

Enterprise free software deployment: Adoption, usage and benefits

A research paper by Global Graphics – January 2010

Foreword

It is commonly accepted that enterprises are making use of free software but to what extent is subject to debate.

To try to establish a more accurate picture of the adoption and use of free software we commissioned research to get the views of 400 CIOs split across the US and the UK.

The results give a fascinating insight into how the changing technology landscape, the consumerization of IT and the current business climate has pushed free software up the enterprise IT company agenda.



Our interest in free software stems from developing our own desktop application aimed at improving the productivity of knowledge; a multi-format document viewer and creation tool that lets users simply drag and drop pages from a variety of document formats into a new document that can be saved as a PDF, XPS or Microsoft Word document.

As it's a new type of product, we took the decision to release a free software version – called gDoc Creator - that enables multi-format viewing and easy file conversion. Incredibly easy to use, and with an innovative 'flick view' option that allows users to quickly scan a document, we feel it's a genuine and more comprehensive alternative to Adobe Acrobat Reader.

A paid-for version - called gDoc Fusion - allows users to use the drag and drop from multiple document formats to create a new document, helping knowledge workers quickly edit or create new documents in minimal time and without any formatting issues. We describe this approach of free software, but with a paid-for upgrade option, as freemium.

There are a few research findings that give me great confidence in the reception that gDoc Creator and gDoc Fusion will receive:

- Free software is clearly already well understood and used within large organizations
- Adobe Acrobat Reader is the most installed free software within large enterprises
- 38 per cent of CIOs will consider replacing Adobe Acrobat with free software

Given I'm the CEO of a company aiming at that market, my highlights are perhaps no surprise. I hope you find something in the report equally enlightening.

Yours sincerely

Gary Fry, Chief Executive Officer, Global Graphics

Executive Summary

- The survey questioned 400 CIOs from organizations with more than 1000 employees, across a range of commercial and public sectors. In the US, 300 CIOs were polled, in the UK, 100. The research was conducted in January 2010
- Free software is an established software tool for both public sector organizations and commercial companies in the US and UK, with a majority of CIOs using it for departmental as well as enterprise-level operations
- Free software has achieved particular popularity around desktop applications and their management. It is also being increasingly used by organizations for applications, in the data centre, and in software-as-a-service (SaaS) delivery models
- Adobe Reader is the most commonly installed free software within large enterprises; yet four in ten CIOs will consider replacing Adobe Acrobat with free software
- Most organizations routinely use many different free software products to run their operations. Half of interviewees use more than ten free software products in their organization
- Half of CIOs are already planning to use free software for corporate-level implementations in 2010 and even more say they plan department-focused projects this year
- Senior IT executives deploy free software to drive down software licensing costs. Product standardization and smarter desktop management are also seen as key advantages. CIOs are also seeking new ways for free software to boost productivity; about half say it enables them to complement existing desktop applications and nearly four in ten think they will use this software to replace or complement reader products
- When it comes to managing perceived risks of using free software, CIOs are primarily concerned by product quality and availability. Products are generally judged and evaluated against the same rigorous criteria as paid-for products
- As the user dynamics change, senior IT executives claim to be comfortable dealing with open source providers or vendors whose freeware is a restricted version of its paid-for product but there is no majority view at present
- For service and support needs, CIOs favour free product support but paid-for technical support and user forum/technical knowledge is prominent in their thinking. Most CIOs favour a mix of PC and server-based download and installation options

Definitions

Free software

Free software programs are offered at no cost and are a class of applications available for downloading and use in most operating systems. According to copyright, users may or may not be able to reuse it in programming. The least restrictive "no-cost" programs are uncopyrighted programs that are in the public domain. When reusing public domain software in your own programs, it is good to know the history of the program so that you can be sure it really is in the public domain.

Free and open source software (F/OSS)

F/OSS, [according to Wikipedia](#), is software that is liberally [licensed](#) to grant the right of users to study, change, and improve its design through the availability of its [source code](#). It is made available in conjunction with open source licenses such as the Apache Software License, BSD License, GNU General Public License (GPL), MIT License or Mozilla Public License.

Typically, any redistributed version of the software must be distributed with the original terms of free use, modification, and distribution. In some cases, the license to use the software may be free but technical support is a paid-for service. In other cases, the software may require a separate commercial license for operational deployment or for inclusion in a separate program.

Report of findings

IT & budgets

A majority of CIOs have budgetary constraints on their operations. Of those questioned, two-thirds (65 per cent) of respondents say that budgets will be as tight as the previous year, if not tighter (Figure 1).

