

 % e-bate

Supercharge your rebate management

# Build or Buy?

Rebate Management Software

e-bate.io

# Rebate management software: **build or buy?**



## Introduction

Although not a brand new conundrum, the build or buy decision is one CIOs continue to battle with. It's easy to see why - often there is an experienced and seemingly well-equipped team of developers in-house. They know the business, they know what the business needs, and you are already paying for them, no-brainer, right?

But, it's not quite so black and white once you drill down to possible issues and outcomes, so is it the best option after all?

Buying a software solution instead of building one in-house can deliver value far faster, but it can feel like a leap of faith, and often raises the following questions:

- It's often a considerable investment, can we budget for it?
- Will all our business requirements be ticked off the list?
- How do we select the right vendor?
- Will it integrate into our other systems?
- What if it's not quite fit for purpose?

The questions go on until you're back to square one, asking yourself: **should we build or do we buy?**

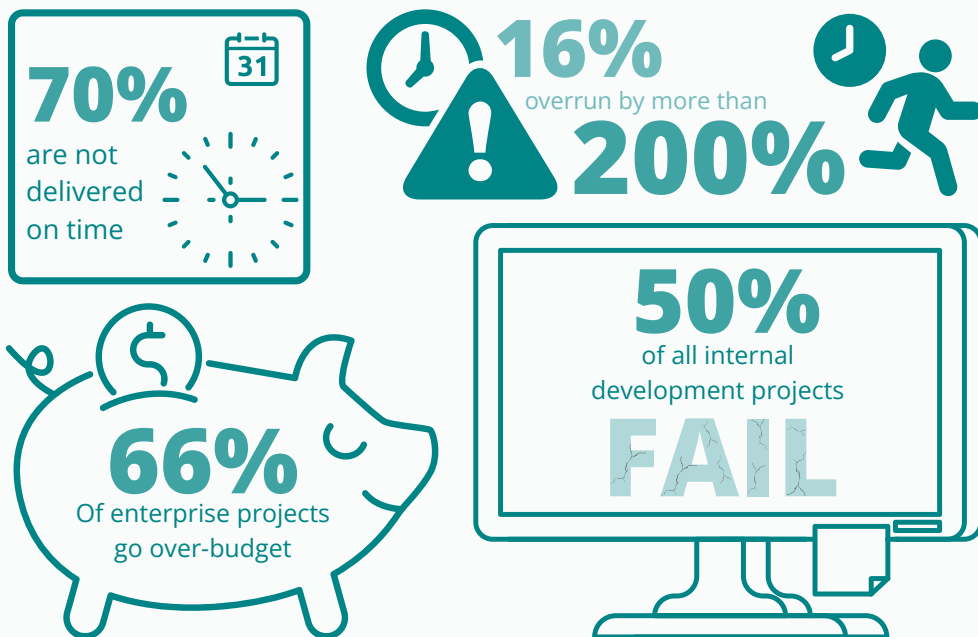
To avoid the perpetual merry-go-round of this question, we've written this white paper to thrash out the common arguments to help you make an informed decision for your business. This is not something you can make a call on quickly, so research is key - consider this your first piece.

## Transformational Software benefits

If you're reading this, chances are you'll already be aware of the benefits transformational software can bring to a business. In the rebate management space for example, this can mean:

- Automated process, improving efficiencies
- Powerful, real time decision-making tools that allow you to harness data to provide huge benefits to your business' revenue
- Remove risks; human error, lack of audit. duplication of data, to name a few
- Regular product updates (if a SaaS solution)
- A known cost / license fee
- Ongoing support, maintenance and hosting included
- Years of subject matter expertise has gone into R&D and build of the solution

Moving your business forward with change is a no-brainer if you want to stay relevant and protect your future, it's deciding *how* you implement the change that's the tricky bit, so let's start with some unambiguous stats on in-house builds:



# BUILD OR BUY?

Despite these (largely unfavourable) statistics, many businesses opt for building a bespoke solution from scratch in house, because they believe they are different and nothing off the shelf will work, or they have an internal team so don't always consider internal teams as a project cost, which of course they are!

But, it isn't just budget and time that CIOs and CFOs need to consider when building in-house:

- Building a quality solution from scratch in-house requires many skills from project management, analysis, design (technical and software), Dev (front end and back end), Test/QA and DBA.
- It requires business ownership and strong stakeholder management.
- The costs to build a solution in house are often not considered REAL as the internal team already exists, yet they are very real!
- Often what appears to be a simple solution often isn't when all the components required are taken into consideration.
- You are reliant on the skills and knowledge of a few key resources.

Building in-house often means that you are always vying for your project to be a priority within a portfolio of IT projects, and a dev team who are often multitasking.

CIOs and CFOs should also consider that although building in-house gives you control, it also means your internal team are responsible for integration, future development and upgrading, hosting and support.

A solution can age very quickly and become unfit for purpose, so ask yourself these three questions:

1

Does the internal team have the capacity to keep on top of the application in the future, as the business develops?

