

Appinio x  Sastrify

2023 SaaS Procurement Industry Report

H1 2023

2023 SaaS procurement industry report at a glance

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Introduction to the Appinio x Sastrify report.

In order to help you better understand the market and improve your SaaS procurement, Sastrify has partnered with Appinio to investigate the following most pressing topics for procurement in 2023:

- *Which software services do companies spend the most on?*
- *How much are companies spending on SaaS and how will this change in the next five years?*
- *Are decision-makers aware that optimizing SaaS operations and spending is possible?*
- *Are decision-makers aware of the cost savings that SaaS procurement solutions offer?*

About Appinio

Appinio enables companies to receive thousands of opinions from specific target groups in mere minutes and validate decisions and ideas in real-time. As the world's fastest solution for market research, Appinio delivers feedback from consumers in over 90 markets.

Research Methodology

01

Sample

- Markets: DACH, BeNeLux, UK, France, Spain, Nordics
- Target Group: Senior managers, Head of Departments, VPs, and C-Levels working in companies with more than 150 employees and with influence or decision power when purchasing software
- Sample size: N= 201 across all markets



Objectives

Main objective of the study were:

- Discover which SaaS tools companies spend the most money on
- Understand how companies organise and manage the negotiation of SaaS contracts
- Identify knowledge and perceptions of SaaS procurement solutions.

Key Insights

02

Key Insights – SaaS Tools Spending

The most interesting results at a glance

02 Key Insights

1

SaaS is omnipresent

66% of surveyed companies use more than 50 software solutions, with the majority using between 50 and 100 tools.

2

There are serious savings in the cloud

Cloud services and office tools are the most common subscription solutions and also the biggest cost centres.

3

SaaS adoption is rapidly growing

Investments in SaaS have significantly increased in the last 2 years (= + 100%); 50% of companies expect them to increase further.

4

SaaS spend is growing

Only 10% of companies reduced their software spend in the last two years and only 6% believe they will decrease spend in the near future.

Key Insights – SaaS Tools Management

Key Findings

1

Everyone is negotiating

88% of companies negotiate contracts with software vendors when purchasing new software and licenses.

2

SaaS management without a dedicated platform is inefficient

Without a SaaS Procurement solution, companies on average spend 13 hours per week in the negotiations and management of software contracts and licenses.

3

Lack of knowledge creates a power imbalance in SaaS buyer negotiations

The main reasons why companies do not negotiate software contracts are lack of time and knowledge on the topic.

4

Legacy technologies lead to inefficiency

Spreadsheets are still the most used tool to manage SaaS subscriptions, invoices and licenses (68% of companies use them).

5

Adoption of SaaS procurement platforms

More than 28% of companies already use SaaS procurement solutions, with more companies interested in learning how to leverage a platform.

Key Insights – Saving Opportunities

Savings Opportunities result at a glance

1

Companies are unaware of how much they could save

78% of decision-makers think they are already paying a fair price on the SaaS tools they're using, where Sastrify data shows companies could be saving significantly more than they expect. Only 7% of decision-makers are aware their software tools pricing is too high.

2

Senior leader stakeholders are pressured to buy more efficiency

95% of senior managers, VPs and C-Levels agree that negotiating contracts would lower subscription costs.

3

Some see negotiation as the path but lack the support without a dedicated platform

60% of senior managers or higher believe it is possible to save 10-20% on SaaS through negotiations. 66% of business leaders also say it is possible to save up to 6 figures or more on SaaS tools with the right strategy.

