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Compass Guide to WCM, Q2 2011

Evaluation of Kentico

By: Tony White



TABLE OF CONTENTS

Ars Logica Position	3
Notes & Resources	3
Vendor Overview	4
Vendor History & Key Recent Developments	5
Profile of the Ideal Customer	6
Key Product Strengths	7
Key Product Limitations	8
Vendor / Product Report Cards	9
Report Card Evaluation Criteria - Business Users	11
Report Card Evaluation Criteria - Technologists	12



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Kentico CMS for ASP.NET 5.5 R2 Product Evaluation

By: Tony White

Date: May 16, 2011

ARS LOGICA

ARS LOGICA POSITION

Kentico CMS for ASP.NET is a product that demonstrates respectable functionality across the range of core WCM features. The product's main differentiator is its bargain pricing, as ASP.NET outperforms everything else on the market within two to three times its price. Recently-added support for Microsoft Visual Studio 2010 and Azure, along with improved collaboration features and pre-integrations with SharePoint, make Kentico an attractive offering for companies on a budget seeking a fully-functional CMS. There are products with better performance in each functional category, but at nowhere near this price.

NOTES & RESOURCES

Compass Guide Vendor Questionnaire

Some company and product information contained in this report was collected via Ars Logica's 172-item Vendor Questionnaire. Vendor responses were always independently verified through customer interviews, implementation monitoring, Ars Logica's comprehensive knowledge base, and hands-on product testing.

Hands-On Product Testing

Ars Logica conducted hands-on product testing of Kentico ASP.NET 5.0 in January 2010 in Boston, Massachusetts. Product updates on 5.5 R2 supplement these results.

Customer Interviews

Ars Logica interviewed users of every product covered in the Compass Guide, including Kentico CMS.

Implementation Monitoring

Since the 1990s, Ars Logica founder Tony White has kept close tabs on ongoing WCM implementations. Some of this knowledge is represented in the Compass Guide reports.

No Vendor Influence

Ars Logica retains complete editorial control over the Compass Guides and receives no funding in their production.

Kentico Vendor Overview

Kentico is a small, Czech Republic-based CMS vendor whose platform performs well across a wide range of core CMS functions. Kentico was founded solely for the development of its CMS 1.0 application, which it released within six months. In the past two years, the vendor has won some impressive deals, including Abbott Labs, McDonalds, Mazda, and Vodafone. Kentico CMS for ASP.NET is well-suited to SMB's and enterprise divisions looking for extreme value. The product embodies one of the better Visual Studio 2010 development environments on the market. The vendor's customers (primarily IT organizations, although this is beginning to change) report excellent customer service, but Kentico continues to face the challenges of (1) expanding its support base within companies beyond IT, (2) overcoming limited market presence, and (3) articulating product differentiators beyond pricing.

Company Profile

Year Founded: 2004
Headquarters: Brno, Czech Republic; North
American Headquarters in Nashua, NH
Employees (or FTE equivalents): 69
Geographies: Global
Revenue: \$3-5 million (estimated)
Product Types Offered: WCM, basic collaboration
Commercial or Open Source: Commercial
Strategic Implementation Partners: Falcon Software, Diamond Dogs, Bluemodus, Bit Wizards, Graphic Systems International
Key Vertical Industries: Services, Manufacturing, Health Care, Insurance

Product Profile

Product Name: Kentico CMS for ASP.NET
Version: 5.5 R2
Next version release date: Q3 2011
Market segment: Enterprise
Average Sales Price (License Only): \$15,000
Technology Platform: .NET
Key Strengths: Bargain pricing, ease of integration with SharePoint, excellent support for Visual Studio 2010, good customer service
Key Limitations: Limited market presence, lacks the last bit of large-enterprise scalability, primary focus on technical users
Highest-Value Use Case: Enterprise division looking to implement and customize a .NET CMS at the lowest possible price.

Vendor History & Product Evolution

Founded in 2004 as a software company in Brno, Czech Republic, Kentico finished development of CMS 1.0 within six months. By the end of 2004, Kentico productized the offering and began experiencing widespread enthusiasm throughout the region among the developer community. After the initial product launch, Kentico focused most of its development effort on addressing the highly-specific technical requirements of its IT-oriented customer base. While it satisfied the development demands of this community, the vendor overlooked a more substantial market opportunity by not adequately considering the usability concerns of business users. In large part, this explains – even to the present day – why such a product so fully-featured across a wide range of core WCM functional areas remains underpriced. By targeting IT departments (whose technical wish lists can be long, and whose budgets are often short) as its primary customers, Kentico eschewed better-funded business decision makers – even as late as 2007, when the company began to prioritize business-oriented improvements to the product.

