Building vs. Buying:

YOUR KNOWLEDGE SHARING SOLUTION

You've identified a need for a stronger knowledge-sharing community – employees or customers may be requesting it or maybe you're looking to get a leg up on your competitors. Your company has a great team of developers who have already built an awesome product or provide great services. They are up for the challenge of developing a knowledge-sharing community, but should they? The following are items to consider when assessing a build vs. buy decision.

BUILDING VS BUYING: YOUR KNOWLEDGE SHARING SOLUTION

Expertise

One of the earliest critical considerations that you should make is, what is your company's level of expertise on building community software?

Before moving any further, ask yourself, "Is this something that we can do well?" Do you actually know what features make a community successful, what technology you need to adequately run your application, and how to maintain everything?

Specialization is what the world is built on. Without barter, we would all have to grow our own food, make our own clothes, and build our own houses. Can you feasibly say that you have an in-house expert who knows the ins and outs of online community development and can build a better product at less cost than a company who specializes in it?

BUILD	BUY
• Your company has a team of developers with vast expertise in building online communities	• You don't have the staff to dedicate to a build
• You know the ins and outs of the features you're looking for	• You recognize that you do not know the ins and outs of community software developement
• You've identified the technology required to drive this application	• You don't know what technology you will need to sustain a community
• You know how to build everything and how to maintain it	• You would rather put your trust in a company that has a history of building applications and will meet your needs

DZone has over 20 years of experience building knowledge sharing communities.

ESTIMATED COST TO BUILD

DEVELOPMENT = **$65,314**   *2 Java developers with a $71,000[1] salary and 24 weeks, minimum, allocated to build*

HARDWARE + SOFTWARE = $15,000   *3 servers minimum -- 2 frontend and 1 database*

Security

Now more than ever, security is a major concern. Your customers, employees, and partners need to rest assured that their data is not at risk of being compromised. Encryption, firewalls, backups, disaster recovery, incident response, and keeping up with changing privacy policies at a national and global level need to be at the forefront of your decision.

In addition to these security protocols, what else does your company need – a single or multi-tenant server, SSO, global hosting, cookies, CSRF or XSS protection?

Keep in mind that security is a risky area for you, and could end up costing you more than your bottom line. If key data is exposed, you may lose the trust of key stakeholders, which is not something that you can easily get back.

BUILD	BUY
• Your developer team is up-to-date on changing privacy regulations	• You are not up-to-date on the changing landscape of cyber-security
• You know what you need out of your security and have the capabilities to deliver	• You recognize that there are experts that can provide all of these levels of protection for your solution
• You have a world-class disaster recovery plan	• You want to put your mind at ease, and the responsibility on someone else
• You perform your own backups on a frequent routine schedule	

All AnswerHub production installations receive their own application servers and database servers. Each customer is isolated by a customer specific firewall.

ESTIMATED COST TO BUILD

SECURITY = $10,000   *Assume one simple security scan per year*

FIXES   = $5,000   *Money allocated to fix issues found in a security scan each year*

BUILDING VS BUYING: YOUR KNOWLEDGE SHARING SOLUTION

Scalability

In IT, scalability can be defined as the linear comparison between cost and capacity. As your community grows, what are your needs going to be and how much will it cost to sustain? You may be able to build a community that can handle 100 more users or 100,000 more pageviews, but what if it really took off? Could your system scale to accommodate thousands of more users or pageviews than you originally planned?

BUILD	BUY
• Your community is defined, with little to no projected growth • You have a sufficient infrastructure already set up or planned	• Your company's community is expected to grow • You don't fully understand your server needs and how it could potentially impact your vision • You realize that scaling your community would be a burden to your internal IT staff

Another thing to consider is how you're going to host the community; are you looking at cloud or on-premise hosting? On-premise hosting requires servers, operating software, continuity of service, maintenance and updates, and physical space requirements. All of these items take significant time and planning with heavy consideration on your company's vision and future goals. Frequently, companies have to plan years in advance to make sure that they are keeping up with their community's requirements. Take a look at the graph to the right to see how scalability affects your costs.

USERS	$10,000	$50,000	$100,000	$130,000
300	$0			
1,000	$854			
10,000	$11,834			
100,000				$121,634
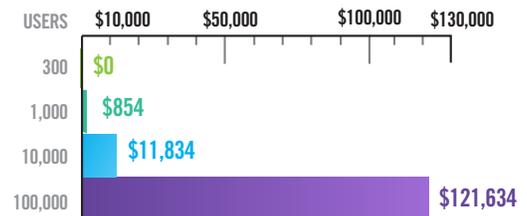
ESTIMATED COST TO BUILD   *First 300 users are included in cloud-hosted pricing. Additional users after 300 = $1.22/user*

100 USERS	= $0		**10,000 USERS**	= $11,834
1,000 USERS	= $854		**100,000 USERS**	= $121,634

Integration, Availability, and Performance

Frequent outages, low-end bandwidth, and latency can kill a community – or just kill software in general. It's important that your community maintains consistent uptime with speeds that keep users happy and returning.

