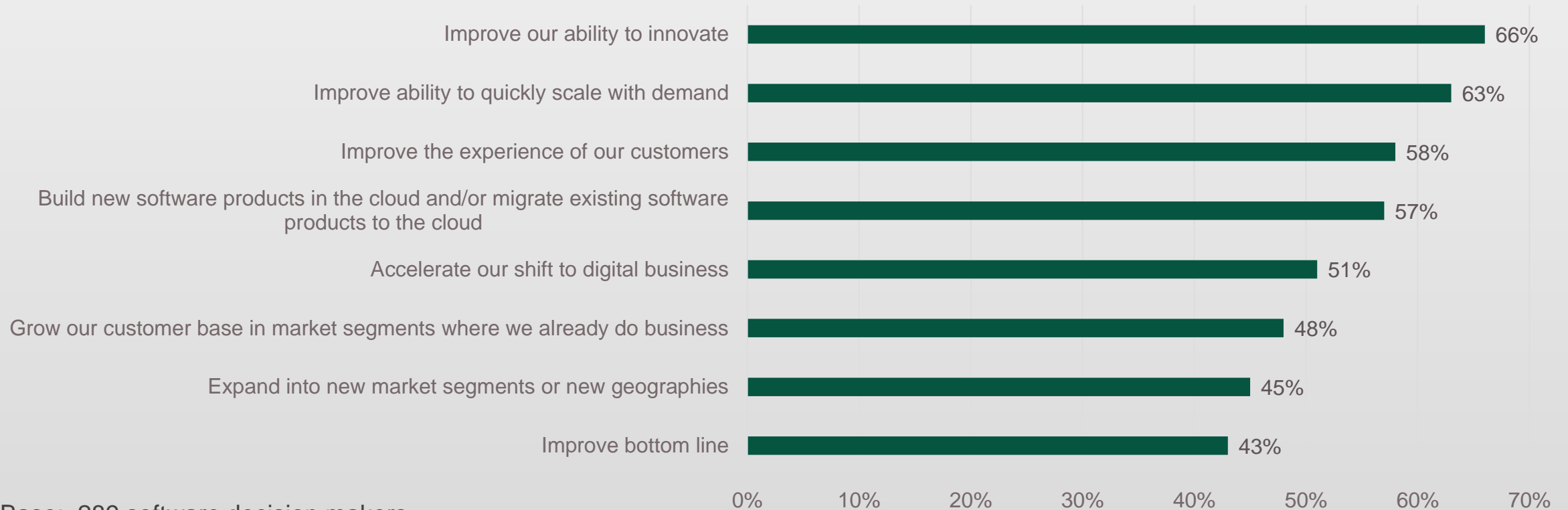84% expect online trials for commercial software.

83% expect device flexibility without performance penalties.

Base: 289 software decision makers

Source: A commissioned study conducted by Forrester Consulting on behalf of AWS, May 2019

Why cloud? It's well-aligned with business priorities

"Which of the following initiatives are likely to be your top business priorities over the next 12 months?"

Initiative	Percentage
Improve our ability to innovate	66%
Improve ability to quickly scale with demand	63%
Improve the experience of our customers	58%
Build new software products in the cloud and/or migrate existing software products to the cloud	57%
Accelerate our shift to digital business	51%
Grow our customer base in market segments where we already do business	48%
Expand into new market segments or new geographies	45%
Improve bottom line	43%

Base: 289 software decision makers

Source: A commissioned study conducted by Forrester Consulting on behalf of AWS, May 2019

