

THE BUSINESS CASE FOR KENTICO IN MICROSOFT AZURE



CONTENTS

Foreword by Kentico Software	3
Executive Summary	4
1. Introduction	5
2. Analysis of Benefits	6
a. Ease of Installation	6
b. Ease of Updating	7
c. Operational Benefits	8
d. Future-Proofing the Business	9
3. Case Study - The E-commerce Arm of a Major UK Retailer of CDs, Games, and Books	10
4. Conclusions	11

**KENTICO
SOFTWARE**

Kentico Software is the leading provider of digital experience and content management solutions. Kentico's award-winning products include Kentico, the all-in-one digital experience platform for web content management, e-commerce, and online marketing, and Kentico Cloud, the comprehensive cloud-first headless CMS and content-as-a-service platform.

Kentico is trusted by a network of more than 1,000 partners across 80 countries, serving customers including Twinings, Ingram Micro, and Hyundai. Established for 15 years, Kentico is a profitable and growing technology company with offices in the United States, United Kingdom, the Czech Republic, the Netherlands, Australia, and Singapore.

In 2011, Kentico became the first CMS to be certified for Microsoft Azure.

For more information, visit <https://www.kentico.com>.

**ABOUT THE
AUTHOR****Michael Nutley**
Digital Media and Marketing Journalist

Michael is a London Research writer specializing in digital media and marketing. He was head of content for London Research sister company Digital Doughnut between 2012 and 2016, and during that time edited the European channel of Adobe's CMO.com website. Before that he was editor of New Media Age, the UK's leading news publication for interactive business from 2000 to 2007, and its editor-in-chief from 2007 to 2011. He has written widely about the sector, is a regular speaker in the media and on the conference circuit, and has lectured on the future of advertising and publishing at the London College of Communications.



Foreword by Kentico Software



Stephen Griffin
VP Marketing
Kentico Software

As technologies evolve and the future unfolds, organizations will need to have a new way to work with content that will make them more efficient internally and allow them to deliver more impactful customer experiences externally.

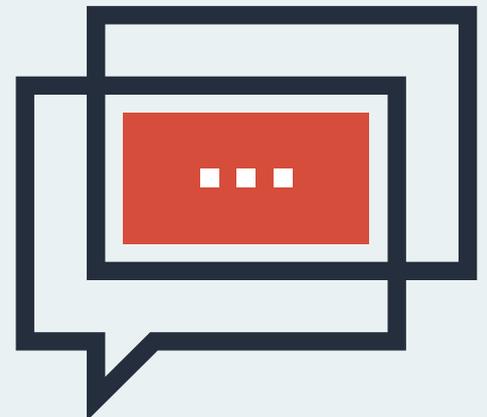
With a digital experience platform, organizations can expect to be more agile and deliver better experiences that will inspire customer loyalty and retention, ultimately driving business growth. To succeed, marketers, developers, and others cross-functionally looking to deliver the right content to the right people at the right time will need to leverage modern technologies, be more creative, and optimize initiatives with audience segmentation, A/B testing, and advanced analytics.

Started in 2004, Kentico has always had one clear vision: to provide the best way to work with content. Despite many version updates, a broadening of the original platform to include e-commerce and online marketing capabilities, and the launch of a separate Cloud offering all bringing huge global recognition, today Kentico still holds that same vision. The backbone of its history – and its future – is simple: a commitment to delivering the platforms that help people tell stories that change the world.

In its 15-year history, Kentico has seen the market evolve and continues to help more and more organizations better connect with their customers and stay competitive in the market through award-winning web content management, digital marketing, and e-commerce functionality.

Globally, Kentico has gone from strength to strength, helping thousands of brands drive growth and create engaging customer experiences through an established network of digital agency partners. Thanks to the Kentico Partner Program, digital agencies benefit from support, training, discounts, and products that lead to faster time to market.

At Kentico, we proactively reach out to our customers and partners to get their feedback, which helps us shape the future of our products. We want to ensure we are investing in and developing innovative features that will allow new and existing users to leverage the best of what digital experience platforms have to offer, which is why we commissioned London Research for this report. We wanted to find out exactly how Kentico hosted on Microsoft's Azure platform has impacted organizations worldwide.



