



Outsourcing Content and Applications

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The Crowded, Fragmented ASP Market

- ASPNews.com lists more than 1600 ASPs in various categories:
 - **Enterprise ASPs** -- deliver a select range of high-end business applications
 - **Local/Regional ASPs** -- deliver a range of applications to smaller businesses in their local areas
 - **Specialist ASPs** -- provide applications for a specific professional or business activity, such as Customer Relationship Management
 - **Vertical Market ASPs** -- provide solutions tailored to a specific industry
 - **Volume Business ASPs** -- provide mainly prepackaged application services in volume to the general business market, typically targeting small- to medium-size enterprises

Do You Want to Outsource, or Do You Want to Host?

- Outsourcing Pros:
 - Decreased need for expensive technical talent
 - Reduced need for technical infrastructure (T1, routers, Web servers, ad servers, firewalls, security policies, load balancing, failover, backup, disaster recovery, 24/7/365 support)
 - Smaller commitment to constant technical upgrades
 - *Can* be cheaper overall

Do You Want to Outsource, or Do You Want to Host?

- Outsourcing Cons:
 - Less control -- must adhere to someone else's change control procedure
 - Less access to the servers
 - Bigger fish syndrome -- you compete with other organizations for host's attention and resources
 - Applications may require significant effort to become Web hosted

Do You Want to Outsource, or Do You Want to Host?

- Hosting Pros:
 - Increased control
(but nobody to point fingers at)
 - Possibly decreased costs
(if you can find and retain staff)
 - Ability to quickly change site content and services

Do You Want to Outsource, or Do You Want to Host?

- Hosting Cons:
 - It's just you -- organization must be expert in multiple Web disciplines
 - Hosting may not be aligned with organization's mission
 - Likely to cost more -- hard dollars and distraction factor
 - May be hard to find technical resources

So you want to be an ASP?

- It's not IT consulting
 - No one-off solutions
 - Scalability is key
- It's not Web hosting
 - Increased security, reliability, support
 - Less emphasis on page serving, more on dynamic content and tools
- It's more like packaged software
 - Standardized product offerings
 - Brand development

For More of This Presentation

- To receive more of this presentation, or to engage Mike Ellsworth to present at your event, please contact us at:

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Thank you

What is Stratvantage?

- Stratvantage Consulting helps executives make better decisions about emerging technologies like
 - Wireless
 - eBusiness
 - Security and Privacy
- If you are struggling with fast moving technologies, don't make a costly, uninformed decision. Stratvantage Consulting can help you gain a sustainable competitive advantage using new technologies.

Thank You!

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Emerging technology strategy and digital marketing

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