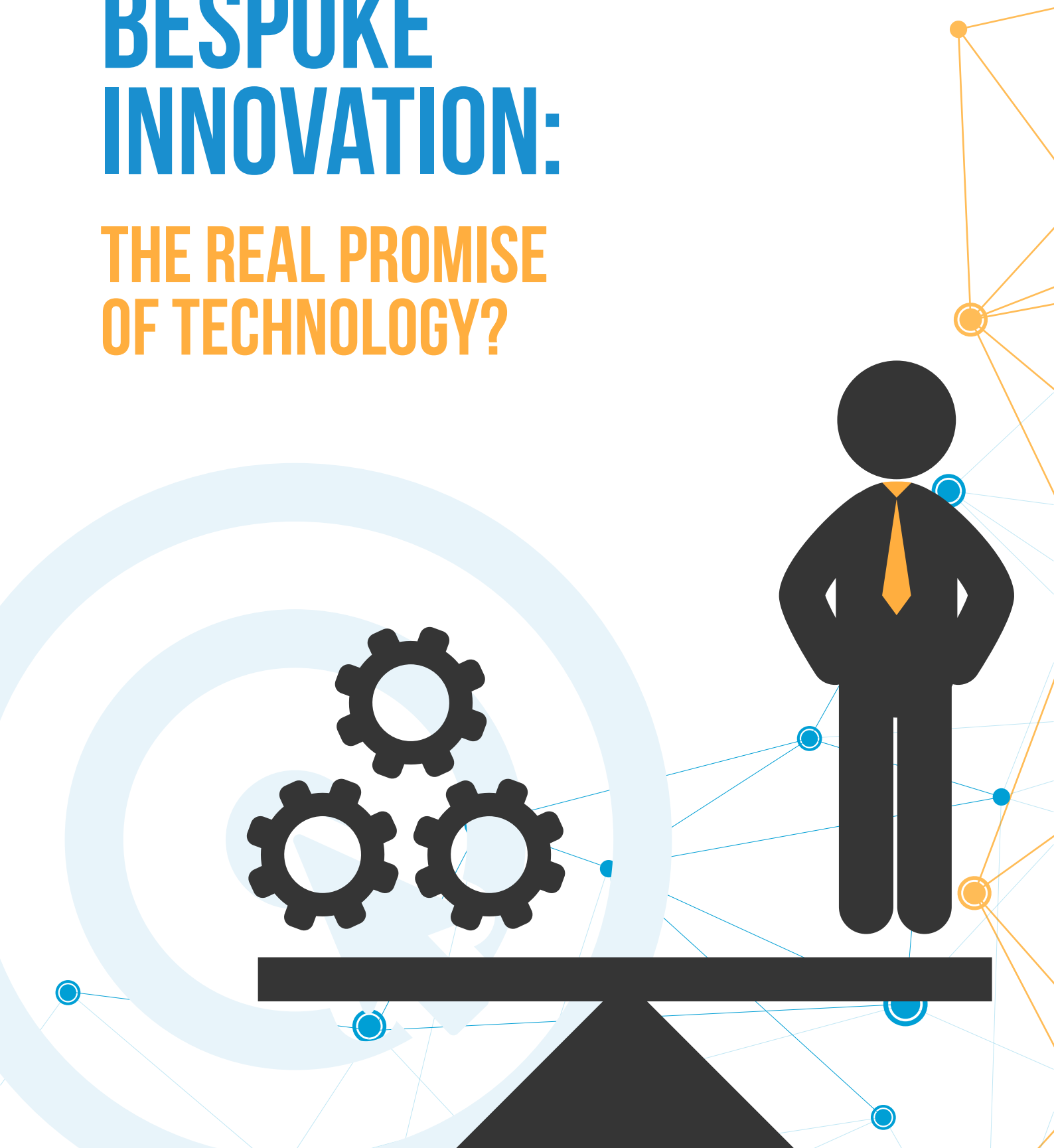







# BESPOKE INNOVATION:

THE REAL PROMISE  
OF TECHNOLOGY?



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# YOUR SOFTWARE PROJECT'S STARTING POINT IS THE DECISION WHETHER TO INVEST IN AN 'OFF-THE-SHELF' PRODUCT, OR **GO BESPOKE.**

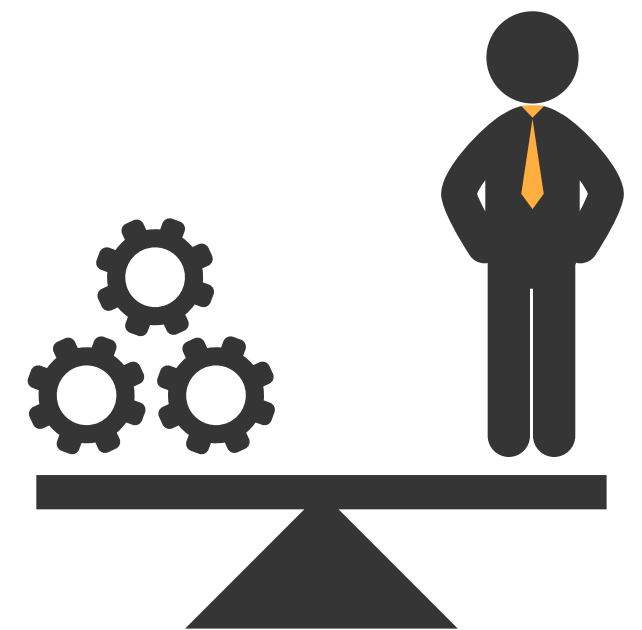
Organisations weigh up mass-produced versus custom-made options every day as they seek to procure the most appropriately specified and priced solution to their need.

