THE ACTUA MANIFESTO

WHY WE BELIEVE IN THE NEXT-WAVE, VERTICAL CLOUD
THIS IS THE MOMENT

FOR DISRUPTIVE, HIGHLY-TARGETED CLOUD SOFTWARE COMPANIES,
DEEPLY ROOTED IN DOMAIN KNOWLEDGE.
Companies that transform industries and re-engineer critical processes.

Companies with the dynamism of startups and the management credentials of industry leaders.

Companies that can deliver new types of value to their customers.
These are our kind of businesses.
The kind of businesses we operate.
The kind of businesses we invest in and accelerate.
HERE ARE SIX REASONS WHY:
The opportunity is vast.

Businesses are still spending more than 90% of their IT budgets on legacy, on-premise apps.*

But not for much longer.

The cloud has revolutionized the way businesses operate:

› Powering innovation

› Shifting focus from IT to key lines of business

› Compressing time-to-market

These things are vital to every business.

And the opportunity is huge: Smart companies are leveraging the cloud to speed innovation and gain competitive advantage.

*Source: http://online.wsj.com/articles/boss-talk-vmwares-second-act-is-in-the-cloud-1404842502
The second wave of SaaS is vertical.

The first-wave, horizontal SaaS market is well established and growing.

Today, the action is expanding to highly-specialized vertical cloud services that attack industry-specific problems.

These new kinds of SaaS businesses have a narrow focus for a distinct market or discipline.

They fill clearly defined gaps in unique markets.

These aren’t pure IT plays: they’re driven by line of business executives who own the pain.

They already know that the cloud means agility and speed. Now they need it applied to their world.

That’s where enterprise IT investment is happening.
Domain expertise is the trump card.

In vertical SaaS, category leadership is still up for grabs. But the barriers to entry are high.

The winners will be the cloud players that:

› Truly understand the industry they’re serving

› Use their profound domain expertise to solve special, industry-specific pain points

› Retain the customers they win the hard way – by consistently delivering measurable value

These are the SaaS players who will conquer these exciting new markets.
Communities of value are a force multiplier.

Great things happen when a vertical cloud offering gets adopted by an industry:

› True communities form – bringing together participants that share business interests, data, processes and relationships

› Knowledge is pooled – aggregating data to streamline and accelerate value chains

› Network effects kick in – igniting powerful forces that transform industries

The new specialized SaaS leaders will be the ones who best create and serve these communities of value.
Data is the new oil.

As every business discovers the power of data, the best SaaS players will be the ones that help harness that power.

Data integration breaks down the silos within a business, generating insight where it is needed most.

And aggregated, industry data adds a whole new layer of domain knowledge and potential customer value creation.

The data-powered vertical cloud company will win a serious share of enterprise IT budgets.
The unique dynamics of specialized SaaS call for a new kind of expertise – one based on domain knowledge combined with cloud experience.

Executives with deep SaaS expertise are still thin on the ground. But they’re essential to:

› Find and attract the best and brightest talent within each vertical market to define new standards and lead transformation

› Drive aggressive market expansion by accelerating adoption and delivering richer, more compelling solutions

› Mitigate the financial risks of being an early adopter

› Enable the vanguards of market transformation through ongoing education and insights

› Deliver the continuous innovation that solves the problems of business customers

These operational practices combine domain knowledge with SaaS expertise to create transformational solutions for our customers.
IN SHORT

The vertical cloud is an incredibly exciting opportunity, promising to transform entire industries.

At Actua, we don’t just want to share the profit. We want to share the vision and the journey.
And that’s why we’re all in on vertical SaaS.
ABOUT ACTUA

Actua (Nasdaq: ACTA), the multi-vertical cloud company, brings the power of the cloud to vertical markets and processes. Actua is pioneering the second wave of the SaaS revolution – the vertical wave – by growing cloud businesses that are transforming their markets. With more than 650 employees delivering unrivaled domain knowledge, agility and responsiveness to our customers, Actua’s rapidly growing vertical cloud businesses are positioned to lead this wave.

For the latest information about Actua and its brands, visit www.actua.com