



EBOOK

# Building a stronger future for software vendors powered by AWS



powered by aws

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# Introduction

## Your path to innovation

As an Independent Software Vendor (ISV) operating in a highly competitive and fast-changing marketplace, you're under increasing pressure to continually modernize and innovate. It's the only way to meet customers' growing demands for more convenient software solutions such as Software-as-a-Service (SaaS) products. If you're not keeping up, you risk missing out.



## So, how can you keep pace with new, more agile, cloud-based competitors?

You need the ability to develop new business models quickly, innovate faster, and scale your business to take advantage of new opportunities. To achieve this level of responsiveness and flexibility, you need to migrate your on-premises applications to the cloud.

By migrating your on-premises or hosted-based applications to the AWS Cloud, you can leverage Amazon Web Services' (AWS) know-how and expertise to develop new, or grow existing business models, as well as gain access to a broad range of tools and programs to support innovation and your longer-term modernization.

This eBook outlines the competitive advantage you'll gain from migrating your applications to the AWS Cloud, and explains how AWS can power your ongoing modernization, help you build long-term customer relationships and equip you to future-proof your competitiveness.

# Why ISVs must modernize

## Why modernization is now a must

In a changing landscape, where close to half (46%) of organizations' cloud-based applications are purpose built for the cloud and 54% have already moved from an on-premises environment,<sup>1</sup> if traditional software businesses don't modernize their application infrastructure, they risk getting left behind.



## The factors driving the need to modernize include:



### Customers want new, subscription-based software

Customers are looking for greater flexibility and scalability, as well as minimizing their IT management and maintenance costs, growing their demand for new, cloud-based subscription services.

**50% of enterprises' IT operational spend is expected to be consumption-based by 2023.**<sup>2</sup>

**59% of tech buyers state that they expect their IT environment to be mostly or all in the cloud by 2022.**<sup>3</sup>



### Customers are embracing new digital technologies

Advances in new digital technologies, such as AI and IoT have created new opportunities for customers to accelerate their digital transformation. New, technology-enabled features like voice transcription and recognition, are now expected to be integrated into software products.

**90% of new enterprise apps are expected to have AI embedded in by 2025.**<sup>4</sup>



### Customers fear security vulnerabilities

The frequency and sophistication of cyberattacks are constantly evolving. Customers want products and solutions that deliver the level of security and protection they require.

**43% of data breaches are connected to application vulnerabilities.**<sup>5</sup>



### Customers need greater data visibility

With data-driven organizations being 23 times more likely to acquire customers,<sup>6</sup> companies demand solutions that enable them to gain a full 360-degree visibility of data, while also supporting them to continue meeting complex data compliance requirements.

**10% of ISVs stated business intelligence and analytics as their most strategic software offering.**<sup>7</sup>

# Overcoming the limitations

## Why building applications on-premises holds you back

If you still rely on old-fashioned or Microsoft-based applications, including SQL, that are built to run on centralized, on-premises infrastructure, your ability to modernize and protect long-term competitiveness can be severely hindered due to the lack of scalability, agility and flexibility with on-premises application infrastructure.



## By building applications to run on-premises, you face the risk of:

### **Lost revenue and relationships**

You could lose revenue opportunities and the ability to develop new, richer and 'stickier' products that deepen customer relationships, such as SaaS products.

### **Reputational damage and fines**

You could suffer reputational damage due to on-premises security vulnerabilities caused by your software. As stated in Gartner's Cloud Strategy Leadership report, most breaches continue to involve enterprise data-center environments, and 60% of enterprises that implement appropriate cloud visibility and control tools will experience one-third fewer security failures.<sup>8</sup>

### **Slower innovation**

New digital technologies such as machine learning, AI or data analytics that are needed to support innovative new application features and capabilities, cannot be as easily integrated or supported by on-premises applications.

### **Reduced development efficiency**

Developers and R&D resources can be costly and hard to find. Developers that are focused on hosted or on-premises products are not as productive as those that can leverage the cloud infrastructure, restricting development capabilities.