A functional requirement might warrant the factory-finished approach, while innovation purposes may be better served the tailor-made way. Each decision you take is based on your perception of value.

Believe everything you read, and you'd be forgiven for thinking off-the-shelf is the panacea for every software requirement. In fact, neither approach is. It's time to set the record straight.

This paper goes to the heart of the bespoke vs. off the shelf debate; debunking myths, challenging preconceptions and showing how the bespoke approach can be applied to deliver genuine business change and competitive advantage.

The aim is to support this critical decision by making sense of the conflicting opinions, and lifting the fog of confusion, with a balanced view of the facts.



## WHEN OFF-THE-SHELF IS ON-THE-MONEY

There are plenty of scenarios where off-the-shelf software products make more sense than their bespoke compadres:



### WHEN YOU NEED THE SOFTWARE FAST

Buying off-the-shelf means you can get your hands on the software immediately, which could be critical if you have an urgent need for a well-defined purpose.



### WHEN YOU HAVE A STRAIGHTFORWARD REQUIREMENT

If your simple admin task has been conquered by thousands of other organisations like yours via an off-the-shelf application, it's a pretty flimsy argument that says you should invest time and money in new software developed solely for your benefit.



### WHEN YOU HAVE A SMALL NUMBER OF USERS

This is where the per-user licensing of off-the-shelf really benefits you. If you only need the software for two users, then you might only pay a few hundred pounds for the privilege, versus the entire cost of a bespoke project totalling many hundreds of pounds greater.

The debate gets more interesting as scale increases and the requirements become broader in scope, though peculiar to the needs of an individual organisation rather than a large pool of prospective buyers...

# WHEN YOU REALLY WANT TO HARNESS THE DISRUPTIVE AND INNOVATIVE POTENTIAL OF SOFTWARE, WHICH APPROACH SERVES YOU BETTER?



## **BRANDING YOUR BUSINESS — BESPOKE OR OFF-THE-SHELF?**

**HOW DO ORGANISATIONS CREATE THEIR BRANDS? WELL, THEY ARE HIGHLY UNLIKELY TO BUY THEM OFF-THE-SHELF; PREFERRING INSTEAD TO FOLLOW A BESPOKE PATH THAT ENSURES A PRECISE REFLECTION OF THEIR CIRCUMSTANCES AND ASPIRATIONS, AS WELL AS GUARANTEEING DIFFERENTIATION FROM COMPETITORS. THOSE WHO DON'T TAKE THIS APPROACH MAY STILL BE SATISFIED WITH THEIR DECISION, BUT BENEFITS WILL BE LIMITED.**

**IT'S A THOUGHT-PROVOKING QUESTION: IF YOU WANT COMPETITIVENESS, CREATIVITY AND CHANGE DESIGNED FOR YOUR UNIQUE BUSINESS GOALS, WHY INVEST IN A PRODUCT DESIGNED FOR ANYONE ELSE'S?**

