

# The 5 Biggest Mistakes SaaS Founders Make on AWS Marketplace

Most SaaS companies that underperform on AWS Marketplace don't have a channel problem — they have an execution problem. The same five mistakes show up again and again: listing without a motion, ignoring the signals that trigger Marketplace purchases, rushing the technical integration, misreading what co-sell actually requires, and pricing for simplicity instead of deal conversion. Here's how to avoid all of them.

**\$6.8B+**

in SaaS sold through AWS  
Marketplace in 2024 —  
growing 50%+ year over year

**~40%**

of listed SaaS products  
generate little to no revenue  
in year one

**3–5×**

revenue difference between  
top-performing and average  
AWS Marketplace listings

AWS Marketplace is a serious revenue channel — but only if you treat it like one. Getting listed is the easy part. What separates the SaaS companies generating seven figures through the Marketplace from those who listed two years ago and closed maybe one deal is how they approached the execution after the listing went live.

The mistakes below are consistent enough that you could almost predict them from a company's listing page before ever talking to their founders. If you are early in your AWS Marketplace journey, reading this before you launch will save you months.

# Mistake 1: Treating the Listing as the Strategy

## MISTAKE #1

### "We listed on AWS Marketplace. Now we wait."

The most common mistake is also the most fundamental: believing that publishing a listing generates inbound pipeline. It does not. AWS Marketplace is a procurement mechanism, not a discovery engine. Enterprise buyers are not browsing the Marketplace the way consumers scroll the App Store.

The mental model to hold is this: AWS Marketplace is not where customers find you — it is where they *close* deals with you once they already want to buy. The listing handles the billing, the procurement compliance, and the committed-spend drawdown. The selling still happens through your existing sales motion.

What this means practically: you need to build a Marketplace-aware sales motion before or alongside your listing. That means your sales team knows to ask enterprise prospects whether they have AWS committed spend (called an EDP commitment — more on that below). It means you have a one-pager that explains the Marketplace purchase path to procurement teams. It means your SDRs know how to position the channel as a procurement shortcut, not a separate product.

**Common symptom:** The founder says, "We've been live for eight months and only closed one deal through Marketplace." When you dig in, nobody on the sales team is mentioning Marketplace to prospects. The listing exists; the motion does not.

## What to do instead

Before your listing goes live, write a two-sentence Marketplace pitch your AEs can use in any discovery call. Identify which current prospects have EDP commitments and send them a Private Offer as your first Marketplace transaction. Getting your first few deals

closed through the channel is how you build the internal muscle — not waiting for inbound to materialize.

## Mistake 2: Ignoring the EDP Conversation

### MISTAKE #2

#### **Never asking buyers about their AWS committed spend**

Enterprise buyers have the strongest motivation to purchase through AWS Marketplace when they have an existing AWS Enterprise Discount Program (EDP) commitment they need to draw down. These are contractual obligations — often millions of dollars — that the buyer must spend with AWS within a specific time window or lose the associated discounts. Software bought through AWS Marketplace counts toward that commitment.

When a prospect has, say, \$3M of EDP to burn by the end of the quarter and your product costs \$80,000 per year, the Marketplace purchase becomes genuinely attractive to their finance team — not because of your product specifically, but because it solves their budget burn problem at the same time. This is one of the few scenarios in enterprise sales where urgency is self-created by the buyer.

Most SaaS founders never ask about EDP commitments because they don't know to look for them. The result: they spend four months in procurement, waiting for a new vendor approval, when the buyer would have happily fast-tracked the deal through Marketplace if someone had just asked.

**The question to add to your discovery call:** "Do you have an AWS Enterprise Discount Program commitment? We can structure this deal through AWS Marketplace so it draws down your committed spend — that usually speeds up procurement significantly." Even buyers who haven't considered Marketplace will often light up at this framing.

## Who to ask and when

EDP commitments live in finance and cloud ops, not in the technical buyer's head. You'll often need to ask your champion to check with their cloud finance or FinOps team. This is a simple one-email ask that can completely change your deal velocity. Build it into your discovery playbook for any deal over \$25K ACV where the buyer is an AWS-heavy enterprise.

