

# Is Your Software Licensing Limiting Your Growth?

When your licensing doesn't align with the way your customers want to buy and use your software, you're missing out on revenue that you didn't even know was there.

Read IDC's latest market research and find out what today's buyers expect and the upside of meeting those needs.

## What Customers Expect, and Most Vendors Miss

Customers signal clear gaps between what they need and what most vendors deliver.



### You can't manage what you can't see

Limited visibility into usage and entitlements drives cost and compliance risk.

**48%**

of buyers want better usage visibility



### Rigid Licensing Costs You Deals

Inflexible models fail to support evolving customer demands for varying license models and deployments.

**39%**

cite inflexible licensing as a top challenge



### Consolidation without Control is Risky

Reducing vendor count is appealing until cost and transparency risk increase.

**74%**

fear runaway costs in consolidated agreements

## Where the Gaps are Costing You

What this means for you:



### Revenue at Risk

Rigid packaging and inflexible terms leave money on the table.



### Roadmaps Constrained

Past licensing decisions limit your availability to evolve and innovate.



### Customer Trust at Stake

Lack of visibility and control leads to unpredictable costs and churn.

## Where to Act First

Break the cycle of complexity with four strategic moves



### 1 Decouple Product from Pricing

Don't bake licensing rules into architecture, to offer flexibility without engineering.



### 2 Establish a Single Source of Entitlements

Unify entitlements across cloud and on-prem to eliminate confusion and exceptions.



### 3 Introduce Customer-Centric Commercial Models

Support usage, subscription, and hybrid models to match how customers want to buy and consume.



### 4 Build Governance into Monetization

Ensure transparency, cost control, and compliance from day one, especially as AI and portfolio deals grow.

## Where leaders are placing their bets

Successful vendors are evolving in two areas to meet customer expectations and unlock growth



### AI Monetization

**38%** of customers expect to pay more for AI features.

### PROS

Shift from feature pricing to value and usage pricing.

### PROOF

**44%** of customers name usage-based models in their top 1, 2, or 3.



### Portfolio Monetization

**60%** are actively reducing vendor count.

### PROS

Shift from product selling to platform selling through portfolio-wide agreements.

### PROOF

**86%** of buyers are interested in consolidating multiple software products into a single agreement.

Find today's licensing gaps.  
Unlock tomorrow's growth.

Download the IDC InfoBrief