## THE 5 MYTHS OF BESPOKE SOFTWARE

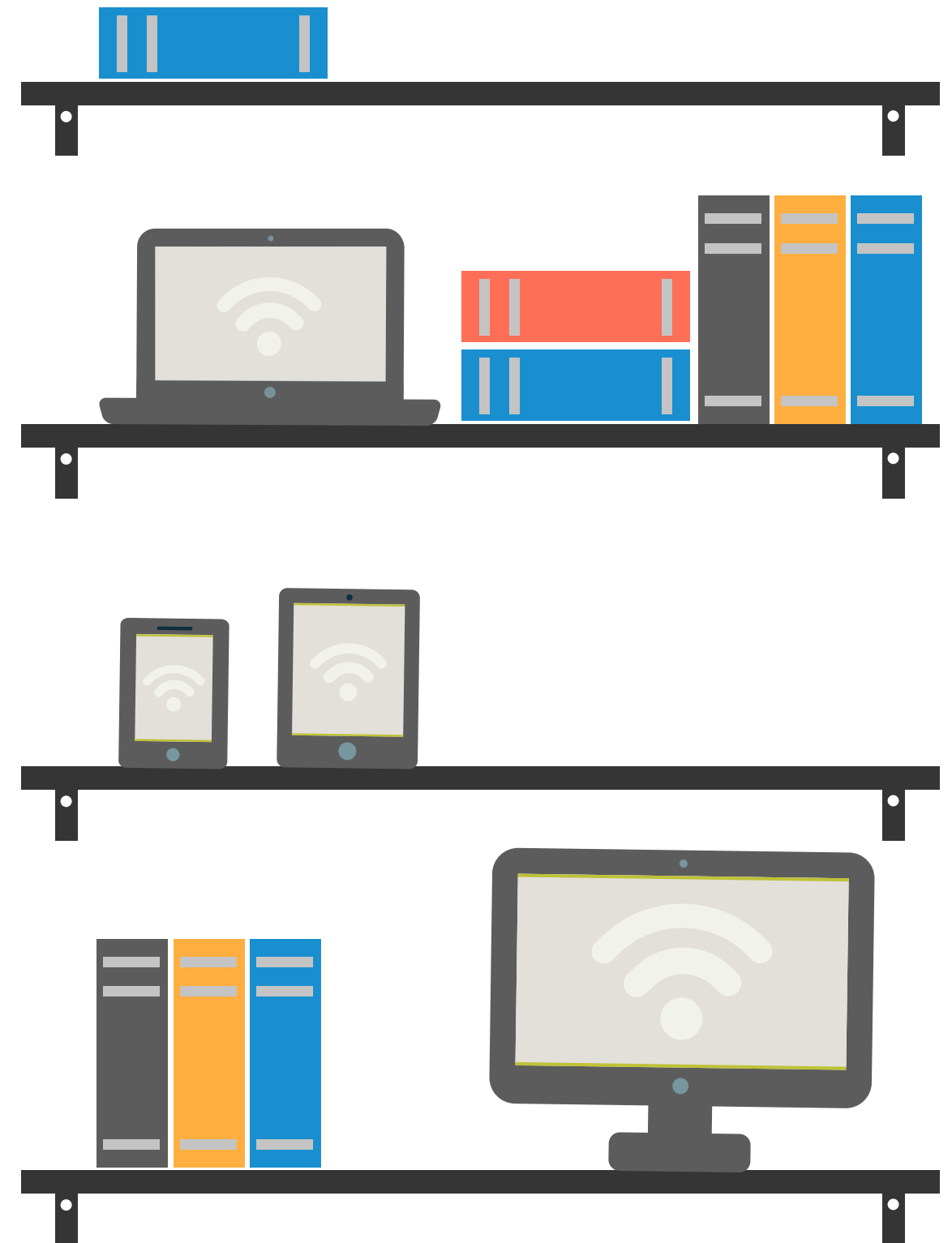
YOU KNOW WHAT YOU'RE GETTING WITH PACKAGED, OFF-THE-SHELF SOFTWARE.

There is a menu of features and you know exactly which ones are available to you for your budget. By contrast, [bespoke software](#) development is more of an enigma. Hence many misunderstand or overlook the processes and value involved with bespoke software, and this is compounded by the David and Goliath dynamic between the competing software approaches, and their differing abilities to influence market perception.

WHY?

Because the independent software vendors (ISVs) that produce packaged off-the-shelf products invest considerable sums in marketing them. Conversely, the individually targeted nature of their products means that the [bespoke software](#) developer does not.

THE FOLLOWING ARE THE MOST COMMONLY SUGGESTED 'MYTHS' ABOUT BESPOKE SOFTWARE, WITH FACTS TO SUPPORT WHY YOU SHOULD CHALLENGE THEM.



# 1 BESPOKE IS MORE EXPENSIVE THAN OFF THE SHELF

This is a little like saying it's cheaper to fly a private jet to New York than to take a British Airways 747. Look at the cold, hard numbers and the statement is absolutely correct. But, from any kind of practical perspective, it's disingenuous. With software, as with chartering aircraft, you need to pay attention to how many seats are involved.