As part of normal vendor evolution, Kentico realized in 2008 that its product would be appealing to business users as a CMS platform, and not just to developers as a collection of technical point solutions. The vendor seriously began to consider, while developing the 5.x versions of the product, what price the market would pay for its applications, and how to communicate to customers a well-justified price increase. To its credit, Kentico raised its prices, lost a small percentage of its customers (mostly the highest-demand/lowest-budgeted ones), and launched a U.S. presence that is now growing rapidly.

Ars Logica applauds the vendor's 2008-2010 efforts, and we expect Kentico to fare well in 2011-2012 as a result of these (and subsequent) initiatives. We believe that the product could currently justify a significantly higher price tag, and we therefore advise clients in the short-term to consider the product as a value-laden alternative to other .NET-based CMS solutions. We do not expect this under-pricing to last forever.

Key Recent Developments

Firstly, Kentico CMS for ASP.NET 5.5R2 introduces several improvements over previous 5.x versions. To larger customers, the most important new feature will be the improved integration options for SharePoint. Kentico now offers pre-integrations with SharePoint for the most common enterprise collaboration scenarios which – while they will still require significant customization – should reduce the SharePoint integration workload by 30-40 percent. Secondly, 5.5R2 represents Kentico's initial steps in addressing customers' mobile CMS requirements. For now, these consist mainly of best-practice guidelines for rendering existing websites on mobile devices. Thirdly, Kentico has significantly expanded its "web parts" offerings, which now include mobile-device detection, RSS feeds, Google Analytics, and XML export functionality.

Profiling the Ideal Buyer

The ideal buyer of Kentico CMS for ASP.NET 5.5R2 is the mid-size company or enterprise division looking for a product that includes a complete set of core WCM feature-functionality at the lowest possible price. Kentico CMS is without exception the least expensive commercial product in the market to offer such a complete core feature set. Many of Kentico's recent customer wins are companies, no longer satisfied with home-grown solutions, who wanted to move to a professional-grade, extensible CMS, at far below the \$50,000 price point, where similarly functional products normally start. Most of the remaining recent wins are among divisions of large enterprises, which represent the upper end of the product's scalability range. Two other decision criteria – one obvious, the other not so obvious – may persuade CMS buyers to consider Kentico. First, if not readily apparent from the name of the product, Kentico CMS is strictly for those seeking a .NET content management solution. In some cases, the product provides an acceptable – although somewhat less functional and polished – alternative to more expensive platforms such as Sitecore and EPiServer. Second, the application's source code can be purchased starting at under \$15,000, which for some customers represents a preferable alternative to open source software.

- **Extreme value seekers**

Kentico CMS should be considered by enterprises seeking the highest function-to-dollar ratio in the sub-\$50k range.

- **.NET-centric organizations who rely heavily on the development community**

Kentico's customers are among the most active in the .NET developer community. Prospects looking to customize their implementations heavily in-house should bear this in mind.

- **Companies giving up on SharePoint as a CMS**

Kentico often provides an agreeable (re)starting point for those abandoning failed attempts at using SharePoint as an enterprise CMS.

Kentico Will Not Be a Good Fit, If...

Kentico CMS will not be a good fit for large companies looking to deploy a new CMS enterprise-wide. There were some scalability issues in the 4.x versions, which have mostly been resolved. But at the high end of the scalability/complexity spectrum (beyond large enterprise divisions, e.g.), we know of no Kentico implementations that demonstrate the product's ability to support such requirements. The product is also not a good fit for organizations lacking adequate (often substantial) .NET development resources to customize the platform to their specific requirements. To wit, most Kentico customers have very strong IT departments and are very active in the developer community. And of course Kentico CMS for ASP.NET will not be a good fit in Java- and PHP-centric technical environments.

Key Product Strengths

Kentico CMS's main product strength is its bargain pricing. All other considerations need to be put into perspective in this regard. As a reference point, a one-server Kentico "Ultimate" license (for up to 10 websites) is slightly less than \$14,000. The next-lowest priced, similarly-functional CMS product on the market is just under three times that.

Generally speaking, the Kentico CMS performs well over the range of functional areas that constitute the "core" features of WCM, and its particular strengths include a very nice integration the Visual 2010 development environment. From the beginning, Kentico has focused its engineering efforts on satisfying the requirements of IT departments, which the addition of an elegant Visual Studio 2010 IDE moves a significant step forward.

