mozu

TOP 10
Ways SaaS Commerce Platforms Improve TCO

Total cost of ownership (TCO) provides businesses a cost basis for determining the total economic value of an investment. And because commerce platforms are a significant investment for any enterprise, many are finding numerous advantages to switching to Software-as-a-Service (SaaS) solutions—leaving the limitations and high cost of legacy on-premise platforms behind.

Below are ten ways SaaS commerce platforms improve TCO within your business and increase efficiencies and build the bottom line in ways you might not have imagined.

01

SaaS commerce platforms deliver predictable releases and upgrades

SaaS software possesses a predictable cycle of future releases and upgrades, ensuring features and functions always remain current without intruding on business cycles, keeping users effortlessly up-to-date with both market and consumer demands.

02

SaaS platforms also empower business end users

SaaS-based commerce platforms naturally improve efficiency within IT departments by freeing in-house IT resources from the burden of platform maintenance, allowing them to focus on building the future of the enterprise.

03

Multi-tenant SaaS platforms are inherently democratic

The "develop once, deploy many" model of multi-tenant SaaS streamlines platform upgrades for all users. Because a single instance of the software runs for all customers—with updates released simultaneously—lengthy, expensive integrations that waste revenue and time are no longer an issue.

04

Keep your eyes open for centralized features such as integrated product catalogs

Choose a SaaS solution that liberates developers from the time-consuming tasks of updating multiple catalogs for multiple sales channels. Instead, Marketing and Merchandising teams can manage product updates and launch sites directly, increasing efficiencies within the enterprise overall.

05

SaaS commerce platforms allow limitless extensibility and customization

Traditional on-premise platforms often prevent businesses from realizing revenue due to their lack of extensibility and customization. But the open, extensible API and SDKs in multiple languages allow companies to utilize existing in-house development resources and decrease time-to-market for product and site launches.

06

Look for fair, usage-based pricing that delivers economies of scale

Usage-based pricing models are highly predictable, allowing enterprises to accurately manage IT budgets and achieve economies of scale as the business grows, supporting a shared success without unfair penalties.

07

On-premise costs can build up over time without building your bottom line

On-premise platforms frequently come with numerous hidden costs, including additional new site licenses, annual hardware leases, and data center hosting and facility costs. These costs can really add up and undermine TCO as they constrain grown and result in unrealized revenue.

08

SaaS platforms reduce downtime dramatically with 99.9% availability

Because SaaS solutions are cloud-based technologies, uptime is not dependent upon on-premise hardware. To ensure that your assets are available, secure and performing optimally, look for multiple redundant data centers in dispersed locations, professional 24x7x365 monitoring, automatic daily backups, disaster recovery and business continuity services as you evaluate SaaS platform providers.

09

SaaS technologies eliminate the need for hardware infrastructures

Because SaaS technology is housed in the cloud, on-premise hardware technologies—and the IT resources required to maintain them—are no longer necessary, and can be re-channeled to more efficiently support other aspects of the business.

10

Choose SaaS and say good-bye to related hardware supporting costs

Using on-premise commerce platforms and the required supportive hardware demands significant amounts of energy to keep these systems running. ZDNet recently discovered that average energy costs for both direct IT power and related cooling for just a single server can suck up about $731.94 per year in electricity. Estimating that enterprises average one server per 20 PCs, even businesses with fewer than 500 employees can rack up energy costs well over $18,000 each year for server rooms alone.

Considering a SaaS solution when calculating TCO for commerce platforms brings numerous advantages. SaaS is a fundamentally different software development model, and Mozu provides the simplicity of multi-tenant SaaS without hardware headaches and with the regular release of new features you can predict. With Mozu's open and extensible API, business users don't need to wait for IT to launch new features or microsites, or testing new markets or products. To learn more, download our free guide for a detailed TCO comparison between SaaS-based and on-premise platforms, or visit mozu.com.