



Fueling innovation

How TMT companies can optimize SaaS for smarter growth



Disruptive technologies. Changing customer demands. Intense competition.

Amid fast-moving pressures, companies in technology, media, and telecommunications (TMT) are in a state of constant transformation. They're adopting innovation, automating processes, and transitioning to everything as a service (XaaS), using subscription and consumption models to build more traction with customers.

This transformation means the product mix of TMT companies is always changing—what they sell, how they price it, and how they deliver it to sophisticated users. It also raises implications for the background technology, namely the software-as-a-service (SaaS) platforms and applications that power their business.



Sustained advantage through strategic SaaS management

These platforms—ranging from enterprise resource planning (ERP) to enterprise performance management (EPM) and many function-specific applications in between—should be continually optimized to adapt to the changing marketplace. And TMT companies do that especially well, thanks to their proficient use of SaaS managed services.

According to the [KPMG and HFS Research Cloud Adoption Survey](#), TMT is a heavy consumer of SaaS managed services, and it's one of the industries that gets the most long-term value—in the form of technical and business outcomes that advance the growth agenda. These companies do it by bringing a transformational mindset to SaaS optimization of back-office platforms, viewing their managed service providers as strategic collaborators, not transactional processors.

What is managed SaaS?

This managed service, also called SaaS optimization, helps companies get the most from their SaaS platforms after implementation.

In [this model](#), service providers combine industry-specific domain expertise and tech capabilities to take responsibility for ongoing software updates, configurations, process improvements, data governance, analytics, change management, and more—all on a multi-year subscription with predictable costs.

The best managed SaaS providers turn cloud platforms into enablers of strategic priorities, such as market expansion, revenue, and operational resilience.





The high-value habits of TMT companies

How does managed SaaS help the TMT industry accelerate transformation and achieve long-term value from cloud platforms? The survey suggests that companies have three key habits, using managed services to:

1 Keep up with change and enable competitive advantage

TMT companies, ranging from hardware and software companies to entertainment distributors to digital service providers, use managed SaaS to nimbly respond to market trends and changes in business direction. Their ability to compete in this rapidly evolving, disruptive market may depend on it.

For example, some rideshare companies place ads in their mobile apps to monetize the time that customers spend on the platform, driving additional revenue beyond food and passenger delivery. Managed SaaS providers play an important role in this strategy, ensuring that background systems can effectively power both businesses: the traditional delivery business as well as the new advertising business. The right kind of systems management enables multi-channel revenue.

72% of TMT companies say managed SaaS meets or exceeds their expectations in **enabling competitive advantage**.

Throughout TMT, as companies shift to XaaS and face a changing product mix, they look to managed SaaS providers to help them skillfully leverage the features in their ERPs and EPM platforms. These could relate to usage-based billing, contracting, tiered pricing packages, real-time analytics on consumption patterns, or management of recurring revenue—as just a few examples.

In addition to working with providers to unlock the right platform capabilities, progressive TMT companies tap providers' advisory services. For instance, leading managed SaaS providers have a wide view of industry technology and best practices, along with expertise in areas like subscription pricing, performance metrics, and go-to-market strategies.

Another part of keeping up with change is getting early visibility on what's coming, and that's especially valuable when companies have multiple cloud platforms. For example, an organization may have SAP S4, Oracle Fusion or Workday as the core ERP, with Anaplan or Oracle for EPM, along with complementary applications like Coupa or Blackline. TMT companies know their managed services providers have alliances with software vendors and can bring insights on new capabilities, upgrades, and how to integrate them across platforms.

TMT companies who get long-term value from managed SaaS cite **speed to adopt new tech** as a top outcome.

Managed SaaS providers also have alliances with various bolt-on solution providers in GenAI and agentic AI. These solutions can supplement core ERP/EPM applications to drive more value, including improvements in outcomes-based pricing that TMT companies can offer to their clients.



2 Design and implement AI functionality

Early visibility is also important for keeping up with evolving AI features, and with the right managed SaaS provider, TMT companies can get “first glance” on new product enhancements. That’s because leading providers [work proactively with SaaS application vendors to actually build new capabilities and feature sets](#), exploring how AI agents can address operational challenges in certain business functions and processes.

