

Agility CMS Return on Investment

Comparing the ROI of CMS Solutions

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Website Solution Options

When considering a custom commercial website solution there are a number of choices for comparison. An interesting comparison can be made between a conventional website implementation and various Content Management System (CMS) options.

This evaluation compares the following four website solution options:

1. Conventional Website Implementation
2. Standard CMS
3. Open Source CMS
4. Agility CMS

Conventional Website Implementation

In a Conventional Website implementation, a custom website is built from the ground up by web developers and requires hosting and administration. The site is typically built using standard web development technologies (example: HTML, PHP, ASP, ASP.Net, Ruby on Rails, Flash, etc).

Standard CMS

The Standard CMS option involves purchasing, setting up and managing a commercial CMS. A standard CMS usually includes customer support as part of its licensing and maintenance fees. A Standard CMS solution requires a web developer to build templates, a site framework, and functional components to work with the CMS. It also requires that an administrator install and set up the CMS and arrange web hosting.

Open Source CMS

The Open Source CMS option involves setting up and managing an Open Source CMS. Open Source CMS software is free, but support is not available for free. An Open Source CMS usually requires a web developer to build template pages, framework and functional components to work with the CMS and it requires that an administrator arrange hosting and install and set up the CMS.

You can read more about Open Source software at http://en.wikipedia.org/wiki/Open_source.

Agility CMS

This scenario involves implementing a website using Agility CMS. Agility CMS is a hosted solution with a monthly fee that includes licensing, upgrades, infrastructure requirements, and technical support. A typical Agility CMS website requires that the site templates, framework and functional components be built and integrated with the CMS, but system administration and hosting are provided as part of the solution.

Comparison of Required Investment

Each option has a different cost structure. A review of the specific costs associated with each option provides a good comparison of the investment required for each solution.

| | Conventional | Standard CMS | Open Source CMS |  AGILITY |
|---------------------------------------|---|---|---|---|
| Investment (all numbers estimated) | | | | |
| Site Development | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 |
| Hosting | \$ 600 / year | \$ 600 / year | \$600 / year | \$ 600 / year |
| Initial CMS set-up and installation | \$ 0 | \$ 2500 | \$2500 | \$ 0 |
| System Administration | \$ 5000 / year | \$ 5000 / year | \$ 5000 / year | \$ 0 / year |
| Web Developer Content Updates | \$ 5000 / year | \$ 0 / year | \$ 0 / year | \$ 0 / year |
| Web Developer Functional Enhancements | \$ 5000 / year (after 1 st year) | \$ 5000 / year (after 1 st year) | \$ 5000 / year (after 1 st year) | \$ 5000 / year (after 1 st year) |
| CMS Software purchase | \$ 0 | \$ 8000 | \$ 0 | \$ 0 |
| CMS Maintenance and Licensing Fees | \$ 0 | \$ 800 / year | \$ 0 | \$ 6000 / year |
| CMS Technical Support | \$ 0 | \$ 0 | \$1,500 / year | \$ 0 |
| Total over 1 year | \$ 35,600 | \$ 41,900 | \$ 34,600 | \$ 31,600 |
| Total over 3 years | \$ 66,800 | \$ 64,700 | \$ 58,800 | \$ 54,800 |
| Direct Savings | | | | |
| Over 1 year | \$ 6,300 | n/a | \$ 7,300 | \$ 10,300 |
| Over 3 years | n/a | \$ 2,100 | \$ 8,000 | \$ 12,000 |

Site Development

Site development costs include the web development effort required to build the site or site structure. The cost of building a site can vary greatly depending on site's complexity and size. However, the cost of the same site is similar between the four options.

Using a CMS solution requires development integration with the CMS framework, but at the same time it provides a pre-built framework and some built-in functional components which saves time and costs.

For this comparison we will consider a standardized example with a \$25,000 development budget.

Hosting

Typically, a custom website can be hosted with a \$50 per month (\$600 per year) commercial hosting plan. Using a Standard or Open Source CMS may require a more specific web hosting plan which allows the user to install and configure the software, but this can be found for a similar cost.

With Agility CMS, website hosting also costs \$50 per month.

Initial CMS set-up and installation

A conventional website solution does not use a CMS and does not require any CMS set-up.

Standard CMS and Open Source CMS solutions require software set-up and installation on the server. For this example we estimate that to be 25 hours at \$100 per hour.

The Agility CMS does not require set-up or installation.

System Administration

During the life cycle of a conventional, Standard CMS or Open Source CMS website solution, system administration is required to manage the server and the site. This would typically be at least 50 hours per year at \$100 per hour.

The Agility CMS solution does not require any system administration.

Web Development for Content Updates

With a conventional website solution, content changes require the content provider to compile the change details and pass them on to a web developer to be implemented. The Web development time typically amounts to at least 50 hours per year at \$100 per hour.

In the three CMS solution options the content provider can directly update the content in roughly the same time it would take to compile and communicate the change to a web developer. So, no additional time is spent by the content provider and no web developer time is required to make the updates.

Web Development for Functional Enhancements

Each year after the first year, a website will typically require functional enhancements for new functionality. The cost of implementing these functional enhancements is typically the same between all options. An annual budget of 50 hours per year at \$100 per hour would be a typical budget for all options. However, it is important to note that non-CMS solutions have a risk of higher costs for future enhancements due to the risk of weaker original architecture (designed specifically for the original site) and the urge to make more dramatic upgrades to overcome the overall staleness of the site due to outdated content.

CMS Software Purchase

Only the Standard CMS solution requires that CMS software be purchased. A low-end cost would be \$8,000 for a product that would provide reasonable functionality.