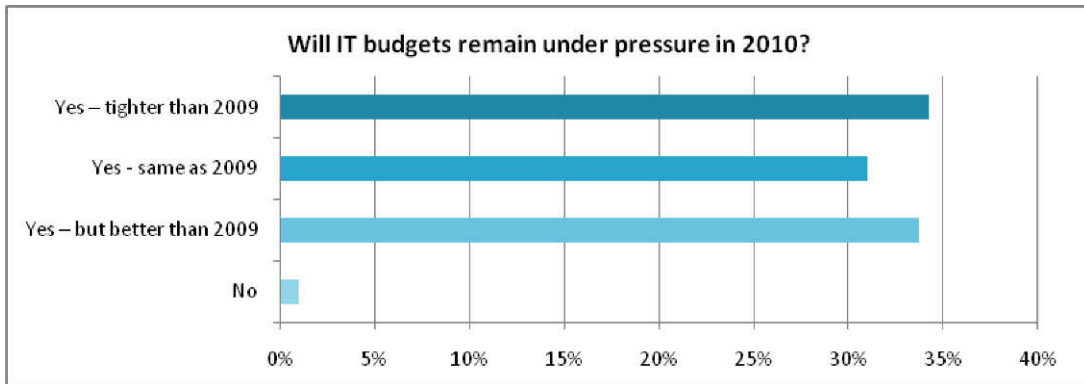


Figure 1 (Source: Global Graphics survey of 400 CIOs)

Free software is a corporate resource

Free software is fundamental to daily operations, used by the vast majority of CIOs, both at departmental and enterprise operations. Almost nine out of ten organizations surveyed (88 per cent) use free software in individual departments with three quarters (76 per cent) of respondents also using free software at the enterprise-wide level (Figure 2).

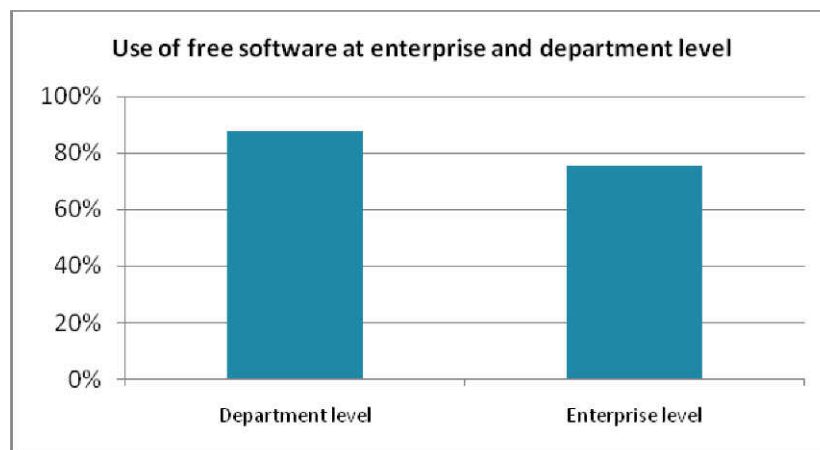


Figure 2 (Source: Global Graphics survey of 400 CIOs)

Greater use of free software, especially at the corporate desktop

The use of free software is now fundamental to most organizations' desktop and application strategies with multiple products being used. Free software is also achieving wide uptake in specialist areas such as the data centre and software-as-a-service (SaaS) (Figure 3).

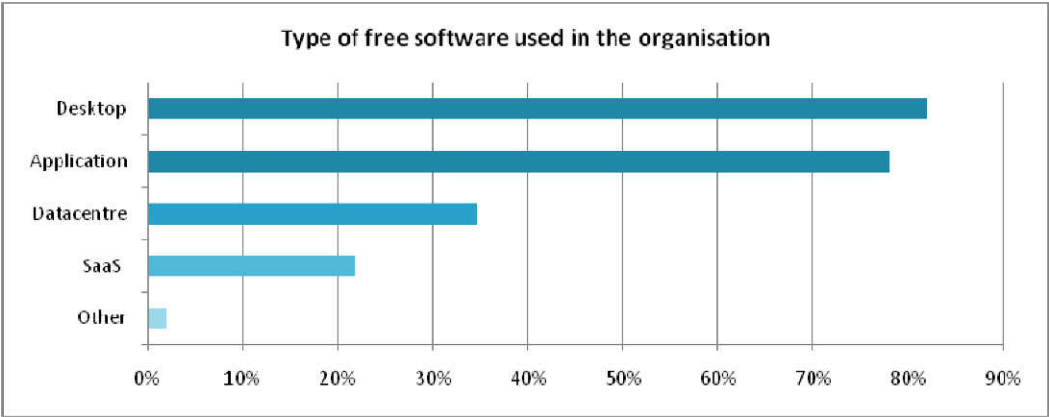


Figure 3 (Source: Global Graphics survey of 400 CIOs)

