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"Free" Open Source Portals:
Myth, Hype, or Reality?

Go beyond software license fees when evaluating a portal solution

WebSphere® Portal

CONTENT
COLLABORATION
PROCESS
DASHBOARDS
MOBILE
LEARNING
MASHUPS
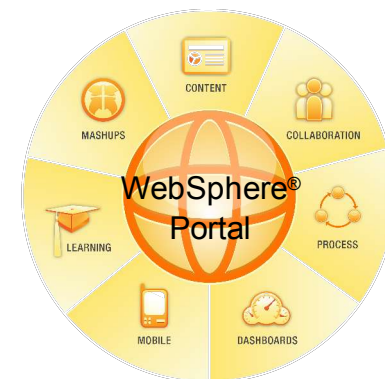
July 7, 2009

Speakers

- Matthew Brown
Principal Analyst & Research Director, Forrester Research

- Ann-Marie Yap
Senior Manager, Office of the Chairman and CEO, Cisco Systems

- Roxanne Reynolds-Lair
CIO, Fashion Institute of Design and Merchandising (FIDM)

IBM Host

- Bob Picciano
General Manager, Lotus Software and WebSphere Portal, IBM

"Free" Open Source Portals: Myth, Hype, or Reality?

Matthew Brown
Principal Analyst and Research Director
Forrester Research

July 7, 2009

# Are open source portals really free?

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Agenda

- Key trends in the portal market

- What's driving demand for portals?