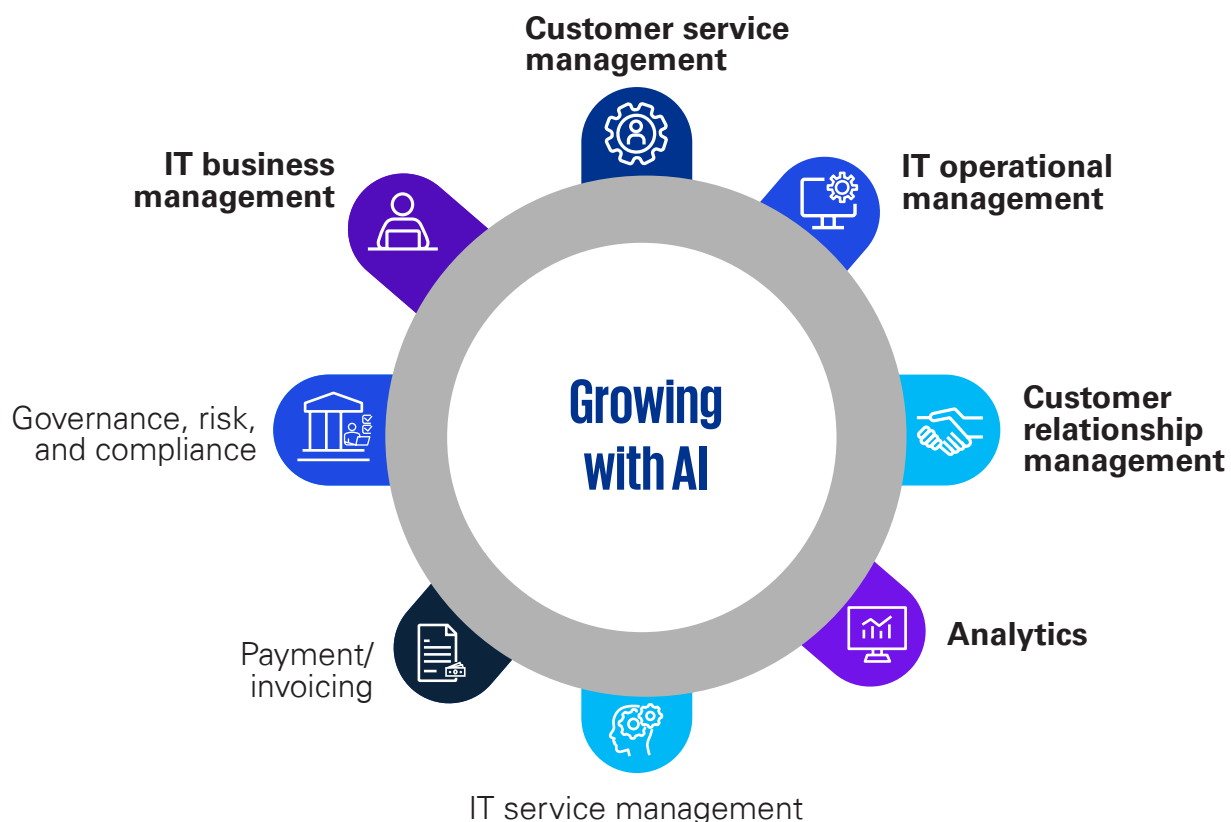
TMT companies who get long-term value from managed SaaS cite **implementation of AI functionality** as a high-impact capability.

TMT companies also use these providers to leverage the AI functionality that’s embedded in these platforms, while managing the implications between

platforms as new functionality is released. For instance, how can the native AI in an ERP package be used to improve operational expense reporting? How will the new agentic AI features in Salesforce affect other systems for customer relationship management? If a company’s ERP has, say, AI-powered revenue forecasting, how can this capability be integrated with the separate application for EPM?

Based on their domain expertise and alliances with software vendors, the best managed SaaS providers know the answers to these questions and how to create solutions tailored to a company’s processes. In addition to alliances with software vendors, these providers have alliances with AI companies, so they can recommend augmentative capabilities—such as productivity assistants or process improvements—to help companies get even more value from their platforms.