A Conventional Website solution does not use a CMS, Open Source CMS software is free and Agility CMS does not have an upfront purchase price, but rather a monthly licensing fee.

CMS Maintenance and Licensing Fees

With Standard CMS software, an annual maintenance fee is usually tied to the software to provide access to maintenance, upgrades, and ongoing customer support. This fee is typically 10% of the product price. In this example this works out to be \$800 per year.

Agility CMS has a monthly license fee starting at \$500, suitable for single-language websites with typical functional requirements.

CMS Technical Support

The standard CMS option includes support in its maintenance fees, and Agility CMS includes technical support and system administration. The Open Source CMS option does not include technical support, but most open source software publishers provide technical support plans at a cost.


Total Cost Comparison

A comparison of the overall, tangible costs shows that Agility CMS is less expensive throughout its lifecycle than the other options. Agility has the lowest initial investment and the lowest recurring annual costs.

In our example, Agility CMS saves \$12,000 when compared to a typical website implementation over a 3 year period. The difference is even greater when you consider future value of money on the initial investment difference.

Comparison of Secondary Savings and Advantages

Beyond the quantitative comparison of costs, the four options also have a series of intangible Secondary Costs and Advantages worth considering.

| | Conventional Website | Standard CMS | Open Source CMS |  AGILITY |
|--|---|--|-----------------|---|
| Secondary Savings and Advantages | | | | |
| Speed and Convenience | Communication and Implementation Delays | Immediate Updates | | |
| Accuracy | Details and accuracy lost in communication | Direct changes | | |
| Ability to Preview Changes | Not standard | Immediate preview | | |
| Enforced Consistency | Not strongly enforced | Consistency enforced | | |
| Workflow and Review | No standard workflow or review process | Built in workflow and review functionality | | |
| Established Framework, Templates and Modules | Individual web projects are often one off solutions built from scratch | Robust, time tested framework, templates and modules | | |
| Dynamic Content leading to increased web traffic | Updating content not immediate | Ease of making changes results in more dynamic content which ultimately results in greater site traffic | | |
| Customer Responsiveness | Delays updating content | Immediate content updating allows for responsive customer support postings | | |
| Content Repurposing | Not Standard | Content in the CMS can be used in multiple places automatically as well as easily exported for reuse outside the site. | | |
| Extendibility | Initial design does not necessarily consider future growth and extend ability | Basic structure of CMS platform requires that it be flexible and extendable. | | |
| Administrative Stress and Risk | Medium | High | High | None |

Speed and Convenience

With a CMS, updates can be made almost immediately. In the time it takes for the content provider to compile the content change and communicate it to a web developer they can implement the change in the CMS. This means the web developers' time, as well as any delays between the content provider and web developer, is eliminated.

Accuracy

After compiling a content change the content provider must communicate the change request to the web developer. This can result in miscommunication, especially if the content provider and web developer are geographically separated. Miscommunication results in inefficient back and forth communication and repeated web development work. With a CMS, the content provider can make edits directly and avoid communication issues, delays and possibly costly mistakes.

Ability to Preview Changes

With a CMS, the content provider can immediately preview the changes before deciding to deploy them to the website. This avoids mistakes appearing on the live site and allows content providers to collaborate and review each other's work.

Enforced Consistency

With a CMS, a content provider must use the existing templates, controls and styles. This enforces consistency throughout the site over its entire lifecycle. In a typical website, some consistency may be enforced, but over time and with multiple developers, small details in page structure and style can deviate.

Workflow and Review

A CMS solution typically includes controls to enforce workflow and review. This allows for an automated approval process to be implemented for changes. In a typical website solution, approval processes are manual and ultimately result in changes going live without approval or changes being lost or delayed in the approval process.

Established Framework, Templates and Modules

Conventional Website solutions are often built from scratch and with many potentially reusable components being rebuilt for each specific site. In a CMS solution, there is an established framework and

infrastructure (including reused functional components) that have been tested and enhanced over time. This evolved code base is time-tested and thus more robust and reliable.

Dynamic Content Leading to Increased Web Traffic

With a CMS, making updates and changes is much easier which results in more changes being made. More dynamic content means more pickup by search engines and content aggregators. This results in greater site traffic.

Conventional website updates are less convenient so content is more static.

Customer Responsiveness

The ability to make immediate content updates with a CMS solution allows content providers to post responsive updates for customer support issues.

Content Repurposing

Content in the CMS can be used in multiple places automatically as well as easily exported for reuse outside the site.

In a Conventional Website implementation, content can be copied manually throughout the site, but the ability to automatically reuse content is not standard.

Extensibility

A conventional website implementation does not necessarily consider future growth and extensibility. Future growth and functional changes may require some level of re-architecture.

The basic structure of a CMS platform requires that it be flexible and expandable so that it can accommodate all types of sites. This intrinsic requirement makes CMS websites more easily extendable without modifying the basic framework or architecture.

Administration Stress and Risk

Agility CMS has no administrative requirements. There is no system administration or maintenance required and implementation surprises and risks are eliminated. Conventional website, Standard CMS and Open Source CMS solutions require time and energy for system and server maintenance and administration with all of the associated risks.

Conclusion

After comparing the various commercial website options, a number of conclusions can be made:

1. Content Management System (CMS) solutions have advantages over conventional website solutions in cost, robustness, ease of use, accuracy and ability to maintain dynamic content.
2. Hosted CMS solutions are the most cost effective over the short term (based on initial investment) and over a three year life cycle (based on estimated recurring costs and maintenance requirements).
3. Hosted CMS systems in general have the least risk and result in the lowest administrative stress.

Implementing an Agility CMS website compared to other website solution options can directly and indirectly contribute to a more dynamic web presence, increased web traffic, less stress and higher profits (via lower expenses).