

The image features a large, stylized illustration in shades of blue and purple. It depicts a futuristic digital environment with various data visualizations, including line graphs, bar charts, and pie charts, all appearing to float or be projected from a central point. Two stylized human figures, a woman with pink hair and a man with blue hair, are shown interacting with these digital elements. The woman is reaching out towards a large, glowing screen that displays complex data. The man stands nearby, looking at the same data. In the background, there are large, glowing gears and a magnifying glass, suggesting a focus on analysis and detail. The overall theme is technology, data, and strategic decision-making.

Smart Guide

SAM Buyers Guide: How to Choose the Right SAM Provider

Supercharge your Software Asset Management with strategic choices

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Introduction

According to Statista, IT professionals are concerned about the high cost of addressing IT asset ownership (45%) and the potential for increased end user support needs (39%).

That's why managing your software is a must-have pillar of business success. Software Asset Management (SAM) is a proven strategy for controlling budget and maximizing savings while making the best software decisions to support the work of your employees and stakeholders.

Too often, a company might rush to purchase a SAM solution without investing the necessary time to do the "homework" needed for a long term, sustainable process.

This SAM Buyers Guide will help you:

- Evaluate the types of SAM vendors and consultants you might evaluate
- Identify the SAM services engagement you might require as support
- Review hosting options on your servers or their cloud
- Learn some of the operational areas of a SAM solution
- Understand different licensing models and additional costs

A successful SAM initiative touches many people, departments, cost centers, and data silos in an organization. You should approach the SAM providers with a realistic outline of your priorities and goals, and a firm list of topics and questions to kick off the evaluation. Let's look at that together.

Evaluating Providers

Software Asset Management encompasses many different strategic focuses, competency levels, pricing models, and hosting options. The framework below will help you identify the best vendor or consultant (or both) for your organization.

Outside-in or inside-out

There are two kinds of approaches by vendors and consultants who deliver SAM technology and services. These are often known as “outside-in” and “inside-out” and they’re aimed at different needs.

With an **outside-in approach**, the company aims to deliver value to customers beyond the focus of products and sales.

With an **inside-out approach**, the company focuses on delivering products they’re great at based on internal strengths and resources.

Platform vendors (outside-in)

Major IT platforms offer a Software Asset Management module.

Pros	Cons
<ul style="list-style-type: none">• Often easier to get internal IT approval because platform is already in place• Less additional integration work	<ul style="list-style-type: none">• SAM is not their core business or focus• Built for general use cases• Lacks specific features for non-standard or complex use cases• Can have complex models for module pricing and licensing

Tool vendors (inside-out)

Tool vendors have a core business of Software Asset Management technology.

Pros	Cons
<ul style="list-style-type: none">• Higher product maturity• Features are purpose-built and designed for specific use cases• Wide range of system connections with major platforms and applications• More frequent releases and improvements• Development is based around best practices and field-tested processes	<ul style="list-style-type: none">• Additional integration work may be required• Often requires more time or effort to receive internal IT approval

Consultants (outside-in)

Major consulting firms like Deloitte offer SAM services as part of their broader portfolio.

Pros	Cons
<ul style="list-style-type: none">• Often easier to get internal IT approval due to lack of implementation time for a tool• Familiarity with tools by multiple vendors gives all-round knowledge	<ul style="list-style-type: none">• Being tool agnostic does not allow for expert tool knowledge• If a tool is not used, only point-in-time analysis can be performed• Might stretch out solving a problem for a longer higher-dollar engagement

Tool consultants (inside-out)

The provider might offer both a SAM tool and related consulting services.

Pros	Cons
<ul style="list-style-type: none">• Services delivered by experts with deep internal knowledge of the tool• Less gap between product implementation and post-purchase support• Cloud hosting may be a service option• End-to-end SAM program (tool, services, hosting) may be an option	<ul style="list-style-type: none">• Specialization in own tool might affect view of technology weaknesses

Services Engagement

Software Asset Management is more than installing a tool and flipping a switch. You want support for the technology and the processes around it. A service engagement with your SAM provider might range from handling essential day-to-day processes, to partnering on long-term operations and strategy.