Executive Summary

Kentico commissioned London Research to examine the experience of clients and agencies using its CMS technology hosted in Microsoft's Azure. The report is based on in-depth interviews with three Kentico partner agencies and three client companies.

It looks at three categories of benefits derived from implementing Kentico in Azure: direct financial improvements, including reduced costs and increased revenues; softer benefits, including better customer experience and brand perception; and anticipated advantages, such as the ability of the platform to support future growth.

The report also breaks down the impact of moving to Kentico in Azure into three main sections: implementing the technology, updating sites using the technology, and other operational aspects. In the first of these, the research found that using Kentico in Azure dramatically reduced the time required for implementation. In one case an agency reported that a process that would have taken them 80 hours with their old CMS and hosting instead took only eight. It also meant no downtime, a benefit also reported by a major UK retailer.

Significant improvements were also reported in relation to the ease of updating sites using Kentico in Azure. These included one company that found it was able to move responsibility for updates from IT to the marketing team, saving a quarter of an IT salary. Another company noted that the time taken to update the site as part of the launch of a new range of products had gone down from between five and seven days to three hours. A third business said it had seen the time taken to carry out site updates fall by 40%.

The operational benefits reported are also significant. These include cost savings in both hosting and management, plus improved reliability, uptime, security, and scalability. One of the agencies interviewed reported a saving of some \$12,000 a month on hosting alone. In addition, all the agencies noted that Kentico in Azure was easy to use, making developments quicker and allowing the agency to be more agile.

The final factor identified by the research was the quality of support provided by Kentico and Microsoft. This was evident in the implementation phase, but also during operations. Clients and agencies alike noted Microsoft's work in the background to keep the lights on by handling and maintaining integrations with other products and platforms. This also contributed to the feeling that, by choosing Kentico in Azure, they were future-proofing their business.



1

Introduction

This report looks at the **business benefits experienced by Kentico customers and partner agencies in using Kentico's content management system, hosted on Microsoft's Azure platform**. These include quantifiable impacts on both the bottom and top lines, as well as improvements to operations and customer experience, and less easily measured benefits such as improvements to brand perception and the preparedness of the business for the future.

In the first category – **direct financial benefits** – interviewees reported:

- Reduced hosting costs.
- Savings in time and resources required both to manage the implementation and to maintain and update the resulting sites.
- More control for marketers making site updates, thus saving IT costs.

Softer, less quantifiable benefits stemmed from **better site performance and reliability**. These included:

- Better brand perception and improved search performance, resulting in more leads for the business.
- Improved customer experience.
- Reduced numbers of calls to customer service helpines to resolve site-related issues.

Finally, there were perceived **benefits of future-proofing the business**. Interviewees spoke about Kentico in Azure meeting their need for a platform that would support their plans to expand their operations, both by being easy to scale and by facilitating moves into e-commerce, or to introduce marketing automation.

Each of these categories will be discussed in more detail in subsequent sections, along with the interviewees' assessment of the costs saved or revenues generated.

Methodology

This report is based on in-depth interviews conducted in April and May 2019 with Kentico customers using Kentico in Azure, and with agencies that build sites for clients and themselves using the same combination of technologies. The interviews were conducted on the basis of anonymity, to allow the interviewees to be as candid as possible about the business benefits of deploying Kentico in Azure.



2

Analysis of Benefits

a. Ease of Installation

The ease of implementing sites using Kentico in Azure was a key benefit reported by interviewees. It was also a major source of cost savings.

One US agency reported that the initial DevOps setup and eventual deployment for a client providing at-home care for seniors would typically take 80 hours – **with the use of Azure, that effort instead took eight hours.**

This was a complex implementation, with a need for a multiple-server network to be distributed geographically, with full redundancy. Minimizing downtime was also vital, as having the site down could result in potential leads being lost at a cost of thousands of dollars each. The agency reported a seamless deployment, with no downtime, allowing the client to spend the budget allocated for the deployment elsewhere.

