

Digital Business Models and Monetization

AN IDC CONTINUOUS INTELLIGENCE SERVICE

IDC's *Digital Business Models and Monetization* service monitors business model and pricing trends (subscription, consumption, outcome) for digital products and services (e.g., product to "as a service," servicification, monetization of data) and tracks the technologies and best practices needed to monetize the digital economy efficiently. This includes subscription management, CPQ, price management and optimization, entitlement, lead-to-cash automation, usage intelligence, and increasingly using artificial intelligence to analyze monetization data to make data-driven business decisions.

IDC also offers a separate quantitative service called IDC's *SaaSPath* program, which provides extended coverage of the subscription billing space and is meant to be utilized as a companion program alongside the DBMM CIS. It includes an in-depth look at the mind and journey of buyers; their preferences around pricing, packaging, and purchasing channels; analysis of how companies are approaching and utilizing the cloud for these applications; and detailed vendor rating and comparisons across all major vendors. *SaaSPath* data is based on a large global survey of thousands of companies across all regions of the world and segmented by country, company size, IT versus LOB role, industry, and other factors. For more information, please contact Mark Thomason at mthomason@idc.com.

Markets and Subjects Analyzed

- Technologies, emerging trends, and best practices needed to monetize the digital economy
- The impact, scale, and velocity of moving to a recurring business model for the software industry, including the SaaSification of IT
- People, process, and technology strategies for business model success
- Adoption and optimization of subscription and usage pricing models
- Digital monetization technologies that track usage and license entitlement (i.e., software, data, IoT)
- Software monetization models in technology or industry companies
- Strategies for automating quote-to-cash systems
- Emerging trends for digital business models, including analytics, automated SaaS metrics, and cloud marketplaces with subscription solutions

Core Research

- Best practices for transitioning to subscription or consumption
- Subscription and usage billing
- Price quoting, guiding, management, and optimization
- Worldwide software business model forecast
- SaaS business model metrics
- Usage intelligence for monetization

In addition to the insight provided in this service, IDC may conduct research on specific topics or emerging market segments via research offerings that require additional IDC funding and client investment. To learn more about the analysts and published research, please visit: [Digital Business Models and Monetization](#).

Key Questions Answered

1. What technologies and best practices should you use to monetize digital solutions (including usage-based pricing, IoT, and DaaS)?
2. What disruptive forces are changing software business models, and how will they impact vendors and customers?
3. How are business models changing considering new technology scenarios and deployment models?
4. How are companies transitioning to subscription? What are the best practices and strategies to adopt?
5. What are the technologies and best practices needed to help with optimizing price?
6. How much of the IT market has moved to a subscription business model? What are the key SaaS business benchmarks?

Companies Analyzed

This service reviews the strategies, market positioning, and future direction of several providers in the digital business models and monetization market, including:

2Checkout, Amdocs Ltd., Amplitude, AppDirect, Aria Systems Inc., Beyond Now, BillingPlatform, Chargebee, Gainsight PX, Gotransverse, Ingram Micro, Microsoft Corp., Model N, Oracle Corp., Oracle Netsuite,

Periscope by McKinsey, Pricefx, PROS, RecVue, Reverena, Sage, Salesforce.com Inc., SAP SE, SAS Institute Inc., Syncron, Thales, Vendavo, Vindicia, Workday, Zilliant, and Zuora Inc.