



WHITE PAPER:

Is a Cloud Deployment Right for Your Business?

Key Factors for Cloud and On-Premise
Software Deployments

There is a lot of talk these days about ERP deployments in the cloud. And with good reason. Cloud computing offers significant benefits to companies that want to get their ERP software up and running quickly, with fewer upfront costs. But is a deployment in the cloud right for your business? That depends on a number of key factors unique to your organisation. Jump to the summary.

Your Global Footprint

Where are your global operations? The answer to that question reveals the quality of the internet connectivity available to you. How reliable is your internet uptime? While the cloud is everywhere, you may have trouble accessing your data if one or more of the regions you operate in have unreliable internet access. This is mostly an issue for companies with offices in developing countries where internet accessibility is still in its infancy. If connectivity issues are only a rare occurrence, then you may be able to use a workaround to conduct business offline temporarily. But if internet service is frequently down, you'll definitely want to choose an on-premise deployment.

Integrated ERP vs. Best-in-Breed

Cloud deployments can make your business more agile and provide tremendous flexibility. But that depends on whether you have one main software solution that is fully integrated, or whether you deploy several best-in-breed applications. Integrated software that is deployed in the cloud offers benefits that a cobbled together best-in-breed system will lack. That's because integrated software requires little to no interfaces to disjointed third-party solutions. ERP software that is fully integrated simplifies your cloud deployment, and allows you to hand off management and maintenance tasks to your cloud provider.

Best-in-breed systems, on the other hand, require multiple interfaces as well as more time and resources to support them, in addition to other complications. For example, if you're using a best-in-breed warehouse system, a separate financials package, third-party EDI, and other bolt-ons, your software will require multiple interfaces that need to be maintained and monitored by your IT team, negating some of the major advantages of a cloud deployment.

Customisations

The number and complexity of software customisations could have an impact on whether you choose a cloud deployment or on-premise software. Cloud providers offer different cloud models depending on your business needs. If you need your software to be highly customised, be sure to choose a delivery model that supports customisation. Some providers may suggest a private cloud for companies that need more flexibility to customise their software application.

Assess Your IT Resources

The size of your IT team, and the strategic goals you've set for them, can have an impact on your deployment method. Smaller IT teams are often stretched thin when it comes to managing

implementations, hardware, upgrades and maintenance tasks such as data replication and back up. Choosing a cloud solution will eliminate management and maintenance of hardware and software, so your team can focus on strategic objectives that add value to your organisation.

Large IT teams are generally well equipped to manage the demands of on-premise deployments including the time and resources required in the event of software upgrades, customisations, and other tasks associated with on-premise software.

Other Issues: Cloud vs. On-Premise Deployments

Data Security – In an on-premise deployment your software provider will recommend best practices to keep your business data secure. Your IT team will actively monitor your firewalls, manage data back up, and ensure your hardware and software are functioning as planned.

In a cloud deployment, your software and cloud provider will put in place best practices to keep your business data secure, and manage and monitor all the systems needed to keep your business safe and running as expected.

Data Access – Choosing an on-premise deployment model ensures you will always have physical access to your data. You will also be responsible for backing up your data and providing a reliable failover, such as a redundant ISP, in the event of business disruption. Changing software providers or deployment methods is never a problem because your data is already in your possession.

In cloud deployments, your data is hosted remotely and your provider is responsible for backup and recovery. Switching providers or delivery models should be spelled out in your licence contract. Just make sure you understand how quickly your provider will return your data, and in what form, in the event you want to move to a different delivery model.

Costs – On-premise deployments are generally considered more cost effective in the long term versus cloud deployments. However, cloud deployments enable companies to get up and running faster, with lower upfront costs, and predictable monthly payments.

Summary: Your Global Footprint

A **cloud deployment** is a good option for companies operating in regions with reliable internet connectivity.

An **on-premise deployment** may be better suited for companies concerned about internet connectivity, reliability, or uptime issues. That's because on-premise software can be run on-line and off-line, without business disruption. When internet service is restored, you simply sync up your data.

Integrated ERP vs. Best-in-Breed

A **cloud deployment offers** many benefits to companies that employ integrated ERP software. Integrated software in the cloud should deliver hefty ROI benefits in the form of cost and resource savings, as well as quick deployment.

An **on-premise** deployment may be better for companies taking a best-in-breed approach. That's because best-in-breed applications pose more challenges for implementation and upgrades due to the number of interfaces required. They may require additional monitoring from your IT team, too. Organisations with third-party ecommerce sites should also consider an on-premise solution. Application response time and customer service are often improved in on-premise deployments where a third-party website is being used for ecommerce sales.

Variability in Seasonal Demands

Choosing a **cloud deployment** enables you to eliminate hardware and bandwidth responsibilities from your IT team. Instead, you can rely on your cloud vendor to provide just the right amount of bandwidth you need. Depending on your cloud provider, it is likely they can purchase bandwidth at bulk-rate prices that would be unavailable to your organisation. In global regions that have less total bandwidth available, a large cloud provider will also have an advantage in securing bandwidth volumes.

An **on-premise deployment** may be a good choice for companies that have few concerns regarding bandwidth volumes, since there is little seasonal variability in their business.

Customisations

Cloud deployments vary in their ability to support software customisations. Be sure to explore the cloud delivery models available if you need the flexibility to customise your software.

On-premise deployments provide unlimited customisation and control over your ERP investment. If you want the ability to highly customise your software, and you have the IT resources to manage those customisations in house, then an on-premise solution may be best for your organisation.

Assess Your IT Resources

Cloud solutions may be better for organisations with smaller IT staffs. Cloud vendors are responsible for time-consuming management and maintenance tasks, freeing your team to work on other objectives.

On-premise solutions give your business maximum control over your IT investments. They also require maximum effort from your IT team. If you want to retain responsibility for firewall security, bandwidth, hardware, customisations, upgrades and backup and recovery tasks, then an on-premise solution is the right choice.

Other Issues: Cloud vs. On-Premise Deployments

Data Security - Both cloud and on-premise deployment models offer the security you need for your business

Data Access - When you choose a well-known and respected cloud provider, data access should never be a problem. Just be sure you understand how quickly, and in what form, your provider will return your data at the end of the licence period. Choosing a software provider that gives you the flexibility to change your deployment method from one delivery model to another, provides even more peace of mind.

Costs - Both on-premise and cloud deployment methods offer significant financial benefits. Deciding which delivery model is right for you depends on your company's cash flow, available credit and financial goals.

Ready to Learn More?

Want to know how these key factors taken together can impact your deployment selection? Contact us at +61 03 8844 5567 or marketing-australia@apprise.com to speak with an implementation specialist who can help sort through the unique characteristics you need to consider for a successful ERP implementation.

Apprise® ERP in the Cloud

Apprise offers on-premise, multi-tenant and private cloud options for global consumer goods companies. Our partnership with Microsoft Azure gives our customers the reliable, secure and scalable solutions they need to launch their business in the cloud. Partnering with Microsoft Azure gives consumer goods companies lower latency and higher throughput. Together, we offer easy-to-deploy, affordable-to-license, subscription-based alternatives to traditional on-premise solutions.

About Apprise

Founded in 1984, with offices in North America, China, Australia, Czech Republic, and the Netherlands, Apprise is a leading provider of integrated ERP and SCM software and services for consumer goods distributors and manufacturers. Leveraging the latest technologies — such as Microsoft® .NET, wireless warehouse solutions, RFID, cloud and iPad applications — along with industry best practices, our solutions deliver reduced costs, improved efficiencies, enhanced revenues and profitability, and a quick return on investment.

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