

Delivering on the Full Promise of the Cloud

RIGHT Greg Gianforte
NOW Chief Executive Officer





RightNow helps the world's largest organizations deliver exceptional customer experiences across the web, social networks, and contact centers over 7 million times a day. Our cloud-based solutions reduce customer interaction costs and drive revenue while improving the customer experience.

2000 Clients

**RIGHT
NOW.**

INDUSTRY	ANNUAL REVENUE <\$1 BILLION	ANNUAL REVENUE >\$1 BILLION
High Tech	       	       
Retail and Consumer Goods	      	      
Telecom	       	        
Travel and Hospitality	       	      
Financial and Insurance	      	      
Government and Education	    	    

Our Mission



**Rid the World
of Bad Experiences**

Our Mission



Rid the World of Bad Experiences

Solution

Our Mission



Rid the World of Bad Experiences

Solution

Culture

Our Mission

RIGHT
NOW.

**Rid the World
of Bad Experiences**

Solution

Culture

Client Engagements

CX COMMITMENT

Results

Expertise

Easy-to-Buy

The Promise of the Cloud

- Lower TCO
- Faster Deployments
- Rapid Innovation
- No Shelfware
- Pay for What You Use
- End Long-Term Lock In
- Vendor Accountability



The Reality of the Cloud

- ✓ Lower TCO
- ✓ Faster Deployments
- ✓ Rapid Innovation
- ✗ No Shelfware
- ✗ Pay For What You Use
- ✗ End Long-Term Lock In
- ✗ Vendor Accountability



The Industry Is Fed Up

RIGHT
NOW.

Gartner

Research

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Shelfware as a Service: Paying for Unused SaaS Subscriptions

Robert P. DeSisto

Most software-as-a-service (SaaS) subscriptions are not pay-as-you-go utilities. They require a two- to three-year contractual commitment to support a predetermined number of users. Here, we provide guidelines for avoiding expenses for SaaS subscriptions that will never be used.

Key Findings

- The majority of SaaS offerings are not utility payment models.
- Phased rollouts are vulnerable to the problem of becoming "shelfware as a service."
- Shelfware as a service has the same problems as on-premises shelfware.

Recommendations

- Don't overcommit to subscriptions upfront — negotiate volume bands that allow you to buy incrementally.
- Look in your subscription price ceiling for renewal after negotiating a volume band agreement.
- Assume that the subscription price is based on the full number of active subscribers at the time of renewal.

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Shelfware as a Service

Rob DeSisto, Vice President and Distinguished Analyst, Gartner



Customer Bill Of Rights: Software-as-a-Service

39 Best Practices To Improve the SaaS
Client - Vendor Relationship

October 12, 2009

By R "Ray" Wang
With Jeremiah Owyang



Includes input from 57 ecosystem
contributors

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SaaS Bill of Rights

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Altimeter

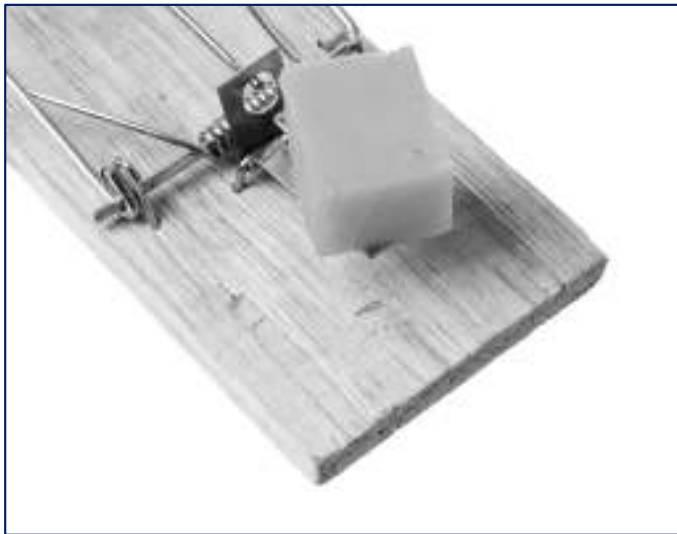
The Cloud Challenge

- No Shelfware
- Minimum 5-Year Pricing Certainty
- No Long-Term Contract Lock Ins
- No-Haggle Flex Up / Down
- “Roll-Over” Usage
- Cash Service Credits



Don't Bait & Switch

Old Way



Escalating maintenance,
increasing unit prices,
hidden costs

New Way



Multi-year price
commitment & multi-year
renewal price cap
Pricing transparent and
fixed

Stop Locking Me In

Old Way



Forced to commit for long periods

New Way



Annual termination for convenience

I Don't Want Any More Shelfware

Old Way



Forced to buy more than you need

New Way



Annual usage alignment up or down

Don't Force Me to Buy More Than I Need

Old Way



Must buy for peak usage

New Way



Annual pools of capacity
adjusts for seasonality in
business

Put Your Money Where Your Mouth Is

Old Way



No “skin in the game”
related to performance
from vendor

New Way



Cash Service Level Credits
for not meeting delivery
commitments

I Hate Protracted, Complex Negotiations

Old Way



Interminable haggling and
legal wrangling

New Way



Better relationships,
faster results

Delivering on the Full Promise of Cloud

- ✓ Lower TCO
- ✓ Faster Deployments
- ✓ Rapid Innovation
- ✓ No Shelfware
- ✓ Pay For What You Use
- ✓ End Long-Term Lock In
- ✓ Vendor Accountability



The Results

Clients Love It

The RightNow Cloud Services Agreement is making it easy to do business with them. Their progressive agreement helped reduce contract negotiation headaches and cycle times.

*Claudia Lowman, GM customer support,
RealNetworks*

9 of 14 deals over \$1M on CSA

Accelerating Shift from On
Premise to Cloud



The Challenge

Meet the Cloud Challenge
and partner with us to
change the industry

Extend the gap between on
premise and the cloud

rightnow.com/cloudchallenge



Questions?

THANK YOU.