Managed services

These services focus on results and benefits, rather than starting from tasks and tools. The range is from managing all data and asset inventory to delivering compliance and optimization. The SAM experts help your operations and reporting, while focusing on high-quality data and quality assurance.

Managed services might include:

Inventory Management – Monitoring of assets and licenses for subscriptions, contracts, and maintenance.

Compliance Management – A daily understanding of baseline compliance and how to fix the gaps.

SAM Optimization – Constant improvement of software data, processes, and results.

Vendor services

These services manage your software vendors. The “big” vendors include: Microsoft, IBM, Oracle, SAP, Adobe, VMWare, and Salesforce. This activity might be relevant when license metrics change, or audit time arrives, or another major compliance issue is pending.

Services could be relatively quick such as a one-time analysis of one key vendor’s costs, or they could be the start of a continuous cost optimization of your top 10 software vendors.

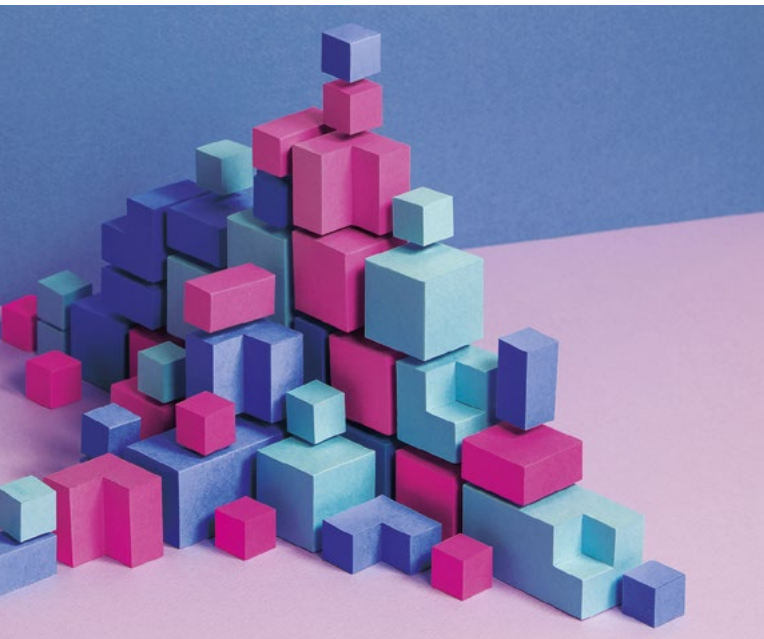
Vendor services might include:

Baseline Compliance – A snapshot of a key vendor’s costs, risks, and potential savings.

Vendor Onboarding – The starting point for daily activities and strategic processes.

Vendor Optimization – Analysis of a software vendor to identify the savings potential.

Vendor Contracts – Ensure an informed position to strongly negotiate contracts.



SaaS & Cloud services

Cloud subscriptions and consumption are flexible – almost too flexible. Look for services that help with a full overview of applications, flexible reporting to keep inventory up to date, and oversight of risks such as join-move-leave processes, inefficient contracts, and data security.

SaaS & cloud services might include:

SaaS Services – Manage business-critical subscriptions such as Salesforce, Microsoft 365, and Adobe Creative Cloud.

Cloud Costs – Manage costs and governance policies for platforms such as Azure, AWS, and Google Cloud.

Cloud Migration – Manage and maintain the transition of your data center to cloud providers.

Technology services

Your company will require functional support to implement, deploy, and maintain the SAM solution.

Technology services might include:

SAM Implementation – Provider executes a full implemented solution with regular automated updates.

Health Check – Periodic checks on SAM status quo, with custom reports of gaps and improvements.

