# Supporting Fast-Growth Software Companies

## 180 Million Global SaaS Customers and Growing

- The SaaS software delivery model caught on quickly and has continued to grow year-over-year to nearly $400 billion in 2021.[3]
- By 2026, Gartner predicts that public cloud spending will exceed 45% of all enterprise IT spending (up from less than 17% in 2021).[2]
- In the US, about 15,000 companies host applications and make those solutions available via the Internet.[1]
- The Software-as-a-Service (SaaS) sector serves nearly 180 million customers around the globe.[1]

## SaaS Catches on Fast

- By 2020, organizations worldwide were using an average of 80 SaaS applications each.[3]
- SaaS applications now account for 70% of these companies' total software usage.[3]
- According to Gartner, end-user spending on public cloud services will grow by 21.7% to reach $482 billion by 2022.[1]
- By 2025, just 15% of all organizational software is expected to be non-SaaS-based.[3]

## Going Public

- In high-growth mode, software companies are expanding organically, being targeted by private equity (PE) firms, and exploring initial public offerings (IPOs) and mergers and acquisitions (M&As).
- Multiple SaaS firms were able to IPO in 2021 as a result of increased business. Compared to the same period in 2020, the number of enterprises specializing in SaaS that have IPOed surged by 125% in 2021.[4]
- Software companies are also dealing with increasing competition, pricing pressures and other business challenges.
- These issues have pushed SaaS companies' financial reporting requirements well beyond the capabilities of their homegrown and basic software systems.

## Consolidating and Replacing Disparate Systems

- SaaS companies tend to rely on antiquated, on-premises software and basic financial systems to run their business.
- Yantra helps minimize the challenges of replacing existing technology and gives SaaS companies the best of both worlds: a leading cloud ERP system that's connected directly to the existing software platforms that these firms don't want to give up.
- With NetSuite, SaaS companies can automate management of recurring revenue streams, contract renewals, subscriptions and their upsell and cross-sell activities.
- The system also automatically recognizes revenue based on predefined schedules or milestones in compliance with ASC 606, IFRS 15 and other standards.

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Sources:
[1]gartner.com [2]statista.com
[3]statista.com [4]saasworthy.com