

**OpSource SaaS Summit 2009**  
**San Francisco, CA**  
**March 11-13, 2009**

The highlight of the event was the keynote by Don Tapscott whose presentation was based on his latest book *Grown Up Digital*.<sup>1</sup>

Unlike the Baby Boomers who grew up with TV, today's children—the Net Generation—are growing in a digital world surrounded by iPhones, Facebook, Twitter, texting, multi-tasking...and less and less of TV. Traditional Generation Gap has morphed into Generation Lap where the parents are constantly chasing their children trying to catch up. With stuff like TiVO, TV advertising has become meaningless; yet, very few companies have realized it. Folks entering the workforce today are used to open collaboration, mashups...and are shocked when they are locked up in a cubicle. Companies no longer have to just retain this generation, they have to evolve relationships.

With online vendors like Zappos that offer excellent buying experience, the traditional Four 'P's of Marketing are being replaced by ABCDE:

- **A**nypace, Marketplace, and Marketface—**P**lace
- **B**rand
- **C**onsumer experiences—**P**roduct
- **D**iscovery Mechanism for Price—**P**rice
- **E**ngagement—**P**romotion

Paradigm shifts involve dislocation, conflict, confusion, uncertainty. New paradigms are nearly always received with coolness, even mockery or hostility. Those with vested interests fight the change. The shift demands such a different view of things that established leaders are often last to be won over, if at all.

Maynard Webb (LiveOps) discussed the advantages of SaaS. The current economy puts the wind on our back. SaaS is not just for SMBs. According to Gartner, "By 2013 over 75% of Customer Service organizations will use some sort of SaaS." IDC expects overall spending on subscription software to grow at a compounded 18% a year, to \$19.8 billion, by 2012.

What are the barriers to SaaS adoption?

- Concerns over security
- Concerns over network reliability/availability
- Configurability of services

What are the benefits of SaaS?

- Quick and easy set up
- Predictable, low cost
- Redundancy
- Platform independent
- No maintenance or version control

What keeps SaaS from its destiny?

- Relevance—be like Google, Prius, Flickr, Facebook, YouTube...
- Availability—you've to deliver 99.999% availability. When you are relevant, availability matters; so, architect from the beginning for relevance and growth. eBay grew from a few users in 1998 to 276 million registered users in 2007. Salesforce.com today has 55,400 customers, 1.5 million subscribers, and handles 150 million transactions per day.

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<sup>1</sup> <http://grownupdigital.com/>

- Innovation—unlock the power of the grid using salesforce.com, Google, Amazon...the day of vendor lock-in are over. Vendors have to cooperate and innovate and the opportunities of unlocking that power go beyond the enterprise. To quote Michelangelo, “The greatest danger for most of us is not that our aim is too high and we miss it but that it is too low and we reach it.”