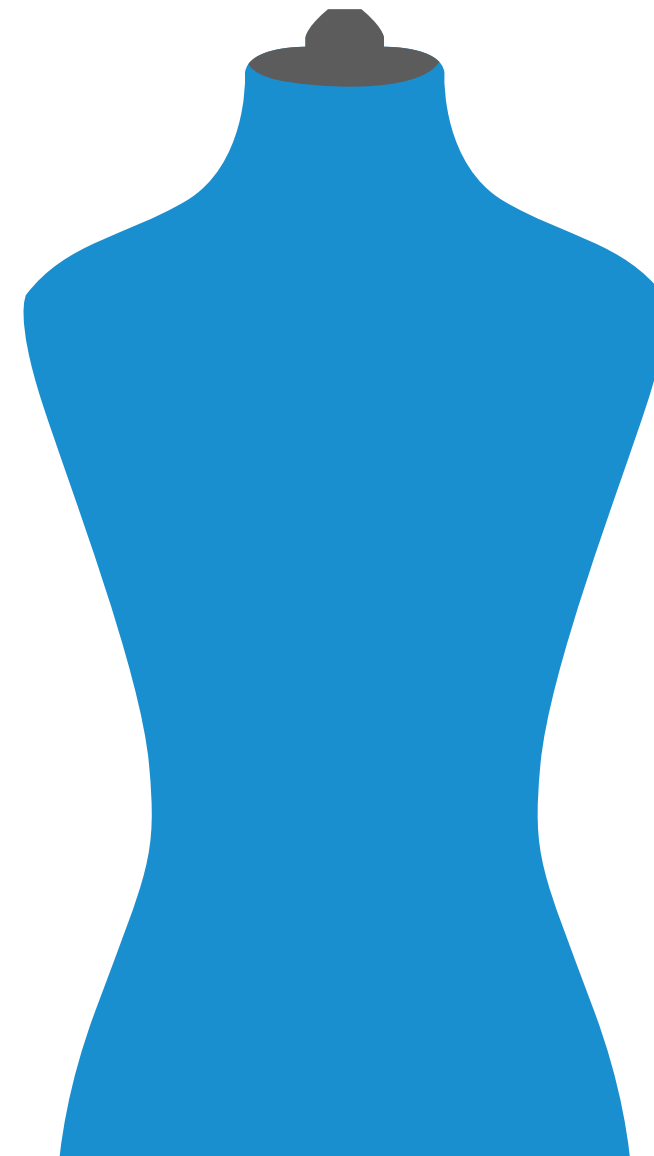
**FACT:**  
software development costs what software development costs, regardless of the approach you take.

Determining an accurate comparison means looking beyond the purchase price of the software to whole-life costs that impact the entire software lifecycle. Sharp practice among some bespoke software developers has given rise to the perception that, once the product is delivered, the customer is left to the mercy of inflated charges for subsequent

tweaks, upgrades and ongoing change. As with any commercial agreement, the best way to avoid this is to establish a sound contractual framework that anticipates such changes, and clearly sets out how to resolve any dispute.

Hidden, supplementary costs frequently arise with off-the-shelf products. Take Salesforce.com and SAP, both market leaders with millions of users and enormous development budgets. Both cultivate huge global ecosystems of third party integration specialists and development houses whose singular motive is to help businesses succeed in getting these software packages to work for their unique organisational needs. Such ecosystems are embraced and encouraged by all major ISVs who, in so doing, clearly accept that their off-the-shelf product is a starting point for achieving business transformation through software, rather than a definitive finishing post.

A fair comparison would be the cost for a bespoke project versus the cost of an off-the-shelf package PLUS the costs of achieving a successful integration to meet your specific goals.



“**DETERMINING AN ACCURATE COMPARISON MEANS LOOKING BEYOND THE PURCHASE PRICE OF THE SOFTWARE TO WHOLE-LIFE COSTS.**”

# 2

## GOING BESPOKE MEANS IT TAKES LONGER TO GET TO THE SOLUTION YOU NEED

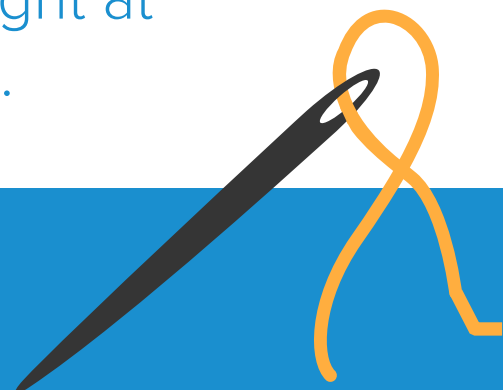
The numbers don't lie; a crude stopwatch comparison between deploying an off-the-shelf package and running a bespoke development project is a case of days, hours or even minutes versus months. However - as we've already established - unless your requirement is simple or generic, off-the-shelf is unlikely to deliver what you need straightaway. As with the myth about costs, this is all about considering hidden time. There can be many other time-consuming stages beyond downloading the software if you're determined to make the software work in the optimum way.