- Cost drivers for portal projects

- What to consider when evaluating commercial vs. open source portal solutions

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Open source has not kept up with convergence in portal, content and collaboration market
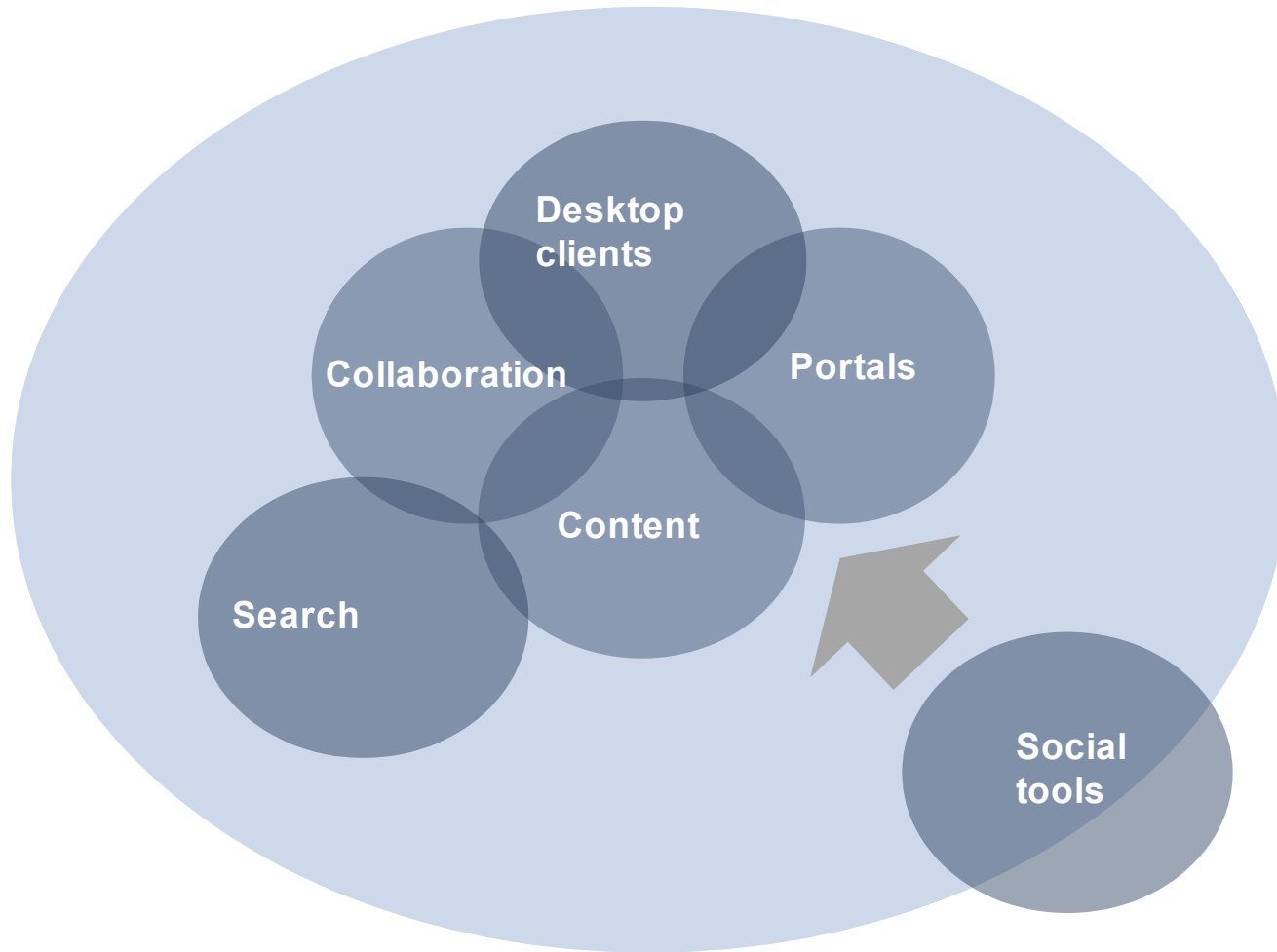