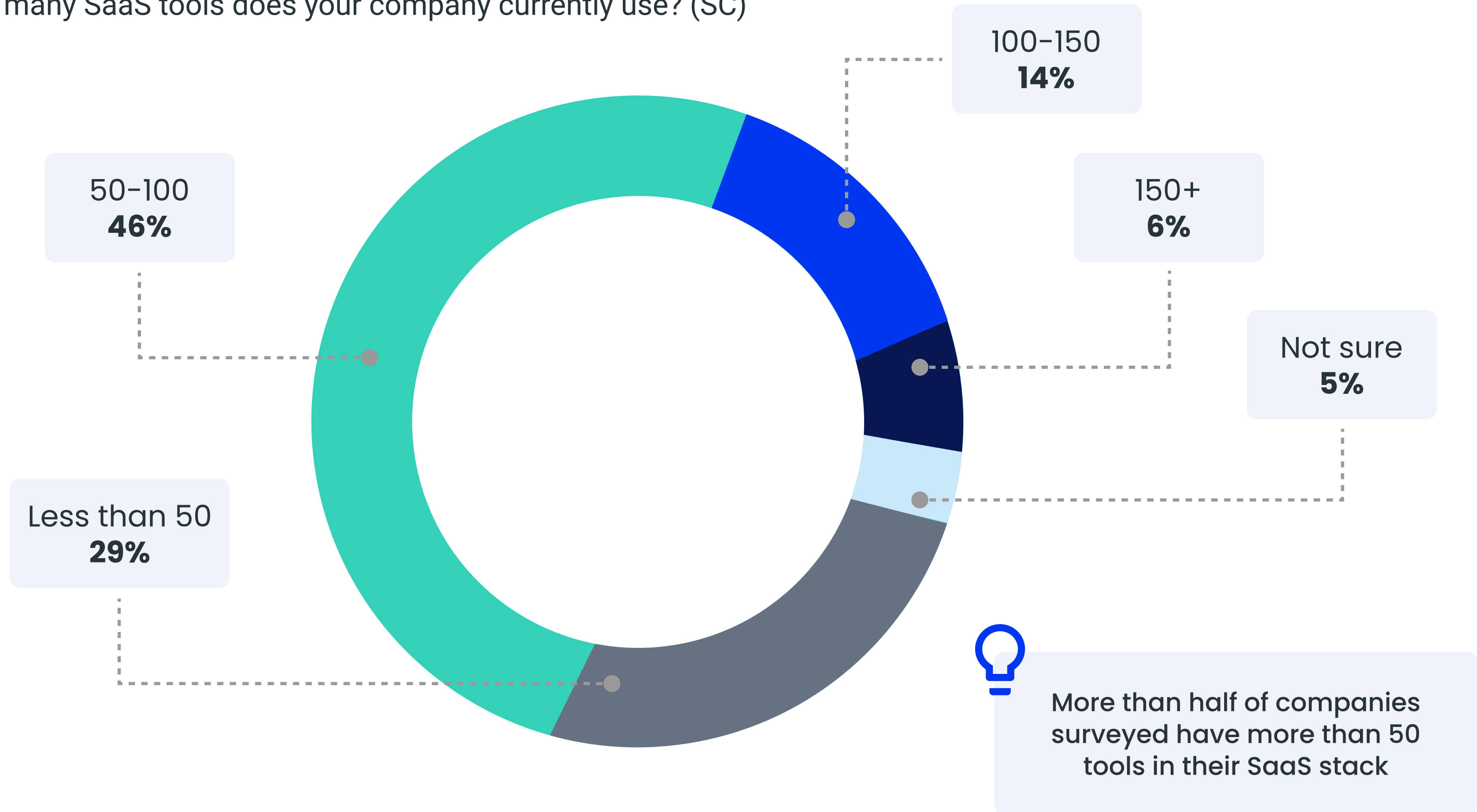
SaaS Tools Spending

03

How many and which SaaS tools do companies use?

Q: On average, how many SaaS tools does your company currently use? (SC)

03 SaaS Tools Spending



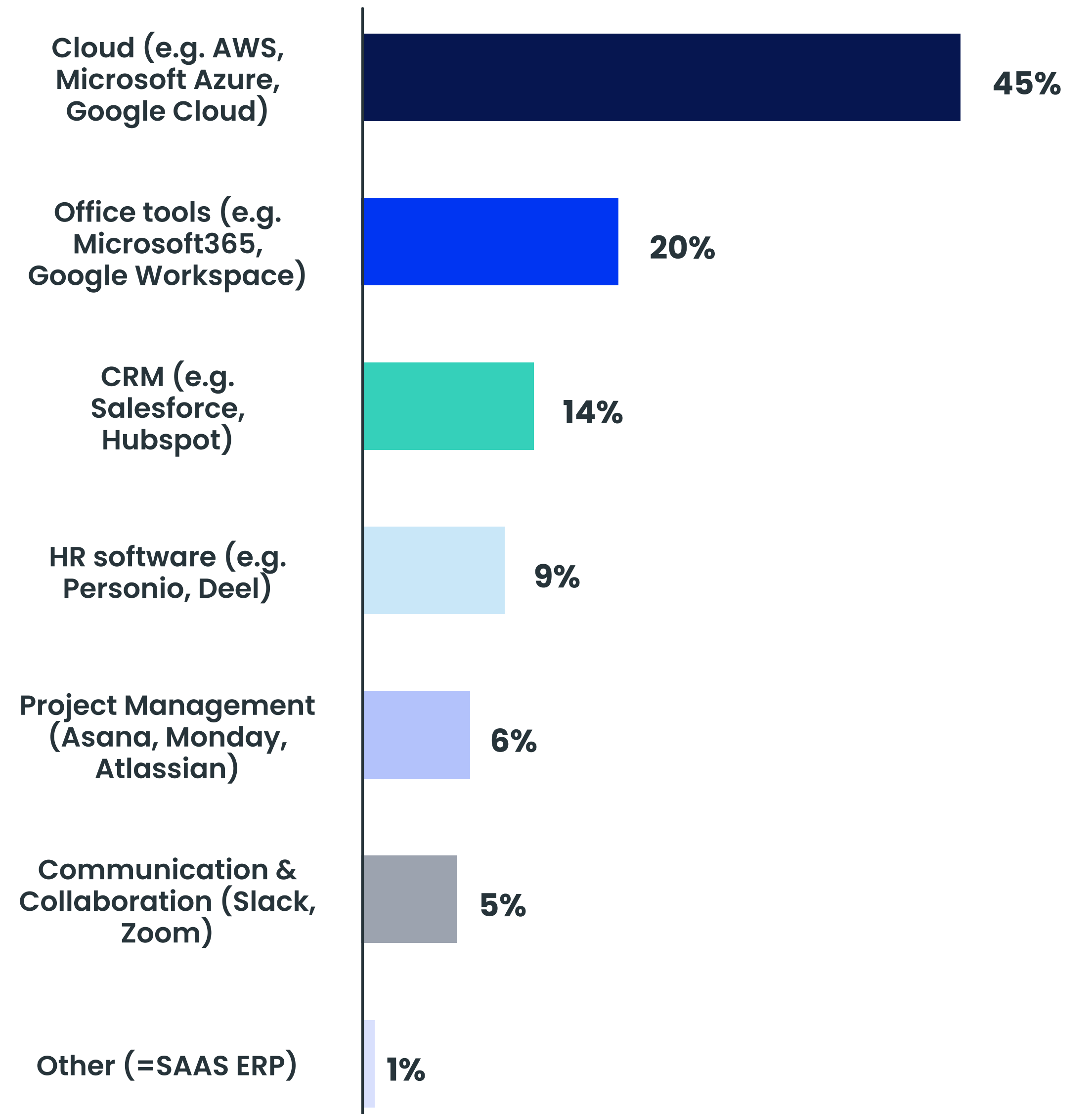
Which SaaS tools do companies spend the most money on?