To protect your revenues, and position yourself to meet the growing demand for SaaS products – with research from Gartner showing that 55% of large enterprises will successfully implement an all-in cloud SaaS strategy by 2025<sup>9</sup> – now is the time to transition to a more agile, flexible and resilient platform for building and modernizing your applications.

# Why migrate to the cloud

## Modernization begins in the cloud

The benefits of migrating apps to run in the cloud are clear and compelling. By migrating traditional applications to a modern, flexible cloud environment, you can overcome the limitations of running applications on-premises and modernize your application development platform to gain greater business agility and responsiveness.

With research showing that 24% of tech buyers are already using SaaS products and 36% of tech buyers are planning to shift to SaaS by 2022,<sup>10</sup> there's no escaping the move to the cloud if you're going to meet customer demand for more flexible subscription based products.



## By migrating applications to run in the cloud, you can:



### Drive greater innovation

by gaining access to new digital technologies that support the development of new application features and capabilities.

**34% of CIOs worldwide migrate to the cloud in order to accelerate product innovation.**<sup>11</sup>



### Generate new revenue streams

by supporting new cloud-based delivery and business models.

**51% of executives said that the cloud is enabling them to create new revenue streams.**<sup>12</sup>



### Reduce time-to-market

by achieving greater flexibility for R&D and testing of new apps. The number-one benefit that many leaders see from adopting cloud is in time-to-market.<sup>13</sup>

**37% of organizations that move to the cloud say they do so for greater flexibility**<sup>14</sup>



### Improve application security

by taking advantage of greater control and security capabilities. 94% of businesses claim to see an improvement in security after moving to the cloud.<sup>15</sup>

**37% of IT leaders rank security as the top driver for cloud migration.**<sup>16</sup>



### Expand global footprint and reach new markets

by improving the ability to quickly scale resources and applications.

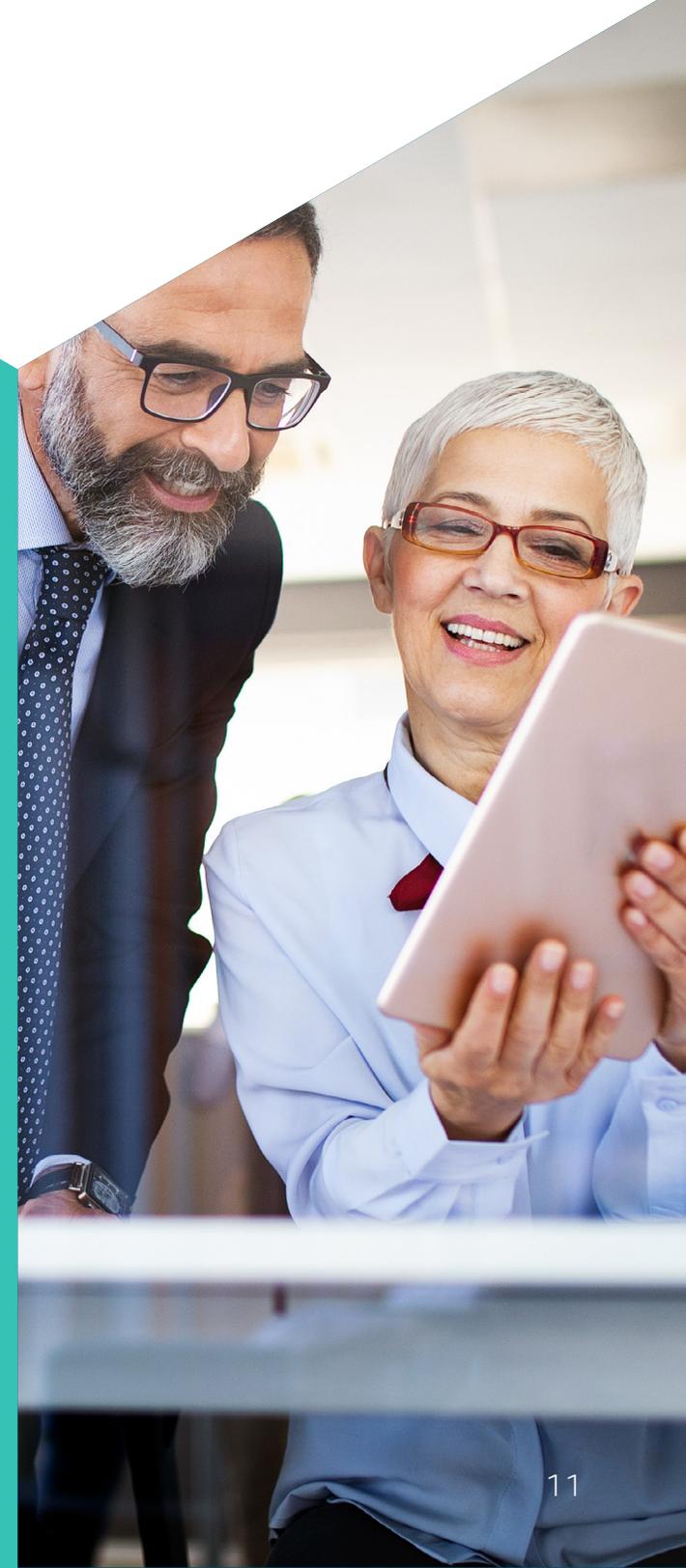
**40% of executives said the cloud is enabling them to move into new geographic markets**<sup>17</sup>