ISVs are cloud-enabling their software portfolios

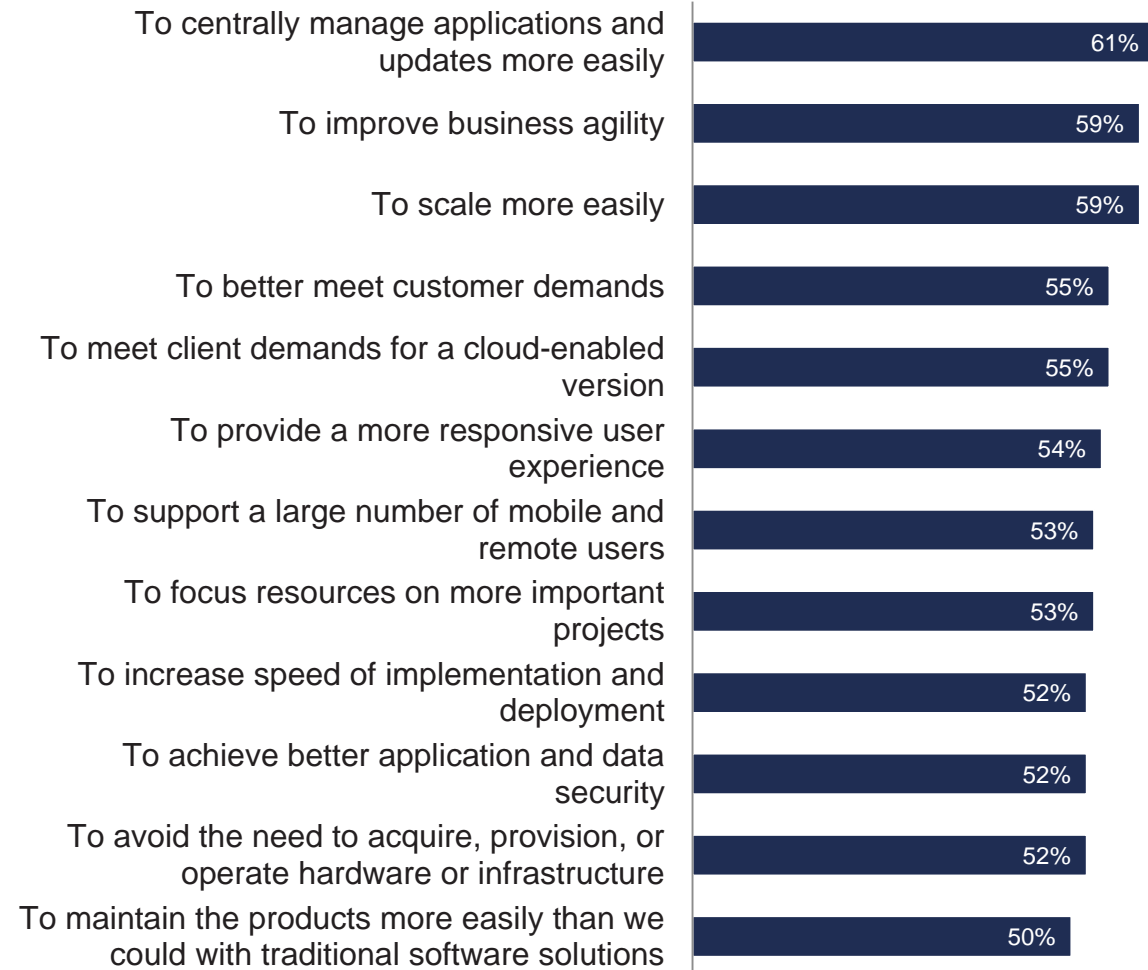96% of firms have reconfigured their desktop or server-based software to be cloud hosted.

	Today	In two years
17% increase — Client/SaaS	**22.2%**	**25.9%**
Client/server	**21.9%**	**20.8%**
Client/private cloud	**21.2%**	**21.5%**
Client/hosted private cloud	**18.3%**	**19.1%**
21% decrease — Install locally on an end user PC	**17.1%**	**13.5%**

Getting cloud-ready isn't just about customer need

"Why did you refactor your on-premises software products to cloud-enable them?"

■ Reconfigured many products to be cloud hosted

To centrally manage applications and updates more easily	61%
To improve business agility	59%
To scale more easily	59%
To better meet customer demands	55%
To meet client demands for a cloud-enabled version	55%
To provide a more responsive user experience	54%
To support a large number of mobile and remote users	53%
To focus resources on more important projects	53%
To increase speed of implementation and deployment	52%
To achieve better application and data security	52%
To avoid the need to acquire, provision, or operate hardware or infrastructure	52%
To maintain the products more easily than we could with traditional software solutions	50%

Base: 183 software decision makers who have reconfigured some products to be cloud hosted | 96 who have reconfigured many