“We’ve all been through awful deployments – it’s not the case here. It’s totally automated – the system builds, tests, and deploys the application and content without any human intervention. Each server is individually rotated out of the load balancer for deployment, so there is no downtime.”

Chief Marketing Officer, US agency

In another interview, a US flooring manufacturer also noted the ease of installation using Kentico in Azure, reporting a ‘very easy’ transition from open-source CMS concrete5 to Kentico in Azure. They also noted the high level of support from Kentico during the transition process.

A major UK retailer of recorded music, games, and books highlighted a further point about deployment: the quality of support provided by both Kentico and Microsoft (see *Section 3*). Once again, the deployment was complicated by both the high volume of transactional data, and the need to minimize downtime in order not to impact on customers shopping on the site.

The retailer’s agency worked with the technical team at Microsoft to plan the deployment into Azure, which was then successfully executed. The agency noted that, since then, the supporting architecture for deploying large-scale applications has greatly improved, both at Azure and with Kentico’s V12 solution.



One US agency reported that a DevOps implementation for a client providing at-home care for seniors that would typically take **80 hours instead took eight** as a result of being carried out in Azure.



The switch to Kentico reduced the time required to carry out updates **by 40%**.

b. Ease of Updating

After the speed of implementing systems using Kentico in Azure, perhaps the next most obvious benefit reported in the interviews was the ease and speed of updating the websites. This saves money but also gives marketers more control of the update process.

One agency interviewed described a client that had come to them for a redesign of their site but also wanted to reduce marketing's dependency on IT. The client's marketing team was accustomed to going to the IT team with requests for changes, but these were a low priority for IT.

The agency estimates that using Kentico in Azure for the new site has saved the client a quarter of an IT salary since the marketing team is now able to add new pages themselves.

The digital marketing coordinator at the US flooring company that switched to Kentico CMS in Azure from open-source content management system concrete5 noted that the company had previously outsourced updating of the site, but that the ease of use of the new version had enabled them to bring that in-house. It had also reduced the time required to carry out updates by 40%.



Using Kentico in Azure for the new site has saved the client **a quarter of an IT salary** since the marketing team is now able to add new pages themselves.

There was a similar story from a US tile manufacturer. The company had been using WordPress, and their marketing services coordinator was the only person updating the site. The company launches one or two new tile collections a month, and each launch required between five and seven days' work to update the site. They reported that using Kentico in Azure means that the process now takes only three hours.

This ease of use is mirrored on the agency side. Two agencies interviewed – one in the US and one in Australia – use Kentico in Azure for client projects and for their own in-house projects. One replaced a CMS they'd built themselves and described how Kentico in Azure has allowed them to be more agile and develop customer solutions faster and at higher quality, by allowing them to use the most up-to-date development tools.

"I think customers get a much faster response, and it helps us gain new customers as we expand."

Agency Co-owner and Software Architect

The other agency interviewed also said that Kentico in Azure had cut their time to market. They reported that it allowed them to have clients transacting quicker than they could with the other platforms they used before moving over to Kentico.

c. Operational Benefits

Once Kentico is running in Azure, both client companies and agencies see operational benefits. These include cost savings on hosting and management, reliability, uptime, and security improvements, as well as better SEO and customer experience.

The US flooring company interviewed operates through distributors, so its key website functions are helping potential customers find a dealer and allowing them to order samples. They report a **25% increase in sample orders** since switching to Kentico in Azure in August 2018, with more people completing orders online and fewer calls to customer service as a result of an improved customer journey.

It is a similar story at the tile company as they sell mainly to architects and designers, with the bulk of sales going through distributors. They also measure sample orders as a key function of their site. Since moving to Kentico in Azure, they report a reduction in the number of calls to customer service as a result of ordering problems.

Other operational issues are more closely linked to the use of Azure for hosting. The agency behind the in-home care company's site noted the importance of performance in terms of both SEO and customer experience. The client has a very image-heavy site, which can present challenges when it comes to page load time and overall site performance. Despite that, the site has a load time of less than two seconds, which the agency attributes to having a content delivery network and geographic distribution, which means the servers don't have to go too far to deliver the components of the brand experience.