Q: Which SaaS tool category does your company spend the most money on? (SC)

03 SaaS Tools Spending

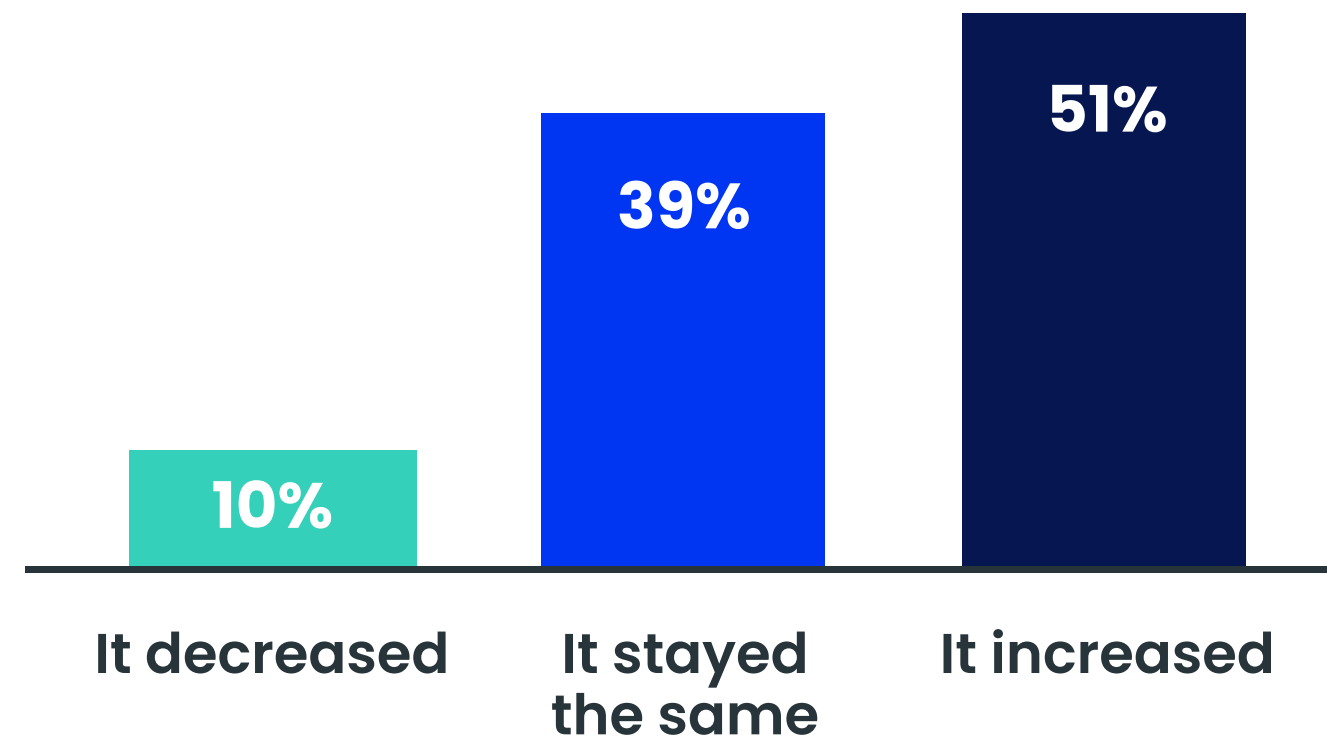


- Cloud solutions & office tools are the most expensive and frequently used SaaS tools.
- Significantly more spend is allocated to cloud solutions than office tools.
- Nearly 50% of surveyed companies reported that they spent the most on cloud solutions.
- 20% of surveyed companies spent the most on office solutions.
- Communication & collaboration tools like Slack and Zoom only constitute the biggest cost center for 5% of surveyed companies.