### FACT:

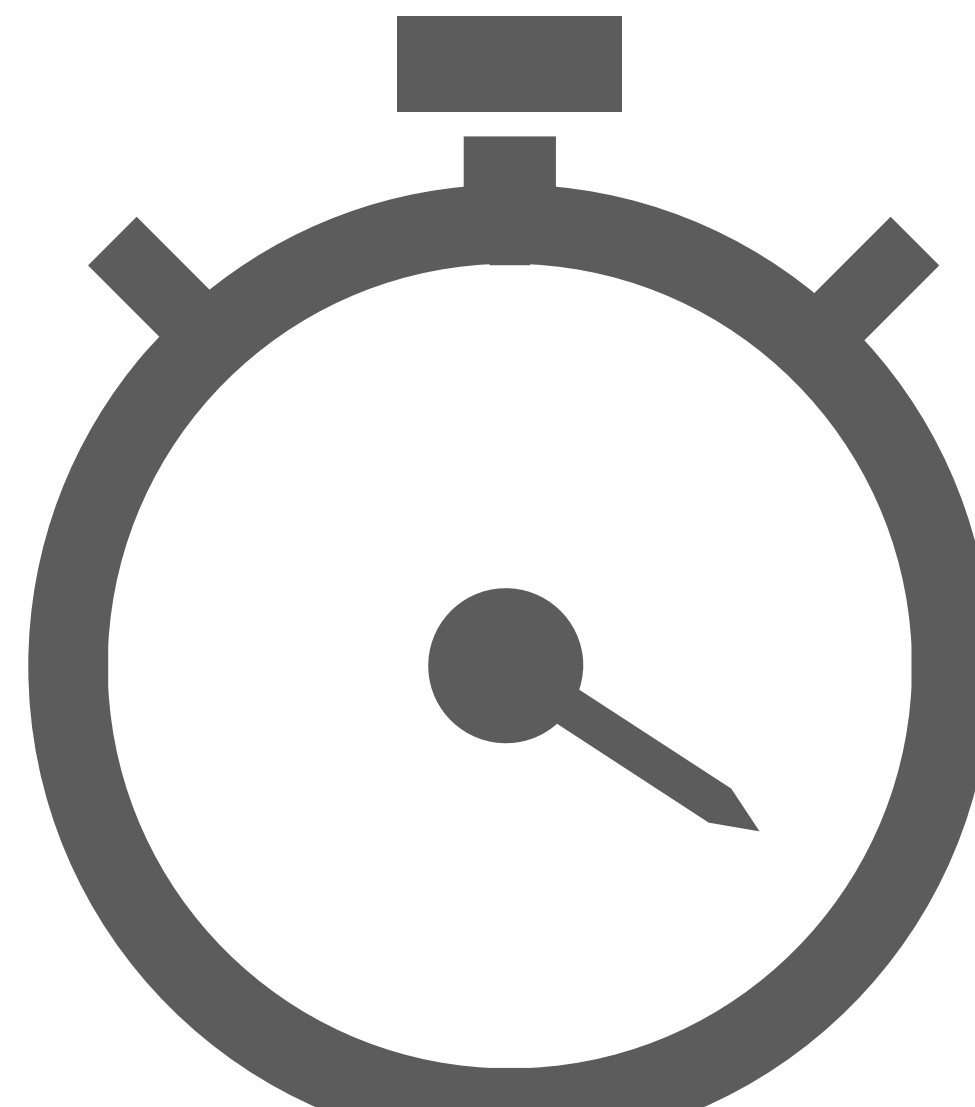
Bespoke takes time if you're going to get your software right at the first attempt.

Bespoke software projects can happen very fast, but beware you aren't skipping any important stages such as getting the feasibility, scope and legal framework correct from the very outset. Some benefits – such as enduring competitive advantage – are worth spending the time to get right.

Off-the-shelf products are unlikely to represent more than an advanced starting point in the journey to achieving your goals. In some cases it will constitute a dead-end that you'll need to reverse out of at a later date in order to progress forwards. We've encountered many organisations that only discovered this problem after they'd bought the software, trained their users and completed the implementation.



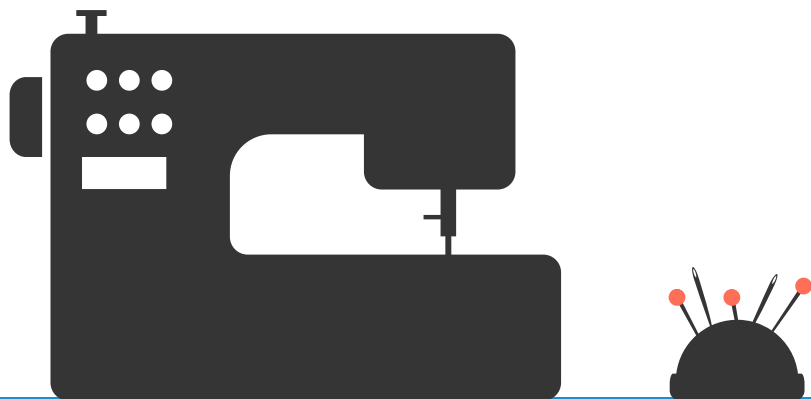
“SOME BENEFITS – SUCH AS ENDURING COMPETITIVE ADVANTAGE – ARE WORTH SPENDING THE TIME TO GET RIGHT.”





### 3 BESPOKE IS MORE RISKY AND PRONE TO FAILURE

**SOFTWARE IS ONE OF THE FEW REMAINING COMMODITIES WHERE A BIG COMPANY'S SIZE IS ASSOCIATED WITH THE ABILITY TO DELIVER BEST QUALITY, IN SPITE OF EVIDENCE TO THE CONTRARY.**