## Power your future with AWS Cloud

Amazon Web Services (AWS) powers the solutions and capabilities offered by thousands of leading software vendors worldwide. These companies have built their cloud or SaaS business on AWS' comprehensive, secure and broadly adopted platform.

Offering an extensive set of programs such as the Partner Network or Marketplace, AWS further supports software businesses' growth by providing valuable business, technical, sales and marketing support.



## With AWS you can:

 **Gain more capabilities, opportunities and revenue streams** through access to a rich ecosystem and marketplace of partners, customers and vendors.

 **Enhance your SaaS offering for new and existing customers** through the AWS SaaS Factory Program that connects you with SaaS experts.

 **Develop smarter products that meet your customers' needs** through AWS Digital Innovation Programs and access to new emerging technologies.

 **Scale into new regions and markets, and accelerate revenue growth** by tapping into AWS' global footprint of services.

 **Access resources tailored to your needs, funding benefits and co-selling opportunities to grow your business** by joining the AWS ISV Partner Path.

 **Improve competitiveness and reduce time-to-market** with AWS RethinkDB that creates more agile and flexible platforms for building scalable, real-time applications.



**69-77%**

**The reported reduction in time-to-launch (in net-new markets when building SaaS on AWS).<sup>18</sup>**

**Over 95%**

**The reduced time-to-customer-usage when building SaaS on AWS (using SageMaker).<sup>19</sup>**

# Why AWS for ISVs?

Wherever you are in your cloud adoption journey, AWS will act as a trusted and reliable partner to help you modernize and protect your competitiveness.

With over 15 years' experience – longer than any other cloud provider – and the most comprehensive and mature set of migration solutions, we support you to build a stronger future by providing a broad range of tools and programs, to take your transformation beyond migration, and enabling you to continue to deliver value and evolve as your customers' needs change.

**Over 230 security, compliance, and governance services and features offered.**

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**3x more features delivered per year.<sup>20</sup>**

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**43% fewer security incidents per year.<sup>21</sup>**



## Some of the reasons why ISVs choose AWS include:



### **Track record and market leadership**

Our experience helps build customer confidence and drive your opportunities.



### **Culture of customer-obsession**

Our customer-centric approach underpins and enhances your end customer relationships.



### **Focus on innovation**

We help you keep pace and evolve as your customers grow and change.



### **Natural pace and agility**

We help you adapt quickly to changing market conditions.



### **Size and financial strength**

Our continual investment in technology and programs support your ongoing success.



### **Enhanced security capabilities and commitment to EU data protection**

We ensure that you can meet core security and EU data privacy compliance requirements, enhancing customer confidence.



