

The Journey to SaaS

Whether you've just taken the first steps toward delivering Software-as-a-Service (SaaS) or you're about to launch your first solution, use this guide to accelerate your journey with AWS. Learn how AWS SaaS Factory program can help today. Subscribe to AWS SaaS Insights for advice and future events.







Go-to-Market/ Viable Service



Business Planning

- $\rightarrow \rightarrow \rightarrow$ Actions Motivations
- Create unique buyer and user personas based on target market segments
- Complete competitive analysis (inc. pricing, market penetration)
- Prepare pro forma budgets (design/build/sell/operate)
- Prepare commercial projections with SaaS-specific revenue metrics
- Assess the SaaS-specific experience of existing in-house resources

- Survey focus group (existing and prospective customers)
- Desire to inform tiering strategy with SaaS customer personas
- · Financial model should provide funding justification and path to profits
- Ensure budgets and commercial plan include SaaS-specific attributes
- Capture business requirements to inform architecture decisions
- Determine capabilities to build in-house or outsource
- Size the total addressable market
- Understand potential customer lifetime value (CLV)
- **Ouestions Pain Points**
- Lack of funding · Is our future portfolio SaaS-only or just
- When will the growth and financial benefits offset the cost and effort?
- Do we need Systems Integrators (SIs) for staff augmentation? · How will we fund the up-front
- · Lack of skilled resources to design/ build/sell/operate
- Ambiguous or unrealistic profitability objectives
- Lack of relevant benchmarking in alignment with tiering strategy
- · Executive friction, confusion, or conflict over future SaaS posture
- Verticalized competition with more agility and faster time-to-market

- AWS SaaS Factory Insights Hub AWS Cloud Adoption Framework
- Forrester TEI Study: The Partner
 Opportunity For Building SaaS On
 Amazon Web Services
- . AWS Executive Briefing Center
- · Whitepaper: The Journey to SaaS



Product Strategy and Roadmap Development





- APN Innovation Sandbox Credits
- **AWS Training and Certification** AWS SaaS Boost
- Blog: Building a Multi-Tenant SaaS Solution Using AWS Serverless Services
- Blog: Building a Multi-Tenant SaaS Solution Using Amazon EKS
- Whitepaper: SaaS Architecture
- **Pain Points**
- Lack of data from customers and prospects to inform feature design Missing feedback loops between technical and business teams
- Few resources to guide research and development (R&D), point of contact (POCs), and minimum viable service (MVS) design and development
- Insufficient tools for builders and operators
- Ambiguous product release cycle timelines
- Too much focus on feature, function and not enough on value design
- Observability challenges—performance, product adoption
- Questions What does Product Market-fit look like for each unique tier? Will there be a free
- What is the customer expectation for
- the onboarding experience?
- How will we design and measure value experience and time-to-value?
 How will we approach the multi-tenant aspects of our solution?
- Will we be able to correlate tenant-level activity with the costs we will incur?
- Should there be consumption-based options in our pricing model?
- How do we know that customers truly want to buy these features and services?

· How will we measure agility?

Motivations

- Enable agility and efficient release cycles Understand the natural boundaries (functional, performance, isolation, etc.) of tenant profiles
- Map a frictionless, automated, and standardized onboarding experience Prioritize observability—fuel a plan to capture tenant-level activity and costs
- Identify KPIs that reflect agility.
- innovation, and operational efficiency Ensure that cost-effective architecture decisions are made

Actions Design services to enable value

- recognition experiences for customer Package services and features in alignment with tiering model Build an analytics view Customer Journey Map for each tier of service, spanning the customer lifecycle Define feature/service roadmap, set time-bound release cycle objectives for the customer of the composition of the forest the composition of the forest customer of fores

- Profile security, geographic, and data protection requirements
- Identify relevant unit economics to inform cost models and pricing model
- Build an analytics view Customer Journey Map to observe tenant-level resource consumption

Minimum Viable Service



- Launch with representative participation
- Measure tenant-level resource consumption patterns, correl with costs Solicit and evaluate customer feedback
- Formalize pricing, packing model, tiering strategy for General Availability (GA)
- Test product-led-growth (PLG)
- Draft playbook for customer success and professional services Measure operational performance
- Validate hypothetical forecasts (e.g., costs, resources, time-to-value)
- Realistic assessment of organizationa capabilities

Motivations

- Identify risks, bugs, and weaknesses/ potential points-of-failure
- Demonstrate ability to land onboard customers and drive successful adoption
- Establish product adoption KPIs that indicate risk and opportunity
- Finalize organizational structure before GA release
- Who should participate and what features should be included in this

Questions

- Can the participants recognize value from the MVS experience? How do we measure tenant-level resource consumption and costs?
- Do we have the right tools and
- operational process in place?
- How will we capture data and feedback from participants? What goals should we set for GA release?
- What compromises should we make for the MVS relative to the GA release?

Pain Points

- Inadequate representation from key market segments
- Friction, slow value recognition and time-to-value, inaccurate cost models

 Lack of visibility and observability into tenant-level resource consumption
- · Operational capabilities are incomplete
- Too much hand-holding and manual tasks required to integrate/onboard

MVS features unable to deliver measurable value experiences to customers

Resources SaaS Lens for the AWS Well-Architected Framework

- AWS Data Lab
- AWS Application Cost Profiler



Go-to-Market/Launch

- AWS Marketplace AWS Partner Marketing Central
- Marketing Development Funds
- AWS ISV Accelerate

$-\leftarrow$ Pain Points

- Misaligned compensation incentives, or conflicted by incentives to sell legacy solutions
- Ineffective sales enablement resources
- · Inadequate demand and lead generation
- Inefficiency in sales motions and channel partnerships, or lack of experience selling SaaS GA solution not delivering on value proposition promised in demo or marketing collateral

Questions

- What lessons were learned during the MVS stage? How will we meet new business targets in Year One of GA?
- Should we sell this in the AWS Marketplace? How can we incentivize and reward successful product adoption and
- Will product design and development teams deliver enough new features to support cross-sell quota?

Motivations

- Establish commercial and operational frameworks for customer acquisition
- frameworks for customer acquisition and/or migration
 Develop profitable sales motivations spanning the entire customer lifecycle
- Recoup initial investments (payback) and realize economies-of-scale quickly
- Ensure SaaS-specific forecast accuracy Close profitable deals with customers most likely to succeed

Define, land, expand, and renew sales and marketing motions

Set compensation models to reward adoption and renewal Finalize budget for custome

Actions

- acquisition, expansion, and retention
- Update the Customer Success playbook and Customer Journey Map Develop product marketing campaigns emphasizing value recognition
- Create pre-sales qualification checklist
- Determine the role of the channel partners

When should we allow pricing discounts, and for whom?