

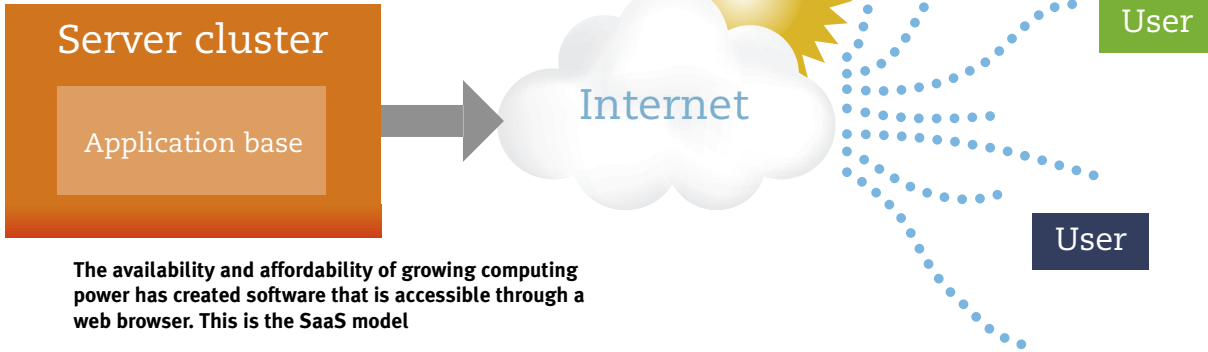
PLUG INTO THE CLOUD

Use web tools to help you grow your business

by BARB PELLOW

With rapidly-changing market demands, printers are increasingly turning to the “cloud” and Software-as-a-Service (SaaS) tools as a quick option to expand their businesses and offer new services. The cloud itself is actually an abstract symbol that represents the internet as a whole—a simple visualization to describe the complex network that we tap into constantly in our day-to-day lives. Cloud computing is an extension of that idea: harnessing and optimizing the power of internet-enabled technologies—including data centres and software—to offer more flexibility, scalability, and sheer computing power to consumers, businesses, and anyone with internet access. The availability and affordability of expanding computing power has quickly led to the development of software that is 100% accessed through a web browser. This method of developing web-based software is the basis for the SaaS concept.

SOFTWARE-AS-A-SERVICE DELIVERY MODEL



The availability and affordability of growing computing power has created software that is accessible through a web browser. This is the SaaS model

Software-as-a-Service, in addition to leveraging cloud computing infrastructure, enables you to rent or subscribe to software as opposed to purchasing a license. Unlike a typical software licensing model where a piece of software has to be set-up on-premise at your shop on your own IT infrastructure, SaaS-delivered software typically only requires a computer with internet access and a web browser; the product itself is maintained by the company offering it.

★ A survey in the U.S. found that 26% of printers subscribe to SaaS software, a rate on par with other industries

In most scenarios, pricing models for SaaS products consist of an initial set-up fee, followed by monthly subscription or maintenance/support fees. Some companies will offer annual maintenance contracts similar to those for licensed software products. These maintenance fees often cover general infrastructure costs, software upgrades and updates, customer support, and bug fixes. In addition, depending on the scale of the product, there may be additional costs for add-on modules that are turned on for customers.

ADOPTION GROWTH

As cloud computing becomes more viable, adoption rates have grown in the printing industry for a number of reasons:

- A SaaS model is a good way to reduce your costs across the board, including those associated with hardware, software, and services required for IT infrastructure. The model also eliminates huge upfront capital expenses. You can maxi-

mize cash flow by paying a small amount up front and a fixed monthly fee or transaction fee linked with usage.

- If you have limited or no IT department you will be able to enter new value-added services markets and ramp up quickly. The typical printer doesn't have the human resources or technical skills to develop and implement an IT infrastructure required by today's complex business environments. SaaS tools provide access from any desktop, seamless upgrades, and instant go-to-market capability and access to experienced engineering resources dramatically accelerate time-to-market.

- SaaS enables you to seamlessly add server capacity, extending your reach to new geographic markets, providing bandwidth as-needed, and increasing the number of skilled professionals that support the entire application infrastructure.