SaaS spending: How did it change?

Q: In the past 2 years, how did your total SaaS spend change? (SC)
 // By what percent did your SaaS spend increase / decrease over the past 2 years? (Numeric)



03 SaaS Tools Spending

51%

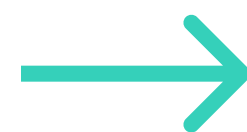
Of companies increased their SaaS spend in the past two years



Median spend increase = 100%

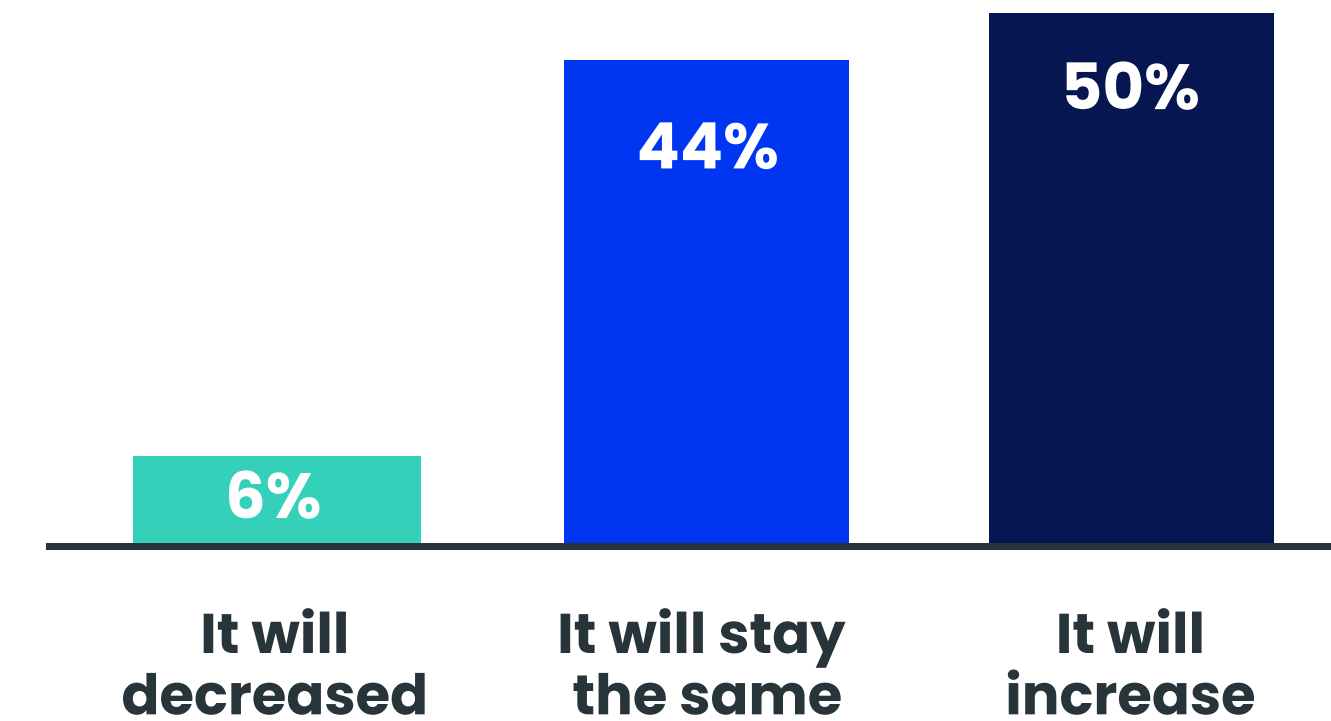
10%

Of companies decreased their SaaS spend in the past two years



Median spend decrease = 40%

Q: How do you expect your SaaS subscription spend to change in the upcoming 3 years? (SC)