As a result, immediately after the new site launched using Kentico in Azure, **site traffic was up by 11% due to SEO improvements and has continued to climb**. According to the agency, both these factors have a critical influence on the number of leads the site attracts, and therefore on the growth of the business.

Another agency interviewed also noted operational improvements as a result of the geographic location of Azure servers. It had found that the performance of its in-house hosting was degrading as it expanded its US operations. This was resolved by Azure, which allowed them to replicate storage at different locations across the country, delivering what the agency described as 'very high performance' for an application where uptime is critical. They also noted improved security.

These improvements came at a reduced cost. The agency is in the process of moving all its hosting to Azure, and its co-founder reported that **it is saving about \$12,000 a month**. There is also another benefit. The Azure licensing model allows the agency to host a few small business sites, creating a new revenue stream that is bringing in 'hundreds of dollars a month'.

The Australian agency interviewed reduced costs by moving to Azure too, compared to its previous use of Amazon Web Services. According to the creative and managing director, one of the principal reasons in this case was the simplicity of Azure compared to AWS.

"AWS required a significant investment. For example, we had to bring a DevOps person on board. Now the internal tech team can manage the Azure instances; we can scope and deliver in-house. That means saving three days' worth of a DevOps salary a week, so AU\$78,000 a year."

Agency Creative and Managing Director

The agency also reports seeing a saving of about **30% in third-party costs in moving to Azure**, both for itself and for its clients. There are also associated savings coming from less time being taken to manage the installations, amounting to about 40%.



A US flooring company reports a **25% increase** in sample orders since switching to Kentico in Azure.

d. Future-Proofing the Business

The need for a platform that would support the ambitions of the business – both in terms of growth and of developing its offering – was critical for those interviewed in the choice of Kentico in Azure.

The flooring company wanted a replacement for a previous system it described as “not robust, not fit to build on for the future”. They wanted to be able to integrate with product information management and to move to e-commerce. The fact that they were planning to update their enterprise resource planning system was also a factor.

Similar considerations were important at the tile manufacturer. They wanted a platform that would grow with them, allowing them to expand into e-commerce. They also wanted something simpler to work with than the plethora of WordPress plug-ins.

The point about integration was echoed by one of the agencies interviewed, which found Kentico made it easy for them to integrate with marketing automation tools such as HubSpot and Marketo.

Another agency interviewed had chosen to stop maintaining its own CMS, and replaced it with Kentico in Azure. According to the co-founder, their old system meant they couldn't keep up with the needs of their projects, and was damaging staff morale, as people felt they weren't developing their skills on new technology. Kentico in Azure allowed them not only to jump a whole generation of CMS development, but it also means they didn't have to worry about integrating with other systems since that is all handled by Kentico.

The agency was using its CMS to build microsites to promote a particular product in new territories across the US. The previous hosting arrangement meant that performance degraded as geographical reach expanded.

“We needed a cloud-based solution that fixed that problem for us because it's basically something that we want to scale on demand to meet the need as we go further out into the country,” the agency's co-founder explained.



Kentico in Azure allowed the agency not only to jump a whole generation of CMS development, but it also means they didn't have to worry about integrating with other systems since that is all handled by Kentico.

3

Case Study

The E-commerce Arm of a Major UK Retailer of CDs, Games, and Books

E-commerce is at the heart of this retailer's strategy, as it is with most. Its current e-commerce site, built on Kentico's content management system, was launched in 2015. Two years later, the retailer's agency recommended a move to Azure from a SQL cluster on physical hardware and cloud web servers. The retailer had seen exponential growth in traffic and revenue over that time and needed a more flexible, scalable, and performant hosting environment. The agency felt Azure offered a way to address these needs and meet expected growth over the retailer's peak period.

The initial move into Azure presented a few minor challenges with regards to data migration due to the very high volume of transactional data and the desire to mitigate as much of the impact of downtime on customers, but they were easily solved.