The research shows that free software cannot be characterized simply as one product achieving widespread acceptance in an organization. CIOs are using multiple free software products in today's business operations, especially at the desktop. Just over half (54 per cent) of respondents are using more than ten free software products with an even bigger majority of 84 per cent using six or more. Which free software products are most popular? Not surprisingly, the list is easily headed by Adobe Reader which is used by nearly four fifths of CIOs (78 per cent) as shown in Figure 4.

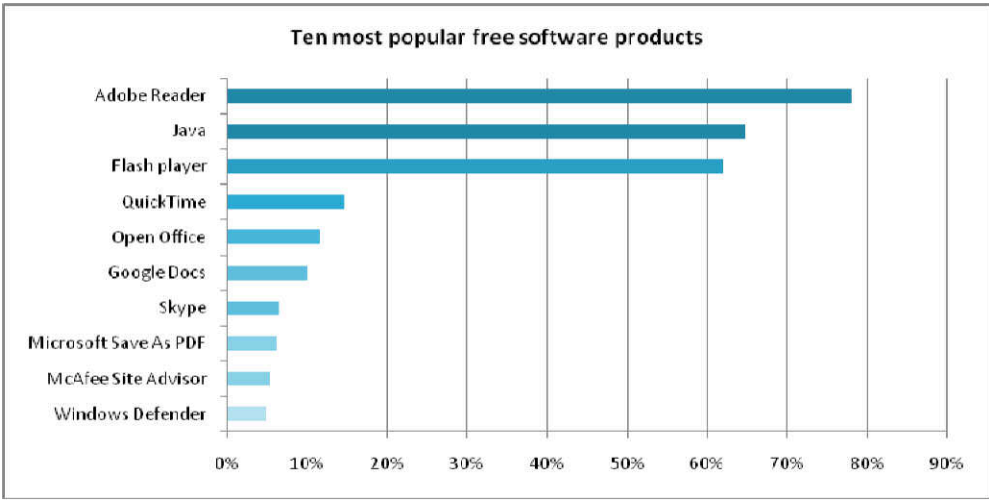


Figure 4 (Source: Global Graphics survey of 400 CIOs)

Free software is here to stay

CIOs are planning free software implementations in the year ahead, both at departmental and corporate level (Figure 5).

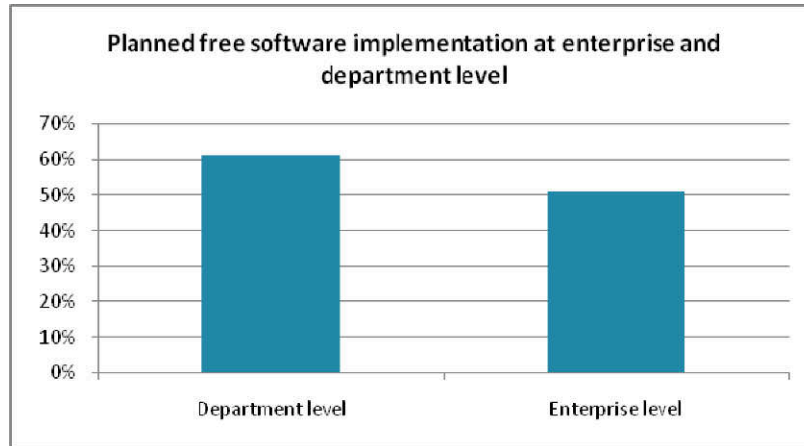


Figure 5 (Source: Global Graphics survey of 400 CIOs)

Free software is a vital element in CIOs' long-term thinking. The vast majority - 85 per cent – say they will consider free software, with nearly half – 47 per cent - stating that they will give very or extremely serious consideration to its use.

Optimising IT assets, boosting productivity

With free software used by the majority of the workforce, CIOs see the opportunity to drive down costs but also to standardize offerings and enhance corporate working practices.

Asked what the key benefits of using free software are, reduced software licensing costs was cited by more than four fifths (81 per cent) of interviewees.

