



The shareware model in software distribution



Whitepapers and technical documentation

Information about this document

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Shareware software distribution model | What is shareware ?

Shareware /ˈʃɛər,wɛər/ - a portmanteau of "share" and "ware".
Shareware is also called **user-supported software**, **trialware** or **demoware**.

There is no better ware than shareware :-)

Shareware is the most commonly used software distribution model today.

Shareware is a concept of **proprietary software distribution** that allows the user to **evaluate a product first** before buying a commercial license.

The software is **provided on a trial basis**, usually limited in functionality, availability or convenience to create an incentive to pay for the full version.

The idea of "shareware" was **born in the early 1980s**, as home computers and PCs became popular and affordable to the public. It was an attempt made by small, independent software developers to market their products by **encouraging the users to give away trial versions of software they like**.

Shareware's **try-before-buy concept** is an ideal marketing instrument to **build trust and increase customer satisfaction** (fewer complaints and support inquiries, because the user can try the software upfront and test it thoroughly for suitability and compatibility, without relying only upon vendor's product information).

Direct marketing to the end user (and the effect of **word-of-mouth recommendations by satisfied customers** sharing the trial version with others) also means lower overall distribution costs, finally resulting in inexpensive software. This is a **real competitive advantage**, especially in today's fast-moving, transparent market.

Implementing limitations to shareware releases

Restrictions in functionality: Some features have been deactivated or limited (e.g. prints include a "register me" watermark, number of game levels to play).

Restrictions in use: Software can be evaluated only for a given number of days or amount of time per day (last option may be applicable to games only).

Delays: Message boxes shown when opening or closing the software will remind users to register the product ("If you use it regularly, please buy it.").

Advertisements: The shareware version is a fully working equivalent to the commercial version, but contains ad banners (may require Internet access).

Attention developers, keep customers in mind: Great shareware...

...has as less limitations as possible, still keeping the software "usable".

...does not force users to register just for starting the trial period.

...is unlocked easily by typing in the license key received after purchase.

...offers a reliable uninstaller (in case the user wants to get rid off it).

...comes with support (e.g. directly by the vendor or community-based).

Overview about alternative software distribution models

→ **Retail software:** Commercial software that is available only with the purchase of a license.

→ **Public domain software:** Software that is not copyright-protected and made available for free, for any purpose.

→ **Freeware:** Software that is given away free of charge, but remains copyright protected, with some restrictions (e.g. non-commercial use only).

→ **Open-source software:** Similar to public domain, paid services are available (consulting, support, etc.). The original source code is accessible for anyone to alter.

Basic options of providing shareware releases [often used in combination]

Limitations by availability

The software can be evaluated without limitations but only for a given period of time.

→ Licensing is required to use the software after the trial period has been expired (which is usually 14 or 30 days).

Limitations by functionality

The software can be evaluated for an indefinite period of time, but key features are either deactivated or available in a limited manner only.

Examples: Watermarks on prints, max. number of transactions, no ability to save data.

→ Licensing is required to get access to all features of the software.

Limitations by convenience

The software can be evaluated without limitations but dialogs appear periodically reminding the user to register a commercial license.

→ Licensing is recommended to use the software without interruption.

Golden rule of shareware:

Successful shareware uses just few limitations. The customer must be *encouraged* to buy a product, not being *forced* to do so.

Customer expectations

- High-quality software products.
- Technical support services.
- Updates and bugfixes on a regular base.

→ Low licensing costs.

Software developer expenses

- Development & maintenance of the software.
- Purchase of development tools.
- Training expenses.
- General operating costs of a business.

→ Adequate payment for software development.

Shareware - the fair distribution method of commercial software products !

Shareware requires two parties acting fair:

Fair developers... providing quality software products and professional support services.

Fair customers... rewarding the hard work behind software development.

Primary goal

- Selling a software license to the customer.

Secondary goals

- Increasing overall popularity and reputation.
- Getting word-of-mouth recommendations.
- Leaving a good impression for future sales.

Caught between "anything must be free" vs. monetisation.

Freeware

Open Source

Donationware

Pirated copies

Quality

Man-hours

Expertise

Experience

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Contact Information

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