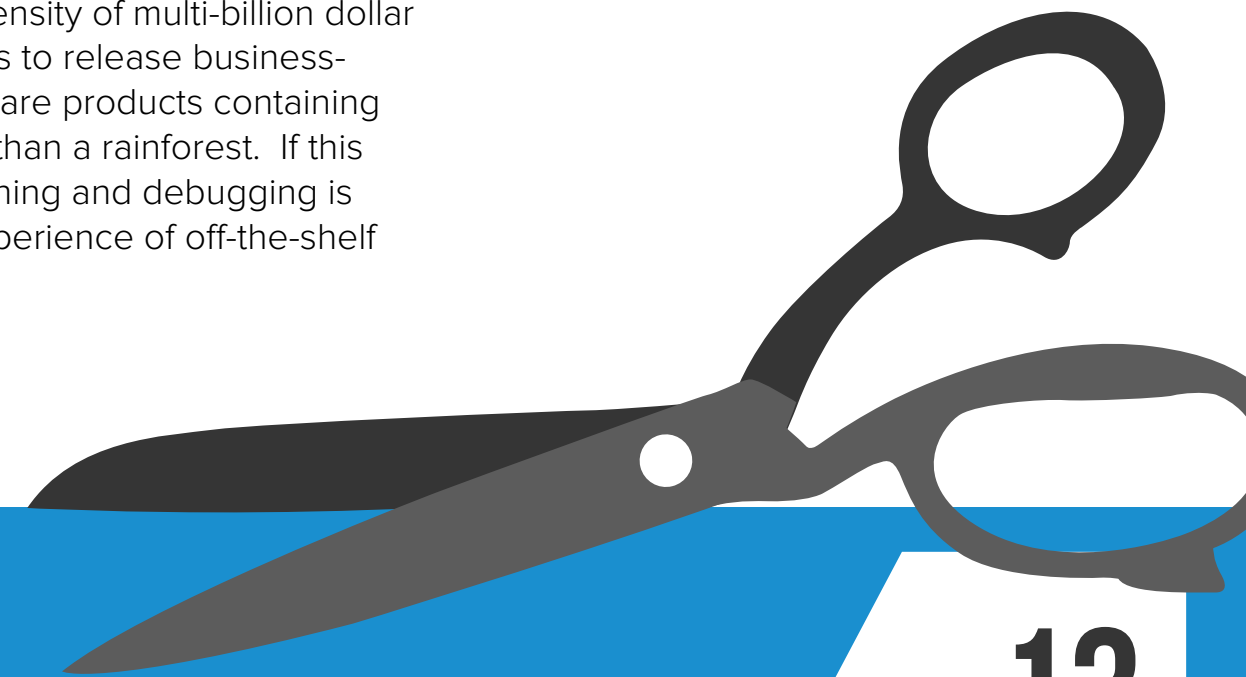
As consumers we look at the tailor-made business suit, limited-edition car, or artisan-baked loaf of bread and credit each with far greater craftsmanship, care and attention than their bog-standard equivalents. And yet - the story goes - bespoke software is supposed to fall apart at the seams when you least expect.

## FACT:

Size is no guarantee of quality in the realm of software development companies.

Anyone using Microsoft products in the last 20 years will bear testament to the propensity of multi-billion dollar corporations to release business-grade software products containing more bugs than a rainforest. If this rate of patching and debugging is not your experience of off-the-shelf

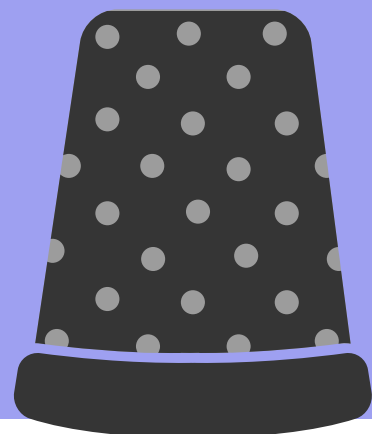
software then you can count yourself extremely fortunate indeed. Arguably the [bespoke software developer](#) has a greater incentive to ensure the security, functionality and success of their software development, given that payment of their next invoice may depend on it. It's true that certain ISVs may have a similar outlook, while certain bespoke developers may lack the integrity to allow us to properly debunk this myth. It's clear that you need to choose the individual provider of your software solution – off-the-shelf or bespoke – very carefully if you want to mitigate risk.



## WHICH SOFTWARE DEVELOPMENT BUSINESS MODEL WORKS FOR YOU?

### Bespoke

All development costs are borne entirely by the customer on the basis that the software is designed for no other purpose than to achieve its business goals, and align with its specific processes, users and other unique factors. The bespoke developer calculates a price by adding a profit margin to the costs incurred from running a team of specialist coders, developers, testers etc.



### Off-the-Shelf

All development costs are shared between the purchasers of the product against an anticipated revenue model. Costs over and above the necessary software development time include significant sales and marketing expenses and – like the bespoke developer - a profit margin. Unlike the bespoke approach, there is an added element of risk and reward. If the product is very successful, the ISV's profits are many times greater than the figure anticipated by its pricing model. If it doesn't then it suffers a loss.

### Incentives & Disincentives

The off-the-shelf developer has a distinct disincentive to make the product well suited to individual needs. Instead, the developer's own business model is geared to produce products that spend the minimum amount of development time on features that are marketable to the largest possible addressable market. This is in stark contrast to the bespoke developer, whose model is reliant on being able to deliver against individual requirements at a price that its customer is willing to accept for the advantages promised.

