

SMART QUESTIONS FOR YOUR SAAS VENDOR


Introduction

Making the move from on-premise software to SaaS-based can be a confusing process.

Vendor evaluations can be a particularly challenging task as the fundamentals of SaaS are different.



Ask the **Right** Questions



Gathering the **right** information is the key to choosing the **right** solution from the **right** vendor – and ultimately, deriving the most value from your new SaaS application.

In this eBook, we will highlight the top 10 questions you should ask when evaluating and selecting a SaaS solution.

What to ask

1. Security

2. Data retention

3. Availability

4. Support

5. Enhancements

6. Integration

7. Usability

8. Contracts

9. Infrastructure

10. References

1. Security

Security is probably the biggest concern for most companies considering the move to a SaaS model. In fact, some companies shy away from SaaS because they fear security breaches – a fear that, in most cases, is unfounded. So, perhaps, the most important question to ask is:

What protection mechanisms and techniques are utilized in your data center?

A Good Answer:

A truly world-class SaaS vendor will have:

- A secure, SAS70-certified Tier 4 data center.
- Firewalls.
- Intrusion detection.
- SSL and application security.
- 24x7 security monitoring.
- Third-party certifications for security practices.

This will prevent breaches or theft by ensuring that only authorized users have access to your application, and related data, at all times.

2. Data Retention & Ownership

Your information will be stored and managed by your SaaS vendor, so make sure all rights to it are maintained by you. Ask about:

Their policies regarding your data.

Data portability.

You'll want to quickly recover your data if the SaaS vendor goes out of business. And, if you ever choose to stop using the service, you'll want to easily export your data and take it elsewhere.

A Good Answer:

Choose the vendor who guarantees that:

- Your contact data will never be shared with or sold to a third-party.
- It is not possible for your application data to be retrieved by anyone other than authorized representatives of your company.
- You'll have full access to your information, for viewing or transfer, at any time.
- Information can be downloaded in a wide array of popular formats.

3. Performance and Availability

When choosing SaaS, you are relinquishing a certain amount of control over the environment. So, make sure the vendor cares just as much about continuity as you do by asking:

What are your uptime/availability statistics?

How is your service protected from disasters?

What are the ramifications if you don't meet your SLAs?

A Good Answer:

The best SaaS vendors will have:

- A minimum uptime of 99.5%.
- Redundant operations in off-site locations, in case of a catastrophic event (fire, earthquake, etc.).
- Back-up servers so there are no service disruptions if a piece of hardware fails.
- Around-the-clock performance monitoring, so issues can be immediately detected and addressed.
- Refunds if service level agreements (SLAs) are not met.

4. Support

To ensure your ongoing success with the solution, you'll need to know what kind of services the vendor will provide. Ask them about:

Available support and self-service channels.

Hours of support operations & SLAs.

The qualifications of their support staff.

A Good Answer:

What you're looking for is a SaaS vendor that offers:

- Flexible support options – self service, email, phone, twitter, etc.
- Support during standard business hours.
- A skilled, well-trained team of support professionals.
- A comprehensive knowledgebase that will enable you to quickly address simple or routine problems on your own.
- The ability to submit an unlimited number of tickets, at no additional cost.

5. Enhancements and Upgrades

With a SaaS solution, you want to be sure you are leveraging the latest and greatest technologies. Ask your provider:

How often are new features introduced?

How closely is customer feedback considered in upgrade plans?

A Good Answer:

A world-class SaaS vendor will offer:

- Frequent enhancement cycles, with new features being rolled out several times each year.
- Upgrades that require little or no effort – and absolutely no disruption – on the client’s part.
- A formal mechanism (a customer advisory board, forums, discussion boards) for gathering customer feedback and suggestions, and incorporating it into product roadmaps.

6. Integration

Even though you'll be moving to SaaS, it's likely that your SaaS application will be required to link to or share information with on-premise systems. It is important to determine if:

The SaaS solution will work seamlessly with your existing on-premise applications.

How integrations will be achieved.

A Good Answer:

- You want to preserve your existing on-premise application investments, so integration is key.
- Avoid any vendor with limited integration capabilities, or those who require expensive and time-consuming custom coding to achieve those connections.
- Ideally, you'll want to look for a SaaS solution that uses open, standard based APIs to link to your on-site systems. This will make integrations simple, fast, and cost-effective.

7. Usability

On-premise tools are notorious for being complex. While most SaaS solutions are more intuitive, many are still hard to navigate. SaaS solutions that are difficult to use will:

Increase total cost of ownership (TCO).

Require extensive training.

Delay rollout and return on investment (ROI).

Result in low user adoption.

A Good Answer:

- Every SaaS provider will tell you their solution is user-friendly. Don't take their word for it! Test it!
- Ask your vendor for a hands-on demonstration – or better yet, a free trial – so you can see for yourself how intuitive the interface is.
- What you really want is a SaaS environment that is as simple as Facebook, Gmail, and other popular Web applications, so users can get up and running instantly.

8. Contractual Flexibility

Don't lock yourself into inflexible contracts that benefit the vendor more than they benefit you. Be sure to ask for specific details about contract options. For example:

What is the subscription mechanism?

Can I pay as I go?

Can I get special terms with a long-term contract?

A Good Answer:

What you're looking for is a vendor with:

- Convenient, flexible contract options to address the widest range of budget needs.
- An effective and efficient subscription mechanism.
- Discounts for entering into longer-term commitments.
- The ability to cancel use of the service, at any time, without penalty.

9. Single or Multi-Tenant?

Inquire about the kind infrastructure the vendor has: hosted environment, single-tenant or multi-tenant.

Be worried about those vendors with hosted or single-tenant environments. The cost of running their infrastructure will increase as they scale, and so will your subscription fee.

Having your “own” customized version is not a good idea either. How many versions can a vendor effectively support?

A Good Answer:

There are many reasons why you should choose the **multi tenant SaaS** approach. Some of the most prominent are:

- Greater scalability – capacity can be more rapidly increased, and when new hardware or processing power is added, the entire customer base benefits.
- Improved performance – since just one technology stack must be monitored, it is easier to detect and correct performance problems.
- Lower subscription fees - with multi-tenant, the vendor benefits from the economy of scale, which translates to lower subscription fees.

A Good Answer:

- Better service – with only one platform to administer, vendors can provide more responsive services, such as troubleshooting and problem resolution.
- Faster upgrades – because there is just one single, centralized place to go to make enhancements, new software versions or patches can be deployed more rapidly.

10. References

Nothing will give you more confidence about your decision than going through existing user's success stories and assessing how well the SaaS solution performs for them. So, be sure to review customer stories and ask to speak to several customers, preferably ones with similar needs to yours.

A Good Answer:

Be wary of any vendor who won't share existing customer success stories nor let you speak openly to their existing customers. You want full access to current users, so you can ask them their opinion of:

- Solution performance and uptime
- Functionality
- Usability
- Vendor support and responsiveness

Conclusion

By asking the right questions, and knowing what answers to look for, you can conduct the most thorough evaluation of the various SaaS vendors on the market, and make the most intelligent choice for your business.