50%

Of companies assume their SaaS spend will increase in the next three years



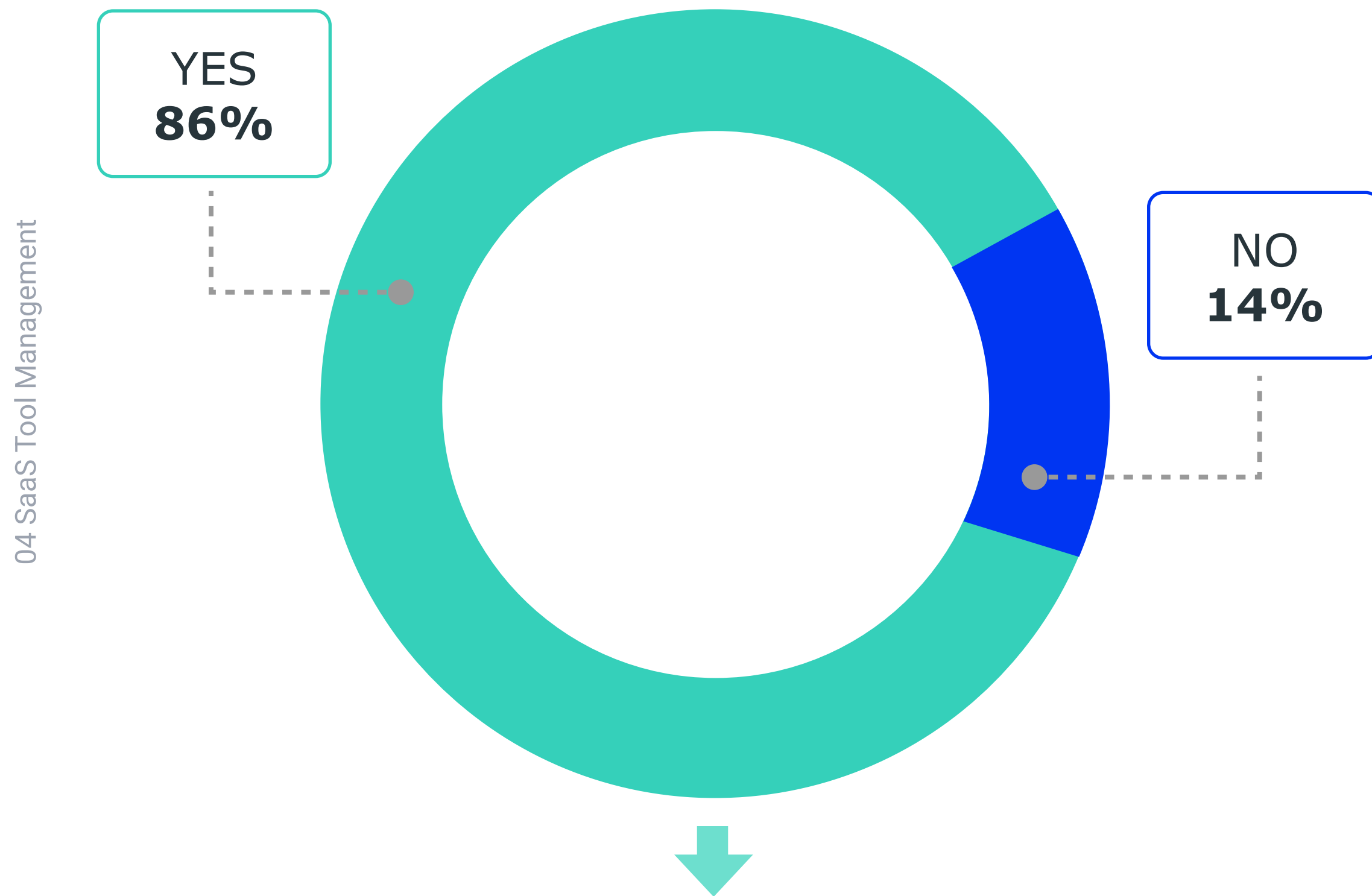
- In the past two years, total SaaS spend either increased (51%) or stayed the same (39%). The median increase in SaaS spend was 100% while the median decrease was 40% – a much smaller percentage compared to the increase over the same period.
- While 40% of the surveyed companies think SaaS spend will stay the same, 50% are preparing for rising SaaS costs in the upcoming years.