However, responses showed that free software could support cost-saving elsewhere. A clear majority (59 per cent) said enterprise-wide product standardization, while more than half (52 per cent) saw reduced desktop management overheads as the biggest benefit. Just over a third saw easier software asset management (36 per cent) as the main benefit (Figure 6 below).

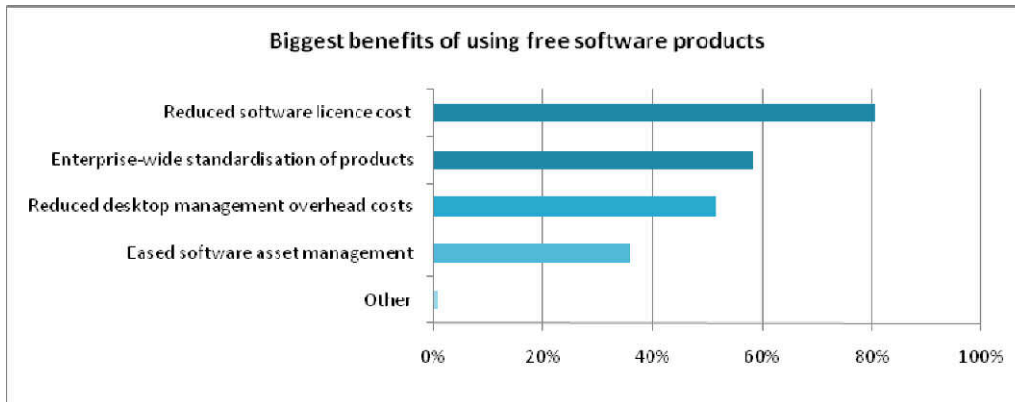


Figure 6 (Source: Global Graphics survey of 400 CIOs)

Free software is so pervasive in organizations that CIOs envisage wider advantages than cost reduction. The survey shows that it is an important tool in enhancing performance and productivity, which will be applied to particular software the IT function has already installed.

Nearly half of respondents (47 per cent) said it enabled them to complement existing desktop applications.

Moreover, nearly four in ten (38 per cent), stated that free software will be used to replace or complement Adobe Acrobat (Figure 7).

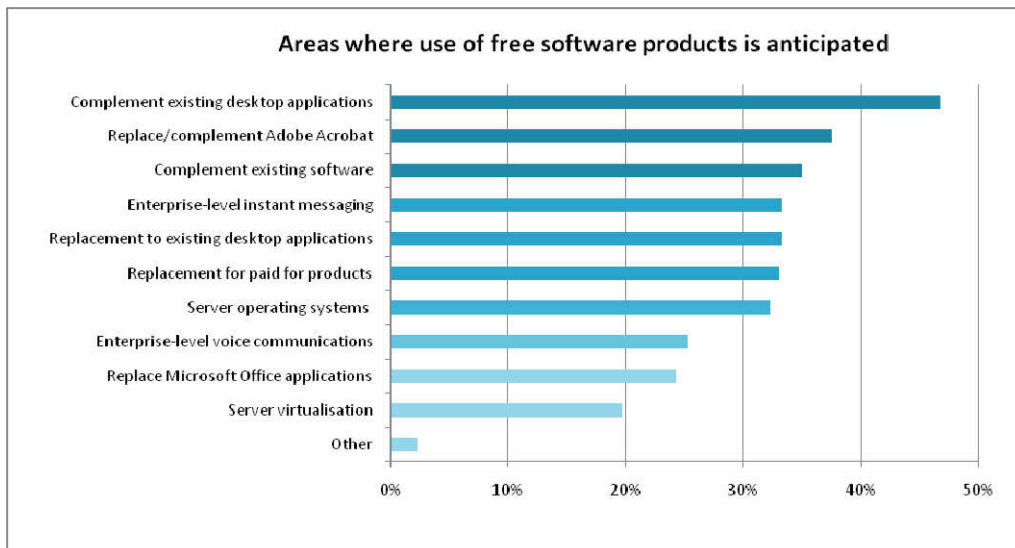


Figure 7 (Source: Global Graphics survey of 400 CIOs)

What's the risk? Product quality and availability

With any disruption to 24/7 services hugely expensive and free software so prevalent in today's organizations, IT personnel have had to understand the changing nature of perceived risks, particularly given the options of free software and open source.

Organizations are risk-aware. An overwhelming majority - 82 per cent - said they would apply the same evaluation and testing to free software as paid-for software, with similar high majorities found across all industry sector personnel questioned.

When specific risks were examined by researchers, CIOs' overriding concerns over free software were about product quality and availability - identified by 68 per cent and 66 per cent respectively.