Larger sites with more information to index have a tendency to have slower functions. The slower the search function, the more time it takes for users to find what they need. Low page loading speed adds to the frustration of navigating slowly through your information. Do you have a plan to combat these issues? What about the availability of your solution to integrate with databases, plugins, tools, and utility add-ons?

BUILD	BUY
• You have backup for outages and performance that can scale with the community • You have integration vision under control • You have a plan to deal with your current needs, as well as a plan for changing technology • Your company is treating your community as a perk rather than a business expense	• You want an expert to take all of maintenance, continuity of service, performance speed, and integration needs into account on your behalf • Your company is treating your community as a business expense with ROI generated from alleviating the burden of phone, email or chat support requests

AnswerHub maintains an average up-time of 99.97%!

ESTIMATED COST TO BUILD

COST OF DOWNTIME   = $55,000 [2]

MAINTENANCE   = $9,330 [3]
(averaging 24 days/year)

BUILDING VS BUYING: YOUR KNOWLEDGE SHARING SOLUTION

Time to Deploy

Examine the impact of the project planning process. You work to fully understand your company's needs, your community's needs, what features you want, what hardware and software you need, and then begin developing a project calendar.

What kind of impact will this have on your community? What happens if you run into delays? Companies may dedicate resources to building such a project, but they cannot tell when another priority may arise and take precedence over it.

BUILD	BUY
• Your company doesn't prioritize knowledge-sharing solutions • You have a team of experienced developers and significant time to create your community • You understand that delays happen and priorities change. You are prepared to tackle the consequences of a delayed application launch	• Your company values knowledge sharing and the impact it will have on your business • You need a community ASAP and every minute you don't have a community, your organization is losing productivity and collective knowledge • You don't have the resources, money or time to dedicate to building a community from scratch

AnswerHub is preconfigured and ready to go in 48 hours or can be customized for a unique build.

ESTIMATED COST TO BUILD

COST OF DELAYS = **$10,885** [1]   *The cost of increasing a build from 24 to 28 weeks would yield an additional $10,885 in costs*

Customer Support

Critical to the success of any build vs. buy decision is the analysis of what happens when something goes wrong.

Does your firm have a support protocol and do you know what department(s) inherits that responsibility? What if something goes wrong with your code; who have you identified to help? What if one of your users has reported an issue? Whose responsibility is it to handle that?

BUILD	BUY
• Your organization is capable of handling developer issues as they arise and has a process in place • Your organization is capable of handling customer issues as they arise • You have considered all of the additional costs associated with scaling communities and have the money for support and additional staff	• You don't have the resources to dedicate toward sustaining support for a growing community • You are not an expert in developing your own code for the community and prefer to have dedicated support from an industry specialist

The cost of both developer and user support cannot be overlooked. And just as scalability increased your cost of adding users, it increases the cost of supporting those users – adding new customer support reps, new managers, and equipment. Are you prepared?

ESTIMATED COST TO BUILD

TWO DEDICATED CUSTOMER SUPPORT AGENTS = **$63,014** [1]

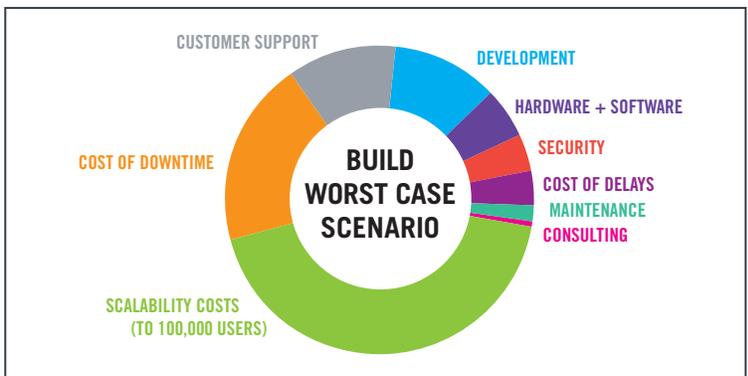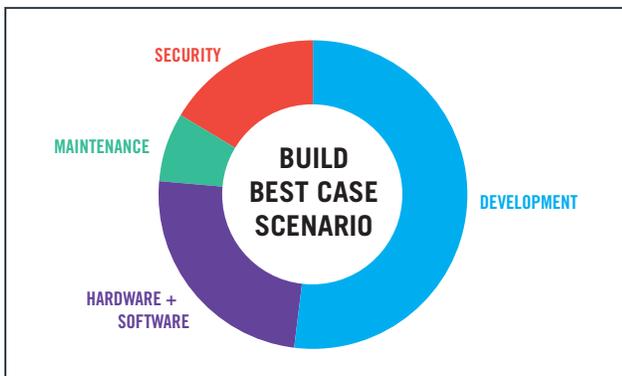**CONSULTING FOR DEVELOPMENT** = **$985.12**   *$61.57/hour x 16 hours*

Total Cost of Ownership to Build

Now, let's put everything together and answer the magic question – how much is this going to cost? Developing this application in-house means that you need to consider the cost of a developer, the revenue lost from diverting their attention away from other products, the hardware and software costs, security concerns, costs associated with scalability, support and training, upkeep and maintenance, QA, and more.