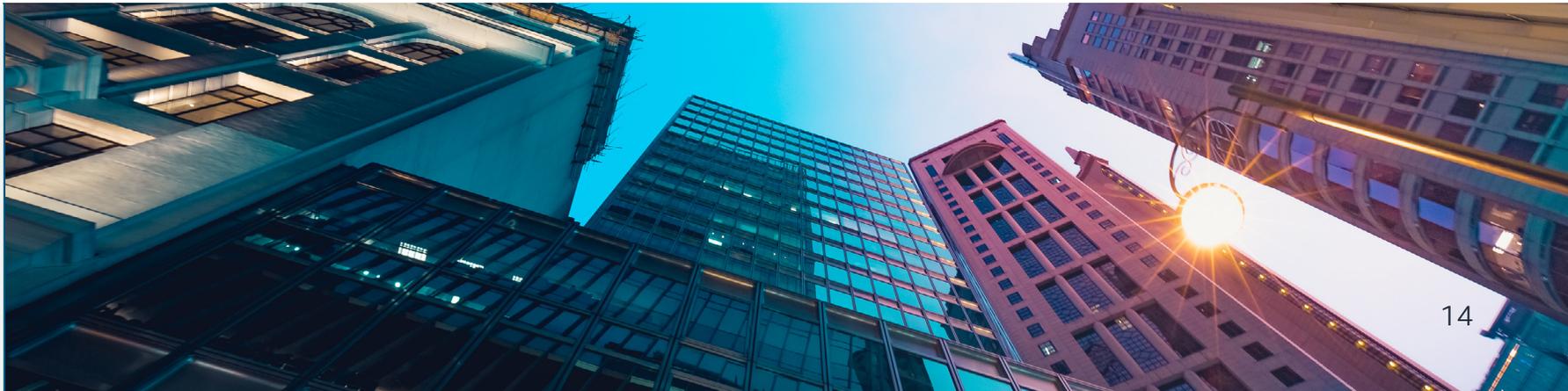
### **Lower costs and simple pricing**

Our pay-as-you-go pricing models gives you and your customers greater visibility and control over costs.



### **Flexible billing capabilities**

Our flexible and granular billing capabilities combined with our deep expertise in SaaS and cloud metering, helps simplify and automate your billing, streamline operations and maximize margins.



## Making your migration safe and seamless with AWS

AWS has helped thousands of organizations of all shapes and sizes successfully migrate their applications to the cloud.

You can rely on our extensive, hands-on experience, expertise and range of migration tools for a secure, fast and seamless move to the cloud; enabling you to continue focusing on what matters most – driving innovation, new application development and building lasting customer relationships.



## AWS's migration services include:

### **AWS Workload Migration Program**

accelerates ISVs' migration to AWS with technical enablement, funding and go-to-market support.

### **AWS's free migration assessments**

provide the tools and services for ISVs to analyze their current on-premises demand and demonstrate how they can optimize their environment on AWS.

### **AWS Database Freedom Program**

reduces costs by focusing on accelerating migrations from commercial data platforms to AWS cloud-native database and analytics services.

### **AWS CloudEndure**

simplifies rapid-mass scale migration by migrating current applications and databases from any source.

### **AWS re-platforming tools such as APP2Container**

easily migrates current .NET applications from on-premises servers, transforming your applications running in virtual machines into containers.

### **Amazon Elastic Compute Cloud (Amazon EC2)**

rapidly deploys and scales Windows-based applications in minutes, providing scalable infrastructure on-demand.

### **AWS .NET Developer Centre**

provides a scalable platform for leveraging the agility of the cloud to build .NET applications faster.

**Get in touch with one of our specialist consultants today to see which AWS programs best suit your business' needs ›**

# Case studies: Software vendors powered by AWS



# Wix cuts costs, and increases website performance using Amazon EC2 spot instances

## Challenge

Founded in Tel Aviv, Israel, in 2006, Wix quickly became a leader in web development due to its versatility and ease of use. As the number of users grew into the tens of millions, the company's legacy on-premises compute solution needed to expand to additional resources.

