



TCO for Open-Source Social Publishing

Going beyond social business software

The combination of Drupal software plus enterprise 24x7 support from Acquia beats proprietary web content management and social web software solutions on license, support, and deployment costs. Add to your calculation the rate at which the Drupal community “out-innovates” proprietary product development, and Drupal plus Acquia emerges as the clear choice for social publishing

Executive summary

Open-source software presents a clear cost alternative, as well as an innovation alternative, to proprietary software products.

With the open-source (OS) movement entering its third decade organizations need to examine closely the startling total cost comparisons between open-source, proprietary, and SaaS options for key business solutions.

Technology business models — the financial arrangements and service level commitments which define vendor-customer relationships for the enterprise — are in flux. The proprietary software licensing model is under a clear threat from open-source. The threat stems not only from buyer fatigue from large, upfront perpetual license fees and hefty, annual maintenance charges — but also from the inertia which inevitably sets in over proprietary software products, slowing development and the delivery of new functionality, further vexing users.

“ For the customer, it amounts to taxation without innovation.

The enterprise and web content management product categories are ripe for disruption by open-source challengers. In fact, the disruption is well under way. Open-source projects have initiated the disruption by:

1. Presenting a far more attractive total cost profile

2. Offering services and support at a lower cost and higher service level than traditional vendors
3. Delivering new functionality more quickly than proprietary vendors by cultivating large, active development communities

Organizations are sprinting to find ways to make their online presence more interactive and welcoming for users: to provide users with multiple opportunities to communicate and share; and ultimately to improve brand perception.

And the total cost profiles of the three major approaches to addressing this urgency differ radically.

In this paper, we will examine the costs associated with three approaches to social publishing:

- Traditional, proprietary software solutions with legacy enterprise licensing (perpetual license fees, annual maintenance charges, technical support fees);
- “White label community management”, with large up-front project fees, monthly retainers, and service charges for “out of scope” customization; and
- Open-source, where organizations pay nothing for core software (free open-source software), and can obtain the support and expertise they require to ensure swift and reliable deployment, performance and scalability, 24x7

We will examine the license, maintenance and support fees, and the costs associated with the skills required to deploy, customize, and manage these solutions. On a pure TCO basis, the open-source combination of Drupal and Acquia clearly wins.

“ Five-year costs of alternative approaches (proprietary or white label) are 4 to 7 times higher.

Equally important is the significant change in business relationships when moving from an entitlement-based model of the past to a merit-based one. By focusing on the latter, an open-source approach explicitly places the burden of proving a solution's value on the right shoulders: the vendor's. This is a fundamental shift that proprietary vendors literally cannot afford.

Case in point: The recently-released memorandum "Clarifying Guidance Regarding Open-source Software¹," from the United States Department of Defense, states firmly that OSS is reliable and secure, and offers adopters flexibility to respond swiftly to changing requirements. The memorandum also identifies freedom from vendor lock-in as a key advantage of open-source.

Adoption of Drupal worldwide, the growth of its user community, and the emergence of companies like Acquia and its 250+ partners as Drupal experts in support and service further illustrate that the platform is here to stay. The Drupal community's ability to innovate and to deliver is proven.

The open-source model is proven

The open-source "movement" has been under way for over two decades. Within the last two years, however, open-source has moved beyond critical resistance points to become more widely adopted for business-critical uses in enterprises across all industries and sectors.

Increasingly, studies show that while open-source was first embraced for experimentation and evaluation in pockets of the IT organization where Unix and Linux were gaining ground, open-source has steadily "climbed the technology stack" to become comfortably accepted as the software foundation for customer-facing solutions today².

Red Hat, which was launched to provide support and services for Linux, has clearly proven the viability of the open-source business model: their revenues have increased from over \$500 million to more than \$900 million in the last four years. The MySQL (acquired by Sun in January, 2008) and JBOSS (acquired by Red Hat in April, 2006) acquisitions clearly establish that open-source is a strategic, growing, and valuable aspect of the broader software industry.

1 David M. Wennergren, DoD CIO, October 16, 2009

2 Open-source Paves the Way for the Next Generation of Enterprise IT, Forrester Consulting, November 2008

Web marketing: From outbound to inbound to interactive

Advances in the web marketing realm have dramatically expanded the toolset available to drive awareness and credibility in most markets. Once you have implemented a web content management system, organizations of any size can publish content (outbound) as often as they can produce it. Videos and audio broadcasts, once marketing luxuries, are inexpensive to produce as multimedia supplements to traditional brochures and HTML web pages. And they can be distributed free of charge via services like YouTube or iTunes.