SaaS Tools Management

04

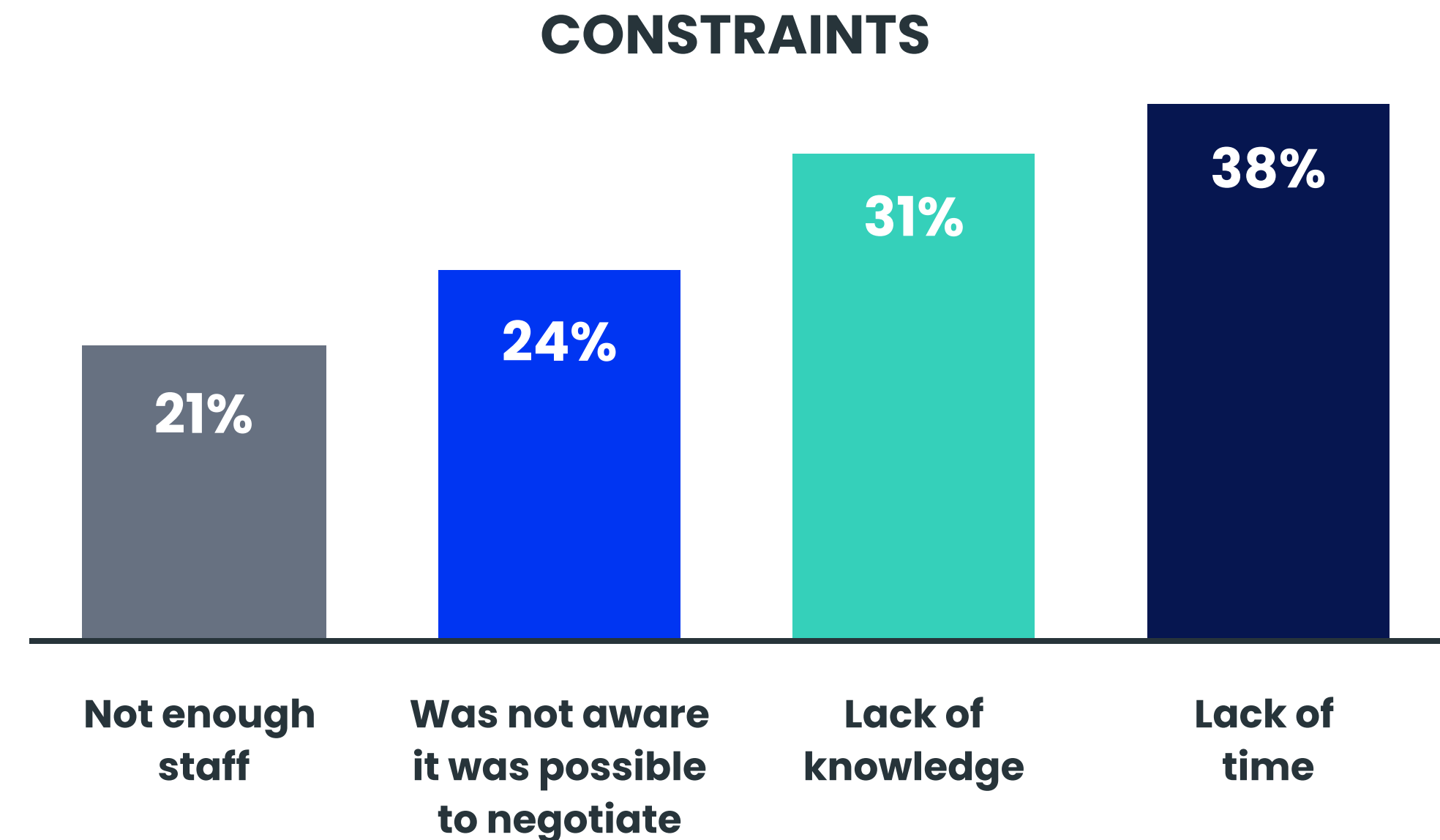
Negotiating and managing software licenses: Is it cost effective?

Q: In general, does your company negotiate contracts with software vendors when you buy new software and licenses? (SC)



On average, companies spend 13 hours per week negotiating and managing SaaS contracts

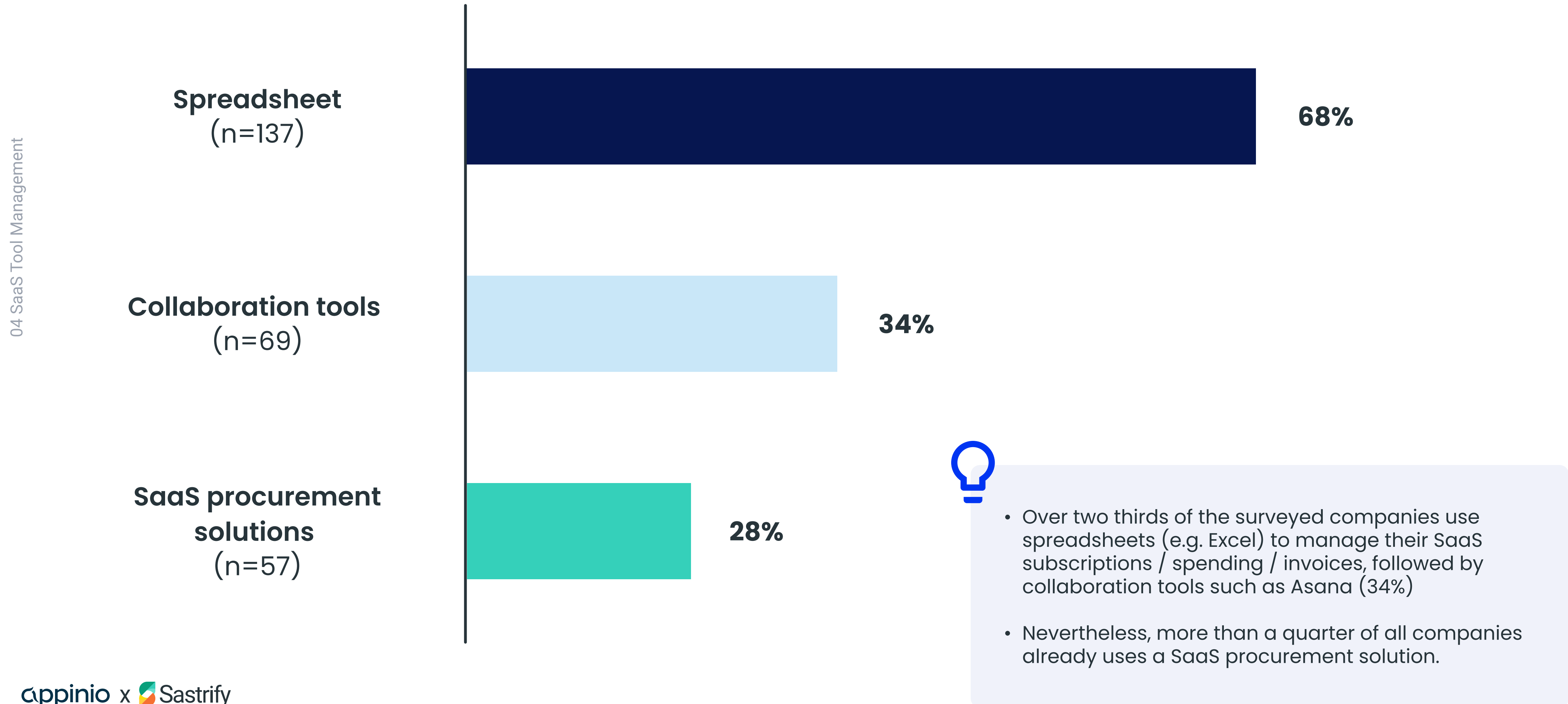
Q: Why doesn't your company negotiate contracts with software vendors? (MC)