Interface Monitoring – Consistent review of data connections to ensure data quality.

Hosting Services – Run the SAM solution in the provider's cloud, with the assumption of high security and low costs.

Hosting Options

Ensure the Software Asset Management provider can offer the appropriate hosting options. The cloud offers a wide range of benefits but not every company or industry may be able to use it. Support for on-premises hosting is increasingly difficult to find, so lead with that communication if it's a requirement.

Cloud hosting

Hosting services might be offered directly by the tool vendor in their cloud infrastructure. A benefit is the cloud platform can typically scale along with your business needs, whether they get larger or smaller. The provider will often help the transition from your data center as part of their implementation or managed services.

The hosted platform should be customizable to your security and organizational needs, including data exchange protocols. Keep in mind that industries such as medical, healthcare, and financial might restrict your company's hosting options due to privacy laws, regulations, or internal guidelines.

The hosted infrastructure might have different costs depending upon how dedicated it is.

- Single tenancy is your own server with your own software instance, so the most closed environment.
- Single instance is the multi-tenancy of a shared server with your own software instance.
- Shared instance is the multi-tenancy of a shared server with a shared software instance but access to only your data.

Questions to ask might include:

- What are the hosting options: Single tenant, single instance, shared instance?
- What is the support for multi-tenancy?
- Is hosting provided directly by the provider, or partners, or a hosting subcontractor?
- Does the hosted version enable you to configure the system?
- Does the hosted version enable you to integrate with other products?
- How frequent are upgrades?

On-premises

Your company might run the solution from your own server location. On-prem hosting generally offers greater protection than a vendor-hosted cloud, as the entire instance of software resides “on the premises” within your data center.

This deployment might be ideal if your organization has enough resources to support it and requires more control over their assets.

Of course, you will require support and collaboration from the tool provider. Typically you need an application and a database server. If you’re running a virtualized environment, it’s best to discuss the architecture and required resources to ensure the SAM provider can provide support.

Questions to ask might include:

- How does the provider support on-premises as an option?
- Can shared server environments be used for both database and application servers?
- Can the application database operate in a virtual environment?
- How frequent are new releases?



Operations

It's essential to be confident about the Software Asset Management provider's operational support. Raise questions about the administrative basics and any specialized requirements you might have for performance and architecture.

Platform readiness

The SAM solution should run as a platform-independent web application. Ensure the system is compatible with multiple operating systems and databases.

Technical specs might include:

- Runs equally under Windows, Linux and Unix-type operating systems. Linux and Windows are the two most common server OS's.
- Runs with databases such as MySQL, MariaDB, Oracle DB, and Microsoft SQL Server (PHP, Apache/IIS stack).
- The overall architecture, data model, and all APIs should be fully documented.



Support & maintenance

After implementation of the SAM solution, you need to ensure it keeps running smoothly. Inquire closely about what support services are provided directly by the tool provider. If services are handled a third party, identify the third party.

Find out what's included in product maintenance. Such as new versions and releases, and if there are "additional charge" items.

Questions to ask might include:

- How frequently do you upgrade the product?
- How long are versions/releases supported?
- What is the current warranty and support approach?
- Where are the locations of support centers?
- What are guaranteed and typical response times?
- What are procedures for problem reporting, escalation, and resolution tracking?

Multi-currency support

For companies that operate over multiple regions, it's important to know about internationalization.

For instance, if your company is from a region that uses US dollars and buying from a European provider, inquire if the SAM solution supports currency other than pounds and euros.

Questions to ask might include:

- For how many currencies (besides the native currency) has the product been customized?
- Does the same instance support multiple currencies for users across geographies?
- Can multiple currencies be enabled for multiple roles?

Multi-language support

For companies that operate over multiple regions, it's equally important to know about localization.

For instance, if your company is from a non-English region and buying from an English-first provider, inquire how suitable the SAM solution is for use in non-English environments.

