



Software-as-a-Service: The Alternative for Web Content Management.

| A Whitepaper Perspective from CrownPeak |

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Executive Summary

In a world where boundaries have been blurred by the Internet, a global competitor can very well be your fiercest local competition. This prospect puts a heavy burden on a company's Web site, as it is one of the most important and influential customer touch points. While the Internet is undoubtedly the premier platform for communication and collaboration, it also brings a multitude of content challenges in its wake.

With rapidly changing information, all Web sites require constant updates as stale content simply isn't useful to visitors. Around-the-clock revisions to Web sites, especially involving a multitude of systems and multiple forms of content can be very time consuming, and can quickly become a messy burden.

Organizations that have traditionally installed Content Management Systems (CMS) find to their dismay that most CMS are complex to implement and configure, difficult to maintain, and expensive to procure—earning them the sobriquet of 'white elephants'. This apt title perfectly describes the fact that these applications are often more expensive to maintain than what they deliver.

Enter the solution of Software as a Service (SaaS): to tackle the issues businesses face with a conventional CMS in managing their content. This paper explores how organizations can leverage the flexibility and ease of SaaS to handle their Web sites effortlessly and generate a true Return on Investment (ROI).

This paper will also attempt to walk through the pain points associated with the implementation and operational life-cycle of a typical enterprise CMS. It examines the fact that close to 91% of all support requests are not related to software at all, but rather CMS usability and operations like template changes, workflow tweaks, and ongoing training. Finally, the paper highlights the revolution in Web content management being ushered in by SaaS. Delivering the same functionality at a fraction of the cost while adding a services component to help with the hard part of owning a CMS—its life after launch.

Why can Web Site Content Management be Such a Mess?

The Web is now more bidirectional than ever. With Web 2.0 technologies such as Wikis, blogs, RSS feeds, social networks, and all the mashups in between, organizations are now not only responsible for the content that they generate but also the content that their end users are generating. This creates a whole new life-cycle of content management. As an organization creates content for any Web property (corporate Web sites, intranets, landing pages, extranets, catalogues, etc.), their end users also contribute and provide content back to that organization through blogs, content rating, social networks, etc. Hence, the onus is back on the organization to consume that information and close the loop to create new content, update old content or retire content based on specific user feedback.

Although this new paradigm has enabled organizations to create a more focused and interactive customer experience, most organizations struggle to handle such an avalanche of content. Additionally, to gather, organize, and update content, organizations need to ensure that the integrity of design, information architecture and usability are protected and reflect the needs of their businesses.

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Why a Traditional Web Site CMS is Inefficient

While Web content management systems may be effective in creating, editing, managing and publishing content, they can also be expensive, complex to implement and configure, difficult to maintain, and complicated to use and adopt within an organization. These characteristics are rightfully associated with conventional installed CMS systems where you install the software onto your servers, and are then handed the keys with a “good luck!”

As a result, most organizations have never been able to justify the high cost and long implementation time required to install a content management system. Additionally, most small to medium organizations have few, infrequent users, and struggle to manage increased traffic in case of any specialized events.