Perhaps surprisingly, CIOs were much less concerned by potential cost control considerations. While possible issues - such as hidden costs, potential intellectual property issues and surprisingly perhaps, financial stability of the vendor – were identified, *there was no majority response on any of these points.*

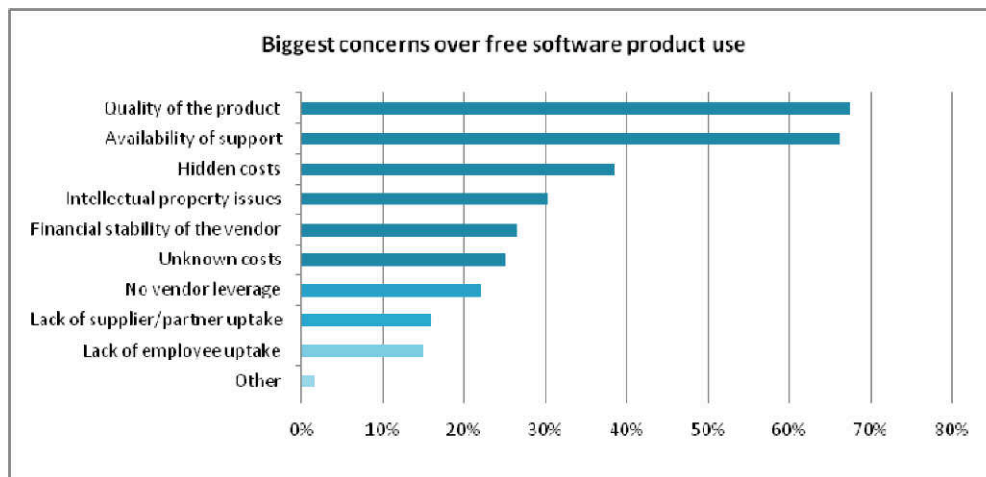


Figure 8 (Source: Global Graphics survey of 400 CIOs)

CIOs' perceptions of the potential risks of free software are changing. This reflects the constant pressure on CIOs and their colleagues in Web 2.0 landscapes to implement products that reliably deliver, whether in terms of ensuring return on investment in exacting timeframes, or ensuring that existing IT investments or assets are not compromised by such deployments. This in itself is surprising: senior managers no longer see free software as a low level addition to the desktop.

What sort of partner, what sort of support & what sort of maintenance charges?

The prevalence of free software and its growing corporate and departmental-level capabilities also raises questions about the level of engagement and service that the free software provider is able to deliver. In particular, the type and scope of technical support and charging models they offer.

Asked which type of free software vendor organization they would be most comfortable dealing with, responses were inconclusive with no clear preference (see Figure 9). Slightly over a third (39 per cent) said they were interested in open source providers, narrowly ahead of 34 per cent that wanted a commercial software vendor with a free software product that is a restricted version of its paid-for one.

As free software becomes commonplace and more sophisticated, so CIOs' expectations of the type of services they require from their free software provider are becoming more complex. There was no majority opinion, although all respondents wanted some kind of support. Enterprise CIOs require some kind of 'comfort factor' such as paid for or non paid-for technical support.

Free product support was most popular, cited by four in ten (41 per cent) interviewees, easily outstripping the option of paid-for technical support - cited by 22 per cent - and user forum & technical knowledge which were highlighted by 21 per cent of interviewees (Figure 9) even split paid for / non-paid for.

