“Cloud” Signals Dark Days for Software Buyers

Christopher Warner, Editor, ECN

The software industry is now making its predictable push toward fully cloud-based business models and leaving customer preference in the dustbin. Earlier this month, Adobe decided it will discontinue its Creative Suite product line and replace it with its Adobe Creative Cloud, which is a full subscription service. Creative professionals such as graphic artists, web developers and photographers – many of whom routinely skip certain versions of Adobe Creative Suite when the newer features or finances don’t justify the purchase -- must now pay a monthly subscription. In other words, they’re taking away the “box”.

For those who don’t go along, there’s consequences. Depending on a particular tool within Creative Cloud, some files may not be editable using other programs once the subscription expires and migrating projects to different applications may require a substantial workaround. And many users are simply too passive to keep up with the subscriptions. Consider hobbyists who can only afford some of the dated tools that the pros use, freelance creative professionals who may have to put off their subscription due to lack of business, and out-of-work professionals who just can’t justify another monthly expense to weigh against basics such as food. They are then in the unenviable position of paying a monthly fee to remain productive and employable instead of following the software and skills evolution at their own pace.

And if you do go along, things can change on a whim – just like any other rental agreement, the owner usually holds all the cards. While there may be a couple of alternatives out there for part of the package (ex. GIST versus Photoshop), there is not a comprehensive alternative available. And imagine the small, independent graphic artist who must upgrade their computer because their machine can’t handle the latest, forced update. While you may not be affected now, consider the creative community a guinea pig being watched by Microsoft and other vendors that, for now, offer a choice between subscription and full purchase.

(Full disclosure: I am a Creative Suite subscriber thanks to a price that, at the time I ordered, was too good to pass up.)

Can it work? I believe Adobe is banking on the lack of clear alternatives to their software. If not, why would they risk casting aside so many passive customers and offending those who simply object to renting as opposed to owning the copy of the software they need to be productive? Without a major competitor to challenge its position as “essential”, Adobe will only need to make the package attractive enough to mollify the large, corporate customer.

One thing is certain. This is the type of big bet that will become a case history study in college business courses in just a few years. Whether Adobe’s gambit will be studied as a success or overreach, you will know by the number of monthly software charges on your credit card statement.

This blog originally appeared on www.ecnmag.com [1].

Source URL (retrieved on *07/30/2014 - 10:12pm*):
http://www.wirelessdesignmag.com/blogs/2013/05/%E2%80%9Ccloud%E2%80%9D-signals-dark-days-software-buyers

Links:
[1] http://www.ecnmag.com