BEFORE ANYHING ELSE...

Any transfer involving code requires the origin and the status of the software components to be established and any components that may require a rewrite to be identified. The use of some external libraries can, for example, compromise the marketing scheme being considered.

This can also have a significant impact on

THE DISTRIBUTION OF THE SOFTWARE

Key points to consider in developing a marketing strategy:

1. **REVENUE:**

free, freemium, fixed payment, etc.

2. **ARCHITECTURE:**

software, mobile app, cloud/SaaS service, etc.

3. **INTELLECTUAL PROPERTY:**

patent protection, business commercial secrecy, open source, etc.

4. **CHANNEL:**

third-party company, spin-off, service delivery, online platform, etc.

5. **PRODUCT**

software, consultancy, hardware/software hybrid solution

6. **REFERRED RETURN**

economic revenue, visibility, societal impact, etc.

A well thought-out (software) marketing strategy increases the impact and the visibility of your research!

WHAT BUSINESS MODEL SHOULD YOU CHOOSE?

1. The quality and relevance of a ***Business Model***

- **is measured by its relevance to the needs of the market**
- **requires analysis of the expectations of the end users**
- **must rely on the strengths of the developed solution**

The **SOFTWARE DISCLOSURE FORM** allows a reflection on these three elements

2. Examples of business model

Proprietary	*The creator sets the price of his product*	**Windows**
Dual Licencing	*Paid version supported by a free community version*	**MySQL**
Value-added service	*Sale of intellectual services in all their forms: advice, expertise, package development, in-house, TMA*	**Odoo**
In-app purchases	*Free application with additional paid features*	**Candy Crush**
Software as a service (SaaS)	*Application available online via subscription*	**Office365**
Subscription	*Pricing based on the volume of data exchanged/stored*	**Amazon Cloud**

WHAT METHODS CAN YOU USE TO SET THE PRICE?

Pricing has to rely on the usual methods, and in particular a market study, a comparative analysis of the competition... There is no universal method for estimating the value of a piece of software. It is also common to combine several evaluation criteria, which are not necessarily specific to the software.

It is also usual practice to base it on the following criteria:

- **NPV** (Net Present Value)

This allows a calculation of the value of a technology based on a financial plan, which requires some knowledge of the market.

- **benchmark**

This allows a royalty rate to be offered based on the rates usually observed in similar transactions. Alternatively, you can also set a royalty rate based on the percentage of the budget allocated to R&D in the company or sector under review.

- **Replication cost**

An estimation of the number of men multiplied by the months required for a competitor to redevelop the technology from scratch.

Compensation mechanisms are varied:

- **royalties**
- **up-front**
- **milestones**
- **collaboration prospects**
- **etc.**

TOOLS

The COCOMO II method

estimates the value of software based on the development budget calculated from the number of lines of code (replication cost), from which **technical debt** is usually drawn.

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