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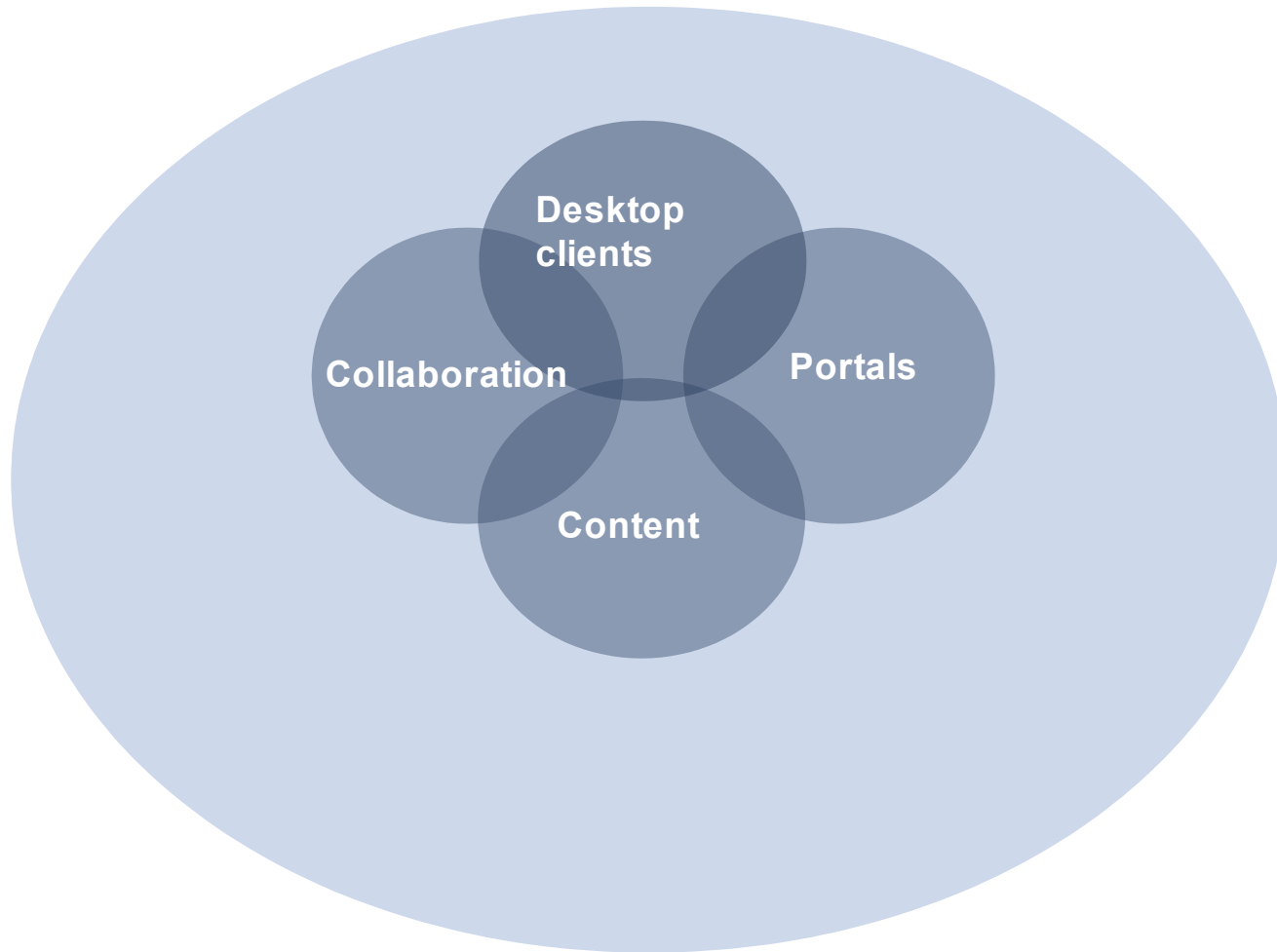
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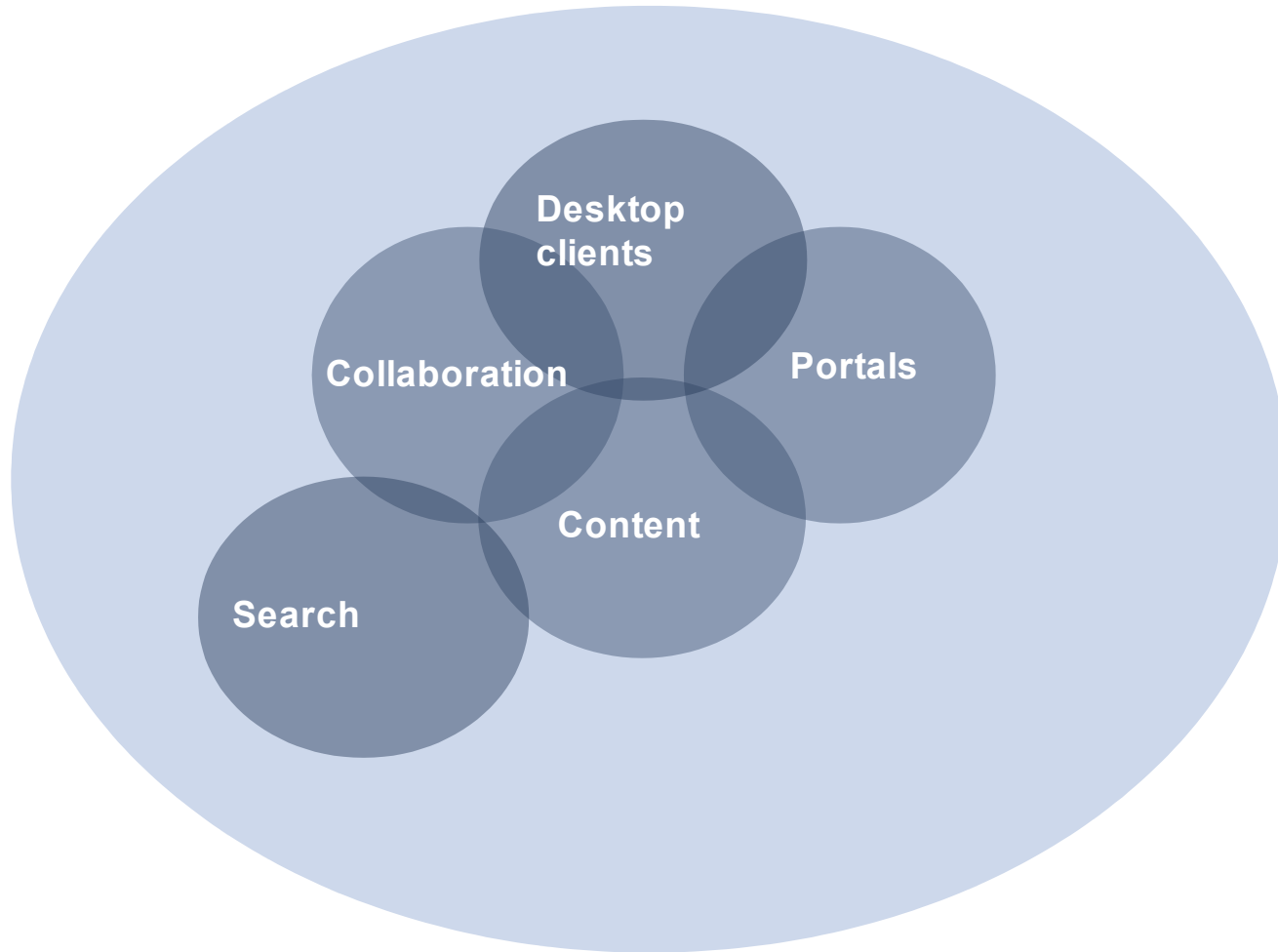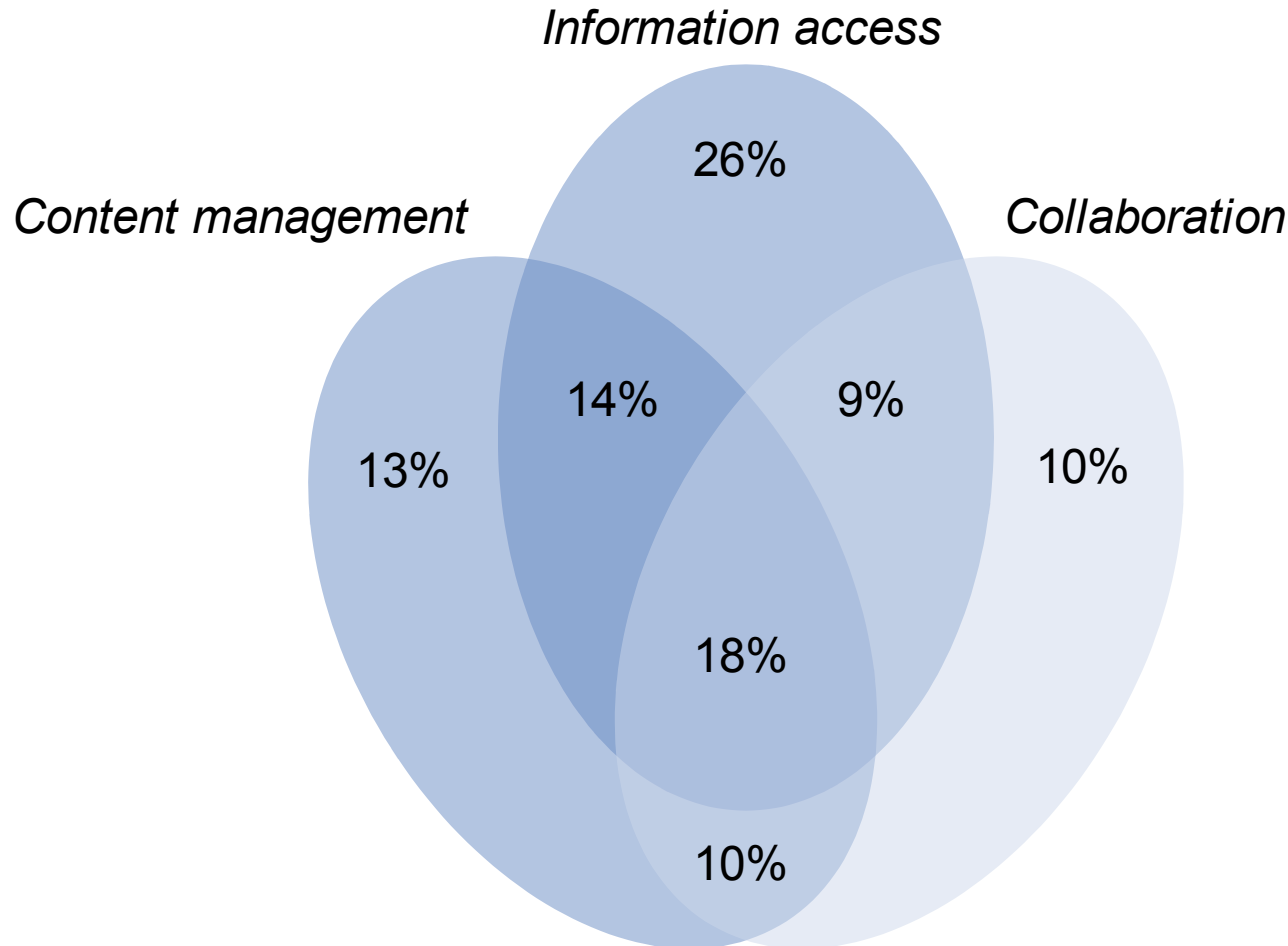
Open source has not kept up with convergence in portal, content and collaboration market