## Solution

Wix empowers its more than 210 million users in 190 countries to create professional websites with no coding skills needed. In 2015, in anticipation of its continued growth, Wix began migrating its workloads to Amazon EC2 instances, which provide secure, resizable compute capacity in the cloud, and it hasn't looked back.

One of Wix's undertakings involved speeding up its users' websites in a scalable way with server-side rendering (SSR). This was a costly prospect for such a widely used platform. However, the company found a powerful but cost-effective solution using Amazon Elastic Compute Cloud (Amazon EC2) Spot Instances, which it used in conjunction with container orchestration platform Kubernetes to help its platform scale at an increased speed for end users.

## Outcomes

Wix achieved 57% savings in comparison to On-Demand costs for the same workload, and experiences zero downtime when capacity is reclaimed.

**"Being able to deploy all this capacity to Amazon EC2 Spot Instances enabled us to significantly improve the performance of Wix sites."**

**Dimitri Krassovski,**  
Systems Engineer, Wix

**View the full case study here ›**

# Axinom cuts costs by 70%, and enables global expansion by migrating to AWS

## Challenge

Axinom is a digital solutions provider that serves the media and entertainment industry with digital products focusing on the preparation, management, and security of digital content. Axinom products have powered some of the world's biggest media, broadcast, and telecommunications organizations in launching scalable and robust OTT platforms around the globe.

For years, Axinom ran its Windows-based applications in an on-premises environment that made it difficult to scale to meet increasing user traffic. "We wanted to expand our services globally, but we couldn't do it without incurring huge cost and effort," says Johannes Jauch, chief technology officer at Axinom. Although the company moved its environment to a cloud technology provider, it still needed to increase scalability and drive down costs.

## Solution

Axinom chose to migrate its application environment to Amazon Web Services (AWS) for better scalability and flexibility.

Axinom moved its applications, including Axinom CMS and Axinom DRM, to the AWS Cloud. The company now runs its Microsoft SQL Server-based platform on hundreds of Amazon Elastic Compute Cloud (Amazon EC2) instances. To further reduce costs, the company also began taking advantage of Amazon EC2 Spot Instances, spare compute capacity available at discounted prices compared to On-Demand Instances.

## Outcomes

Axinom uses AWS to expand key Windows-based applications to meet global demands, reduce operational costs by 70%, and support Windows workloads in the cloud.

**"We have cut costs for supporting our digital media supply chain services by 70% using AWS products such as Amazon EC2 Spot Instances. As a result, we can provide more competitive pricing for our global customers."**

**Johannes Jauch, Chief Technology Officer, Axinom**

**View the full case study here ›**

# ThinkAnalytics migrates on-premise customer discovery deployment to AWS to bring greater flexibility

## Customer background

ThinkAnalytics is an industry leading content discovery solution, enabling 80+ video service providers, to deliver personalized experiences to their over 400 million subscribers, resulting in a significant uplift in viewer engagement, loyalty, and ARPU. Key clients include Liberty Global, Deutsche Telekom, Vodafone, HBO, TataSky, Denmark Radio, Rogers, Singtel and OSN.