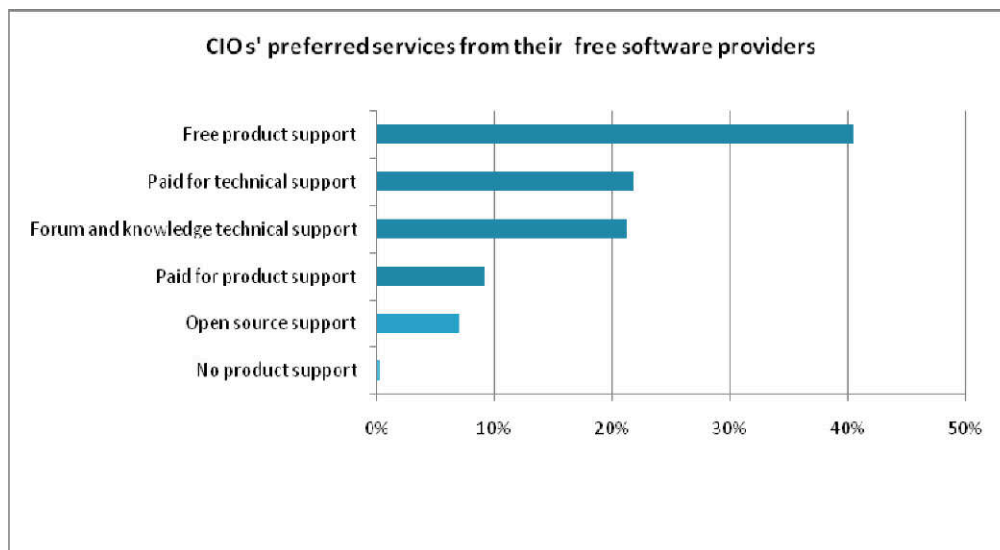


Figure 9 (Source: Global Graphics survey of 400 CIOs)

Users' view of updates and maintenance for free software models are not definitive either. Just over one fifth (21 per cent) favoured PC-based downloads/installing, with server-based downloads/installing preferred by 17 per cent. Unsurprisingly, a majority of interviewees (62 per cent) stated they would like both PC and server based download and installation options.

Conclusions: productivity gains at the desktop and beyond

Free software is already a vital component in 21st century enterprise IT and it is clearly here to stay.

CIOs are making increasingly sophisticated use of this software category, not only in boosting desktop capabilities and management but also in areas that might once have been perceived as risky - such as applications, data centres and SaaS deployments.

This breakthrough has partly been driven by CIOs 'switching on' to free software because of two main market drivers.

First, *corporate users* have seen the usability and flexibility that users are achieving with consumer products, dynamic internet applications and free products. They are under pressure to make the most of IT budgets and so need new tools to provide their knowledge workers with more flexible and productive desktop environments.

Second, *free software vendors* are embracing more innovative pricing and new software delivery strategies such as the 'freemium' pricing model - charging for additional or premium services - that was popularized by the venture capitalist Fred Wilson. Vendors are making progress in this direction but need to put more resources into making their products and services more flexible and enterprise-ready.

The survey demonstrates that free software is not only a practical set of desktop products but something more fundamental to boosting enterprise productivity. Not only do most organizations use over ten free software products, but also free software is a strategic part of their future plans. A majority of CIOs already plan to implement free software programmes at the *enterprise level* this year, even more have earmarked this category for new departmental projects. In a further sign of free software's enterprise value and its critical role, CIOs evaluate it just as seriously as they do paid-for software.

It's no surprise that many organizations have employed free software to reduce enterprise software licensing costs. What might surprise the casual observer is free software's wider relevance in areas such as product standardization and IT asset management. With constant pressure to deliver 'more for less', CIOs are using free software products systematically to drive costs out of desktop management across the organization and help their work teams – particularly the growing proportion of knowledge workers - become more productive. Established free software categories such as electronic document software are providing scope for greater product innovation and large scale workforce productivity gains.

Senior IT executives are convinced of free software's potential: they have already brought these products into their planning and risk management – they are most concerned by the category's product integrity and availability rather than down-the-line costs, or even the so-called hidden ones. However, as the relationship between free software providers and the corporate user changes, so CIOs are asking for more from their supplier such as more technical and product support options. All the CIOs interviewed require some form of vendor support – as yet there is no clear market preference as to what it should be. In a tough business environment, corporate buyers need to be confident that their free software vendor is able to meet these challenges so their products fulfil their considerable market potential.

Free software and Global Graphics

Global Graphics, a leading developer of e-document and printing software, develops gDoc Fusion; a multi-format document creation tool, designed for exceptional usability to create, review, edit, share and archive documents as PDF and XPS or Microsoft Word documents.

gDoc Fusion's powerful file format conversion allows users to easily drag and drop pages from a wide range of different file formats into a single document that can be saved as a PDF, XPS or Microsoft Word document. It is designed as a productivity tool for knowledge workers, enabling them to easily collate, create, share and archive documents without file formatting issues.

As part of its go-to-market strategy, Global Graphics has also developed a free software application, gDoc Creator, that delivers enterprise-level PDF and XPS conversion as well as an advanced and easy to use viewer that includes a unique 'flick view' to quickly scan a document. The easy to use free PDF software is available for download by individual office workers and consumers, and is available under a corporate licensing plan for the enterprise.

Global Graphics uses the term freemium to describe this free software with paid-for upgrade approach. To find out more visit Global Graphics at: <http://www.globalgraphics.com/gdoc>