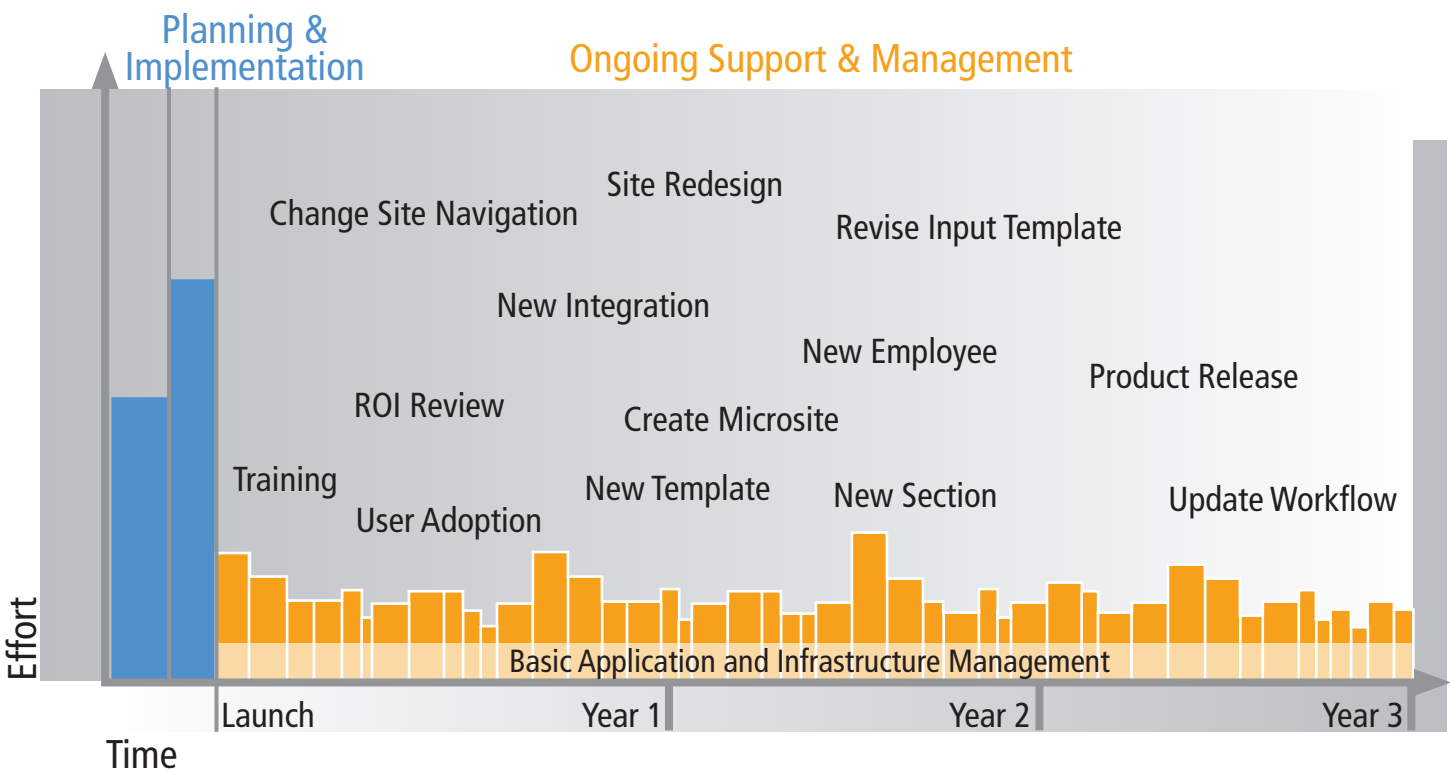


Figure 1: The hard work starts after launch: Time and effort taken to own a CMS

The real work of any CMS implementation takes place after its launch. As one can see in Figure 1, there is a spike in the level of effort at the beginning of any implementation, but it’s for a very short period of time when compared to the average lifetime of a CMS. For an installed CMS, the implementation time is typically 3-4 times longer than a CMS delivered as a software service. But the hard part starts when the site goes live and you actually start using the CMS. You need to change templates, and then invest time and money for additional training required for new hires or contributors, redesigning the Web site, or revising the workflow. For many non-technical users, assistance is required on a 24/7 basis to modify templates, handle changes to the collaboration process or the workflow, or simply to trouble-shoot end-user problems. In addition to ongoing support and management, you also need basic application and infrastructure support of the installed software. This requires a dedicated team responsible for managing the hardware, software and the network. In the traditional software model, all these functions are left for the buyer to manage and maintain at their expense.

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To further illustrate the importance of the services aspect of any CMS deployment, a sample of data collected over 3 years period shows (Figure 2 below) that 91% of support requests are actually unrelated to software. This means that only 9% of your calls to a traditional software vendor will actually result in any assistance on their end without a professional services engagement of some sort.

