



SaaS, PaaS, or Both?

What is the Best Cloud Model for your Digital Commerce Business?

Introduction to Cloud Computing

As the business environment changes rapidly, having the right IT infrastructure will become an even more critical factor for success. In the world of e-commerce, many enterprises are looking to cloud adoption as a way to maximize cost savings, reduce risk and effectively manage their IT operations.

There are three basic cloud computing models that businesses often have to choose from: Software

as a Service (SaaS), Platform as a Service (PaaS), and Infrastructure as a Service (IaaS). However, when it comes to enterprise-grade commerce, the computing models considered are usually either SaaS or PaaS. While both may have countless benefits for e-commerce, businesses must carefully evaluate their specific requirements to determine which cloud computing model will be best suited for them.

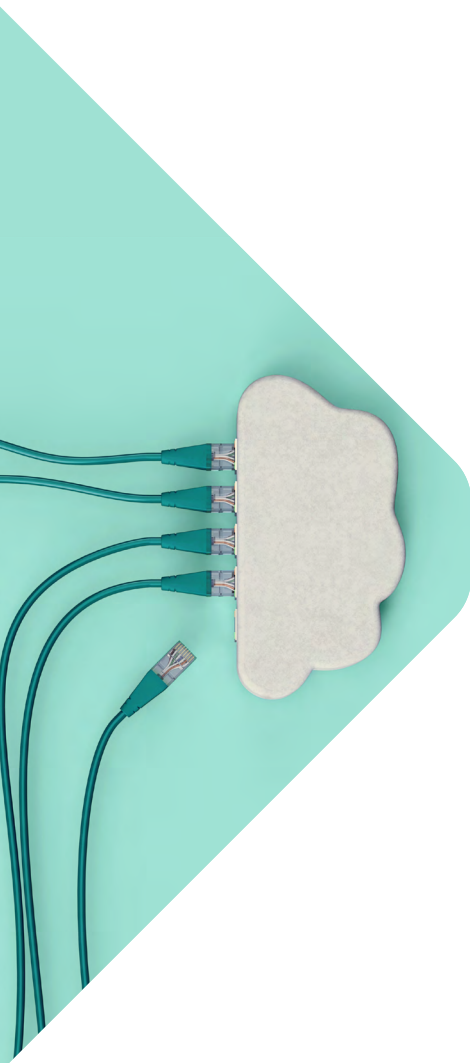
Cloud Computing Models: SaaS & PaaS

What is Software as a Service (SaaS)?

Software as a Service is a cloud computing model in which a software provider or vendor develops, deploys, and manages the entire software. This includes maintaining the cloud application software and middleware, providing automatic software updates, handling security, and generally making the software available to customers via the internet on a pay-as-you-go basis. The vendor controls the entire stack which can be accessed using a web browser.

What is Platform as a Service (PaaS)?

Platform as a Service provides businesses with a solution to build, test, and run applications on top of a fully managed infrastructure, platform, and application stack. With PaaS, the process of enterprise software development becomes more simplified; users can customize the features they want included in their subscription.



Differentiating between SaaS & PaaS for E-commerce

SaaS

PaaS

Usage

- ◆ When Integration requirements are met with out-of-box solutions.
- ◆ When the functionality provided by the SaaS vendor is sufficient.

- ◆ Best used in digitally fast-growing environments.
- ◆ For projects that require a higher degree of customization and integration flexibility.

Main Users

- ◆ Unsophisticated B2C companies.
- ◆ Customers (in retail) aiming to build a simple online shop.

- ◆ Global manufacturers, wholesalers, B2B distributors, retailers with complex transactional use cases.
- ◆ Businesses in growing verticals like Food & Groceries, Pharma, Medtech, Gaming, and Education.

Changes & Improvements

- ◆ Businesses are dependent on the provider to make improvements to features and integration options.

- ◆ Businesses will also gain access to a self-service portal to manage infrastructure, deploy their code, and monitor the application's performance.

Customization, Flexibility & Scalability

- ◆ It can't provide you with full flexibility when it comes to customizations, extensions or simply building differentiative functionality and business logic outside of configuration and plugins only.

- ◆ It imposes no customization or integration limits, and gives developers complete control on the application level while ensuring maximum flexibility, scalability and availability.

Time to Market

- ◆ If functionality offered by a SaaS vendor fully meets your requirement, it will be quick to start.

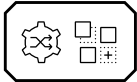


- ◆ If you need to implement precise requirements that a SaaS vendor does not fully support and which go beyond the experience-only level, enabled by many API-based & headless systems, you will reach your goal more quickly on PaaS.

Roles & SLAs

- ◆ Responsibilities associated with software maintenance, infrastructure management, data availability etc. are eliminated for the organization.

- ◆ The PaaS vendor provides the infrastructure, platform, core application, middleware, servers, the development/staging/production environments, and storage.
- ◆ The developers focus on developing or extending the custom business logic on top of the fully managed application core and ideally within the Service Level Agreements (SLAs) of the entire platform.

Spryker's PaaS Solution

| | PaaS | SLA | Upgrades |
|---------------------|--|------|-----------------------------------|
| SCCOS Application |  | 100% | 100% provided consume yourself |
| Platform |  | 100% | 100% |
| Infrastructure IaaS |  | 100% | 100% |

All PaaS vendors provide upgrades to the underlying OS, application servers, databases, and middleware layers. However, Spryker is pushing the PaaS concept further by offering seamless automated upgrades to the e-commerce platform itself without limiting the customer's ability to extend it.

The Spryker PaaS solution is a fully managed, multi-tenant cloud offering with an end-to-end SLA which gives complete control of the application layer with no customization and integration limits while providing maximum scalability and availability. Spryker PaaS works best for sophisticated transactional use cases in B2B, Unified Commerce, Enterprise Marketplaces, and B2C.

Selecting the PaaS cloud deployment model for your digital commerce platform does not mean SaaS solutions are out of the picture. In a complex e-commerce environment, a business usually has more than one application to run. That is especially true if you are following the Composable Commerce architecture. So, while your e-commerce system uses PaaS, following the guidelines outlined above, you may select a SaaS solution for your PIM, CMS, or Loyalty program components.

