The current growth rates and investments in SaaS are astounding. In 2016, SaaS is forecasted to account for 25% of all new business software purchases\(^1\). Technology innovation for SaaS received $11.7B in VC funding in 2014, a 70% YoY increase\(^2\). Why are companies implementing and deploying SaaS solutions, and what are their biggest concerns and challenges? How does Akamai stand up to these challenges?

TechValidate Research surveyed over 60 Akamai customers in roles associated with choosing, implementing, and maintaining a SaaS platform. The results show a wide range of vertical and horizontal uses, the importance of web security, and the significance of SaaS application availability.

**Most Popular SaaS Applications**

Of the SaaS applications developed, there was a blend of horizontal and vertical web applications. Of the horizontal applications, 47% were for Service and Support, 41% for Business Intelligence/Analytics, and 31% for Collaboration. Of the vertical applications developed, 24% were for Marketing, 15% were for e-learning applications, 12% for Finance applications, and 10% for HR applications.

**Fast Fact** – Over 50% of CRM applications will be cloud based in 2016\(^6\).
Top Concerns with Adopting SaaS

The traditional software deployment model for on-premise software is expected to significantly shrink from 34% to 18% by 2017. The top concerns with adopting SaaS varied from business reasons to web application performance and security threats.

Top SaaS Challenges Addressed with Akamai

Clients have adopted Akamai to improve global web and mobile application performance and availability. They also chose Akamai to defend web applications against DDoS and data breach attacks. Here the respondents indicated the top challenges that Akamai’s cloud-based solution addressed.
Protect Data and Defend Against Attacks

Businesses need to innovate without fear. Unfortunately, web security threats, such as DDoS attacks and data breaches, represent very real vulnerabilities for SaaS application providers. Akamai’s highly scalable, always-on Cloud Security Solutions defend against these threats, helping to reduce the risk of network downtime, protect revenue, and maintain web application performance during cyberattacks.

Web Security Challenges Addressed with Akamai

Why Akamai Cloud Security

Fast Fact
– Software and technology companies ranked #2 in DDoS attacks in Q3 2015
– 70% say security is a top concern (IT & business managers).
Why Akamai for SaaS

In-country presence with global reach - 51%
Self-service functionality to manage solutions - 33%
Breadth of insight and expertise - 27%
Cloud-based approach (cost and time avoidance associated with alternative...) - 24%
Customized service options that meet business objectives - 18%
Operation expenses vs. capital expense - 16%
Ability to solve complex problems - 12%

Conclusion

The SaaS market has experienced tremendous growth during the past several years, which has accelerated the transition of on-premise hosted applications to web applications that are hosted in the cloud and accessed over the Internet. The growth of the market, combined with sky-high expectations of customers, has introduced new business and technical challenges that SaaS providers must address in order to maintain a competitive advantage.

Akamai’s Web Performance Solutions enable SaaS providers to deliver all their SaaS applications to any user (e.g., customers, partners, and suppliers), on any device, anywhere in the world by overcoming the inherent challenges related to web performance, reliability, and security. Additionally, Akamai’s cloud services provide SaaS provider-specific capabilities on top of Akamai’s Web Performance Solutions, bringing together Akamai’s globally distributed Intelligent Platform™ with a comprehensive, integrated collection of web performance and reliability capabilities designed to meet the unique demands of delivering Software-as-a-Service applications today and tomorrow.

Sources:
1 IDC
2 CB Insights SaaS Trends Report
3 Gartner,
4 Akamai’s [State of the Internet] Security Q3 2015 Report
5 Exoprise Cloud Trends Survey 2014 of IT and Business Managers