Source: A commissioned study conducted by Forrester Consulting on behalf of AWS, May 2019

Getting cloud-ready is easier said than done…

- Managing long, risky, and expensive technology bets

- Making wholesale changes to people, practices, and technology

- Dependencies on third-party platforms and technology vendors
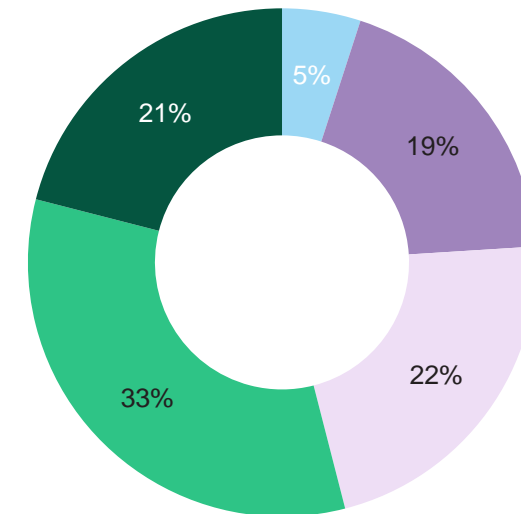
- Getting executive buy-in

Shifting to SaaS requires significant investment in development time

It takes too long to restructure code as a SaaS

Legend: ■ Never ■ Rarely ■ Sometimes ■ Most of the time ■ Always

Never 5%
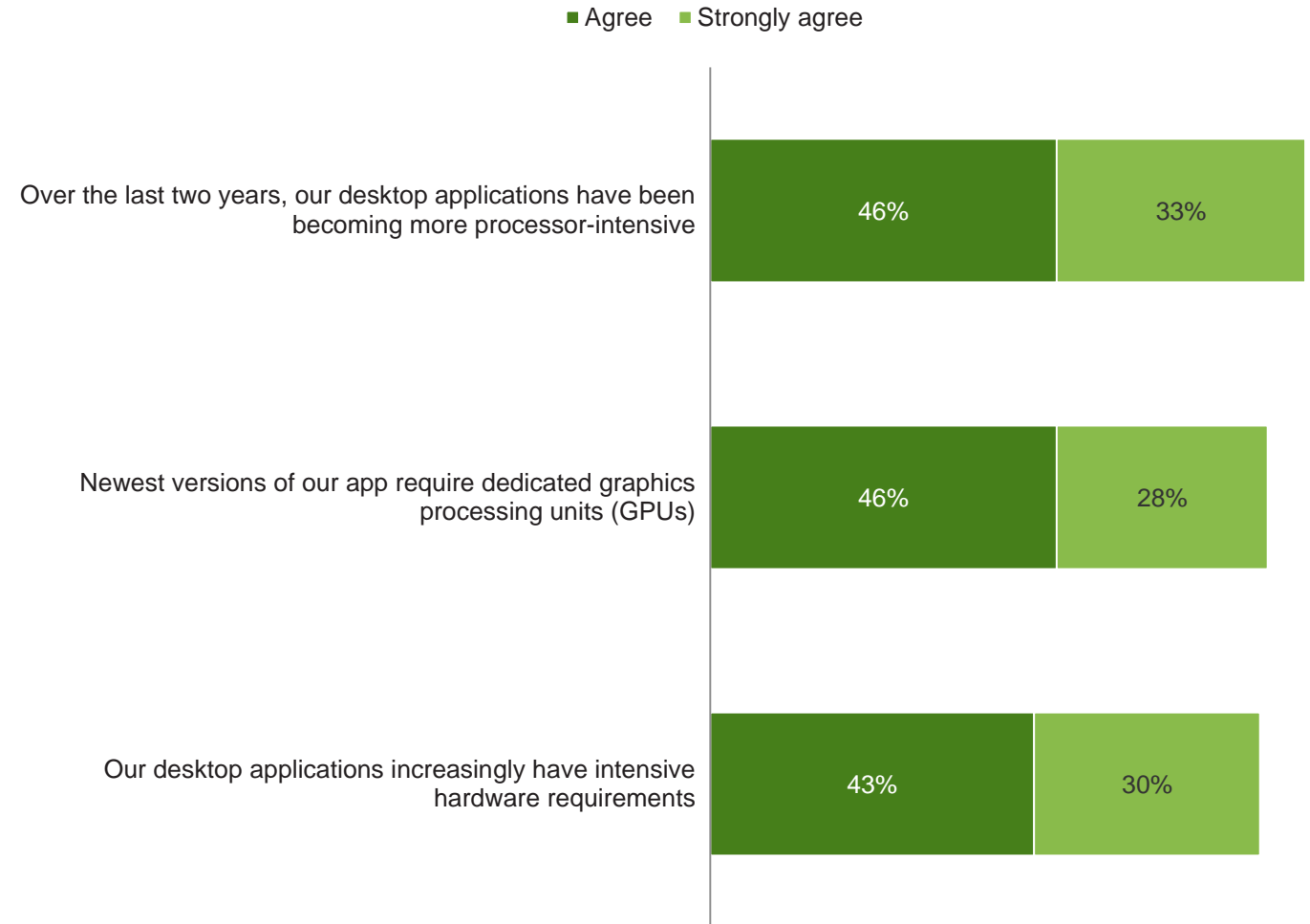Rarely 19%
Sometimes 22%
Most of the time 33%
Always 21%