Questions to ask might include:

- For how many languages (besides the native language) has the product been customized? Such as documentation, interfaces, help screens, and error messages.
- Does the same instance support multiple languages for users across geographies?
- Can multiple languages be enabled for multiple roles?
- Can both Latin-1 and double-byte Asian languages be deployed in the same instance?
- Can it hold separate item descriptions by language?

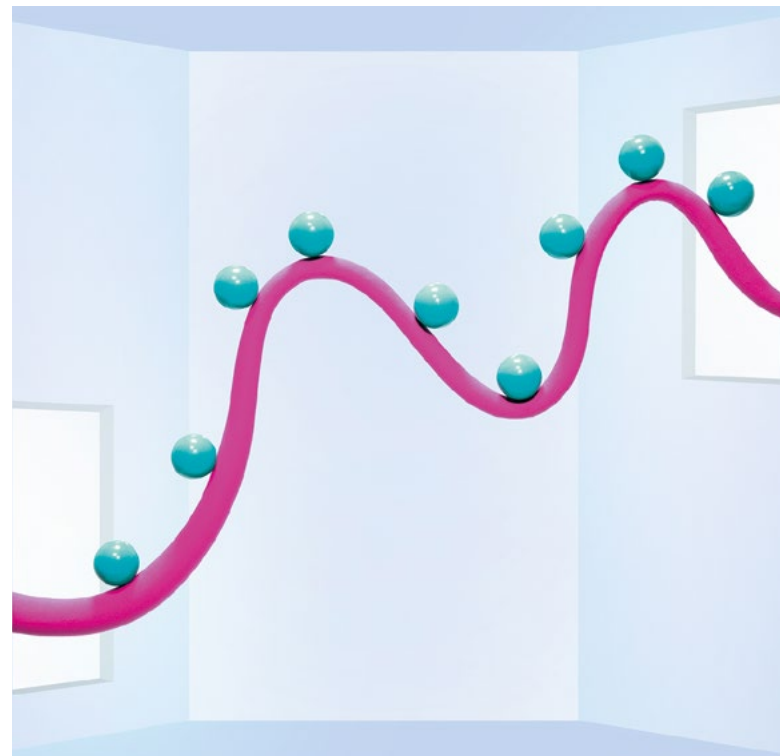
Functional certifications

Industry analysts and software companies themselves might certify the purpose-fit of a SAM solution for specific functionality. These awards can add professional weight to your assessment of technical capabilities.

For instance, the global analyst group Gartner runs yearly evaluation programs such as Magic Quadrants and Tool Guides for specific areas of IT asset management, including SAM.

Industry communities like the UK-based ITAM Review can independently verify a SAM solution for capabilities such as management of a specific vendor or functional area.

Software giants Oracle and SAP have verification programs for a SAM solution's capabilities in data collection for some of their enterprise software packages.



Licensing Costs

A final step is to evaluate pricing against the package. You need to decide if implementing and operating the SAM solution is affordable for the technology and required baseline services. Let's look at three pricing models and two license metrics.

Apples-to-apples view

Talk to the SAM provider about the pricing model they use for their solution. Licensing models are often unique to each provider so it's critical to understand the details of their charging structure. This can make price quotes confusing and hard to follow.

A helpful approach is to do an "apples to apples" comparison between SAM providers, as many charge a base fee and then additional license fees such as per onboarded software vendor.

Questions to ask might include:

- What is the average sale price for this product?
- What are the details of the product's pricing structure?
- What is the annual maintenance cost? Are there separate recurring fees per year?
- What is the cost during the product's full lifespan? Please include exit fees.
- Is there an extra cost to add a software vendor, either in licensing or services?
- What are my staffing requirements to maintain the system? Do you offer managed services?

Perpetual license model

"Perpetual" represents a one-time license purchase. The customer runs the SAM solution on-premises for an unlimited period of time. This is a typical onsite installation for which the customer owns the operation.