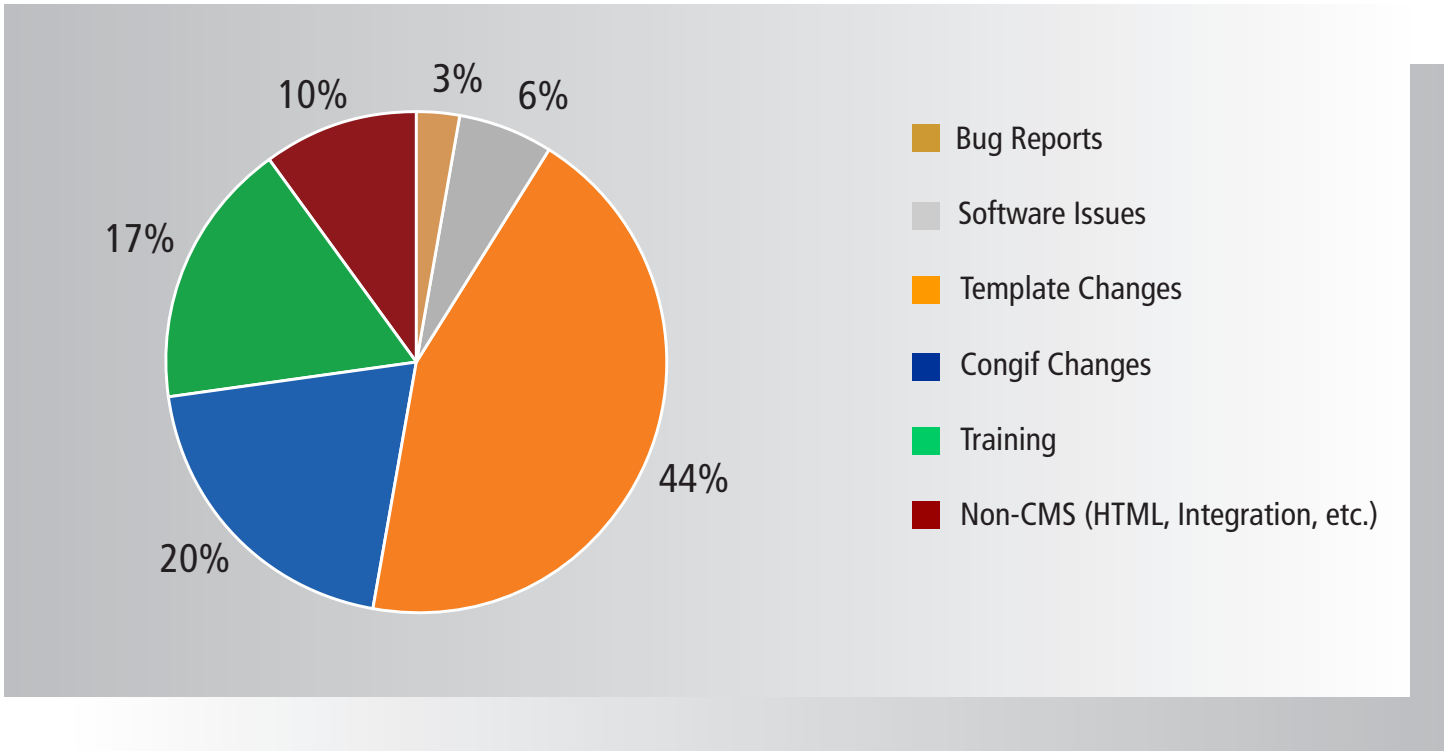


Figure 2: 91% of support requests are unrelated to software!

It is ironic when you consider that a CMS purchased for streamlining the process of publishing content is getting in the way of quick Web site changes. The result: you end up managing technology, and not content. Not surprisingly, adoption and usage rates drop, and the value of the Web property decreases over time.

SaaS Makes the Difference in Making your CMS Successful

Software as a Service (SaaS) enables customers to subscribe to software delivered over the Internet without anything to install, no hardware to manage, and no infrastructure to maintain. Unlike traditional software that requires consumers to pay a substantial amount to buy the product, ensure its functionality, and maintain it through third party vendors, SaaS provides a transparent way of maintaining your Web site without any hidden cost or surprises.

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Because the software is hosted, there is no hardware or software to purchase and install. As a customer, you just pay a fixed subscription fees on a monthly or quarterly basis and leave the task of managing, maintaining and upgrading the software to the vendor. SaaS vendors guarantee a running application completely configured to the environment of the organization. Accountability is one of the strongest points of a SaaS vendor, as usually there are penalties for failure to meet the defined metrics in a Service Level Agreement.

The real difference that SaaS vendors provide, on top of basic application and infrastructure management, are the “Services” included as part of SaaS. Remember in Figures 1 and 2 that the bulk of the cost of owning a CMS happens after it is live. With installed software, you are either at the mercy of your internal IT team, the professional services team of your software vendor or the SI who has implemented your software. All these services come with an additional price tag and account for a much longer timeline. The SaaS model provides a dedicated account manager for the life-time of the service—who is the same person who actually implements the CMS for your site—as part of your monthly cost. This means that if you have a question about an existing integration or if you just need a quick change to an input template, you have a dedicated person to provide that service as part of your monthly fee.

Benefits of Using a SaaS Model for a CMS

Organizations need content management solutions that are quick to implement, easily configurable, economically efficient, and operationally flexible to be competitive—which is exactly what a CMS delivered through a SaaS model does.