The product now also offers respectable integrated document- and project-management workgroups, which offer a native Kentico collaboration alternative to SharePoint 2010. Ironically, the product adds support for SharePoint 2010 in the same release. Taken together, these enhancements demonstrate Kentico's commitment to satisfying recent requests from its customers for expanded intranet, collaboration, and document-management capabilities. While on the topic of Microsoft-related improvements, the possibility of cloud-based deployments through support for Azure is an important development in version 5.5 R2, though it should be noted such deployments are currently limited to a single website instance.

FIGURE 1 Kentico 5.5 R2, Key Product Strengths and Limitations

Below are several key product strengths and limitations that potential buyers should keep in mind when assembling vendor shortlists.

KEY STRENGTHS	KEY LIMITATIONS
Bargain pricing	Limited market presence
Recent addition of integrated document/project management workgroups and support for Microsoft SharePoint 2010	Although the product performs respectably in most functional areas, Kentico has a difficult time explaining a unique value proposition, aside from attractive pricing.
Cloud-based options via Microsoft Azure	Unproven scalability for large, enterprise-wide deployments
Recent improvements in social networking functionality	Still used mostly by highly technical resources
Nice integration with Visual Studio 2010	
Good customer support	

Source: Ars Logica, Inc.

Source of Information: Product testing (January 2010); product updates, customer interviews, Vendor Questionnaire

Lastly, customers seem to be very satisfied with Kentico's customer support. This should be taken into consideration especially by U.S. customers concerned by the vendor's European origins and concentration of employees in the Czech Republic. Kentico has gone to great lengths to make sure that this will not be a problem for customers in North America.

Key Product Limitations

For its stated design goals, Kentico CMS for ASP.NET really does not have any showstopping limitations. The product achieves what it set out to do, and at a price point that no one could rightfully expect. That said, Kentico as a company has a limited market presence, both in the U.S. and Europe. And while the company's revenues have been doubling every year for the past few years, some organizations may sense that the Kentico may not be able to sustain this type of growth for much longer – especially given its lean margins per software license relative to some of its competitors. Ars Logica has been asked specifically whether we believe that Kentico, given similar ongoing growth rates, will be able to continue its current level of product development customer support beyond the next 12 months.

Of the major improvements from the 4.x to 5.x versions of Kentico CMS, the most significant was increased scalability. Version 5.0 did in fact bring the product up to the large SMB level. However, the vendor's largest deployments are currently at the divisional level of large enterprises or in multi-tenant implementations, in which corporations provide instances of the implementation to a large number of franchises. Ars Logica knows of no truly large enterprise-scale deployments of the product, and therefore we cannot vouch for its suitability for these types of deployments. While we have looked at the product's architecture and system design and see no logical reason why the product couldn't scale, the proof in CMS implementations is always in the pudding. We look forward either to conversations with users of the product whose implementations push the platform's technical limits, or to the results of scalability testing for the 6.x versions of the product. We will issue updates accordingly.

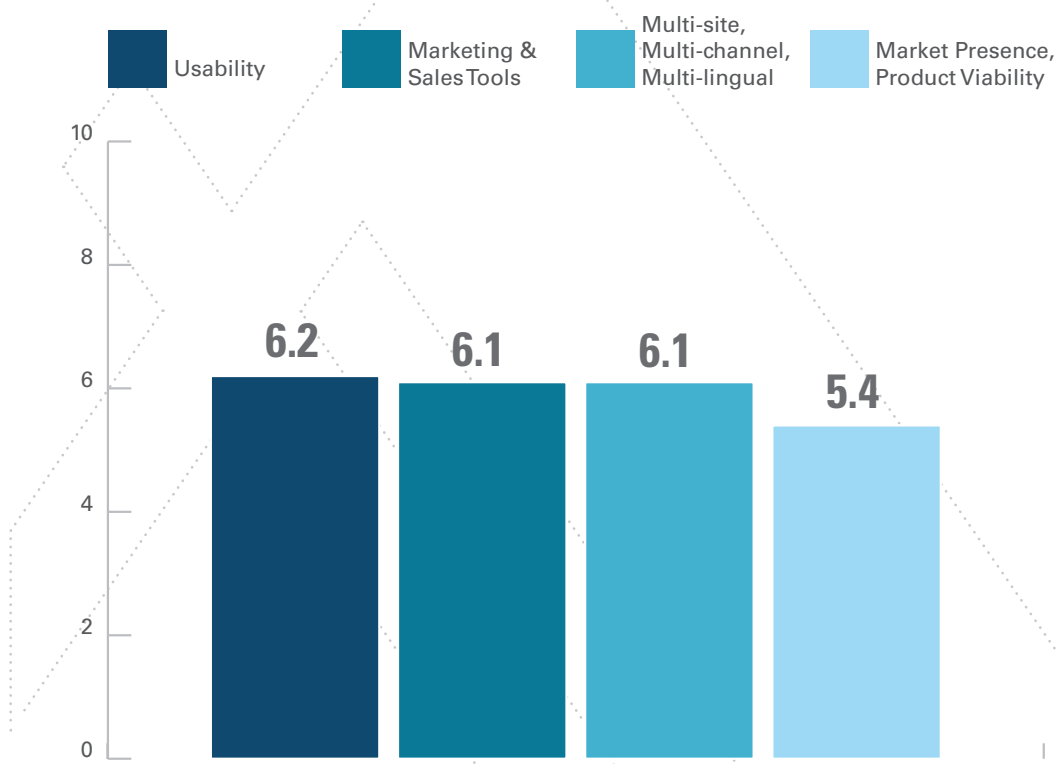
Finally, Kentico has always had a difficult time explaining the value proposition of its CMS platform, aside from attractive pricing. To be fair, this *is* the real value proposition. Kentico CMS does not set the performance bar in any functional area of WCM, but what it does do is perform respectably across the range of core WCM requirements at less than half the price of its peers. An automotive analogy would peg Kentico CMS as a bargain-priced car with no bells or whistles that gets you reliably from point A to point B. Were the product priced above \$75,000, we would make stronger comments about its limitations.