Base: 275 software decision makers

Source: A commissioned study conducted by Forrester Consulting on behalf of AWS, May 2019

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…and it doesn't get easier as processor and hardware requirements increase

—————

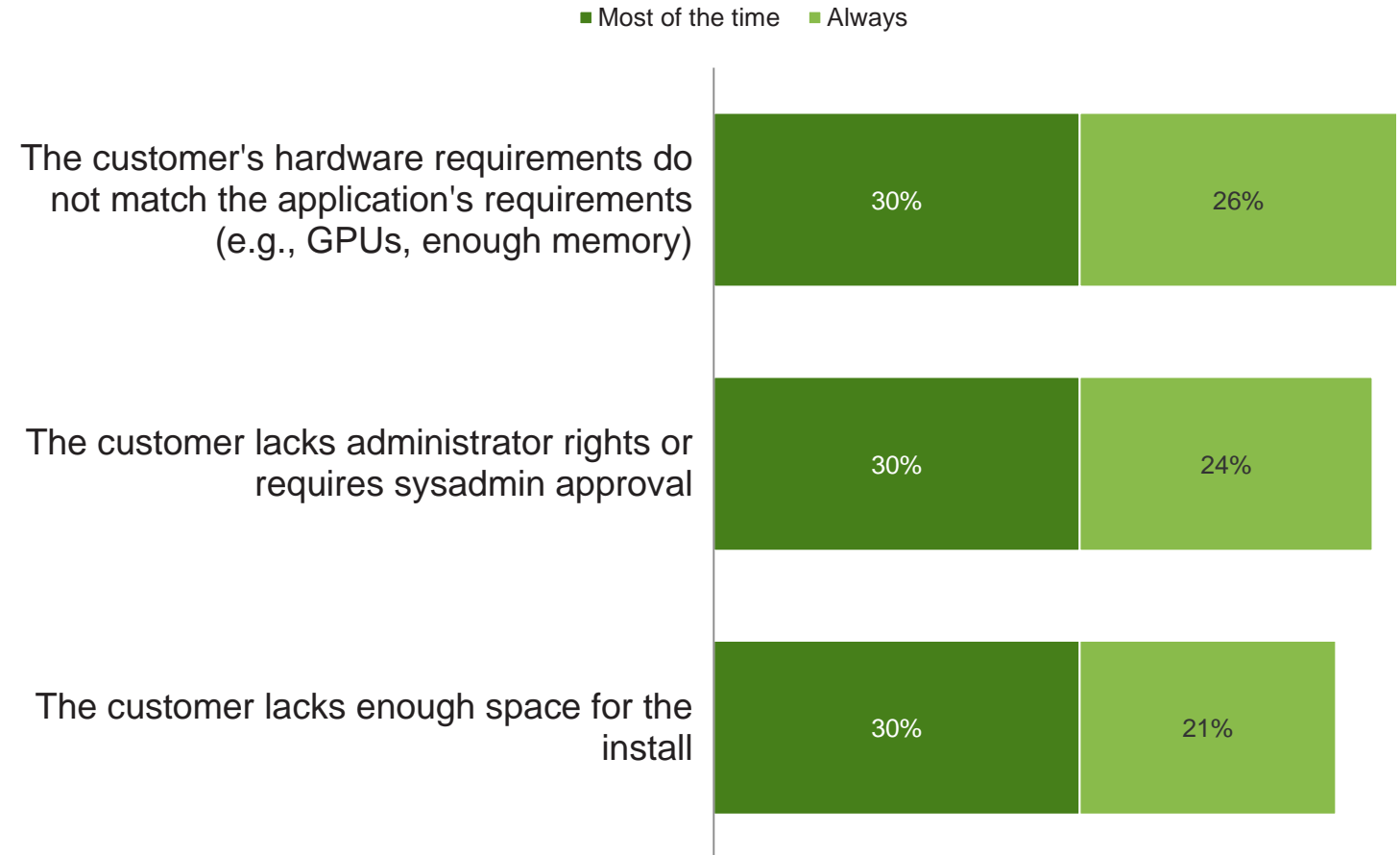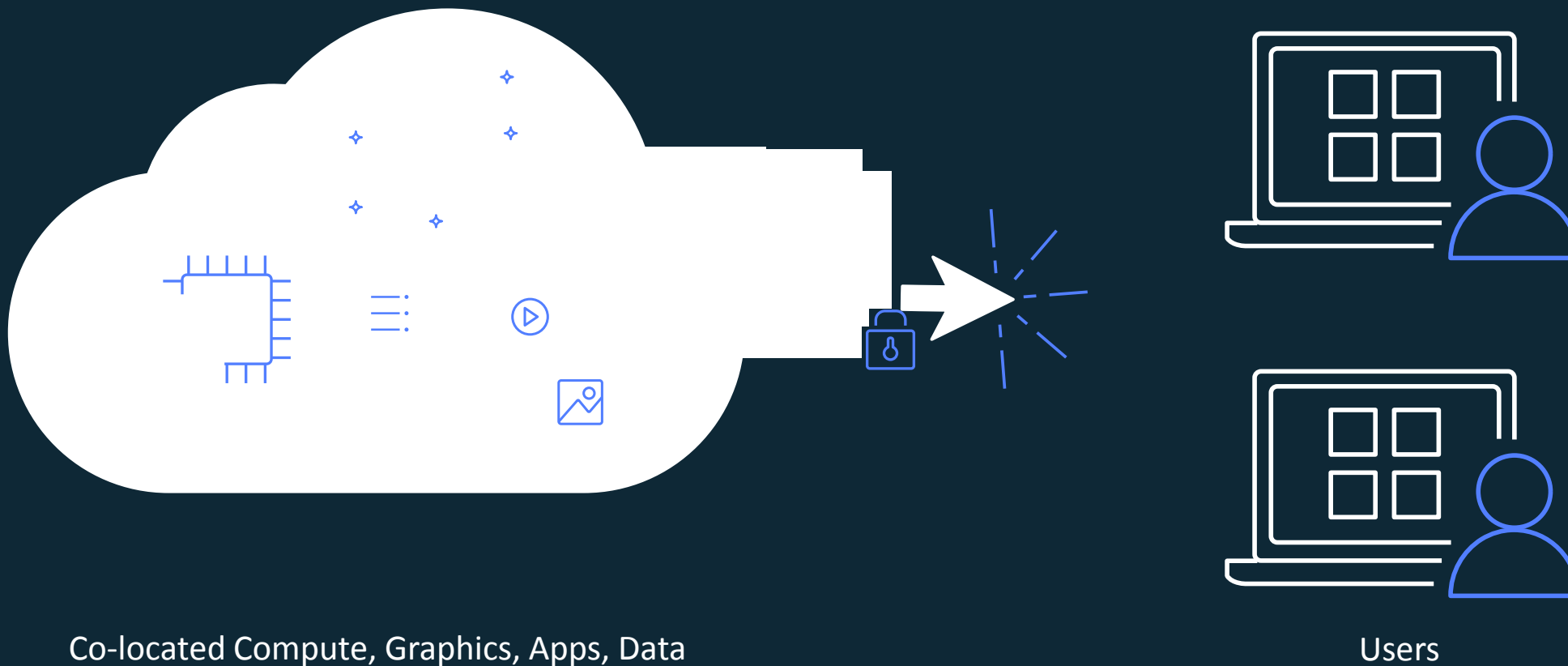**"To what extent do you agree with the following statements?"**