Some of the key benefits of using a SaaS model in the CMS space include:

SIGNIFICANT REDUCTION IN THE TOTAL COST OF OWNERSHIP

A typical mid-range traditional enterprise level content management system costs anywhere from \$40,000 to \$100,000 to license. And that’s just the software license, the cost of installation, integration and customization could easily balloon the expenditure to roughly two times the cost of license. Adding the cost of hardware and network components, a fully operational content management system could impose a financial burden of anywhere from \$200,000 to \$400,000. The system will then require an additional 15% – 30% of annual support to keep it going.

In comparison, a CMS delivered as a software service, with the same enterprise level functionality, would require a subscription of less than \$5,000 a month, along with a one time set up fee, for the software, management, maintenance, upgrades and lifetime support, including a dedicated account manager. A service level agreement is included that guarantees defined performance levels.

A CMS delivered using a SaaS model scores heavily against traditional systems. For example, the costs and risks are shared between subscribers, while the service provider uses the best practices in the field to manage content. Similar to an outsourcing model, a SaaS vendor can keep costs low as the cost of support, product license, and manpower is shared across multiple clients. This is significant as industry analysts estimate that more than sixty percent of the total cost of owning an application is due to the cost of upgrades, support, security management and trouble-shooting. The SaaS model spares the customer from assuming the full brunt of this cost.

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SPEED OF DEPLOYMENT

With no hardware to buy or software to install, a CMS delivered using SaaS can be up and running quickly. For instance, a typical CMS delivered as a Software Service can take your site live in approximately 6 to 8 weeks. Time is saved because there is no software installation and no infrastructure requirements to estimate. SaaS vendors are also typically platform agnostic and have an open API – which makes SaaS much faster and easier to integrate with other applications. The major difference between a traditional application and a SaaS based application is that applications belonging to the latter category are built to be rapidly configurable and deployable from the ground up.

PRODUCTIVITY GAINS

A SaaS based system can deliver significantly higher productivity gains by allowing a business user to contribute and update content on a Web site from any location by using an Internet connection. Formatting issues or design hurdles are easily taken care of by enforcing design and navigation schemes. Further, the display of content can be easily controlled through standardized presentation templates. These templates enable users to focus on enhancing the value of content (core issue) by separating the task from the mechanics of presentation.

For business users, CMS delivered through SaaS allows you to quickly and easily create, edit, manage and publish content to your Web properties. If you are IT, you do not have to worry about managing software or hardware, and you can focus on your other core applications or creating new applications within the CMS through the open API.

You also do not lose any functionality with a SaaS Web content management system. Features like complete system auditing and reporting provide organizations the powerful capability to manage and track the history of all work. This eases adherence to compliance regulations. Files can be given a full document lifecycle, including check-in, check-out, versioning, rollback, approvals, and scheduling. Completely configurable workflows enable organizations to assign tasks to any person, and escalate in case defined thresholds are crossed. For example, e-mail alerts can be sent to content owners of specific sections on Web sites when these sections do not get updated after a specific time period.

LOWER RISKS

By using a SaaS model, organizations can cut down on their risk, and choose different functionalities as they grow. For instance, if a solution no longer meets an organization's changing needs, they can simply shift to another vendor. As most SaaS vendors bill on a monthly or quarterly basis, costs are spread across the lifetime of a product's usage. This is a very appealing value proposition when compared to the traditional model, where costs are paid up front and the risk of product implementation and adoption is totally on the customer.

USING SAAS TO SUCCEED IN THE WEB 2.0 ERA

Web 2.0 is radically changing user experiences and preferences. It is forcing organizations to find creative ways of leveraging this medium to create a competitive advantage. These organizations can look towards adopting a SaaS model to manage their multiple digital assets from a single centralized interface.

Content is acknowledged as the proverbial king. It drives people to Web sites, and compels them to revisit the site. There is also very little doubt that it helps in forging a longer lasting relationship with site visitors. However, unless the different forms of content flow and connect together, the ROI remains unclear. As a vendor, using a SaaS model takes end-to-end responsibility in streamlining the process of managing and publishing digital content, allowing you to effectively focus your attention to the core of your business and measure the success of your online marketing initiatives.

Conclusion

The SaaS model for a CMS is a refreshingly flexible model as it offers solutions to issues that have been bothersome to most organizations. It does everything that a traditional CMS vendor can't—lowers cost, allows faster deployment, enables transparent upgrades and patches, and achieves rapid ROI and adoption through quick proof of concept applications. Simultaneously, it also reduces risk by giving organizations the power to unplug a technology or feature almost effortlessly. Truly, SaaS delivers a punch that is strong enough to knock down the impediments standing in the way to success of your business.

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