- 86% of companies carry out negotiations when buying software.
- The 14% who do not negotiate identify lack of time and knowledge as the main impediments.
- The overall SaaS negotiation and management process demands at least 8h to 40h per week, often making it a full-time job for one person.

The majority of companies still manage their SaaS software in a spreadsheet

Q: How does your company manage your SaaS subscriptions/invoices/licenses? (MC)

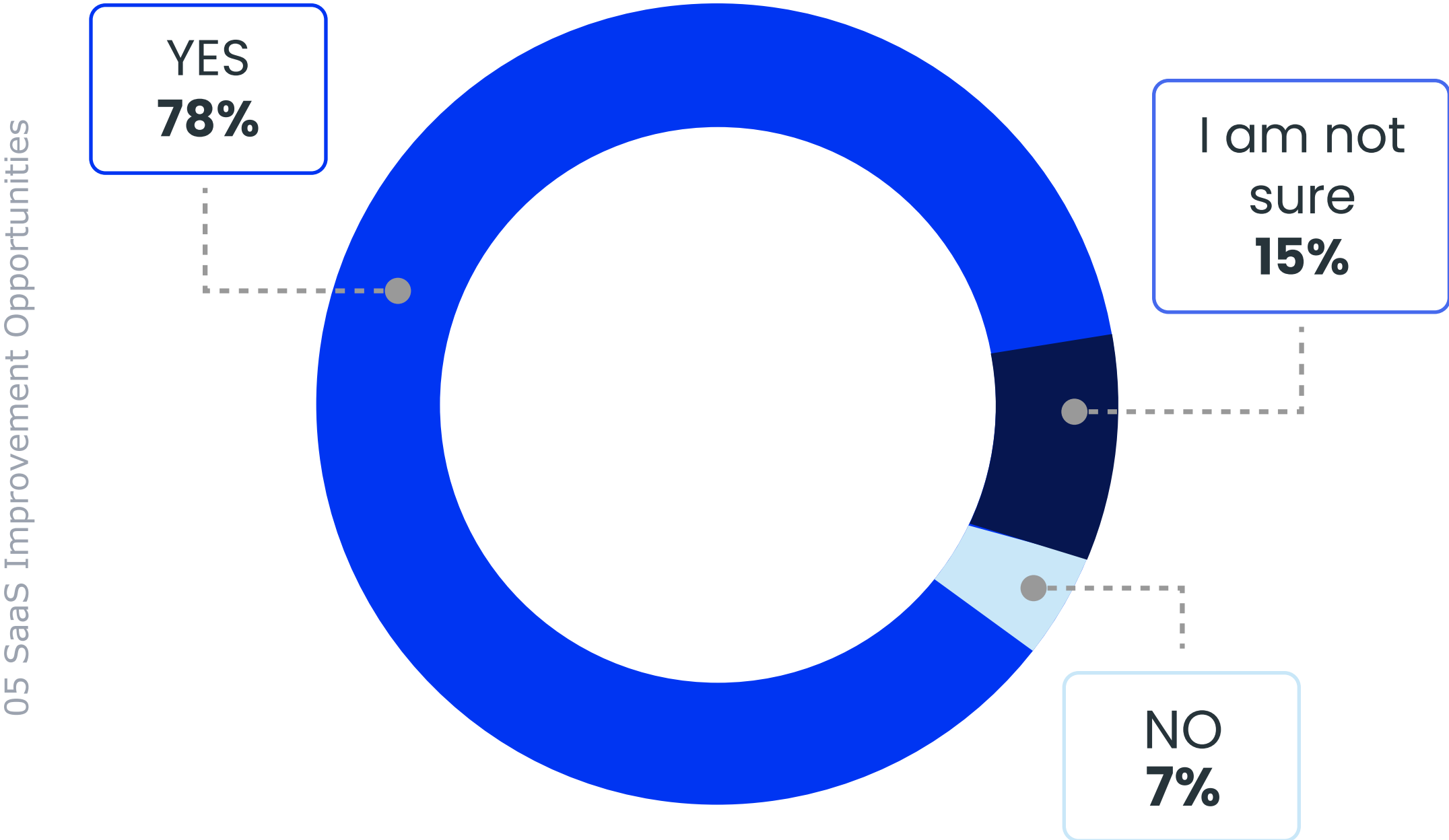


SaaS Improvement Opportunities

05

Many SaaS Decision-Makers Are Aware They Could Be Saving A Lot More On Their SaaS