## Mistake 3: Publishing a Price and Never Touching It Again

### MISTAKE #3

#### **Setting a "placeholder" public price that either scares buyers away or anchors deals too low**

AWS Marketplace requires a public price on your listing. Many founders treat this as a formality and set a round number — \$999/month, \$10,000/year — without thinking about how it functions in the real buying process. This creates two distinct problems.

### **Problem A: The price anchors your Private Offers**

Most enterprise Marketplace deals close as Private Offers — custom pricing negotiated directly between you and the buyer. But the public listing price is visible. If your public price is \$10,000/year and your target ACV is \$120,000/year, sophisticated procurement teams will use the public price as leverage. They have a screenshot of your "real" price on the Marketplace. You've made your own negotiation harder.

### **Problem B: The price signals the wrong market**

Enterprise buyers who find your Marketplace listing use the price as a signal about who the product is for. A \$99/month public price tells them this is an SMB tool. A

\$2,500/month public price tells a different story. Your public price is positioning, whether you intend it to be or not.

**The fix is simple but requires intent:** Set your public price at the low end of your actual target contract value — not as a "floor" you'll negotiate up from, but as the honest starting price for a small deployment. For larger deals, your Private Offer will be custom-negotiated anyway. The public price should attract the right tier of buyer, not represent your full enterprise pricing.

### Pricing model matters too

Many founders default to a flat monthly subscription on their listing because it is the simplest model to configure. But if your product's natural unit of value is per user, per API call, or per data volume, the flat monthly subscription will confuse enterprise buyers who expect to pay for what they use. Spend an extra two hours to configure the right billing dimensions before you go live — it signals that you understand how enterprise software is actually priced.

## Mistake 4: Trying to Co-Sell Before Qualifying

### MISTAKE #4

#### Reaching out to AWS field reps before you've earned the co-sell relationship

Co-sell — where AWS field account managers actively refer their enterprise customers to your product — is legitimately one of the most powerful distribution advantages available to an early-stage SaaS company. The mistake is trying to access it before you're ready, and in ways that waste AWS reps' time.

AWS co-sell requires that you have, at minimum, registered as an AWS Partner Network (APN) member and ideally qualified at the Select tier or above. The Select tier requires meeting thresholds including revenue generated through AWS, the number of certified

technical staff on your team, and documented customer success. You cannot simply email an AWS account executive and ask them to start referring customers to a freshly-listed product.

The error most founders make is conflating "listed on AWS Marketplace" with "enrolled in the AWS co-sell motion." They are distinct tracks. Listing gets you the storefront. Co-sell requires the partner qualification and a relationship with AWS's Partner Development Managers (PDMs).

**The right sequence:** Get listed. Close your first two or three Marketplace deals using your own sales motion. Use those transactions to demonstrate Marketplace traction. Then apply for APN Select tier and begin building your PDM relationship with that track record in hand. AWS co-sell reps have hundreds of ISVs competing for their attention — the ones who get mindshare are the ones who have already proven Marketplace revenue.

### What co-sell actually needs from you

AWS field reps will not refer customers to a product they have never seen close. Before you ask an AWS rep to co-sell, you need a tight one-page product overview written for *their* context (not your buyer's context), a clear ideal customer profile so they can match your product to the right accounts, and at least one successful customer story involving an AWS-native company. Give the rep everything they need to make a confident referral in a five-minute conversation.

## Mistake 5: Shipping a Broken Customer Provisioning Experience

### MISTAKE #5

**Rushing the SaaS API integration and shipping a provisioning flow that creates support tickets instead of activated customers**

Getting listed on AWS Marketplace as a SaaS product requires integrating with AWS's SaaS subscription and entitlement APIs. These APIs handle the handoff between a buyer clicking "Subscribe" on your listing and their account being provisioned in your product. This integration is where many early-stage engineering teams cut corners — with consequences that are difficult to undo.

A broken provisioning experience looks like this: the buyer subscribes, waits 24 hours for a manual follow-up email, gets confused when the account activation link sends them to a generic signup page, and ends up calling your support team to figure out how to access what they paid for. At the enterprise level, this experience reflects directly on your product's quality — and enterprise buyers talk to each other.