More and more, users are exploiting a broad range of extremely powerful search engines, like Google and Bing, to find information about people, products, and services from sources all over the web. More often than not, the information users find is authored by other users like themselves (their peers), and not by the people or companies that were the subject of their search. Users are coming to web sites and finding products and services of their own initiative (not the vendors'); they arrive as the result of what are now called inbound techniques.

The advent of more social interaction models and user-generated content through online support forums, and product ratings and reviews, have given users the ability to interact more directly with organizations via the web. Web sites which engage site visitors, offer them many opportunities to share their ideas and experiences, and recognize and reward active user participation are cultivating loyal, repeat visitors and customers.

Online marketing success is no longer driven by "outbound" techniques alone — which organizations use to *buy* contacts or relationships. Companies must now embrace "inbound" techniques — whereby users find their way to products, people, or services they are looking for by *their own* initiative — and once they have attracted them, companies must create engaging, highly interactive relationships with their user communities.

A social publishing platform gives you the capabilities required to create these highly interactive sites. Social publishing sites encourage individuals to "engage in conversation," and "join a community."

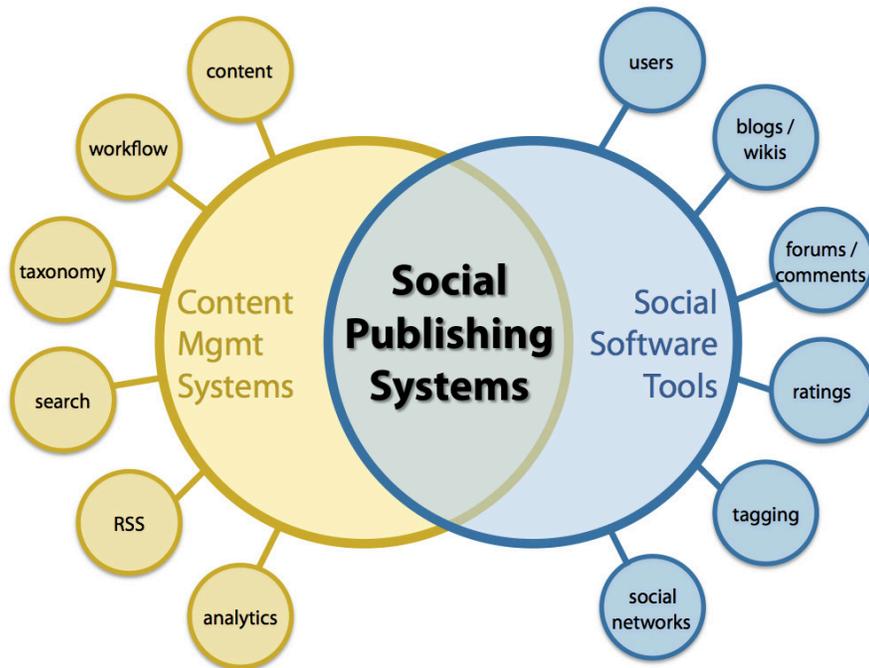
Social Publishing is Now an Imperative

Whether you are a product company introducing a new consumer packaged goods offering, a media publisher introducing a new artist or author, or a government agency trying to improve citizen engagement, you must support this broad new range of dynamic online interactions: you must become a “social publisher.”

Furthermore, you must be able to respond to changes within your market quickly: your social publishing platform must not impose technical barriers to the introduction of new products, the launch of new micro sites, or the delivery of key information to your users, customers or constituents.

All three approaches to social publishing — proprietary, white-label, and open-source — build on content management and workflow services, to create a platform for social publishing websites. Twelve of the essential capabilities follow, starting with a core of:

1. Blogs — where thought leaders can express opinions and share observations, and where site visitors can react directly
2. Custom content — Tailored specifically to your community or audience such as events, press releases, papers and presentations
3. Wikis — where internal, external, and hybrid teams can collaboratively author and develop content
4. Forums — where staff and visitors can identify and discuss issues in a ‘threaded’ conversation model, with the goal of accelerating problem resolution and decision making
5. Articles — where writers and editors process content through a specific approval workflow
6. User-generated content — where site visitors can become members, and directly contribute site content



Furthermore, each of these must support different user interaction modes, including:

7. Ratings/voting — where site visitors can easily and directly provide feedback about the relative usefulness of published content
8. Tagging — so that people can organize published content according to their own named categories
9. Comments — so that site visitors can offer a response or reaction to published content

A proper social publishing solution also ensures robust security and access control through:

10. Profiles — allowing visitors to register and maintain a public, social profile
11. Roles — simplifying the task of managing the capabilities different types of users have based on their roles within the community
12. Access control — ensuring that only information is accessible only by those with appropriate authority.

