

**Publication** Microscope  
**Date:** 25<sup>th</sup> June 2007

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## Small companies are developing a taste for hosted software model

The continuing growth in the popularity of hosted software is trickling down into the SME market, according to a number of players targeting that market.

The fears of data access and security that undermined the ASP model in the late 1990s have been largely overcome and smaller customers are embracing the hosted model.

Craig Sullivan, vice-president of international products at NetSuite, said accessing hosted products allowed smaller companies to exploit enterprise class applications.

"All of the concerns that we saw in the late 1990s and early 2000s [have diminished] but there has been a lack of awareness, which has been happening," he said.

Other vendors have also reported increasing interest in SaaS across various sectors (*MicroScope*, 8 May 2006). ■