■ Agree ■ Strongly agree

Statement	Agree	Strongly agree
Over the last two years, our desktop applications have been becoming more processor-intensive	46%	33%
Newest versions of our app require dedicated graphics processing units (GPUs)	46%	28%
Our desktop applications increasingly have intensive hardware requirements	43%	30%

Base: Variable

Source: A commissioned study conducted by Forrester Consulting on behalf of AWS, May 2019

On-premises install issues stop deals in their tracks

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"When setting up a demo or trial for a prospect, how often do you run into the following issues?"

■ Most of the time   ■ Always

	Most of the time	Always
The customer's hardware requirements do not match the application's requirements (e.g., GPUs, enough memory)	30%	26%
The customer lacks administrator rights or requires sysadmin approval	30%	24%
The customer lacks enough space for the install	30%	21%

Base: 284 software decision makers
Source: A commissioned study conducted by Forrester Consulting on behalf of AWS, May 2019

Established ISVs can get stuck in a Catch-22

- Clients make buying decisions based on hands-on experiences and demos — if they can get them installed.

- Prospective clients want cloud-hosted solutions — now.

- It's difficult to take full advantage of the cloud without rearchitecting applications as cloud-native.

- Modernizing existing applications is neither fast nor cheap.

- But ISVs that don't come up with a quick solution open the door to disruptive competitors.

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AppStream 2.0

Fully Managed application streaming

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AppStream 2.0

Co-located Compute, Graphics, Apps, Data

Users

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Deliver Online Trials, Demos and Training with AppStream 2.0
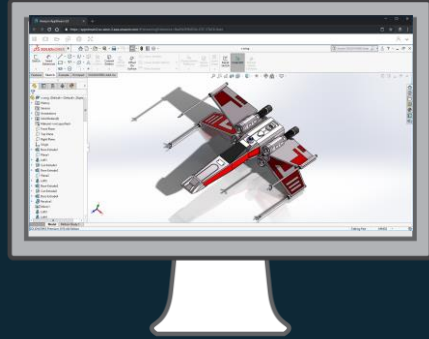

Provide a zero install
trial and training experience

Provide software trials and training on demand, with no

installs, or special hardware required

– zero friction for users

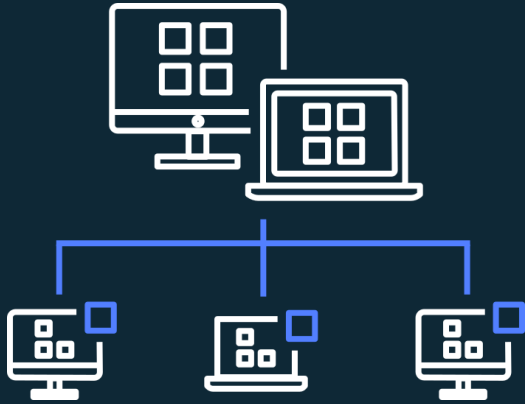# SaaSify your application with AppStream 2.0

Deliver a cloud-based subscription to your desktop applications, with no re-write.

SaaSify your app
with no rewrite

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Enable Cloud Migrations with AppStream 2.0

Cloud Migrations

- Help your customers to run your software in the cloud, and allow them to migrate faster