TMT companies’ top areas of agentic and generative AI adoption through managed SaaS:



Bold text indicate areas where TMT companies report the highest impact.

3 Ongoing strategic improvements to support business transformation

From semiconductor sellers to telcos to cloud computing companies, organizations have very different ways of operating, so they know a one-size-fits-all approach to managed services will never work. Instead, they seek providers with industry-specific expertise across functions, processes, and technologies related to application and platform management.

Among TMT companies who get long-term value from managed SaaS, the two highest-impact provider capabilities are **industry-specific domain expertise** and **data integration**.

For example, when one company was evolving its products and licensing models, the managed services team brought the expertise needed to implement the subscription billing feature in the company's Oracle Cloud ERP. The team is also identifying future enhancements that will further enable the company's strategy, because transformation doesn't stop.

TMT companies also face sophisticated challenges in data integration, since many of them—from crowdsourcing platforms to online marketplaces—have bespoke backend systems that manage the data. How can they pipe all of that data into their ERPs? Providers bring the required knowledge in SaaS integration services, including data mapping, cleansing and routing, along with related expertise in areas like security, compliance, and analytics.



The road to growth in the SaaS journey

These high-value habits of TMT reflect a strategic approach to SaaS managed services, going far beyond keeping the environment stable. These companies also use the model to drive continual transformation, in step with their growth ambition. They focus on optimizing SaaS platforms for business outcomes like market expansion, new product development, revenue growth, and operational resilience.

That also means they seek a certain kind of managed services provider, one who moves from IT-centric, ticket-based activities to more business-centric services. These providers offer an optimization model marked by advanced technology, multidisciplinary expertise, advisory capabilities, and strategic collaboration.

The KPMG and HFS Research Cloud Adoption Survey suggests that companies tend to operate in three different kinds of managed SaaS models—or “lanes”—ranging from transactional to transformational. And TMT, by focusing on sustained advantage versus tactical delivery, is clearly in transformational territory.

To learn more about these models, along with other effective travel habits for the SaaS journey, see the [Managed Services Road Map in the survey report on maximizing SaaS value](#).





About KPMG Technology, Media, and Telecommunications

Staying at the forefront of innovation is critical for every TMT business. KPMG LLP (KPMG) offers clients powerful insights and integrated solutions to help them navigate major business challenges and seize new opportunities, including:

- Data and analytics
- Merger and acquisition deal activity
- Digital acceleration
- Front office transformation
- Regulatory management
- Talent management
- Environmental, social, and governance factors

We can help you grow and increase stakeholder value in the competitive TMT arena.

[Learn more about our solutions for the TMT industry.](#)



About KPMG Powered Evolution

KPMG Powered Evolution is a managed service designed to continually optimize a functional transformation, helping you achieve lasting value after implementing a SaaS platform.

Drawing from the renowned expertise of KPMG professionals across functions, processes, and industries—plus alliances with the world's leading SaaS providers—KPMG firms help you absorb software updates, capitalize on emerging innovation and leading

practice, nimbly pivot amid changing priorities, and drive ongoing return from your cloud investment.

Delivered through a multi-year subscription with predictable costs, Powered Evolution is part of the KPMG approach to help you shape a new future through business transformation. We call it Connected. Powered. Trusted.

[Learn more about KPMG Powered Evolution.](#)



About KPMG Managed Services

Business transformation is the path to sustained advantage. But transformation is not a fixed destination; it's an ongoing journey. How can you continually evolve your business functions to keep up with ever-changing targets?

KPMG Managed Services can help—by handling knowledge-intensive processes across your enterprise on a subscription, as-a-service basis. This outcome-based approach has the potential to reduce your total cost of operations by as much as 15 to 45 percent, in addition to driving priorities like resilience, customer and employee retention, and stakeholder trust.

Taking you beyond traditional managed services, KPMG firms combine advanced technology with functional, process, and sector expertise—plus smart analytics, data governance, and change management—to operationalize your growth ambition. It's this strategic collaboration that makes the difference between transactional and transformational services, helping you gain a competitive advantage, sustain it through ongoing transformation, and limit disruption and risk.

[Learn more about KPMG Managed Services.](#)

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