# 4

## IT'S PRETTY DUMB TO GO BESPOKE, WHEN THERE'S SO MUCH SOFTWARE OUT THERE

There was a time when businesses had little choice but to go bespoke, unless their requirement was very straightforward. Today, the evolution of software means traditional off-the-shelf has gone beyond simple task-based software to create specific packages for defined vertical industries, a myriad of apps for every task and every device, and sophisticated software-as-a-service models that allow software to be delivered as a cloud service to any user in the world.

### FACT:

The growth in off-the-shelf software options still does not address unique business requirements.

While this growth has increased the options for off-the-shelf buyers, it still doesn't address the opportunity to use innovative technology to meet a specific need. As long as ISVs pursue the development of software features and capabilities that satisfy the maximum possible audience, they will be at odds with organisations that want software to innovate in line with their own requirements.

There is compelling evidence that the wide-scale availability of off-the-shelf software actually benefits those organisations harnessing bespoke [software development](#). Stable, effective and cheaply licensed plug-ins, frameworks and other portions of code are readily available to bespoke developers to augment the desired functionality of wider business software projects. This can have the effect of increasing the speed and reducing the costs of bespoke projects, without compromising focus on the customer's unique needs.

AS LONG AS ISVS PURSUE THE DEVELOPMENT OF SOFTWARE FEATURES AND CAPABILITIES THAT SATISFY THE MAXIMUM POSSIBLE AUDIENCE, THEY WILL BE AT ODDS WITH ORGANISATIONS THAT WANT SOFTWARE TO INNOVATE IN LINE WITH THEIR OWN REQUIREMENTS.

# 5

## THE RESOURCES THAT A BESPOKE DEVELOPER CAN SPEND ON MEETING MY OBJECTIVES ARE ORDERS OF MAGNITUDE LOWER THAN WITH OFF-THE-SHELF

It is no exaggeration to say that the likes of Microsoft and Google invest billions of dollars in developing their products. But if solving your software requirement was as easy as purchasing one of their products off-the-shelf, you probably wouldn't be reading this eBook.

**FACT:**  
Most ISVs are comparatively small; often no bigger than bespoke software development companies.

Once you've thought about your requirement and investigated some options, you'll encounter a set of specialist ISVs that create packaged off-the-shelf software solutions. If any of these occupies a niche small enough to be relevant to your needs, then they'll naturally be limited in scale. Likewise, if they offer the kind of specialism that promises to make a disruptive difference to your business transformation, they're unlikely to have the development resources that put them anywhere near the scale of Google or Microsoft.

In other words, the perceived bottomless R&D resources of off-the-shelf software producers are not reflected in reality once you orbit around the kind of developer with a capability to make a difference to your business.

Compare this to the [bespoke software](#) developer. Whatever resources they have are directed toward achieving your goal. And, if you've found the right bespoke software developer, they'll invest in understanding your business and applying their technical skills to achieve precisely what's required.



## TOP 5 BENEFITS OF GOING BESPOKE

HOPEFULLY THIS EBOOK HAS SERVED TO RE-LEVEL THE PLAYING FIELD A LITTLE AGAINST THE CORPORATE MARKETING MACHINES THAT ONLY TELL YOU THE 'OFF-THE-SHELF' SIDE OF THE STORY. IF YOU'RE LOOKING AT THE POTENTIAL OF BESPOKE SOFTWARE IN A NEW LIGHT, THEN LEARN THE TOP FIVE BENEFITS OF ADOPTING THIS APPROACH.



1

### ONLY PAYING FOR WHAT YOU NEED

Buying bespoke means zero waste on functions and features you aren't really interested in or that don't serve the goal of transforming your business. You're accountable for bankrolling

100%

of the development costs for this software project, but that's because

100%

of it is tailored for your business only. In practical terms, this also means none of the extra costs and delays associated with customising your off-the-shelf purchase to fit your needs, and no more lining the pockets of ISVs to market the same software to all your competitors.



2

### SATISFYING YOUR OWN BUSINESS MODEL, RATHER THAN AN ISV'S

Off-the-shelf software is the product of a quest to find what is useful to the most people, rather than the most useful to you. Indeed, if it turns out to be useful to what people and businesses need, then this is a fortunate by-product of a commercial process designed to create the smallest possible functional set attractive to the largest possible market. The business model for off-the-shelf software is diametrically opposed to that of bespoke [software development companies](#). If a bespoke developer doesn't harness innovative skills and technologies to bring about a transformative change in line with your specific business objectives, then it will fail.

Off-the-shelf has enormous value in certain scenarios, but it is no more of a silver bullet for all business software aspirations than bespoke. Embracing off-the-shelf is all about making compromises.