In real life, buyers want more than just portal server frameworks…

Companies considering or piloting content, collaboration, and search in 2009

Information access

Content management

Collaboration

26%

14%

9%

13%

10%

18%

10%

100%= 644 companies

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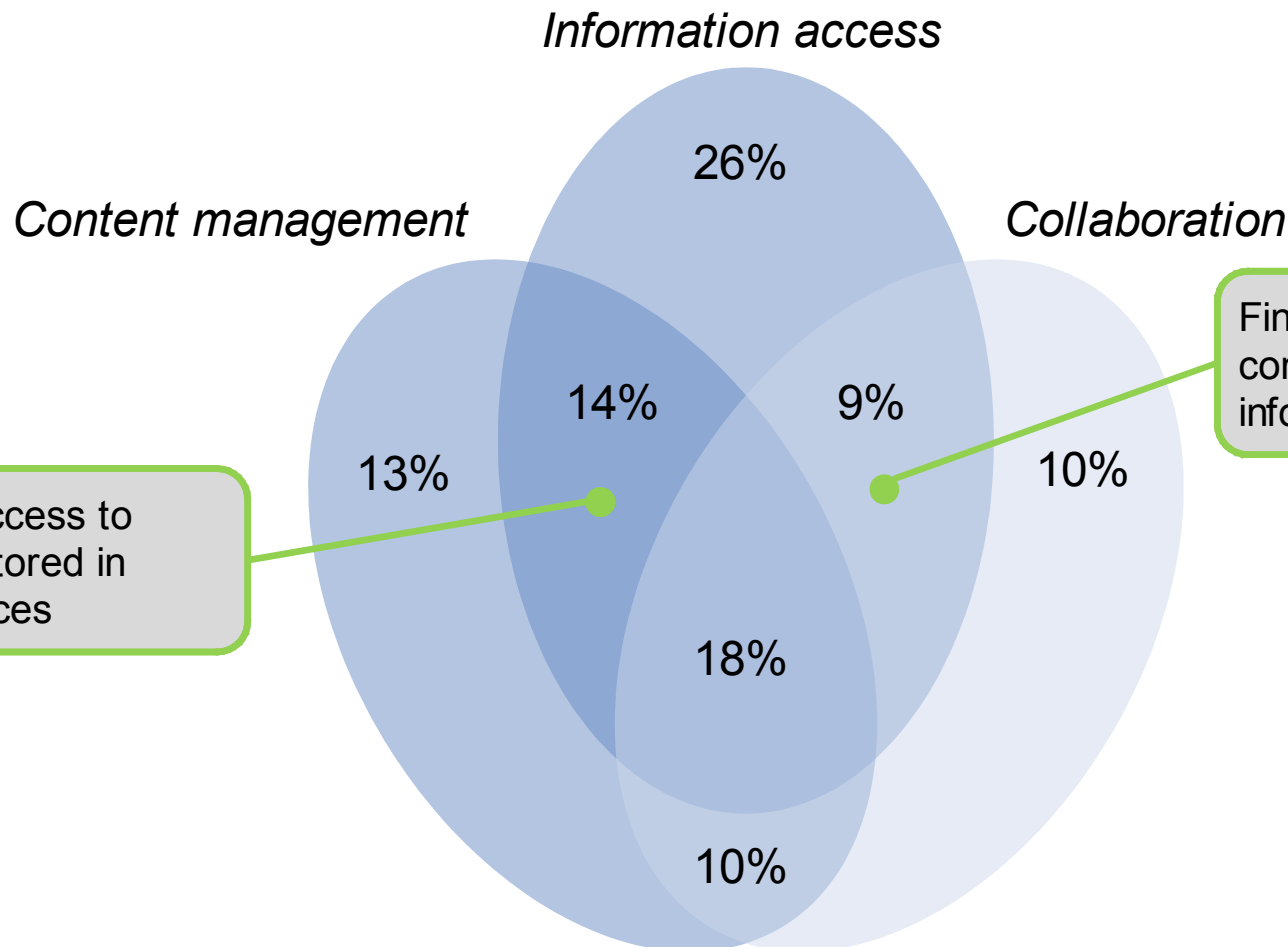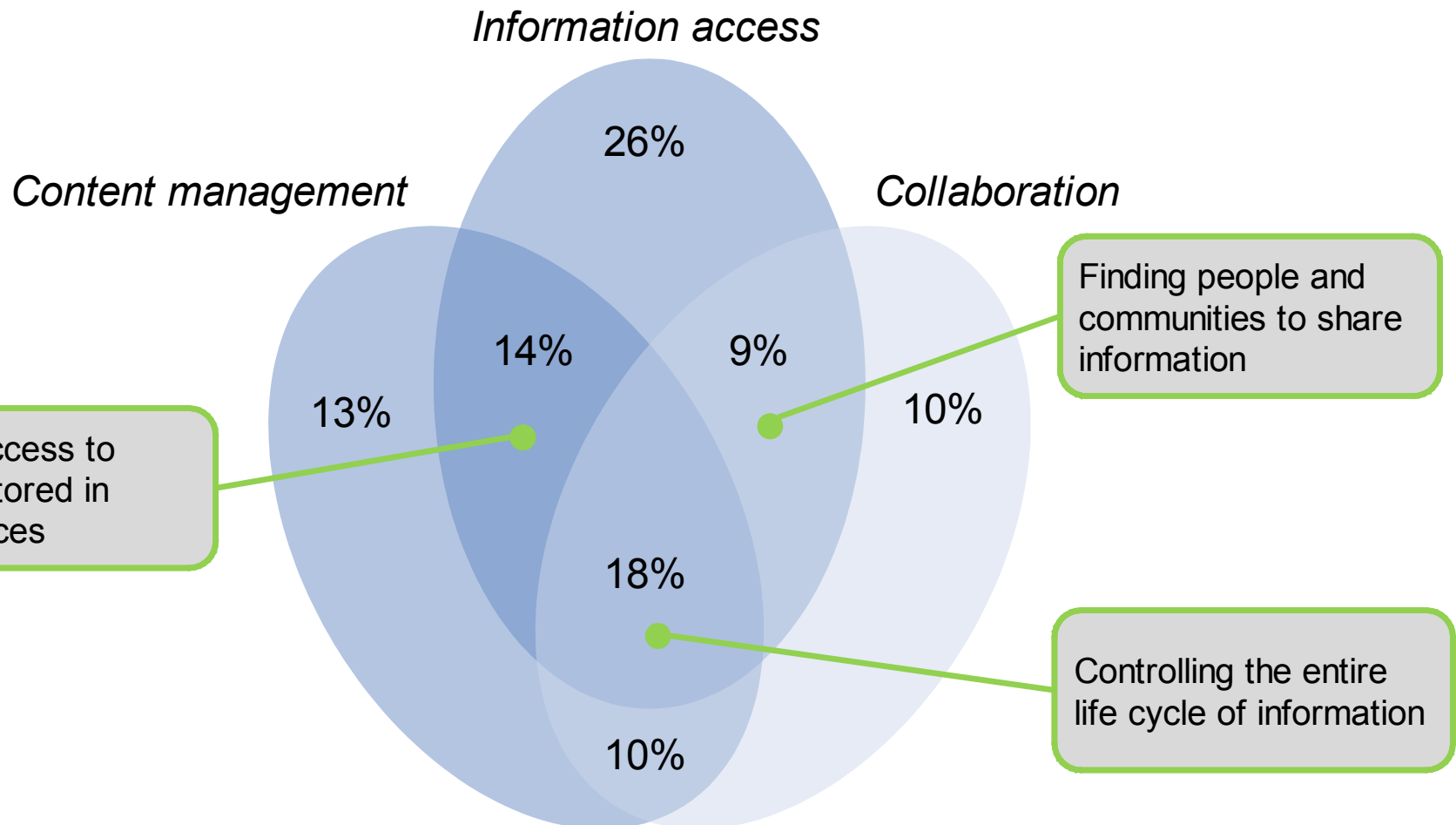## Companies considering or piloting content, collaboration, and search in 2009

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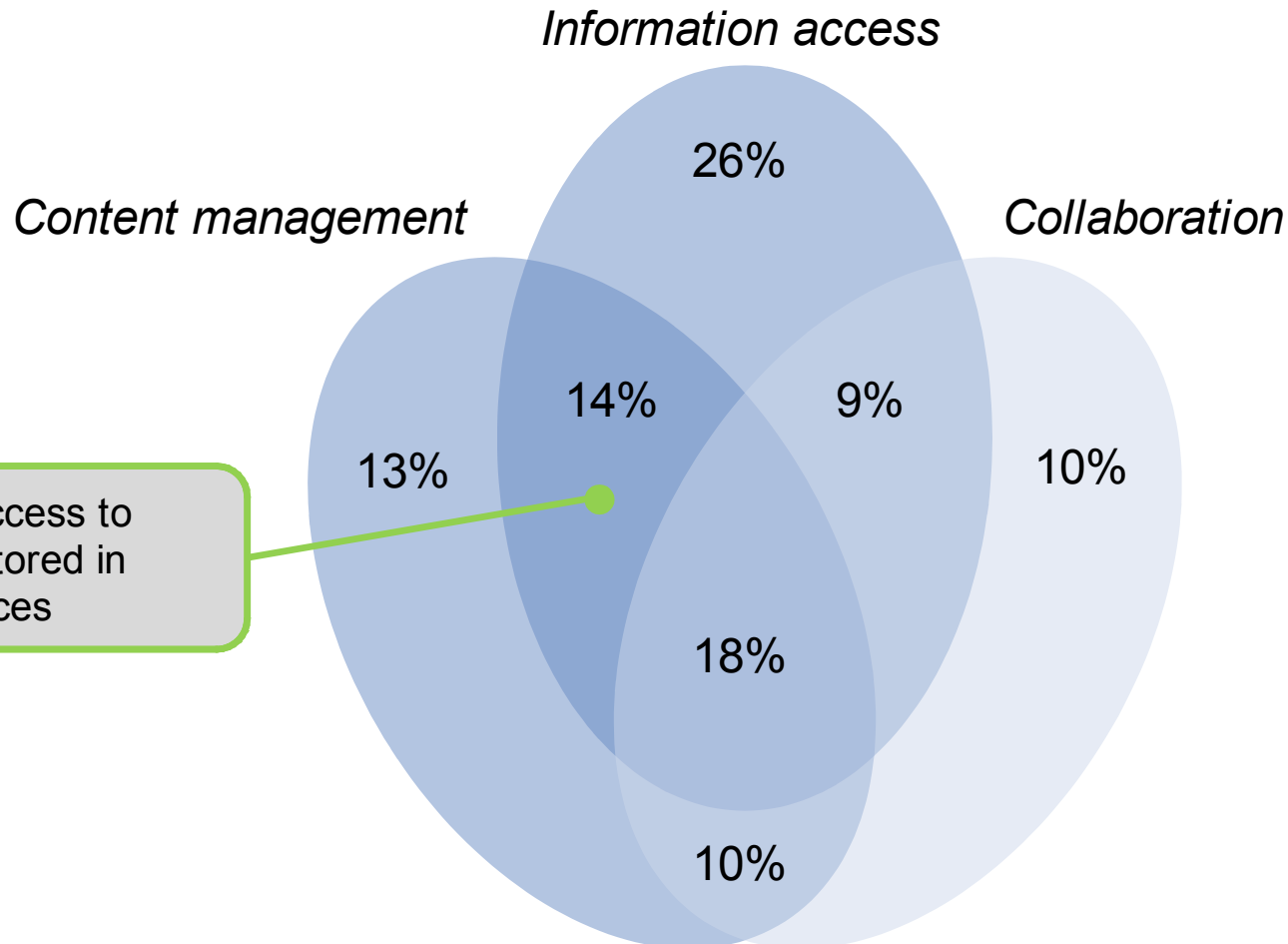
Controlling the entire life cycle of information