Vendor/Product Report Cards

The features, functions, and technical underpinnings of WCM products vary wildly, as do the customer requirements they are intended to satisfy. For this reason, the only reliable way to assure the best product fit for a particular client is to spend anywhere from several weeks to several months assessing the client's specific needs and analyzing product capabilities line by line. Still, Ars Logica is frequently asked to rate products in categories such as those in Figures 2 and 3. In using these ratings, please take care not to compare products in different market segments (see the Product Profile section of Page 4). For example, a Scalability score of 9 for an "Enterprise" product does not equate to the same score for an "Entry Level" product.

FIGURE 2 Kentico Report Card for the Business User

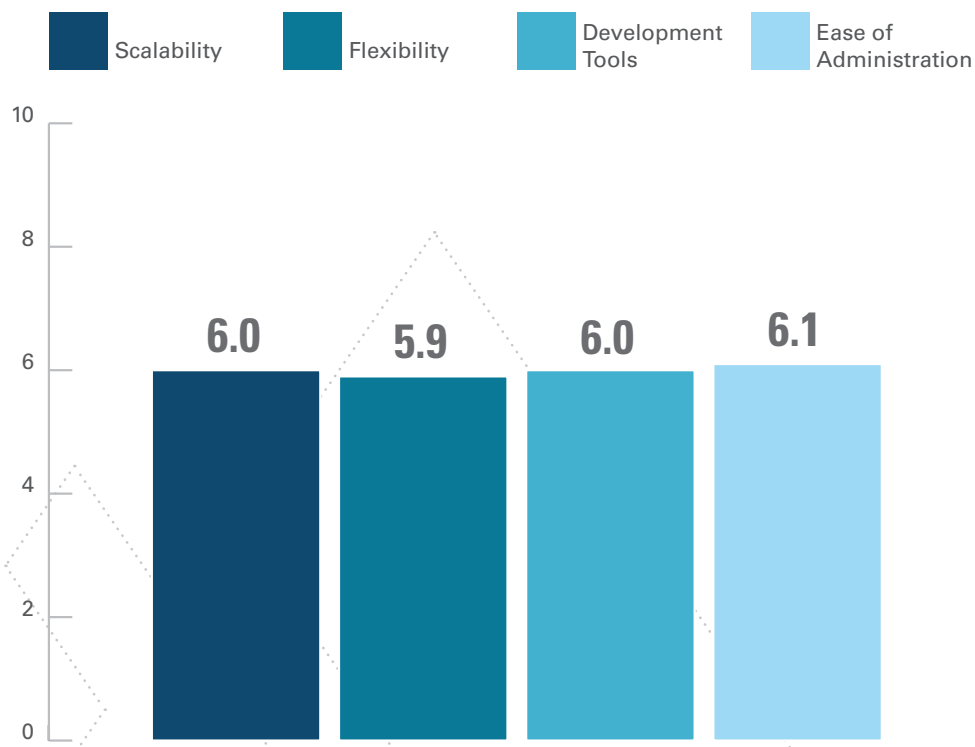
Figure 2 shows Ars Logica's rating of Kentico CMS for ASP.NET 5.5 R2 in four categories of critical importance to business users. Refer to Page 11 for an explanation of the evaluation criteria.



