

Emerging SaaS players, both local and global, capture 54% of Asian Market, says Springboard Research

CRM and collaboration applications corner the biggest share of SaaS revenues in the region

New Delhi/Singapore, April 16, 2008 –Local ISVs and smaller global vendors offering Software-as-a-Service solutions have captured an estimated 54% of the market in the Asia Pacific region during 2006-07, according to the latest research update by Springboard Research, a leading innovator in the IT Market Research industry. The rest of the market is dominated by established SaaS vendors, with Salesforce.com and WebEx taking the biggest market share.

Springboard added that local ISVs are expected to emerge as an important force in the Asia Pacific SaaS market as the presence of these vendors will trigger adoption of SaaS among SMBs. These players are expected to play a key role in the region’s competitive landscape as many of them offer compelling niche solutions.

“The SaaS model has had a democratizing effect on local software vendors and ISVs, putting them at par with larger vendors in terms of reach and access to customers,” **said Balaka Baruah Aggarwal, Senior Manager for Emerging Software for Springboard Research.** “Riding on the wave of increased Internet usage, small software providers with niche applications have not only tapped the local markets, but have started expanding beyond national boundaries,” added Ms. Aggarwal.

CRM and collaboration are the largest SaaS application segments by revenue in the Asia Pacific market. However, the proliferation of new SaaS applications – other than CRM – has been one of the most noticeable trends in the Asia Pacific market.

“Our data shows that Asian organizations are aware of and are using many different types of SaaS applications. The widely used ones include office applications (word processing, spreadsheet programs), e-mail, security/compliance applications and HR & payroll/workforce management solutions,” said Ms. Aggarwal.

Although the Asia Pacific region is peppered with many promising local SaaS vendors and ISVs, Springboard has identified a few that have done remarkably well in the region. These SaaS local leaders include:

- **800CRM- China**
 - **HRMantra.com- India**
 - **Justlogin- Singapore**
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- **Nothacker- Singapore**
 - **Pyxis- India**
 - **SaaSu- Australia**
 - **Soprano- Australia**
 - **Xero- New Zealand**

“Asia will see a few upstart software vendors emerge in the SaaS market as there is no dearth of developer talent in countries like India and China,” explained Ms. Aggarwal. “SaaS has caught the imagination of small vendors and developers and that will continue to fuel the SaaS market in Asia Pacific even further.”

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About This Study

Software-as-a-Service (SaaS) is a disruptive innovation that has the potential to transform the software industry. Many new players are entering the SaaS market, while established software companies are scrambling to compete against these new entrants by developing SaaS products themselves.

While SaaS has received a lot of press and hype, detailed information on the size, scale and characteristics of the market is still relatively limited. Springboard Research is helping to change this with its Asia Pacific SaaS Market Canvas, an ongoing research service through which users can access detailed and continuing research focused on SaaS in Asia.

About Springboard Research

Springboard Research is a next-generation IT market research and advisory firm. Springboard leverages its pioneering research model to deliver greater agility and flexibility in IT market research and helps its clients lead rather than follow market trends. Springboard works with the leading IT companies in the world in the software, services, telecommunications and hardware sectors. Founded in 2004, Springboard has a worldwide presence with offices in the United States, Australia, Singapore and Japan, as well as global research centers in India, Pakistan, and Morocco. Springboard has been acknowledged as an emerging leader and was recently named ‘Rising Star’ in the global IT market research industry by Outsell, the leading research and advisory firm for the information industry. For more information, please visit www.springboardresearch.com

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