- With employees, customers, and suppliers increasingly demanding the ability to work with a company at any time of the day, it's necessary to continuously monitor the IT infrastructure and its management. Most print shops are not equipped

to provide seamless 24/7 operation; SaaS software gets around that.

- SaaS providers have industry expertise in the specific application they support so you can gain access not only to technical infrastructure, but also to industry expertise so you can standardize business processes based on best practices.

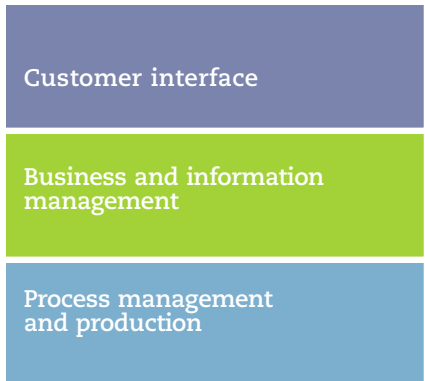
- You won't need to worry about procuring, installing, and configuring hardware and software. The SaaS provider takes care of the infrastructure and rolls out the updates and upgrades. This model frees you up to focus on the value-add that can be delivered to customers.

WHO'S USING SaaS?

In October 2010, U.S.-based research company InfoTrends surveyed 153 printers. While all of them were familiar with the SaaS, 26% of respondents said they subscribed to software through this model, an adoption rate on par with other industries. Of those, nearly 73% subscribe to web-to-print, an ideal SaaS application as it allows printers to have customized storefronts that are up and ready to take orders quickly and generate another source of revenue.

But there are other software services that printers are using from the cloud. Half the survey respondents subscribe to multi-channel communications services through SaaS, which speaks to how printers are diversifying themselves through marketing services. Production workflow management, customer relationship management (CRM), and variable data publishing (VDP) are other software categories that have seen SaaS adoption. Workflow and VDP in particular have traditionally not been commonly deployed via SaaS models. Nevertheless, Infotrends expects that as SaaS continues to become way to access software, more applications will become SaaS-enabled.

WHERE SaaS IS USED IN THE PRODUCTION WORKFLOW



Customer interface providers

Aleyant Systems Pressero
 AmazingPrint eCardBuilder
 Bitstream Pageflex Storefront
 EFI Digital StoreFront
 FORIX PrintBridge
 Four51
 Quark Web-to-Print
 IKON WebPrint
 interlinkONE ilinkPRINT
 NowDocs



PrintNow, a web-based software, automates and speeds up prepress

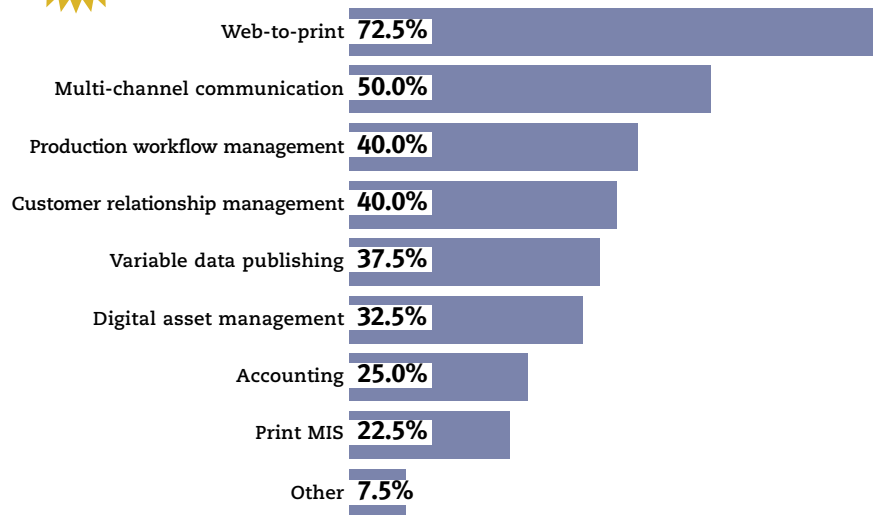
NowPrint
 PageDNA
 PagePath MyOrderDesk
 Printable MarcomCentral
 PrinterPresence
 PrintNow
 Quarterhouse Software Qprint
 RedTie RTT
 Responsive Solutions Customer+
 RSA WebCRD OnDemand