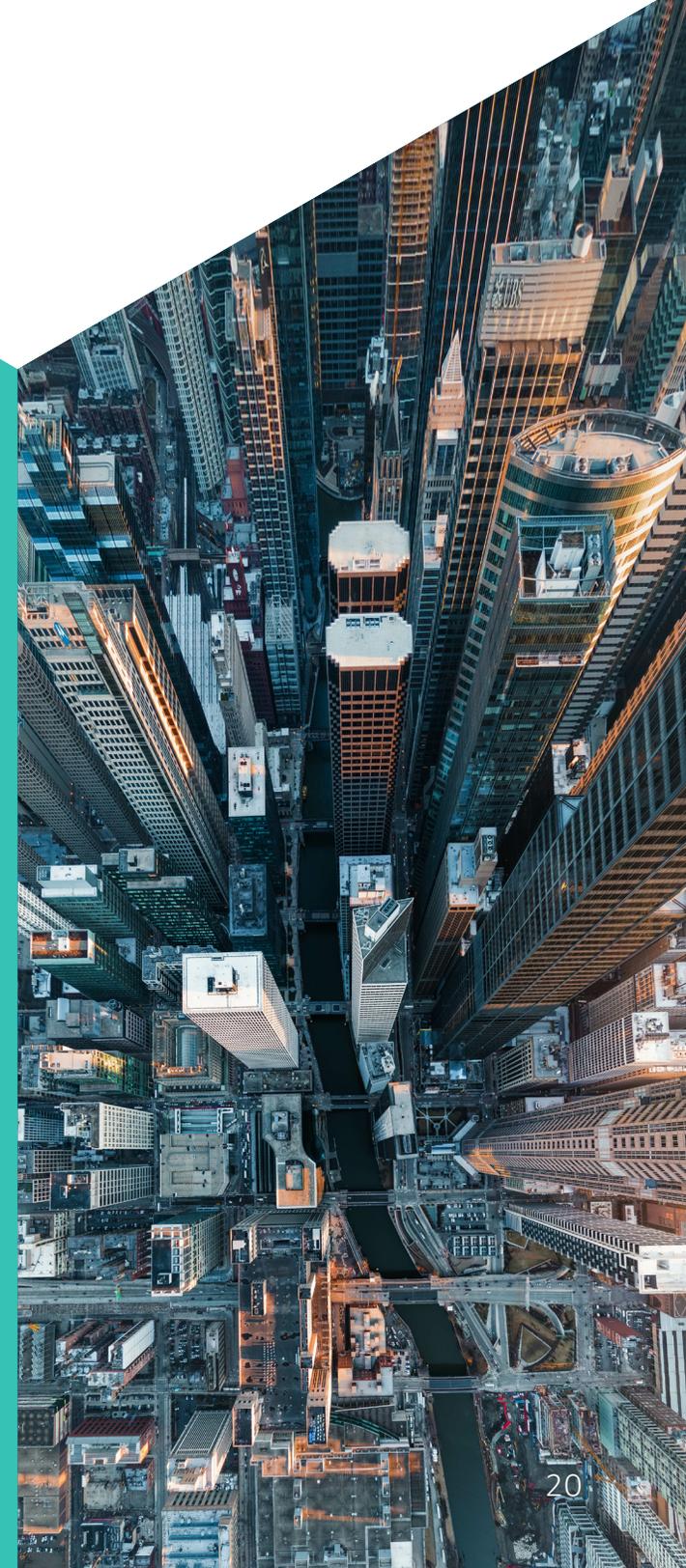
## Solution

ThinkAnalytics has worked with Liberty Global, one of the world's leading converged video broadband and communications companies, to migrate their on-premises customer discovery deployment to AWS to overcome performance challenges, infrastructure limitations and to better deal with increasing demand and peak loads.

ThinkAnalytics migrated the full production environments for all seven European countries to AWS, supporting millions of users.

## Outcomes

The AWS based deployment brings flexibility to meet future growth, auto-scaling and self-healing for capacity and resilience. As well as improved disaster recovery, while freeing resources that can be deployed to value-added activities rather than infrastructure operations and maintenance.



# A-Tune harnesses AWS' global services and infrastructure for greater flexibility and scalability

## Customer background

A-Tune Software AG supports the data and compliance management needs of research-driven organizations in academia, pharmaceutical, biotechnology, chemical, and material science organizations. With their cloud-based software solution, tick@lab, companies around the world can simplify data management, streamline operations, and ensure compliance

## Solution

A-Tune uses AWS' global services and infrastructure to provide reliable solutions to customers around the world. So far, 30 tick@lab customer environments have been migrated to the cloud.

## Outcomes

With AWS, A-Tune can better handle scalability, setup new automated customer environments quicker and provide updates to all customers immediately. AWS' flexible licensing was also a key driver for A-Tune, who needed to move their Microsoft.NET and Oracle database.

# Next steps

## Start your journey today

To find out how you can accelerate your journey to SaaS and build a stronger future powered by AWS, explore our specialist ISV resources.

### About AWS

To learn more about AWS, visit [aws.amazon.com](https://aws.amazon.com)



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# Thank you!