- Provide license mobility (BYOL), templated performance packages, and support

- Share an optimized Image

SAP GUI   SOLIDWORKS   Siemens NX   MATLAB   Topaz on AWS   ArcGIS Pro   AutoCAD

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AppStream 2.0 - Case Studies
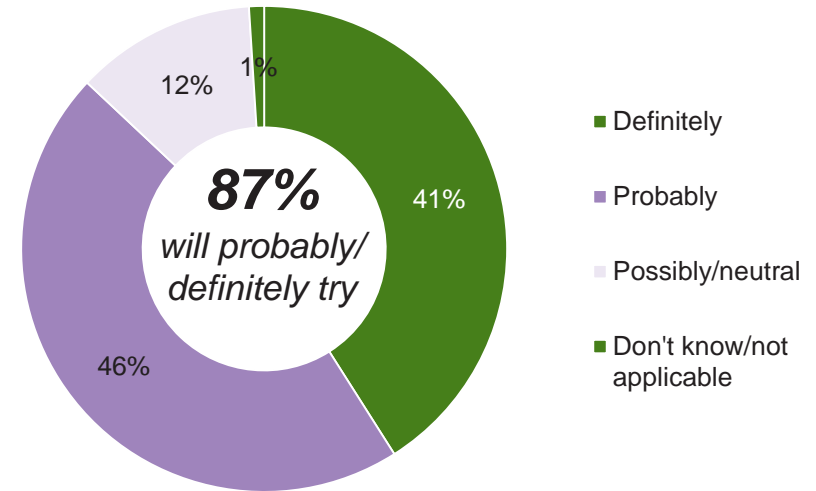

Online Trial

Software-as-a-Service

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"The way we've packaged [our software with application streaming], it appears that we built it this way from the ground up. It wasn't an afterthought."

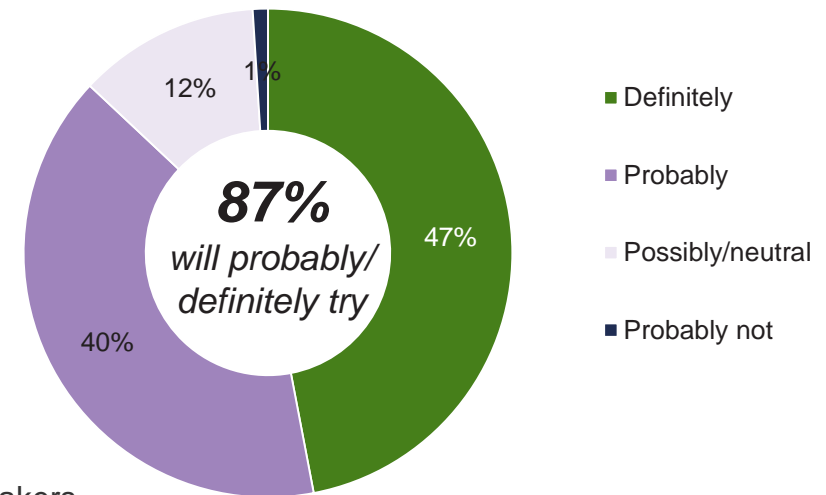Director of technology services at a financial services ISV

ISVs show strong interest in application streaming to accelerate cloud readiness

"How likely are you to use an application-streaming service for demos, training, or going full SaaS expansion?"

87% *will probably/ definitely try*

- 1%
- 12%
- 41%
- 46%

- ■ Definitely
- ■ Probably
- ■ Possibly/neutral
- ■ Don't know/not applicable

"How likely are you to use an application-streaming service to SaaS-enable your products?"

87% *will probably/ definitely try*

- 12%
- 1%
- 47%
- 40%

- ■ Definitely
- ■ Probably
- ■ Possibly/neutral
- ■ Probably not

Base: 284 software decision makers

Source: A commissioned study conducted by Forrester Consulting on behalf of AWS, May 2019

Anticipated benefits include better customer experiences — delivered faster

"What are the business benefits you would expect/have you experienced with a streaming service for demos, training, or scaling out desktop applications?"

improve the experience of our

improved improve business agility,

It is easier for us to scale quickly, 43%

better meet end user demands,

We have a more responsive user experience, 40%

Base: 289 software decision makers

Source: A commissioned study conducted by Forrester Consulting on behalf of AWS, May 2019

Recommendations

- Application streaming represents an alternative or parallel course to rapid cloud enablement.

- Consider both selling scenarios with demos and entry-level products, as well as full-scale production.

- Streaming scenarios also enable new business models around consumption-based usage.

- Support for advanced cases like GPU usage and memory-intensive applications can reduce selling friction.

- Evaluation efforts are low, so there is minimal risk in exploring as an alternative to cloud enablement.