Sampling of suppliers in the multi channel space

MindFireInc LookWho'sClicking
 Indros Group EasyPurl
 interlinkONE ilinkONE
 Printable FusionPro Links
 L2 Fuse
 JFM Concepts VDPWeb
 Conversen
 LeadGenesys Platform
 XMPie PersonalEffect e-Media
 Express Edition



SaaS ADOPTION BY APPLICATION



WHAT'S IN THE CLOUD

A number of major vendors have expanded their offerings to include SaaS models and cloud-based options are emerging across three key areas of the production workflow: customer interface, business management, and production.

The customer interface includes the functions for interacting with your customer base. While sales reps and customer service reps talk to customers to scope out jobs and take in orders, web-based customer interfaces enable clients to order or submit jobs 24 hours a day, seven days a week. They can standardize the production process and place more

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responsibility on the customer to prepare their job files correctly. At the same time, these systems are also a convenient way to collect job information that feeds into the rest of the production workflow. There are other benefits too. Job ticket fields can be standardized to meet the requirements of other production systems, consistent file formats such as PDFs can be generated, and preflighting can be applied to jobs after they have been submitted.

As printers look to expand their business, many are turning to multi-channel

communication services. Some vendors realized this early on and recognized that printers needed the latest technologies to compete in this space and reach and reach new audiences. Tools were developed to handle these requirements, and many vendors leveraged a SaaS model as a way for printers to jump-start their multi-channel campaigns.

Business and information management contains the systems that facilitate information tracking and management of both administrative and production activities throughout the workflow process. These include internal print production management information systems (MIS), as well as response tracking systems that are used after jobs have been fulfilled. Print MIS solutions manage print business processes such as purchasing, estimating, inventory control, order entry, shipping, billing, and accounting. On the shop floor, these software applications can gather real-time information for production management. Some systems capture vital job data directly from production equipment or even front-end production management applications, but they can also collect valuable information through shop floor data entry terminals.


Over the years, MIS systems have become more complex with an increasing focus on automated scheduling and planning and e-enablement. Additionally, there has been an increasing focus on JDF and workflow automation to reduce errors, provide real-time business and production information, keep an audit trail, and improve internal/external customer services.

While a number of tools are available from organizations like Avanti, EFI, HiFlex, and DiMS!, there are also a limited number of cloud-based applications that address a subset of the overall process. There are SaaS accounting tools from companies like Intuit QuickBooks Online, BizAutomation.com, Salesorder.com, WorkingPoint, and Inacct Financial Management. EFI has moved Print MIS capabilities to the cloud with its Pace and Monarch offerings.

Process and production management includes systems for managing the entire production. It can include colour management systems, production workflow management systems, output management systems, and digital front ends while methods include lean manufacturing, Six Sigma, and ISO compliance. Production includes production processes like content creation, prepress, printing, finishing, and fulfilment/distribution.

As of today, these software systems are

available in the traditional way—as licensed software hosted on-premise. The reason why they’re not cloud-enabled include the challenge of dealing with complex, large print files, as well as the need to


 **Not all printing functions lend themselves to the cloud, but vendors are working to change that**

tightly integrate these systems with other devices and systems on the shop floor. The systems we’re talking about here include Xerox FreeFlow, Heidelberg Prinect, Kodak Prinergy, and HP SmartStream Director.

One system that has shifted to the cloud, however, is DataTech SmartSoft’s PressWise, an integrated system that includes web-to-print storefronts, estimat-

ing and quoting tools, order management, production management, shipping and fulfillment, and optional mail processing.

GATHERING STEAM

As of today, not all printing functions lend themselves to the cloud. But given current market trends, vendors are working to change that and deliver more and more software this way. That’s because investing in a SaaS model can free you up to do what you do best—support clients with value-added communications. Why buy an infrastructure when you can pay for only what you use? Why buy the very latest software versions when they will be outdated in 120 days anyway? Why deal with IT issues associated with production software that you can effectively outsource? It’s time to look to the cloud! 

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Web-to-Print Spotlight