Also something to consider, what if the developer who built this left? His or her knowledge would be lost and you'd have to hire a new developer to try and pick up the pieces. Is it worth the upfront costs of purchasing a solution to forgo the headache, risk, and expenses of DIY?

ESTIMATED COST OVERALL TO BUILD

DEVELOPMENT	**$65,314**
HARDWARE + SOFTWARE	**$15,000**
MAINTENANCE (avg. 24 days/year)	**$9,330**
SECURITY + FIXES	**$15,000**
COSTS ASSOCIATED WITH SCALABILITY	**$0** (100 users)
	$854 (1,000)
	$11,834 (10,000)
	$121,634 (100,000)

ADDED COST

CUSTOMER SUPPORT	**$31,507**
COST OF DELAYS	**$10,885**
CONSULTING	**$985.12**
COST OF DOWNTIME	**$55,000**

TOTAL COST

BEST CASE SCENARIO	**$104,644.00**
WORST CASE SCENARIO	**$324,655.12**

BUILD	BUY
• You've made it to this point and checked off all of these concerns • You have budget to build and sustain the community	• You've made it to this point and have at least one concern • You realize that it's not worth the headache of trying to make a homegrown application and want to put it in the hands of an expert

BUILD BEST CASE SCENARIO — SECURITY, MAINTENANCE, HARDWARE + SOFTWARE, DEVELOPMENT

BUILD WORST CASE SCENARIO — CUSTOMER SUPPORT, COST OF DOWNTIME, DEVELOPMENT, HARDWARE + SOFTWARE, SECURITY, COST OF DELAYS, MAINTENANCE, CONSULTING, SCALABILITY COSTS (TO 100,000 USERS)

BUILDING VS BUYING: YOUR KNOWLEDGE SHARING SOLUTION

	CRITERIA	BUILD	BUY	WHY IT MATTERS TO YOU
EXPERTISE	Do you have the immediate expertise, technology and a clear vision to build a community yourself?	Yes	No	It will cost you $65,314 for 2 developers to build over 6 months and another $15,000 for 2 frontend servers, 1 database server, computers and software.
SECURITY	What are your security concerns for your online community and user data?	Minimal concern	Extreme	A simple security scan once per year will cost your company $10,000.
SCALABILITY	How large is your community and how fast would you like it to grow?	Defined size	Expected to grow	It costs an additional $1.22/user to host on the cloud. That's an extra $121,634 for 100,000 users.
INTEGRATION, AVAILABILITY & PERFORMANCE	How important is up-time, performance and third-party integration to your company?	Minimal importance	Very important	The average cost of small enterprise outages is $55,000 for firms[2].
TIME-TO-DEPLOY	How quickly do you need to get your community up and running?	You have time	ASAP	A 4 week delay can cost you an extra $10,885 - not including the costs of diverting attention from other projects.
CUSTOMER SUPPORT	What happens if something goes wrong?	You fix	Someone else fixes	A support rep can cost you $31,509/year or can be included in the price of a subscription.
COST OF OWNERSHIP	Do you have a plan of action for all of the criteria above?	Yes	No	**BEST CASE SCENARIO = $104,644.00** **WORST CASE SCENARIO = $324,655.12**

1   payscale.com

2   informationweek.com/it-downtime-costs-$265-billion-in-lost-revenue/d/d-id/1097919?

3   baremetrics.com/calculator

The AnswerHub Solution

Meet AnswerHub, your solution for delivering higher value to your company's knowledge management vision. By consolidating multiple solutions -- Q&A communities, documentation, ideation, team collaboration, and more into one platform -- you can significantly lower support inbounds or minimize costs associated with knowledge loss all through an application that is available today and for less than it costs to build.

One of the biggest advantages to designing your own application is that it can be completely customized to match your business model. With some applications, you have to work around software limitations, forcing you to adopt unnatural processes which lead to inefficient workflows and lost time. AnswerHub is the best of both worlds. While it is ready to use out-of-the-box, it's also a platform that can be customized to match your company's business processes and branding. This allows your knowledge sharing solution to match your operations, not vise versa.

From the analysis, you can see that it was tempting to build your own solution, but there are a lot of different criteria to consider.

At DZone Software, we've built and managed online communities for over 20 years. Not only have we built our knowledge-driven productivity and knowledge-driven support software, AnswerHub, but we manage our own community of millions at DZone.com.

We've already invested a lot of time and money to make it easier for you to implement your own community. By purchasing the AnswerHub solution, you're putting the development, security, technology, customer service, and maintenance costs on us.

About DZone Software

DZone, the knowledge-sharing company, provides enterprise organizations with knowledge-sharing solutions, tools, and services. DZone's knowledge-driven support and knowledge-driven productivity tools are used by leading organizations eBay, GE, IBM, LinkedIn, and more.

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