100%= 644 companies

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Yet three out of four companies are investing in portal technology this year

"What are your firms plans to implement or expand its use of portal technology in the next 12 months?"

Not interested/ don't know — 25%

Interested/ considering — 19%

Piloting — 9%

Implementing/ implemented — 30%

Expand/upgrade existing implementation — 17%

Decreasing/ removing

Despite economy, 17% investing more

Base: 924 North American and European IT decision-makers

Source: Enterprise And SMB Software Survey, North America And Europe, Q4 2008

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"What are your firms plans to implement or expand its use of portal technology in the next 12 months?"

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28% trying portal for the first time!

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Top and bottom-line results dominate portal business drivers in 2009

Information risk
- Prevent loss or leakage of critical content
- Reduce legal discovery costs
- Avoid regulatory fines related to PCI or PII

Strategic
- Improve customer intimacy, service, and insight
- Enhance capacity for innovation
- Drive partner acquisition and retention
- New service offerings

Efficiency and effectiveness
- Better capital efficiency and return on assets
- Accelerate project- or process-cycle time
- Improve personal and/or workgroup productivity
- Reduce communication costs
- Support knowledge continuity

Growth
- B2B lead generation and qualification
- Multichannel content and service delivery
- Customer engagement and enrichment online

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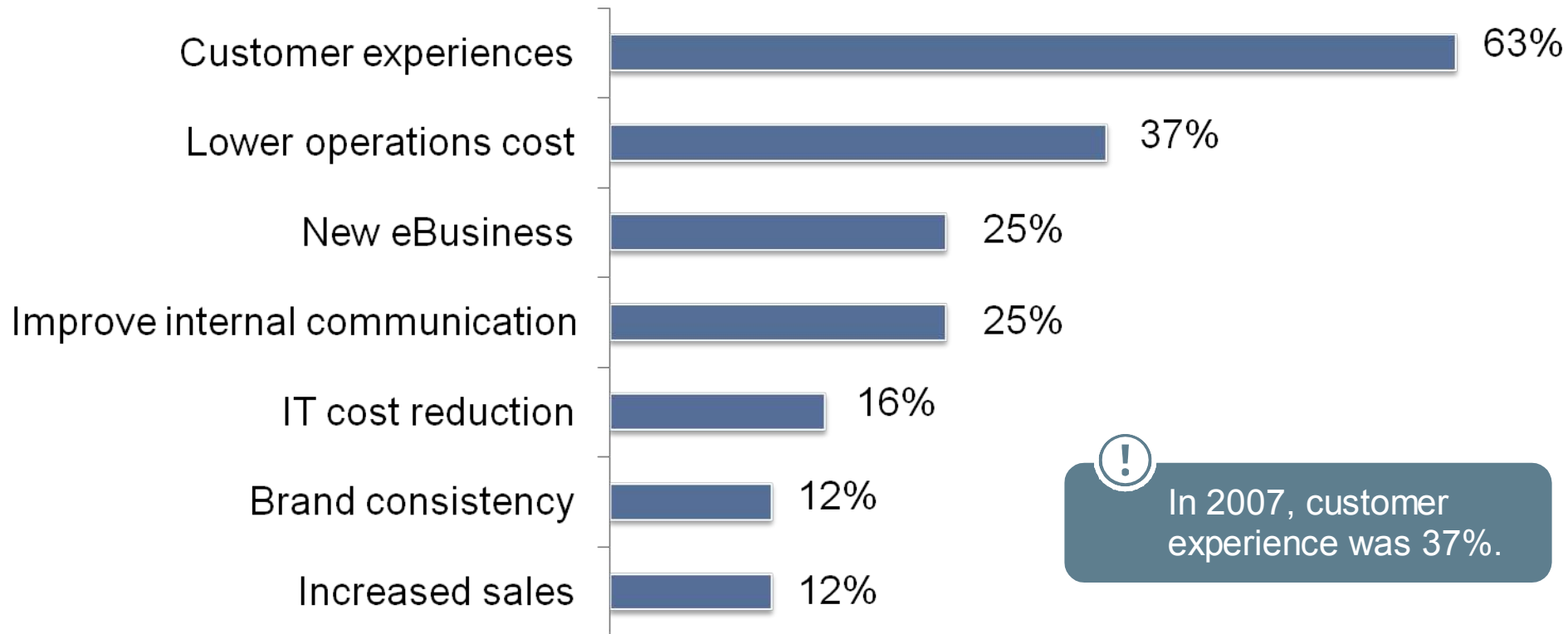
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Better personalization helps retain customers with compelling experiences

"What are your top one or two business drivers for increased deployments or usage of Web content management?"