2

If a key development resource leaves part-way through the build, how much time will you lose in retraining?

3

Who will continue to support this app once developed?

## Expertise

If you are responsible for your in-house development team then you are likely to be fully aware of the team's strengths and limitations. But, does your team have specialist knowledge in the subject area? Chances are that although they are strong developers, they won't have the expertise required to create a solution that considers myriad scenarios.

A good SaaS vendor doesn't just provide the solution, they provide multiple years of **knowledge** and expertise, and are subject matter **experts**.



They provide **continuous product updates** in-line with a roadmap and **host** and **support** your solution post implementation.

Data compliance, best practises and up-to-date market insights are essential if you want to implement a solution with legs, and buying a solution is the only way to guarantee those things. For example, if you choose to buy a solution such as rebate management tool, e-bate @, you'd be investing in a product developed by rebate management experts with over 45 years of R&D using a scalable team to produce a finely-tuned solution designed to enable businesses to revolutionise their rebate process.

As an analogy, we hire specialists like plumbers and electricians to carry out work in our houses - we could do it ourselves but we could end up with leaky pipes and dodgy connections. The build or buy scenario isn't that different!



## Why buy a SaaS Solution?

Opting for a SaaS solution may be the most suitable option for you, particularly if you take the following factors into account:

There are often SaaS software solutions available that are already proven to be effective, so you are not 'blind buying' a solution, but joining others where it's proven to be effective. The solution you are looking at purchasing will have existing customers - talk to them and read case studies to build a picture of how it could work for you and your business.



The Cloud brings such flexibility when it comes to SaaS:

- You can log in from anywhere
- Integrated data will always be up-to-date
- Security and compliance is taken care of
- You can benefit from regular product updates

And, whilst we are talking about cloud - large ERP providers like Oracle and SAP have created marketplaces where they partner with specialists for applications, so there is a level of acceptance that specialist providers are the best option. They focus on their core product and service offerings.

Some SaaS solutions are also highly configurable, giving you the flexibility required to accommodate your business process. e-bate is fully configurable depending on your business needs and can be integrated into your current IT systems seamlessly.

## Budget

The costs associated with buying a product can often seem high, but don't underestimate the cost of producing a bespoke solution internally; you should account for the costs like for like considering; development costs, ongoing team to support and maintain, future changes, integration, hardware and software, training, and the knock-on effect on other projects and costs.

SaaS solutions are cheaper because it is a fixed known cost that includes the product, ongoing product updates, integration with your existing IT solutions/data, support and hosting. Therefore, it can make much more financial sense for a company with a fixed budget. We've produced the following comparison table to show budgets are spent on SaaS vs in-house development.

On-off costs	SaaS	In-House
Development Costs (assumed @ internal actual cost)	0	500,000
Annual Costs	0	0
Product	50,000	0
Support	0	10,000
Maintenance	0	20,000
Hosting	0	12,000
5 year total cost of ownership:	£250,000	£590,000
Number of product updates	20	0

## Conclusion

Businesses are currently under pressure to embrace digital transformation as part of their strategy for growth and success, with the only other option being to watch their competitors succeed in their place. With this huge digital movement in future-proofing businesses, it is important to remember that technology and specifically, software, is an enabler. People and processes also need to be engaged to make the tech work in a business, so it's important to address all three areas when considering investing in new technology.

Whichever route you choose toward digital transformation; the software you either buy or build in-house should:

- Enable growth and success in your core business activities
- Be aligned to your business strategy
- Deliver a return on your investment
- Make you existing processes more efficient
- Improve the users' experience
- Engage your users to adopt the changes
- Be flexible to accommodate future business needs

You should be able to visualise positive changes before you commit to the solution. If you think you've decided which way to go, here are some conclusive pointers to consider:

### Don't rush into a decision

A good software vendor will not pressurise a decision from you - it is an important one, so take your time, undertake a thorough RFI, and ensure that both the software and the vendor is right for your business.

#### Disruption

Once you've decided which way to go, consider how it will be introduced to the business; your solution will cause disruption and therefore should be prepared for carefully. The entire business needs to be aware and prepared for the disruption and change that your digitisation brings, because if they are not accepting and supportive, you could find yourself in a difficult situation. Technology on its own won't transform a business, you need people on-side to embrace and drive the change.

### Think about longevity

We can't always predict the future accurately, but there are some company/sector trends that can help with the foresight of your choice. If a software vendor is serving your market their product will have a roadmap for continued development, embracing innovation across those sectors.

Work with a software vendor who listens to your business needs and whom you trust.

Look at who your chosen partner has worked with before to give you confidence. Do they properly engage with you to understand your problems, requirements and objectives first.



## Analyse your objectives

This goes without saying really, but always come back to your original reasons for implementing a new software solution.

Lastly, ask for help - most software solution companies will offer a product demonstration without obligation to help you make the right decision. [Take a look at our guides and other white papers](#) for further help and advice, or call us on **033 022 32500** to talk about your requirements or book a discovery call by clicking the button below.

