

Software As A Serviceblabla (SaaS)

Rosnita Binti Abdul Kahar
Faculty of Information Science and Technology
Universiti Kebangsaan Malaysia
Email: akrosnita@gmail.com

Abstract

Software as a Service (SaaS, typically pronounced 'sass') is a model of software deployment whereby a provider licenses an application to customers for use as a service on demand.

1. Introduction

When the Internet burst upon the scene in the early 1990s, the concept of software as a service (SAAS) seemed an idea whose time had come. It got hyped along with everything else about the Internet and reached a massive peak of inflated expectations in early 2000 as venture capitalists funded dozens of nearly identical companies that provided various SAAS offerings [1]. As venture funding dried up in mid-2000, the cracks in the SAAS model began to appear.

Software as a Service (SaaS, typically pronounced 'sass') is a software that is developed and hosted by the vendor and which the end user customer accesses over the Internet. Unlike traditional packaged applications that users install on their computers or servers, the SaaS vendor owns the software and runs it on computers in its data center. The customer does not own the software but effectively rents it, usually for a monthly fee. SaaS is sometimes also known as hosted software or by its more marketing-friendly cousin, on-demand [3].

SaaS software vendors may let the application to download by the customer on their devices and disabling it after use or after the on-demand contract expires. The on-demand function may be handled internally to share licenses within a firm or by a third-party application service provider (ASP) sharing licenses between firms [1].

2. The Benefits

For many companies large and small, SAAS is the best way to roll out new technology. The staying power of SAAS has arisen for several reasons [1]:

2.1. The cost of entry is low.

Instead of paying lots of money to roll out complex technology across the entire company, customers can roll

out just one test department of, say, 20 people. The risk is very low if it fails, and the company doesn't have to involve its busy IT staff.

2.2. The onus is on the vendor.

If the vendor's software is broken, the vendor won't be getting money from any customer for long. The vendor is motivated to fix the problem.

2.3. The vendor works for the buyer.

Customers don't have to rely on their IT departments to install an application. Everything is running securely at the vendor's location.

2.4. Less-risky investment.

Instead of spending \$60,000 all at once, for example, customers pay for the software monthly. The monetary risk is lower and less scary.

2.5. Vendors must provide a secure data environment, or they're out of a job.

Most vendors understand that data must be backed up religiously, and security is the top priority. Customers' IT departments are typically pulled in many directions and can't be as focused on one technology. Customers can assume their data security is probably safer when it's hosted.

3. The Vendors

The example of success companies are Salesforce.com Inc.[1], [3], RightNow Technologies Inc[1], LeanLogistics[3] and Ketera[3].

4. The Examples

Some example of the SaaS are[2]:

- Customer Relationship Management(CRM) Software
- Human Relationship
- Procurement
- Document Management

Acknowledgment

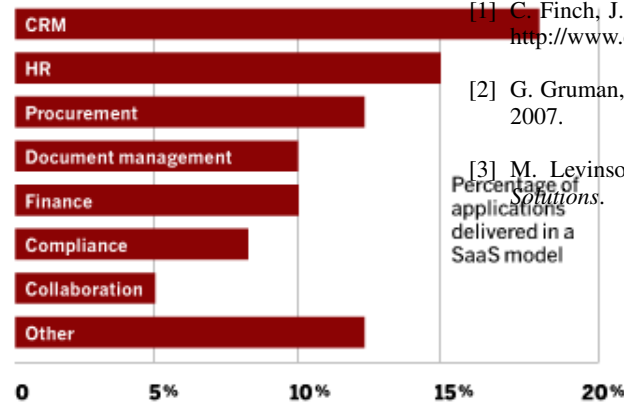
The authors would like to thank to Mr Zamri Murah for this Latex application and his kindness teaching all the superb things.

More thanks to Pn Noraidah be the friend and the study team, working hard hand in hand, sharing the knowledge and the effort to be closer to the destiny.

SaaS Usage TODAY

The usage of applications delivered as a service fall mainly in three areas: CRM, HR and procurement

BY APPLICATION



[1] C. Finch, J., *The Benefits of the Software-as-a-Service Model*. <http://www.computerworld.com/s/article/>, 2006.

[2] G. Gruman, *The Truth About Software as a Service (SaaS)*. , 2007.

[3] M. Levinson, *Software as a Service (SaaS) Definition and Solutions*. , 2007.

Technology companies are the biggest users of the SaaS model, followed by financial services and utilities.

BY VERTICAL MARKET

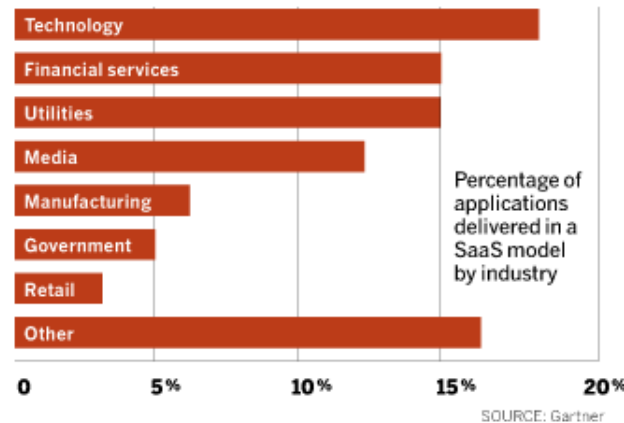


Figure 1. SaaS Today

5. Conclusion

The conclusion is using the SaaS will cut cost to the customer because they do not have to build their own data center and the cost of application development will much more reduced[2].