

Ektron steps into SharePoint's crosshairs with new eIntranet app

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Ektron has announced its new eIntranet application, which packages much of the company's Web content management (WCM) and social software technology in a bundle intended for internal use. This is meant to be a largely prebuilt, collaborative intranet with a number of configuration options. This is the company's first more packaged application for a particular use case; it plans others and anticipates similar bundles from its large partner network. Competitive WCM vendors don't focus much on intranets, so **Microsoft** SharePoint is likely to be Ektron's most direct competitor for this application.

The 451 take

Ektron sees intranets as an underserved opportunity (about one-third of Ektron's business today comes from intranets and extranets). It is hard to argue with the point that most organizations have intranets that are static and in need of a revamp. So Ektron may well get some traction with this new app, particularly since so few of its competitors focus on this use case. The company's new bundle does a nice job of combining Ektron's WCM with a full set of social capabilities and seems well suited to collaborative, 'enterprise 2.0-style' intranets. Still, one of the reasons other WCM vendors steer clear of this use case is because it is so heavily the territory of Microsoft SharePoint; this will only be truer with SharePoint 2010, which has stronger social features.

Ektron's new eIntranet application builds on its core Ektron CMS400.NET product and the social software features the company has had for some time, including shared workspaces, activity streams and social networking. The new application does more to pre-configure these capabilities specifically for intranet use (Ektron also has customers that use its social software for customer community sites), and nicely ties in the product's document-sharing component in a way that is logical for internal use.

The eIntranet application has a single install to deploy the CMS along with the bundled add-on modules, including pre-configured content types and organizational structures likely to be used on an intranet. This is the first in what Ektron plans to be a series of applications on top of its core platform. That platform is primarily the CMS, which has always been packaged as a single product (as we detailed when we covered the company's CMS 400.NET 8.0 release in 2009). It is now shifting more toward selling the base CMS along with add-on modules for social software and online marketing, as well as with apps, like eIntranet, for specific use cases.

Ektron also expects partners to deliver similar applications. The company has long had a fairly extensive partner network, although it has added more of its own services personnel of late. Ektron claims to sell many of its services to partners that bring Ektron into large deals to assist as product experts. The company's deal sizes have been increasing, and its average is above the \$40,000 mark we have quoted in the past, although the company still supports a wide range of customers. This seems to be serving the company well: Ektron claimed 39% year-over-year growth in the first quarter of this year, and we estimate its 2009 revenue was approximately \$40m.

Competition

For the most part, Ektron's usual competitors – **Sitecore**, **EPiServer** and **SDL Tridion** – are more focused on interactive marketing features and customer sites than on intranets, which could help Ektron differentiate with this new application. Sitecore has had an intranet bundle for awhile, but we've mostly been hearing about its online marketing efforts of late.

One of the reasons these other vendors stay away from intranets is because internal apps are pure SharePoint territory, and no vendor wants to fight that competitive battle everyday. Also, for the .NET-based players like Ektron, Sitecore and EPiServer, partnering with Microsoft and having a strong SharePoint extension story can be good for business. Microsoft does a base level of WCM functionality in SharePoint and leaves specialized apps (like online marketing) to partners, which it brings into deals as needed. Competing too directly with Microsoft for collaborative intranets that include document sharing (as Ektron's eIntranet app does) could push Microsoft to bring in WCM vendors that aren't as directly competitive.

With all that said, there are certainly other vendors out there competing head-to-head with Microsoft for intranet deployments. These are primarily social software vendors, like **Jive Software**, which has been doing tremendously well selling (essentially) next-generation intranets (although no one calls it that). Vendors like Jive typically lack WCM, so Ektron could differentiate from this crowd by combing social with strong WCM for intranets, although WCM vendors have an uphill battle getting attention in the crowded (and hyped) social software market. Aside from Microsoft, there are other big players in social software that aren't generally in the WCM market, including **salesforce.com**, **IBM**, **Oracle**, **Cisco** and others.

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