Here the similarities end. The three dominant approaches to social publishing (proprietary, white label, and open-source) differ fundamentally — and evaluators should be crystal clear as to these differences and the consequences for both cost and control.

An examination of costs

Open-source social publishing with Drupal, supported by Acquia, clearly wins over proprietary social business software on a total cost basis.

The final analysis shows that our total charges equate to a mere 15% to 25% of the costs of proprietary alternatives.

For this analysis, we have standardized the presentation of costs as simply as is feasible. The costs presented are representative and useful to generate a “ballpark” estimate of the acquisition and support costs associated with a variety of social publishing component products.

Price point chosen for comparison

We sought to model a mainstream, medium to large organization’s deployment of the products — capable of supporting a sophisticated development environment (test/pilot/production). Multiple server licenses would be required, and/or support for approximately 1000 users. Prices are not meant for comparison with “enterprise-wide” licensing, which could exceed the pricing we present here by multiples of 10 or more.

We factored out the “metal”

We will not compare costs down to the hardware level in this study.

Operating system, middleware, and database costs

It is noteworthy, for companies that intend to operate their social publishing infrastructure on-premises, to contrast costs for the software foundation: OS, middleware, and database.

We compare three “stacks” of predominant interest today: Red Hat, Microsoft, and Oracle/BEA. While comparisons across proprietary licensing models can be “apples to oranges,” we believe these “ballpark” figures are valid and useful for brute-force comparison.

	Red Hat Linux	Microsoft	Oracle
Enterprise	\$7,500	\$20,000	\$88,000

For starters, the open-source “stack” starts out at a fraction of the proprietary alternatives. Microsoft is nearly triple the cost of the open-source stack, Oracle is over 10 times the cost.

Proprietary web content management (WCM) solutions

For the purposes of this analysis, “proprietary” solutions are developed, sold, and supported by a single vendor organization (or their certified business partners). In the case of the organizations studied here, costs to develop and service the software products are defrayed by perpetual software license fees, annual software maintenance fees, and or tiered (“basic” versus “premium” service level) annual customer support fees. Professional services are also available, either directly from the vendor or through their partner community.

For this analysis, pricing refers either to a vendor’s own sizing of a “typical” engagement, or a tripling of the single-CPU price (as was the vendor-recommended model in the OS/middleware/database base). Where user-based pricing is the vendor’s model, we use 1000 users as our basis.

Maintenance and support pricing is close-to-standard, and for our model we use 20% of original license cost as our “ballpark” rate.

	Sitecore	Fatwire	Tridion	Vignette	TOTAL
1st Year License	\$250,000	\$210,000	\$228,000	\$400,000	\$272,000
2nd year & beyond (maintenance)	\$50,000	\$42,000	\$45,600	\$80,000	\$54,400
5-year Cost	\$450,000	\$378,000	\$410,400	\$720,000	\$489,600

Table 1: Proprietary web content management solutions.

Beyond WCM: Social publishing-oriented proprietary solution

Since the range of functionality for social publishing is beyond the core capabilities of some WCM offerings today, customers would have to add point solutions (for blogging, or forums, or wikis, for example) in order to achieve parity. In some of our illustrations, we illustrate “gap-filling” with both proprietary and open-source point products.

The products included here are only representative of a large and crowded market of point technologies. Jive Software focuses on collaboration: their origins in forum technology are expanding into other social publishing capabilities, like wikis and blogs. Telligent offers a product with blog, forum, groups and ratings features.

	Jive	Telligent	TOTAL
1st Year License	\$80,000	\$120,000	\$100,000
2nd year & beyond (maintenance)	\$80,000	\$120,000	\$100,000
5-year Cost	\$400,000	\$600,000	\$500,000

Table 2: Social publishing-oriented solutions.

Open-source social publishing: Drupal and Acquia

The third alternative examined here is the solution based on Drupal, the largest open-source project dedicated to social publishing, plus Acquia, a commercial enterprise founded by the Drupal project leader to provide essential community modules, enterprise-grade support, expertise, and services on top of the free Drupal core offering. Acquia also offers a managed cloud hosting platform as a service, Acquia Cloud, to address the needs of business critical, high volume sites requiring state-of-the-art elastic infrastructure and carrier-grade reliability.

Drupal: Zero license cost

Drupal license costs are zero, whether deployed on a single domain supported a few hundred visitors a month, or driving hundreds of microsites on a global music publisher’s site handling thousands of visitors an hour.