Driver	Percentage
Customer experiences	63%
Lower operations cost	37%
New eBusiness	25%
Improve internal communication	25%
IT cost reduction	16%
Brand consistency	12%
Increased sales	12%

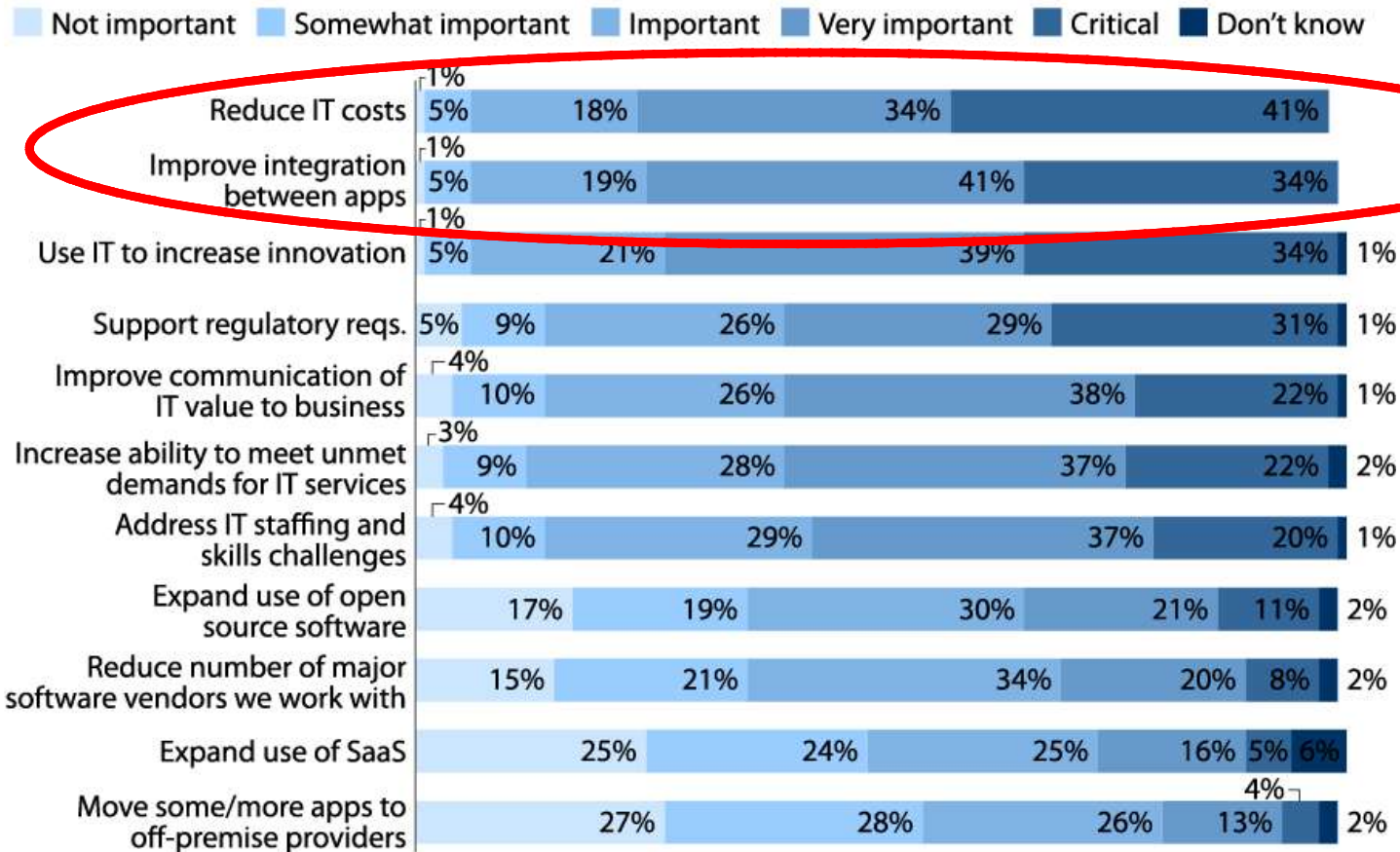(!) In 2007, customer experience was 37%.

Base: 187 WCM decision-makers (multiple responses accepted)

Source: October 2008 North America, Europe, and Asia Pacific Web Content Management Online Survey

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Top IT priorities: reducing costs, improving integration

"Thinking of your firm's current planning cycle, how important are each of the following goals?"

Legend: Not important | Somewhat important | Important | Very important | Critical | Don't know

	Not important	Somewhat important	Important	Very important	Critical	Don't know
Reduce IT costs	1%	5%	18%	34%	41%	
Improve integration between apps	1%	5%	19%	41%	34%	
Use IT to increase innovation	1%	5%	21%	39%	34%	1%
Support regulatory reqs.		5%	9%	26%	29%	31%	1%
Improve communication of IT value to business		4%	10%	26%	38%	22%	1%
Increase ability to meet unmet demands for IT services		3%	9%	28%	37%	22%	2%
Address IT staffing and skills challenges		4%	10%	29%	37%	20%	1%
Expand use of open source software		17%	19%	30%	21%	11%	2%
Reduce number of major software vendors we work with		15%	21%	34%	20%	8%	2%
Expand use of SaaS		25%	24%	25%	16%	5%	6%
Move some/more apps to off-premise providers		27%	28%	26%	13%	4%	2%

Base: 1,114 software development decision-makers at North American and European enterprises and SMBs (percentages may not total 100 because of rounding)

Source: Enterprise And SMB Software Survey, North America And Europe, Q4 2008

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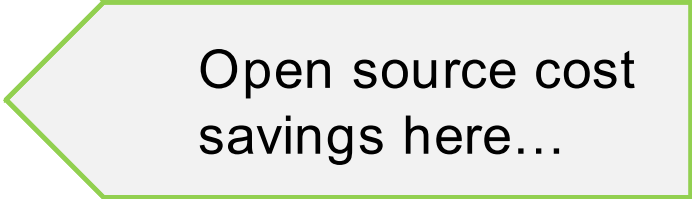
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Licenses are just one portal cost

1. Labor

   – Build (design, develop, integrate, deploy)

   – Operate (ongoing operations)

   – Enhance (incremental enhancement)

2. Software

   – License

   – Maintenance

3. Hardware

   – Servers and network infrastructure

   – Development environments and workstations

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> Open source cost savings here…

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> …are easily offset by additional costs here.

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Case example: Global manufacturer enterprise portal

- Context
  - Large, 250,000+ employee company operating in dozens of countries
  - Internal systems unable to adapt quickly to market changes

- Challenges
  - Under-resourced, centralized information management team – captive offshore development center, with poor delivery track record
  - Internal IT organization treated every change to its enterprise portal as a custom software development project
  - Current portal, content, and collaboration tools failing to meet employee expectations
    - poor technology performance and reliability,
    - high IT operating costs,
    - poor responsiveness to business changes

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Biggest potential cost savings: rollouts, upgrades

Metric	Estimate
Time for new location roll-out (months)	5
Number of new locations per year	5
Development cost per rollout	$243,156
Estimated Time Improvement	40%
Time for minor portal upgrade (Weeks)	12
Portal minor upgrade (new port let type) - per year	2
Development cost per upgrade	$146,300
Estimated Time Improvement	40%
Time for major portal upgrade (Weeks)	20
Portal major/intermediate upgrade (infrastructure) - Per year	1
Development cost per upgrade	$438,900
Estimated Time Improvement	40%
Total Savings	$331,343

