



ASP Pros and Cons


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ASP Definition


- Delivers Application Functionality
- Across a Network
- Multiple Customers
- Pay-as-you-go Payment Model


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ASP Value Proposition

- Provide End-to-end Services
- Encompasses Implementation, Customization, and Support
- Internet-Enabled Packaged Software
- Flat Monthly Fee

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By Any Other Name

- Application Service Providers
- Managed Service Providers
- Network Service Providers
- Netsourcers
- Total Service Providers

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By Any Other Name

- Software Rental Providers
- Network Applications Providers
- Application Sourcers
- Application Dial Tone Providers

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Why All The Hype?

- Great Expectations
- Lavish Financing
- Media Coverage

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Evolution of an Industry

- Mainframe Timesharing Model
- Race for Internet “Mindshare”
- After the Crash
- Fortune 1000s

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ASP Model

- Shared Technical Operations
- Pay-as-you-go
- Limited Customization
- Access to Skilled IT Personnel

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Enterprise Challenges

- Cash Constraints
- Rapid Implementation
- Rapid Growth
- Fluctuating Head Counts
- IT Skills Shortage

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Reasons to Seek ASPs

- High Availability
- Complexity Reduction
- Focus on Core Competencies
- Reduce Upfront Investment
- Economies of Skill

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ASP Challenges

- Rapidly Changing Business Models
- Poorly Written SLAs
- Cost
- Limited Customization
- Organizational Biases

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ASP Types

- Instant Application Providers
- Specialized Application Providers
- Cookie Cutter Application Providers

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Instant Application Leaders

- Intuit
- eAlity
- Intacct
- Interliant

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Instant Application Leaders

- FutureLink Distribution
- Telecomputing
- Critical Path Software
- Salesforce.com

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Specialized Application Leaders

- VeriSign
- Cascentral.com
- DigiBuy
- TitleLink
- Aristasoft

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Specialized Application Leaders

- Capstan Systems
- Applicast
- Meridian Technology
- World Technology Solutions

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Cookie Cutter Apps Leaders

- Usinternetworking
- Oracle
- Qwest Cyber.Solutions
- Corio
- eOnline
- rSP

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Up and Coming ASPs

- Exult
- Jamcracker
- Loudcloud

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RFP Process

- Identify Business Requirements
- Identify Technical Requirements
- Identify Market Leaders
- Communicate Response Timeline
- Service Level Agreements

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Vendor Evaluation Checklist

- ✓ Determine Hosting Requirements
- ✓ Proven Track Record-Check References!
- ✓ Secure, Scalable, Data Center
- ✓ Stable Business Model
- ✓ Carrier-Grade Network Infrastructure
- ✓ Real-Time, Web-Based Reporting

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Conclusion

- ASPs do very well at hosting out-of-the-box applications with little customization that need to be deployed rapidly. This business model will continue to mature and become even more attractive to organizations of all sizes.

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Questions



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