



*What will the software industry look like in 3,5, even 10 years from now?*

Just as Moore's Law predicts the ever increasing power of micro-processors, in the not to distant future dependable, secure and extremely high-speed Internet access will just continue to promote Cloud Computing and software products being delivered as a service.

Today, there are still concerns about certain mission-critical applications being placed into the Cloud for a variety of reasons. Just like the early days of eCommerce and concerns about security, Cloud Computing and SaaS will win over the skeptics and with ubiquitous access to high-speed Internet; these subscription models will rapidly proliferate. This means that finally true real-time access to application services will be available through a variety of devices like laptops and PC's as well as powerful tablets and smartphones.

Another interesting trend that could emerge in the next five years is the App Store for the Enterprise. Delivery of SaaS-based products now have come a long way in really shortening the time-to-value for many kinds of software products, even for enterprise products. The App Store concept of instant availability to all types of products and specific application capabilities will be increasingly attractive to changing buyer behaviors based on software consumerism. This Do-It-Yourself approach to software deployment will become increasingly popular to buyers but also for SaaS companies too who are looking to improve the cost of delivering their services.

With dramatic advances in computing speeds, high bandwidth and virtually unlimited storage, I think we will also start seeing truly intelligent software products. These smart applications will be able to process huge amounts of data related to specific business processes, companies and even individual preferences rendering a predictive customer experience, it will feel almost like the products are reading your mind. Even now there are SaaS companies that are taking business intelligence to the next level by analyzing past trends and current data to begin creating predictive notifications and alerts. These smart software products could be really useful for eCommerce, healthcare, supply chain, financial services and even with government solutions.

*What customer demands and business trends will drive changes in software products, how they're developed and the industry that provides them?*

Software companies are constantly trying to improve their product's capabilities, the demand for sophisticated Platform-as-a-Service solutions will continue to grow. Currently the use of PaaS offerings is quite popular with start-ups and developers who are trying to prototype new product concepts. These all-in-one platforms offer many integrated components like an integrated development environment, reporting and analytics, workflow and usually sit on top of a service delivery capability, they make it easy to quickly build, test and deploy. My hope for future PaaS solutions will be an ability to more easily import and transform legacy products as well as portability to other open platforms, when it makes business sense without extracting a huge penalty.

Probably the biggest change in customer demands over the past few years has been the popularity of the pay-as-you-go business models. I believe that the Great Recession has permanently changed the behavior of software buyers, because they have seen that subscription models work and they would rather keep more cash on their balance sheets. The economics of the software business were changing slowly from ASP to On-Demand to SaaS and Cloud Computing subscription models over the past ten years, and now even large, complex enterprises insist on renting, not buying, their software. We will probably see an emergence of hybrid – Cloud and on-premise solutions over the next few years and I am certain that we won't see customers looking to pay for their software upfront. Why buy when you can rent instead?

*This interview was published in SIIA's [Vision from the Top](#) , a Software Division publication released at [All About the Cloud](#) 2011.*

