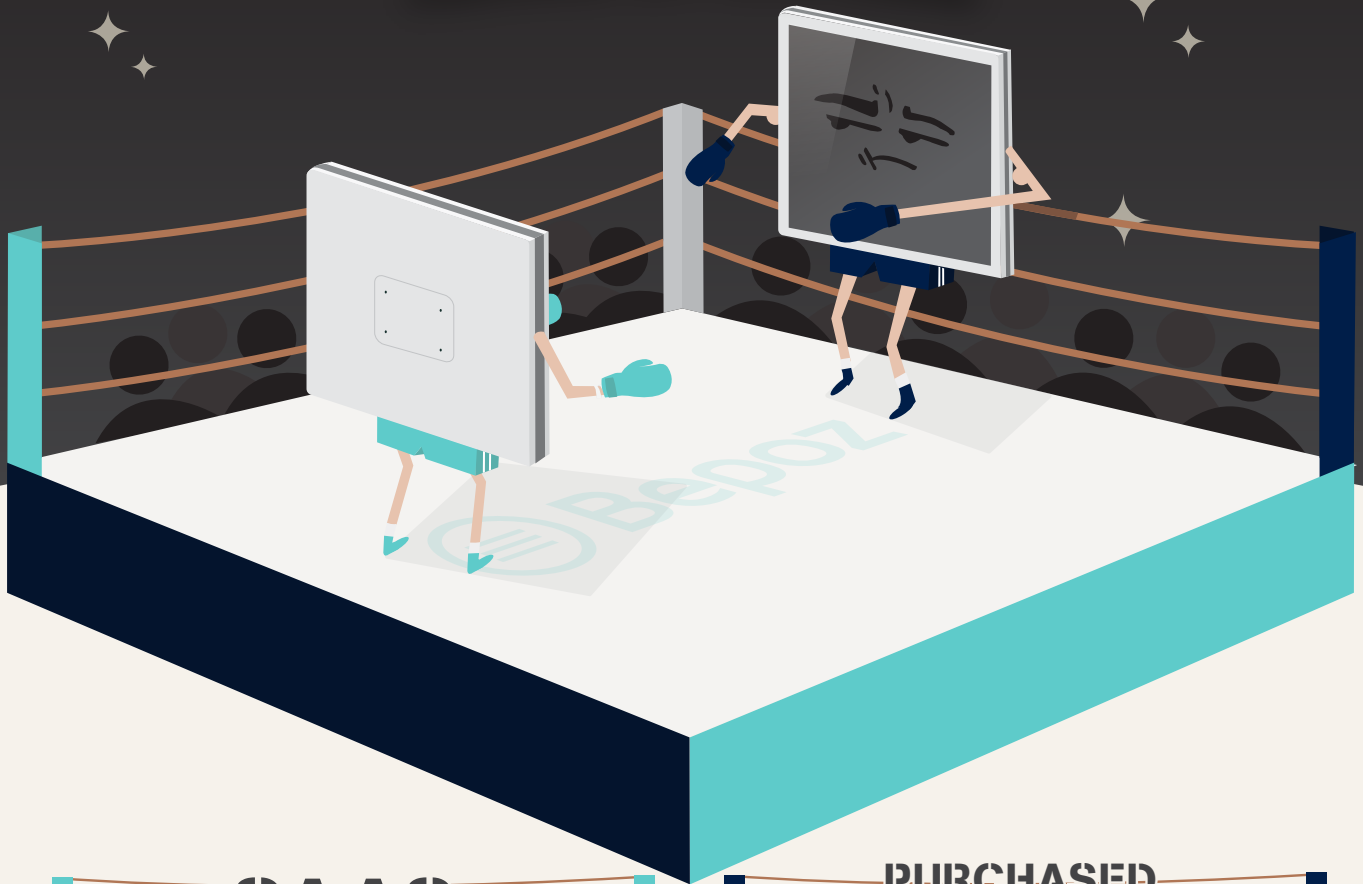


# SAAS vs.

## PURCHASED SOFTWARE LICENSE



### SAAS

SOFTWARE AS A SERVICE

- No upfront software cost
  - No contract period
- No obligations - Opt out at any time
  - 100% Tax deductible
- Expenditure equals revenue ROI
- No interest on monthly payments
- Current version always available
  - Upgrades included
- Phone and email support included during business and afterhours
  - Vendor accountable to product and support
- Add modules or extra licenses to manage peak periods on a month by month basis
- Ability to trail add on modules prior to purchase ie marketing module

### PURCHASED SOFTWARE LICENSE

UPFRONT SOFTWARE PURCHASE

- Upfront license costs
  - Outright purchase
- Substantial investment lost if not happy
- Amortised over 5 years of product lifetime
  - High initial investment
- On-going interest payments if software purchase financed. Penalties apply for early opt out or late payments.
  - Value diminished of software if not upgraded. delay in upgrade limits access to new interfaces or functionalities.
- Additional charges for upgrades
- Additional charges for all support
- No ongoing accountability after product purchased
- Required to purchase outright any additional licenses