3

### MEETING YOUR CURRENT AND FUTURE BUSINESS NEEDS

Commissioning a bespoke [software development](#) project is the start of a technology journey where innovation drives you to continuing competitive advantage and business improvement. This isn't necessarily dependent on a long-term commitment to the developer who creates your software; if you've insisted on solid project documentation, there is nothing to prevent you evolving your software with other developers in the future.

The alternative approach is to rely on the product roadmap and financial solvency of your chosen off-the-shelf ISV to provide you with updated features and support. Assuming you've been fortunate enough to derive optimum value from 50% or more of the available features from your off-the-shelf product, there is no guarantee that future versions will converge toward your specific business objectives. There is every possibility they will diverge and become progressively less relevant.

Ask yourself: is this off-the-shelf software good enough to match your business needs now and for the next 5 years?



4

### APPLYING A SOLUTION RELEVANT TO YOUR PROCESSES AND PEOPLE

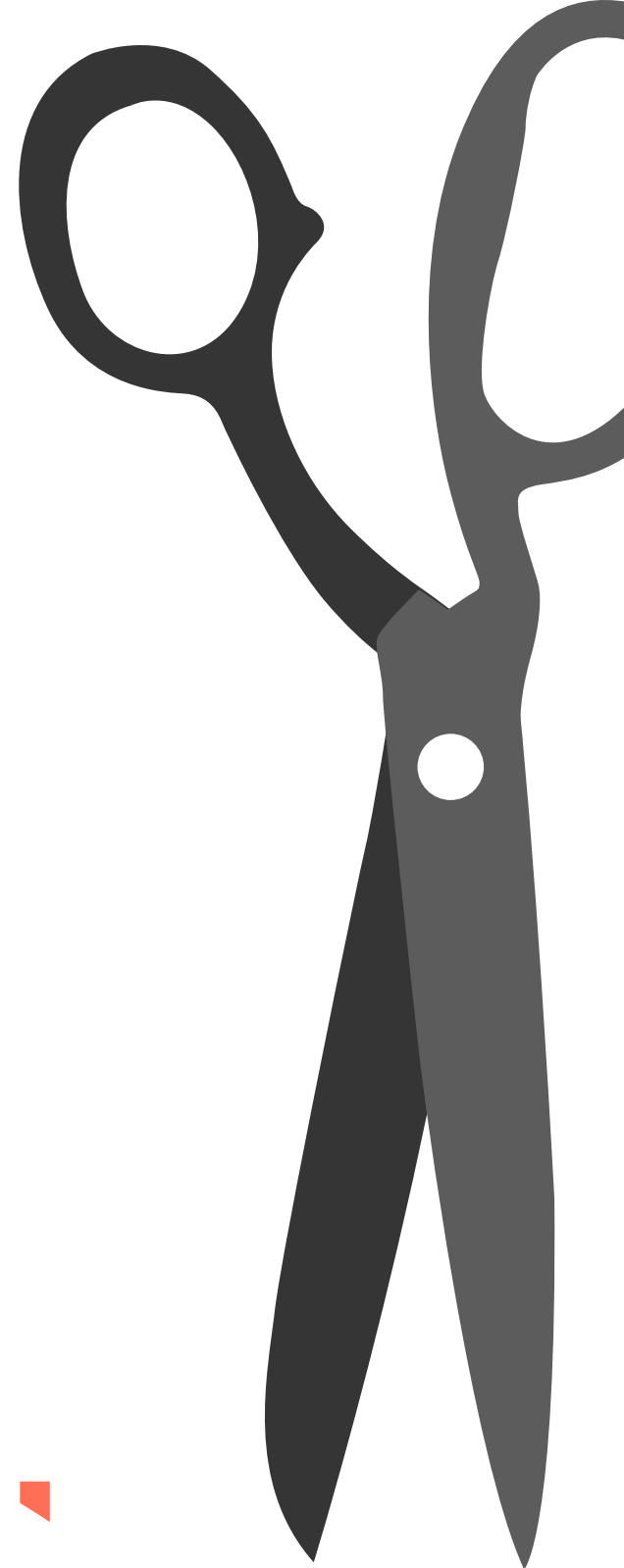
The key to getting the right software for your unique goals is how well the functional set and its implementation integrates with your business processes and user community. An off-the-shelf purchase will invariably look good on paper, with a long list of positive testimonials from businesses just like yours.

How can you ensure that this will not only deliver what you think you need, but that the reality of living with the software drives improvements (or is, at the very, least non-disruptive) to your people and processes? This is often how third party integration specialists pitch their proposition: "if you've bought such-and-such a software product, then you need our help to make it work". This costs time and money you weren't expecting to spend.

### GAINING MAXIMUM BENEFIT FROM INNOVATION

There is some value in innovation that didn't really have you in mind. Dyson vacuum cleaners, for instance, are a wonderful cleaning breakthrough for anyone with a floor. The fact is that your business has the opportunity to use disruptive, innovative technology to its advantage.

Applying this innovation to any kind of meaningful level cannot be achieved by adopting a software package that was made for someone – anyone – else. Bespoke software is your guarantee that software development brain cells and the latest technology can be applied to transform your business.





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