Source of Information: Product testing (January 2010), product updates, customer interviews, Vendor Questionnaire.

FIGURE 3 Kentico Report Card for Technologists

Figure 3 shows Ars Logica's rating of Kentico CMS for ASP.NET 5.5 R2 in four categories of critical importance to technologists. Refer to Page 12 for an explanation of the evaluation criteria.



Source of Information: Product testing (January 2010), product updates, customer interviews, Vendor Questionnaire

Report Card Evaluation Criteria

In the process of analyzing WCM solutions, Ars Logica has established a set of evaluation criteria, which at the highest level can be separated into four categories for non-technical business users and four categories for technologists. Scores in these categories represent averages of a large number of detailed criteria, and are meant to be used as a means of quickly comparing products within the same market segment – not as a substitute for painstaking requirements and product matching.

Criteria for Business Users

- **Usability**

Usability refers to the relative ease of learning and using a WCM application. For non-technical business users, factors contributing to high scores in this category include intuitive and consistent user interfaces, streamlined task completion (i.e. minimal number of steps to complete a task), integration with the desktop, contextual editing capabilities, and documented high user adoption rates among a vendor's customers.

- **Marketing & Sales Tools**

Increasingly, enterprises are relying on marketing and sales tools within WCM applications to improve sales conversion rates, increase average transaction amounts, draw customers back to their Web sites, analyze online behavioral patterns, and so on. This category rates the presence and quality of such tools.

- **Multi-Site, Multi-Channel, Multi-Lingual Capabilities**

This category assesses a product's ability to support multiple sites; deliver content to multiple channels on multiple devices; and create, store, present, disseminate, and/or translate content into multiple languages. Scores in this category represent an average of a product's capabilities in all three of these broad functional areas.

- **Market Presence, Product Viability**

The Market Presence, Product Viability category rates both a vendor's overall market presence relative to competitors and its dedication to the continued development of its WCM products. If these two factors are not aligned with each other, an explanation of why will be included.

Criteria for Technologists

- **Scalability**

Scalability refers to the ability of a product to function well as system demands increase. Factors contributing to scalability are database size, query efficiency, bandwidth consumption, ease of system management, caching efficiency, load balancing, and mass content deployment capabilities.

- **Flexibility**

Flexibility denotes a product's ability to integrate easily with existing enterprise infrastructure, including operating systems, Web servers, databases, directories, development tools, and other enterprise applications such as ERP, CRM, document management systems, search, portals, and so forth.

- **Development Tools**

This category describes the quality of a product's integrated development environment (IDE), the technologies that the IDE incorporates, and overall ease of customized application development. Although this category refers primarily to development frameworks (Eclipse, e.g.), other ad hoc tools are also included, such as page templates, HTML/XML editors, WYSIWYG editors, PDF generators, and any other software that enables or eases the production, formatting and dissemination of content.

- **Ease of Administration**

Some WCM products require significantly more work to administer (sometimes 5-10 times more) than others. This category rates the relative resource intensity required to keep the system running smoothly, where higher scores reflect less work. Roughly speaking, higher scores also indicate better coordination of application components due to more methodical system design.



SERVICES

Advisory Services

Ars Logica is a vendor-neutral analyst firm helping companies evaluate their WCM requirements and select appropriate WCM software. To address clients' content management-related questions and problems that arise throughout the year, Ars Logica offers unlimited direct analyst access through its Analyst Anytime advisory services. These annual, subscription-based services provide guidance by phone or email within 24 hours on a wide range of issues. The number of inquiries submitted throughout the year is not limited.

Software and Technology Selection

In our Software and Technology Selection engagements, Ars Logica maps clients' functional, technological, and strategic requirements to potential WCM solutions and identifies the software vendors whose products best satisfy these requirements. We maintain a continuously updated comprehensive matrix of the feature-functionality of most WCM vendors' products and solutions. We also receive frequent briefings from these vendors and have in-depth conversations and consulting engagements with their customers, ensuring that we always understand the actual state of vendors' offerings as well as their forward-looking strategic directions.

Custom Engagements

Ars Logica's expertise in WCM and related technologies such as digital asset management, records management, marketing campaign management, search, and portals, gives us the open-ended ability to help clients on a wide range of projects, including: building the internal business cases, assessing technology requirements, analyzing software products and vendors, selecting and assembling software solutions, crafting Web strategies, and running corporate educational seminars. We also assist vendors in developing strategic roadmaps, and we present our view of the WCM market at industry conferences and end-user events.

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