



News

The revolution has begun



Zach Nelson

Software developer NetSuite has announced a series of additions to its on-demand application SuiteFlex that enables its channel partners to add value through their own customisations.

The NetSuite Revolution event in San Francisco saw the company unveil SuiteBundler, the newest component of SuiteFlex, its on-demand integrated business management application already includes Accounting/ERP, CRM and Ecommerce functionality.

The SuiteBundler tool enables the creation of third-party vertical applications within NetSuite, as well as end-to-end business process customisation for any end-user company. NetSuite says it allows resellers and systems integrators to customise the application to create their own solutions.

"Using Suite Bundler you can create customisations, bundle them up and sell them over and over and over," NetSuite CEO, Zach Nelson, explained to its worldwide partners.

"The ability to take a piece of custom functionality that was designed as a one-off for customisation for a single customer and use it repeatedly for other implementations has been the holy grail for services companies. SuiteBundler, combined with NetSuite, finally delivers on this promise, and truly enables VARs, systems integrators, and ISVs to participate in the SaaS revolution."

The company shares a percentage of the ongoing revenue stream based on the subscription fees paid by the end user.

"Suite Bundler gives [resellers] the opportunity to become an on-demand software vendor - allowing them to configure the core NetSuite application and re-sell it over and over again as the manufacturer," says Craig Sullivan, NetSuite's VP of International Products.

NetSuite has already built up a strong customer base in the SMB space, stemming from SuiteFlex's ability to manage all multiple aspects of a customer's business in one application.

"SMBs are more geographically dispersed now," explains Sullivan. "An on-demand solution is perfect for a company that is relatively small but has a geographically dispersed workforce or customer base. It's an opportunity for small businesses to effectively work on a global basis."

The company is now targeting the mid-market, which it describes as underserved: "There are no SAPs and Oracles," says Sullivan. "There are no market leaders in this space. The market is underserved as the applications aren't fit for the purpose of managing business in an holistic fashion."



In fact, going up against SAP, Great Plains, Sage and salesforce.com, Nelson told partners and press that NetSuite is already “the SAP of the mid-market.”

NetSuite also revealed a series of vertical solutions delivered via SuiteBundler, targeting IT resellers as well as companies in software, media/publishing, agricultural equipment dealerships, seaport management, retail, electronics distribution and shipping material franchises.

Additionally solution providers are also leveraging SuiteBundler to deliver add-ons to core NetSuite functionality in the areas of Tax Automation, HR Management and Warranty Management as well as Fixed Asset Management.

Zach Nelson claims SuiteBundler ushers in a new concept for the SaaS market - calling it ‘Service as Software’ - and grandly proclaiming to partners that it was ‘the most important piece of software developed in the last ten years’.

He argues that the economics of the ‘old world’ client/server software model - where a services provider could expect one to five times the price of the software in services revenue related to data migration, business process customisation and training - simply do not convert to the lower cost annual subscription model in the new SaaS world. Customers, particularly SMEs, are not willing to pay for what amounts to up to ten times their annual subscription for the same dollar amount of services.

To be successful, solution providers therefore have to look at a new business service delivery model and migrate from a labor-intensive delivery approach. One-off implementation services must become re-usable, re-sellable solutions and business process value-add needs to be encapsulated. Horizontal technical knowledge of how to install and tune hardware, software and databases needs to be replaced with business knowledge relevant to a client’s industry.

He believes the introduction of SuiteBundler enables partners to take on this business model transformation

and turn their services expertise into a repeatable software solution, built and delivered on NetSuite as complete SaaS vertical applications.

In addition, in his keynote speech Nelson said that the company will “continue developing its ISV partner network and expand support for international markets.”

Two UK partners were honoured at the event - former Sage reseller, BlueBridge One (Solution Provider of the Year, EMEA) and Hampshire-based Nolan Computers (Best All SuiteFlex Solution).

Alongside raising the software company’s brand in the UK, NetSuite’s director of international channels, Martin Painter, says he is looking to recruit UK partners that are committed to putting time and effort into developing the application. “The challenge is to find partners that are ready to take that leap and make the investment,” he explains. “NetSuite is a big ask of partners.”

Painter says he is particularly interested with solution providers with expertise in vertical markets. “We’re looking for a partner that understands every aspect of a business. They have a broad knowledge of business processes as opposed to just being technically adept. We’re offering the opportunity to become a value-added business consultant.

“There’s no one product like NetSuite around. It is a fully integrated business solution,” says Nolan Computers’ Karen Steggle.

Nolan Computers SuiteBundled its Fixed Asset solution, which is used by companies for tracking, controlling and depreciating assets. “SuiteBundler makes it extremely nice and slick for us to deliver this to customers, so they can’t even tell where NetSuite’s functionality ends, and ours begins,” says Tim Nolan, CEO of Nolan Computers. “We’ve learned that a smooth installation is the one piece of the jigsaw puzzle that is massively important to make a happy customer.”

www.netsuite.com

www.bluebridgeone.com

www.nolancomputers.com