The Marketplace provisioning flow has specific technical requirements: your system must validate entitlements using the AWS Marketplace Entitlement Service, handle subscription change events (upgrades, downgrades, cancellations) through an SQS-based notification system, and gracefully manage cases where a subscription lapses. These are not difficult problems, but they require deliberate engineering attention — not a weekend sprint before your go-live date.

**The test that matters:** Before you publish your listing, go through the full Marketplace purchase flow yourself using a test account. Subscribe, provision a new account, verify access, then cancel and confirm access is revoked. If any step requires a human to intervene, that step will become a support escalation when your first real enterprise customer hits it.

## What a good provisioning experience looks like

When a buyer subscribes through AWS Marketplace, they should receive an automated email within two minutes with a link to activate their account. Clicking that link should detect that they are a Marketplace subscriber (via their token) and provision them into the correct plan automatically — no sales rep involvement, no manual approval, no waiting. This is table stakes for enterprise SaaS. If your provisioning requires a human step, fix that before you list.

# Quick Diagnostic: Where Are You in the Mistake Pattern?

---

| QUESTION                                                             | RED FLAG ANSWER                             | HEALTHY ANSWER                                                        |
|----------------------------------------------------------------------|---------------------------------------------|-----------------------------------------------------------------------|
| Do your AEs mention Marketplace in discovery calls?                  | Rarely or never                             | Yes — they ask about EDP commitments in every enterprise call         |
| Have you set your public price intentionally?                        | We picked something reasonable and moved on | Yes — it reflects our target entry-level contract and our positioning |
| Have you asked existing prospects about AWS EDP commitments?         | No — we didn't know to ask                  | Yes — it's in our discovery question template                         |
| Are you enrolled in the AWS Partner Network?                         | Not yet, but we're trying to co-sell anyway | Yes — we're at Select tier (or working toward it with a plan)         |
| Have you tested the full Marketplace purchase and provisioning flow? | Not end-to-end                              | Yes — it provisions automatically in under two minutes                |

If two or more of your answers are in the "red flag" column, prioritize fixing those before investing more in Marketplace marketing or AWS relationship-building. The fundamentals have to work first.

## A Note on Timing

---

These mistakes are easiest to avoid if you catch them before your listing goes live. They become progressively harder to fix once you have live customers, active subscriptions, and an established public listing price. The provisioning experience is especially painful to

change after launch — re-engineering a live integration while managing active subscriber relationships is much harder than building it right the first time.

If you have already launched and recognize some of these patterns, that is not a reason to abandon the channel. AWS Marketplace revenue compounds over time, and the companies generating the most from it are often ones that got the basics wrong early, fixed them, and then built the right motion on top. The channel rewards the patient and the systematic.

**One practical starting point:** If you're already listed and not generating much Marketplace revenue, start with Mistake #1. Get on a call with your top three enterprise prospects and ask whether they have AWS committed spend. If even one of them does, you can close a Marketplace deal this quarter. That transaction will teach you more about the channel than any documentation.

## Key Takeaways

- AWS Marketplace is a procurement mechanism, not a discovery engine — you still need to drive the sales motion that leads buyers to close through the channel.
- Enterprise buyers with EDP commitments have a financial incentive to purchase through Marketplace; asking about this in discovery can cut your sales cycle by months.
- Your public listing price is positioning — set it intentionally for the buyer tier you're targeting, not as a placeholder you'll deal with later.
- Co-sell with AWS field reps requires the right APN Partner tier; getting listed is not the same as being eligible for AWS-referred pipeline.

- The SaaS API integration for provisioning deserves real engineering attention — a broken provisioning experience is one of the fastest ways to damage your reputation with enterprise buyers.

### **Ready to explore AWS Marketplace as a revenue channel?**

Straightline helps early-stage SaaS companies get listed on AWS Marketplace, manage their co-sell pipeline, and build a cloud GTM strategy that moves deals. Whether you're pre-listing or trying to unlock more from an existing listing, get started at [usestraightline.com](https://usestraightline.com).