Targeted highest cost activities

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Commercial tools *can* bring cost savings

Metric	Estimate
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Time f	20
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Total Savings	$331,343

Cost savings from commercial toolset:

- Fewer custom developed applications and integrations within portal

- Better delegation of content management tasks to departmental administrators

- WYSIWYG tools for rolling out site templates, layouts, and tailored graphics to the business

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Assess three categories when making open source vs. commercial decisions

1. Feature set and integration points

2. Total cost of ownership (TCO)

3. Ecosystem support

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1. Feature set and integration points

Criteria	Explanation	How to measure
Core feature set	Are the necessary features supported in the core product (e.g. presentation, taxonomy, integration, directory services, personalization, etc.)?	Measured qualitatively and quantitatively by weighting and scoring feature coverage.
Adjacent category feature sets	Are complementary or substitute products necessary (e.g. WCM, DM, Social tools, Collaboration, Dashboards, Process, etc.)?	Measured qualitatively and quantitatively by weighting and scoring feature coverage.
Supported and unsupported integration points	What is the inventory of supported and unsupported integration points (e.g. enterprise applications, SOA infrastructure, process, etc.)?	Measured by inventory and classification of necessary integration points.
Scalability, reliability, availability	To what extent does the product support scaling and high-availability architectures?	Measured by evaluating deployment architecture, infrastructure management and monitoring capabilities.

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2. Total cost of ownership

Criteria	Explanation	How to measure
Labor	What level and depth of labor is required to build, operate, and enhance?	Measured qualitatively by interviews with adopting companies.
Software license	What is full license cost of portal server and adjacent product categories?	Measured quantitatively for all OOB and adjacent software product licenses across all environments.
Integration costs	What are estimated costs of building and maintaining unsupported integration points?	Measured by financial estimates of integration project work.
Maintenance and support costs	What are estimated costs of support and maintenance agreements?	Measured by financial estimates of maintenance contracts associated with product support.

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3. Ecosystem support

Criteria	Explanation	How to measure
Commercial contribution	How many companies publicly contribute IP and staff to the project?	Measured by the number of vendors that publicly fund project development with either IP or staff – based on available public information.
User adoption	How many companies use the product and for what purposes?	Measured qualitatively by the number of companies interviewed that use the product for different purposes. Proxies like number of downloads also useful.
Vendor adoption	How many commercial ISVs include the product in commercial offerings?	Measured by the number of ISVs reported to use the product.
Commercial support	How many companies offer end-user support for the product?	Measured by the number of vendors offering end-user support for the product. (Note: Few large SIs explicitly support open source products)

Summary

- Expect commercial portal providers, not open source projects, to drive convergence of portal, content, and collaboration market

- Focus on customer experience and cost savings to justify portal investments

- Recognize license cost savings can be offset by increased development and administration costs

- Use feature set, TCO, and ecosystem support to drive OSS/Commercial portal decisions

- "Free" open source portals? Myth.

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Customer Speakers

- Ann-Marie Yap
  Senior Manager, Office of the Chairman and CEO, Cisco Systems

- Roxanne Reynolds-Lair
  CIO, Fashion Institute of Design and Merchandising (FIDM)

Ann-Marie Yap, Senior Manager, Office of the Chairman and CEO
Cisco Systems, Inc

Cisco Case Study: What's so important about a Portal?

- Portals are the "Face of SOA" today as we continue to work on:
  - Finding truly reusable services
  - Deciding if new services need to be created

- This means that SOA-style integration **standards**, **capabilities**, and **governance** are critical to successful Portal implementations
  - Must be a robust and stable platform first – all the integration in the world doesn't matter if the environment is not resilient and scalable.
  - Wide range of integration points are critical to a quality user experience

- Cisco had attempted a "Portal" before - using Jetspeed
  - Not robust or scalable
  - Failed to keep up with standards
  - Not meant for true Enterprise Integration

Cisco Enterprise Portal Decision Criteria

- Stable infrastructure offering – robust foundation for business
  - Proven "-ilities": available, scalable, supportable, maintainable
- Open integration platform
  - Must support industry standards for Development and Integration
    - JSR 168, JSR 286, WSRP, AJAX, Eclipse, JEE
  - Must allow integration with existing IT infrastructure systems
    - Oracle Apps & Fusion, SAP, custom Java, Documentum ECM, Salesforce.com
- Must allow for innovative use of newer technologies
  - Collaboration: Lotus Connections, WebEx, Lotus Quickr
  - Enterprise Integration: Web Services, Multiple user stores, BPM / BPEL

Cisco Enterprise Portal: Technology Options

- Jetspeed (open source - Apache)   **Stale**
  - Original portal foundational platform for Cisco

- Oracle Portal   **Weak Integration Capability**
  - "already own enterprise license"

- Liferay Portal (open source – SourceForge)   **Immature, weak scalability, other "-ilities"**
  - Already in use at Cisco

- JBoss Portal (open source - RedHat)   **Limited Stack, Weak on Standards, Weak Scalability**
  - Cisco uses RedHat Linux extensively

- IBM WebSphere Portal   **Trade higher start up costs for longer term value**
  - Best integration platform
  - IBM leads Portal standards groups
  - Proven most resilient and scalable

Cisco Enterprise Portal: Decision

- ### Open Source is no longer an option
  - Industrial strength Portals are not yet a commodity
- ### WebSphere Portal
  - IBM is a trusted partner
  - Deep engagement with IBM lab leaders for technical needs
  - The most robust offering by a wide margin
- ### Integration
  - Comes with Web Content Management System out of the box but integrates with Cisco's chosen Enterprise Content Management system
  - Credential vault supports the multiple user identities that exist across enterprise applications
  - Best standards implementation (WSRP, JSR 286)
- ### Technical resources
  - IBM & partner Ascendant Technology provided implementation for a complete solution

First Production site: Cisco Small Business Portal

- RAS
- Highly interactive
  - AJAX
  - Collaboration tools
- Open
  - Integrated with existing Cisco infrastructure
- Personalized
  - Anonymous newbie
  - Anonymous return visitor
  - Registered users

FIDM Portal, enabling talents around the world to follow their dreams

Roxanne Reynolds-Lair, CIO - Fashion Institute of Design & Merchandising

Fashion Institute of Design & Merchandising

Enabling talents around the world to follow their dreams

Our Mission

"FIDM's focused curriculum integrates creative and leadership skills to develop graduates for the global industries of Fashion, Visual Arts, Interior Design, and Entertainment.

Combined with these skills, FIDM graduates value ethical choice, demonstrate an awareness of cultural diversity, communicate effectively, think critically, and possess the knowledge of technology essential to their professions."