In legal technical terms, you might see this referred to as "indefinite software license/transfer of use on the basis of purchase."

Unit price per seat. There is typically a unit price per seat for perpetual licensing. The SAM provider will scope out costs by looking at qualified devices.

Maintenance fees. It's also important to know about the yearly maintenance costs and what is included. For instance, does maintenance include the right to update to the newest version? Ask what level of support you are entitled to, such as phone support, self-assisted knowledge base, and access to customer events.

SaaS license model

An increasingly common choice is an ongoing SaaS license. The SAM solution is hosted by the SAM provider under specific terms for a limited period of time. Typically the subscription time offered is a 36-month contract, with a minimum of 12 months.

In legal technical terms, you might see this referred to as “fixed-term transfer of use as software subscription.”

Most SAM providers give the choice of hosting in their own cloud, or a third-party cloud platform of your choosing such as Amazon AWS. Benefits of the SaaS model include supplied premises and hardware, regular data backup, scalability (up or down), and administration of the technology and databases.

Flat rate per client. The SaaS model generally charges a flat rate per managed client. Some providers are quite strict about the license terms so be sure to ask about restrictions. For instance, they might attach technological limits to the licensed devices, or require all devices including mobile to be licensed.

Optional fees. Some SAM providers have optional extras – such as dedicated physical hardware or a VPN tunnel – that will affect pricing but also increase security or performance.

Blended approach

We have just explained the two license models, Perpetual and SaaS. And we talked in an earlier section about the two operational hosting models, On-Prem and Hosted. The license model and hosting model can be combined as needed, and this blended approach will be offered by some SAM providers.

Hosted with perpetual model. The customer pays a one-time licensing cost. There are no required fees for license servers, data center devices, or connector licenses per onboarded vendor. The solution is cloud-hosted by the SAM provider and also run from on-premises installations. End users should have a seamless experience between the cloud and on-prem operations.

On-prem with SaaS model. You might find the blended approach in the other direction, a subscription license with an on-prem installation. The solution is run from the customer’s premises for a specified period of time.

However, most SAM providers focus on the SaaS offering (Subscription license + Hosted option).

Per qualified device

Vendors in the SAM industry typically require a license for desktops, laptops, and servers. These “qualified devices” would be in long-term operation through purchase, leasing, rental, or outsourcing.

Some vendors might qualify other hardware devices like mobile phones and switches. Computers that are not used as part of a workstation – for example, web servers, mail servers, mainframes, line-of-business – should not be considered qualified devices.

This is a relatively easy metric to understand and measure. You can often determine the qualified device count by using your own data feeds such as SCCM.

When doing your apple-to-apple comparison, remember that if a device is not licensed, that creates a lower base for the license metric, which means lower total costs.

Per software vendor

Some SAM providers charge an additional license fee per software vendor. These fees are outside the core functionality of the solution so it’s an important pricing aspect to consider.

The data center is where 85-90% of your IT spend occurs with vendors. When doing your apples-to-apples comparison, consider the possible rollout costs of large data center vendors such as Microsoft, Oracle, IBM, SAP, and Adobe.

Conclusion

Software Asset Management is a powerful business strategy that exposes how much you're spending on software – and how much you could save instead.

This SAM Buyers Guide has given insight into:

- Framework approaches of SAM vendors and SAM consultants
- Four categories of SAM services and their engagement levels
- Hosting options to support you across cloud and on-premises
- Operational and administrative features you might require
- The variety of license price models and additional cost metrics

It's important to know your company goals and needs as you research SAM providers and the solutions they offer. You want the scope of your initiative to align with your stakeholders' expectations and to support the results you have defined together. Make sure you have a plan to communicate your progress and findings as you move toward the decision stage.

Of course, selecting the best-fit technology is one part of the SAM journey. You want the right combination of people and processes to implement, manage, and maintain that technology.



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