However, enterprise leaders who have made strategic commitments to open-source see that the overall value in moving to the open-source model goes way beyond the initial savings. Now, senior business and IT executives see the security of the software, availability of service and support, and availability of skilled resources as the key challenges to broader adoption of open-source software³.

Dries Buytaert, Drupal's founder, founded Acquia to address these perceived risks and to relentlessly advance the Drupal platform worldwide along several other key dimensions.

Acquia offers "follow the sun" 24x7 support from on-staff Drupal experts. Acquia has attracted some of the most experienced Drupal talent to formalize the delivery of enterprise-grade support and service — both to end users and to other Drupal partners and developers.

	Acquia Network
1st Year	\$20,000
5-Year Cost	\$100,000

Table 3: Drupal + Acquia cost

Averaging approximately \$20,000 per year for an Enterprise Subscription to the Acquia Network Enterprise, or \$100,000 over five years, **the cost of a Drupal-based solution supported by Acquia are an astonishing 75% to 85% less expensive than proprietary alternatives for social publishing.** And Acquia has made far deeper commitments to ensure that Drupal becomes an increasingly attractive platform for Social Publishing.

In order to enhance user experience on Drupal sites, and to offer a cloud solution that would make adoption simple, Acquia developed Acquia Search. Also based on open-source Lucene and Solr, Acquia Search helps Drupal sites keep their visitors longer by helping them find relevant content faster. And by taking on the burden of managing search indices at Acquia, site managers can avoid the complexity and accelerate the deployment of rich search-enabled Drupal sites.

On the administration side, Acquia offers Remote Administration to customers who want updates and maintenance of their Drupal site to be worry-free. With Acquia Remote Administration, Acquia's Drupal experts ensure that you have the latest security and bug-fix releases installed and properly configured — an enormous benefit to organizations with limited IT staff.

³ Forrester Consulting, *ibid.*

For some Drupal sites, site traffic is high and peak periods can create stress on even a high-end hosting environment — on premises, or off. All would like, but not all can deliver, 24x7 availability with high performance under virtually all conditions. So Acquia created Acquia Cloud, specifically tuned for high-performance Drupal sites, to allow organizations to focus on their business, and to provide the reliability they desire — as a service.

Clearly, Acquia is committed to its core to ensuring the success of the Drupal platform, and the success of organizations who commit to Drupal as their social publishing platform.

	Web Content Management	Social / Community Software	Acquia Network
1st Year License	\$272,000	\$100,000	\$20,000
2nd year & beyond (maintenance)	\$54,400	\$100,000	\$20,000
5-year Cost	\$489,600	\$500,000	\$100,000

Table 4: Summary cost comparison for licensing and support

The professional services dimension: A simple case of supply and demand

Beyond license, maintenance and support costs, every business application requires specialized skills to ensure trouble-free deployment, customization, and maintenance as the technology undergoes updates, revisions, and patches or bug fixes.

In this realm, Drupal, like many open-source-based solutions, also offers a significant cost benefit.

Professional services for the proprietary solutions addressed in this study are significantly more expensive than are Drupal skills and resources.

First, proprietary solutions require scarce, proprietary skills and knowledge. Often, education and training on proprietary products is only available from the solution vendor themselves. Supply of training is low, and hence its costs are high. Recouping those costs means fewer available, often higher billable rates for professional services for these products.

And by web job survey site Indeed's analysis, there is 30 times the number of jobs for Drupal developers as for Jive or Telligent professionals⁴. And that gap is widening each year.

The ubiquitous alternative: Do it yourself (DIY)

Internal development and maintenance is an alternative to any third-party software product, whether proprietary or open-source. For some organizations, a custom, home-grown software application can be extremely valuable intellectual property, driving competitive advantage.

However, the cost of keeping pace with the momentum behind the Drupal community is mind boggling. There are roughly 1,000 contributors to Drupal core currently. Even assuming an extremely conservative rate of 20% of contributors' time being dedicated to Drupal development, that's 140 person-years behind each major, annual release.

Even if the project could be staffed with junior PHP programmers, that still represents \$8.4 million annually. This doesn't even begin to address the cost to develop customization modules or to staff deployment, or management and maintenance.

The savvy executive still has questions

So far, we have illustrated the degree to which acquisition, support and maintenance costs can be taken out of the social publishing equation if an organization chooses Drupal as its platform.

We have demonstrated Acquia's commitment to the success of Drupal, and to Drupal users.

Beyond Acquia, there are broader adoption phenomena which support the claim that Acquia and Drupal will challenge, and thrive, as an alternative to traditional commercial software offerings.

Measures of adoption will illustrate the degree to which a project such as Drupal has achieved critical mass.