Los Angeles

Orange County

San Diego

San Francisco

welcome to FIDM
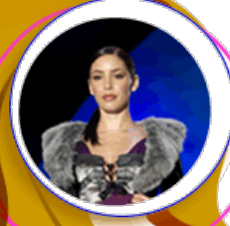
The FIDM Story

on the road to IBM WebSphere Portal

- **IT environment before IBM Portal**

- **Jetspeed**

    - **difficult to maintain**

    - **inadequate support**

- **IBM WebSphere Portal delivers**

- **Summary**

Before IBM WebSphere Portal, we deployed an open source portal solution and faced these challenges
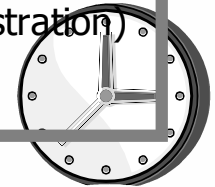
Limited functionality

- Burden on IT to develop, integrate, and maintain
- Additional consulting and integration costs

Inconsistent Performance

- Existing Jetspeed portal did not sustain acceptable performance during peak usage (student registration) periods
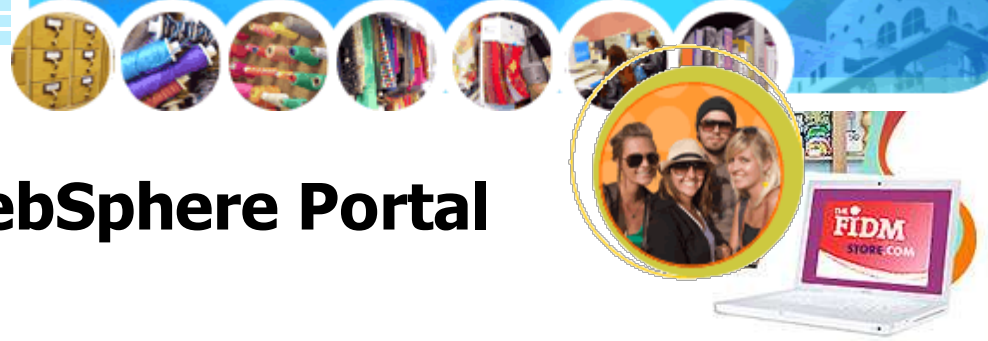
Roll-your-own usability

- Exceptional user experience crucial to us - we need easy navigation and intuitive interfaces

Unmapped growth plans

- Several risks we did not want to take on: security, lack of scalability, long-term maintenance and support, future growth and enhancements

Why we selected IBM WebSphere Portal

- Confidence in IBM partnership

- Ease of integration with our existing IBM i on Power

- IBM Experience + Growth and Support path

- Breadth & depth of the capabilities

Upon total cost of ownership considered - IBM was / is the best choice

We are happy with our decision – IBM WebSphere Portal delivers

- Deploy IBM Portal: Staff Portal 5 months, Student Portal 6 months

- Reduced time to deploy portlet applications by 50%

- Rich set of capabilities, that are easily configurable / flexible of-the box

- Our constituencies of students and employees are happy with the ease of use and personalized experience

- Our IT department is happy with the simplified maintenance and support

- IBM WebSphere Portal is our foundation for growth, at manageable costs

Zobrist, as our implementation and deployment partner, lived up to their tag line:

A Passion for Customer Satisfaction

Summary

- Consider the total cost of ownership when evaluating projects and IT solutions

- Not all business benefits are measurable, but should be factored into the decision process

- Three key factors not in the spreadsheets: business risk, business agility, strength of vendor partnership

- FIDM won 2 innovation awards for portal related projects, the most recent one in 2009 for an integrated "Click to Call" application

In closing, the ROI with IBM WebSphere Portal:

| Operational savings	Improved productivity, efficiency and cost avoidance: less calls, reduced mailing costs, reduced errors, shorten cycles and turnaround time	Time to deploy reduced by 50%
Revenue growth and increased market reach	Faster time to market, 24x7 availability with broaden reach, improved communications and customer loyalty	Quantifiable measurements difficult but benefits real and crucial

Bob Picciano

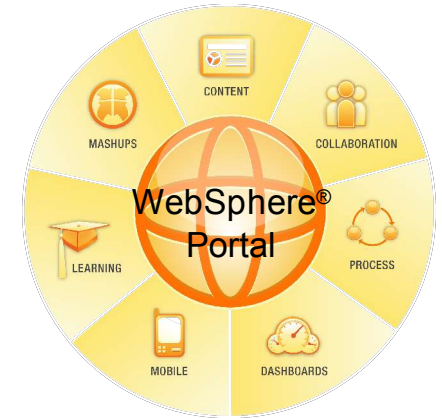*General Manager, Lotus Software and WebSphere Portal, IBM*
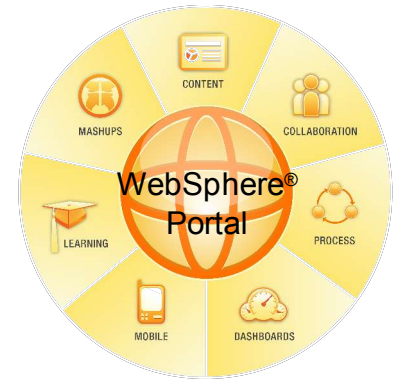
Summary

1. IBM **leads the market** in **Portal**, **Web 2.0, and Collaboration** capabilities

2. We help our clients **drive innovation, deliver exceptional web experiences**, and **realize tangible business value**

3. We continue to extend our leadership through **Portal Accelerators** and **Industry Toolboxes** to **accelerate time to value** and **reduce TCO**

4. Our product leadership combined with the unmatched **strength of our partner eco-system** reduces deployment risk and accelerates time-to-market
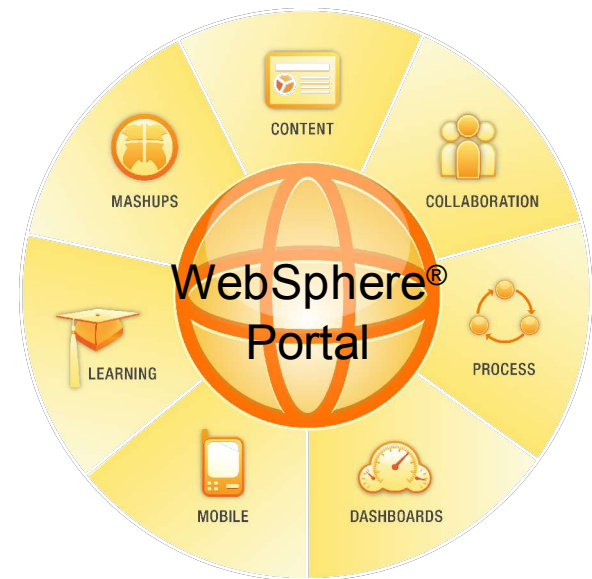
Learn more
- *Contact your IBM representative*
- *Attend the Portal Excellence Conference (Macau, San Diego, Salzburg, Dubai)*
- *Visit the WebSphere Portal page*

Q&A

WebSphere® Portal

Moderator:

Bob Picciano
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Larry Bowden
VP, WebSphere Portal and Mashups, IBM