The agency worked with Microsoft's technical team to plan the deployment into Azure, which was completed successfully. It supports weekly deployments during certain periods of the year, enabling rapid adaptations to the platform, both to implement new features and to ensure it is maintaining up-to-date security protocols.

The retailer's deployment of Kentico in Azure has delivered the following benefits:



Significant performance improvements, such as page speed improvement of 17%, with no additional code-level performance changes.



Cost savings of more than 78% a year over a rigid physical-cloud solution (a six-figure annual sum).



Improved user experience, resulting in increased conversion rates and revenue. Increased traffic due to improvements in performance, user experience, and search ranking led to overall significant growth between 2017 and 2018, with increases in traffic, transactions, and revenue of about 60%. At the same time, the number of SKUs being handled by the platform increased significantly.

The site now supports more than **one million transactions a year** and handles about 2,000 transactions and more than 2,500 concurrent users in peak hours.

A key benefit has been greatly increased flexibility and ease of operations during the retailer's peak pre-Christmas period. During this peak, teams from both the retailer and the agency were historically under pressure due to the scale of the revenue and transactions going through the site, and the need to make accurate advance judgements regarding traffic load in order to scale up physical hardware which could not then be adjusted to meet spikes or changes.

In previous years, the teams were unable to make updates to the platform during peak times as this would invariably result in customers no longer being able to place orders. The flexibility of Azure and Kentico meant the teams were able to separate the administration interface from the customer-facing website for little cost. This allowed greatly improved performance for both the administrators/editors of the site and for customers, who are no longer affected by large-scale changes happening behind the scenes.

Additionally, using a physical database cluster was extremely limiting without incurring huge costs to scale up and down the platform before and after the peak. This is no longer an issue, since the ability to add and remove additional servers on Azure at a much lower setup effort and cost means the site can support this vital trading period.

Revenues from the e-commerce site overtook those from the retailer's best-performing high street store in October 2017. The site now supports more than one million transactions a year and handles about 2,000 transactions and more than 2,500 concurrent users during peak hours. It now represents a significant proportion of the retailer's overall revenue from over 100 physical stores.

4

Conclusions

“Kentico in Azure is not less expensive than our previous system, but it’s such an improvement that it’s worth the money.”

**Digital Marketing Coordinator,
flooring manufacturer**

As this report shows, companies that move to Kentico in Azure – and their agencies – report differing benefits from the move depending on their needs, priorities, and digital maturity. Hard measurements of resulting ROI are difficult to establish for similar reasons. A company’s deployment may be too recent to allow for meaningful data, or it may be impossible to link improvements in website performance to increases in revenue.

This disparity of examples also makes it impossible to draw generalizations about the deployment of the technologies. However, two themes emerged from the research beyond the reports of costs saved, security and reliability improved, and businesses future-proofed.

The first theme was ease of use. The combination of Kentico and Azure makes life easier both for the IT teams installing the technologies – whether client or agency – and for the marketers who use them. Both sides also talked about how Kentico made EMS – and its pricing model – easy to understand, with agencies noting how this also made it easy for them to attract new clients.

The second theme was the level of support provided by both Microsoft and Kentico. Interviewees spoke about Azure ‘keeping the lights on’ with patches, integrations, and maintenance, and also about the ease of scaling their server capacity depending on need. They praised Kentico for being easy to work with, and for being available whenever help was needed. *“They’ve always had our backs, and helped us make the most of our spend,”* was one agency founder’s comment.

Another agency head summed it up: *“The key is that Azure has made our lives easier. We always say we’re hosting-agnostic, but we have a very clear preference.”*



Beyond **operational and financial benefits**, two key themes emerged from the research: the **ease of use** and **quality of support** provided by both Kentico and Azure.

SCHEDULE A 1-ON-1 DEMO

to find out how Kentico in Microsoft Azure
can help accelerate your business.

Get in touch

**LONDON
RESEARCH**

If you are interested in producing
high-quality B2B research, please
contact London Research:

[✉ info@londonresearch.com](mailto:info@londonresearch.com)