Q: Do you think you are paying fair prices for your SaaS tools? (SC)

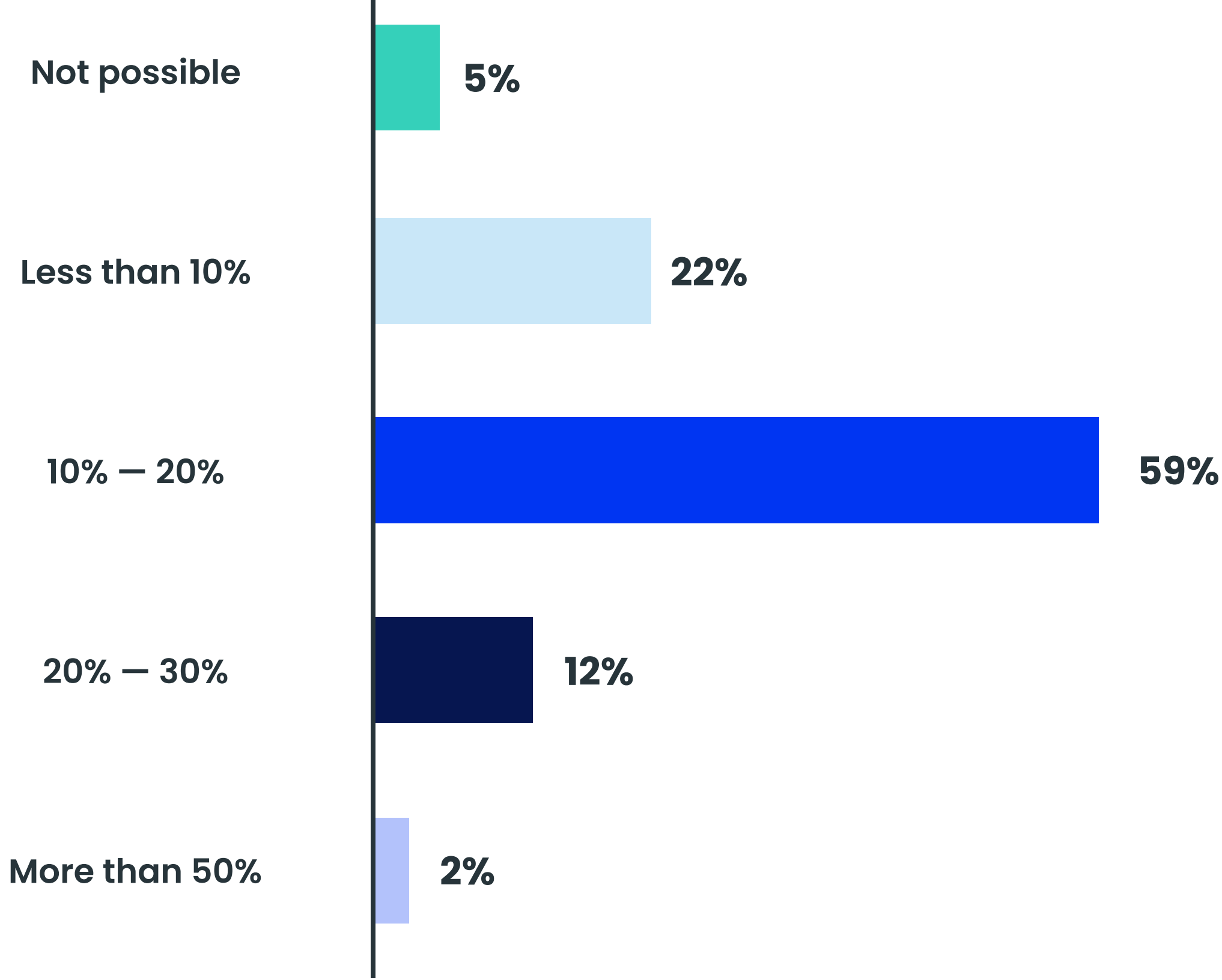


05 SaaS Improvement Opportunities



Only 7% of decision-makers are aware of their SaaS costs being too high, but 72% believe you can save at least 10% in SaaS negotiations.

Q: How much do you estimate it's possible to save on SaaS tools by negotiating the price? (SC)



Get started with Sastrify

With Sastrify, SaaS buyers can achieve major savings on their software subscriptions — loved by hundreds of customers around the world.

Our SaaS procurement experts discover and negotiate the best prices on the market for SaaS licenses, and our automated platform gives businesses full visibility to optimize your SaaS stack.

[Get a free SaaS savings analysis](#)

>55X ROI

Achieved
with Sastrify

1.5

Months
saved /year

\$20M+

Saved on
software

Talk to one of our
SaaS Savings Experts



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