- 600,000+ members of Drupal.org

⁴ <http://www.indeed.com/jobtrends?q=drupal%2C+jive%2C+telligent&l=>

- 1,000,000 active, live web sites built on Drupal⁵.
- Over 5,000 Drupal modules (extensions to Drupal core functionality)

One final question remains

All of these metrics support the claim that Drupal has achieved critical mass as a software platform “movement.” Business and IT executives, and their enterprise architect colleagues, need to know more. They need to be assured that any strategic technology in which they invest will continue to evolve: that their upfront investment will continue to keep pace in a market crowded with competitors and confusing business models.

First released in 2001, Drupal is now in its seventh major platform release. The community is able to deliver maintenance releases on a monthly basis as necessary. Almost 1,000 developers contributed to the Drupal 7.0 core product during its last major release.

By contrast, enterprise software vendors eventually lose their ability to keep pace. In 2008, Vignette, once a content management market darling, was forced to admit to shareholders that they had lost their innovative edge⁶. The burden of addressing mounting requirements with a fixed pool of technical resources proved overwhelming. Within a year Vignette was acquired by OpenText — in a move designed “to bump Open Text’s top-line revenue to \$850 million or so, short term, while it cherry picks its way through the Vignette catalog of technologies, deciding which to keep and which to sunset⁷.” Hardly reassuring words for current Vignette customers.

As these acquisitions and consolidations continue (Oracle/Stellent, EMC/Documentum, OpenText/Vignette, HP/Autonomy/Interwoven), more and more organizations’ investments are placed at risk. Product lines are “sunsetting,” and users are forced to migrate to a “strategic” alternative — a costly and complex process.

In the meantime, the Drupal platform presses on, the developer community grows, the quality of the platform improves and the community of professionals dedicated to the platform’s success expands.

5 This is a conservative number; since Drupal is open-source, not all sites are ‘registered,’ and go undetected.

6 Mortgage Crisis: The least of Vignette’s worries, Kas Thomas, CMS Watch, April 30, 2008

7 Open Text buys Vignette: Investment or Impulse?, Kas Thomas, CMS Watch, May 6, 2009

And the number of organizations adopting Drupal is also on the rise. Among the nearly half-million Drupal sites are some of the best-known business brands, including⁸:

- Al Jazeera
- Florida Hospital
- Fox
- InfoWorld
- Intuit
- LinkedIn
- Mattel
- NBC Universal
- New York State Senate
- NYSE Euronext
- PayPal
- Red Hat
- The Economist
- The Emmys
- Twitter
- Unidesk
- Warner Music Group
- whitehouse.gov

Clearly, the risks associated with open-source back in 2004 have migrated to the traditional, proprietary vendors, and now the combination of Drupal plus Acquia looks like the safer choice.

Conclusion

An investment in a critical business strategy like social publishing must be thoroughly examined in terms of both cost and risk. Social Publishing and Drupal clearly emerges as the most compelling option on both counts.

License and support costs

Open-source software is by definition free of license charges. Enterprise support for Drupal from Acquia averages approximately \$20,000 per year.

⁸ For more information about sites built on Drupal, visit <http://showcase.acquia.com>

Together, five-year costs for Drupal combined with Acquia's enterprise support are between 15% and 25% of the average costs of comparable proprietary vendor offerings.

The balance of power is shifting

Competition and maturing buyer behavior are forcing more and more independent vendors out of business, or to consolidation with erstwhile competitors in their segments. This presents customers with painful choices: migration to new platforms or products, or the loss of ongoing maintenance and support.

For the declining number of proprietary vendors whose business models are still profitable, they must now prove their ability to innovate — to deliver new capability and continue to enhance their products.

On the other hand, the Drupal open-source project and community has without question reached critical mass. The project has proven the ability to “out-innovate” traditional vendors. And users can choose from thousands of experts to assist them, as opposed to mere handfuls of specially trained consultants with skills in low supply, and available only at a high-price.

Drupal + Acquia

At Acquia, we see a world in which the Drupal platform is the primary force driving this market disruption. We believe our efforts to enhance the Drupal platform with specific focus on assuring enterprise-grade support, cloud hosting and Drupal cloud services will accelerate the market disruption already under way.

Please join us in bringing this vision to reality.

About Acquia

Acquia empowers enterprises with the open-source content-management system Drupal. Co-founded by Drupal's creator in 2007, Acquia helps customers manage their growth and scale their online properties with confidence. Acquia's software, consultation, cloud infrastructure, and services enable companies to realize the full power of Drupal while minimizing risk, as it's done for Examiner.com, Al Jazeera, and over 700 others. See who's using Drupal at <http://showcase.acquia.com> and learn more at <http://acquia.com>.

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