



What Traditional Businesses Can Learn About Developer Marketing From Open Source

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Who Am I?



- Chief Operating Officer at SpringSource
 - Responsible for monetizing the ubiquity of SpringSource's technologies
 - Led A-round financing of \$10 M from Benchmark Capital
- Regular speaker at conferences: business of open source and entrepreneurship
- Background
 - President and Co-Founder of SolarMetric.
 - Sold to BEA Systems (NASDAQ: BEAS) in 2005.
 - Flagship product was Kodo, a closed source O/R Mapping tool
 - At BEA, open sourced Kodo as OpenJPA, currently at Apache
 - Previous experience at Andersen Consulting (now Accenture), Exxon Research & Engineering, and the MIT Blackjack Team
 - MIT – BS, Chemical Eng.; University of Chicago – MBA

What is SpringSource?



- Founded in 2004, SpringSource is the company behind the open source Spring Framework and the other Spring Portfolio products 
 - Spring Framework innovatively solves real problems in enterprise Java
- Corporate HQ in San Mateo, CA
 - Offices in the UK, Netherlands, Germany, Australia, Canada
- Self-funded for 3 years before completing A-round of venture financing from Benchmark in 2007
- Revenues from support subscription, training, consulting

Why is Developer Marketing Important?



- Increased brand awareness
 - Viral effects
- Increased user base
- Increased paying customers
- Create evangelists



Developer Marketing = Community Development

Open Source Facilitates Conversations w/Developers



- Availability of source code drives the conversation
- Participatory nature of open source drives loyalty
- The Internet has changes the medium on which the conversation takes place

There is no reason why traditional businesses can't leverage the developer marketing tactics used by open source companies even though their code is closed.

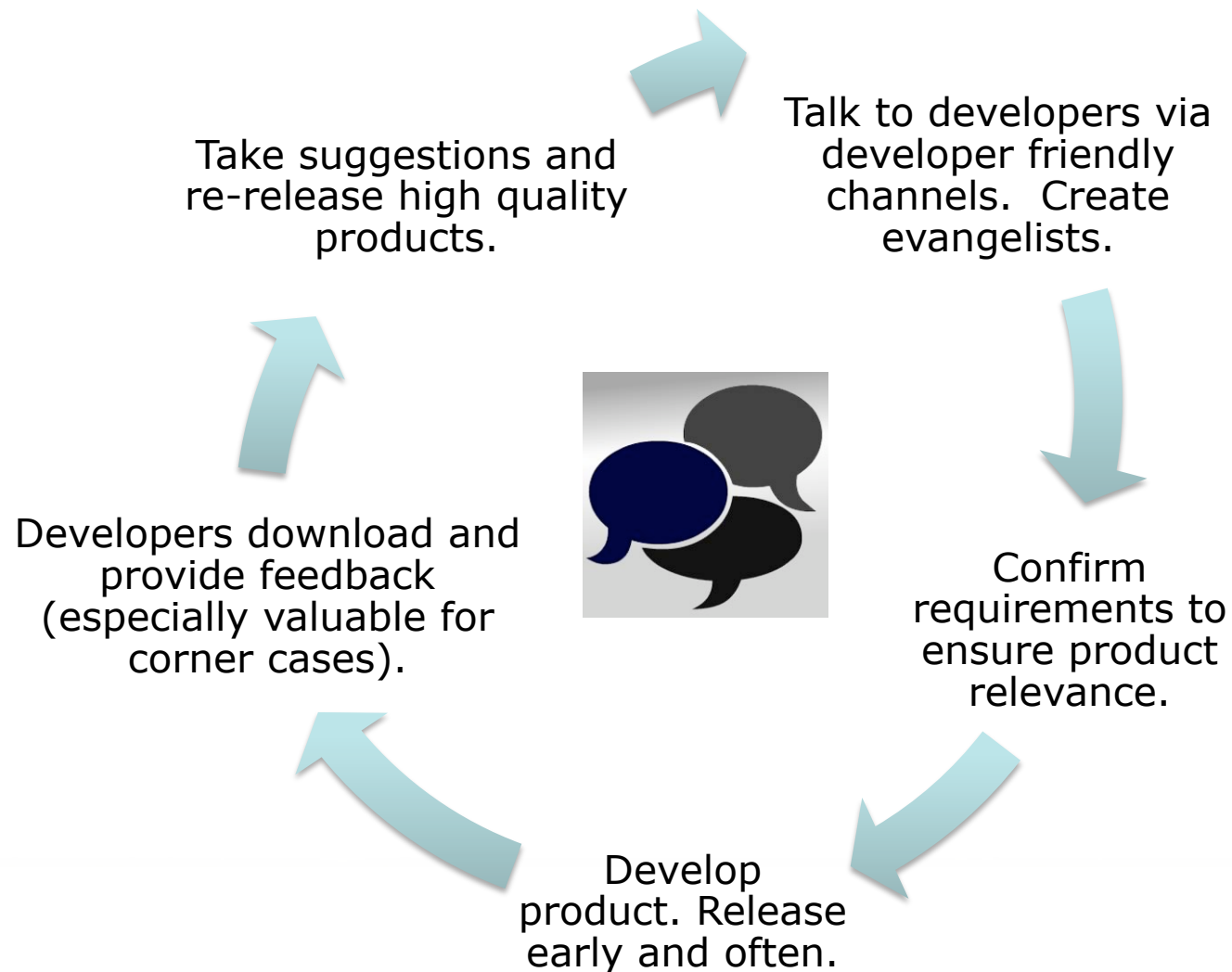
Have an Honest Conversation with Peers



- Blogs
- Newsgroups
- IRC
- Second Life, Facebook
- Hack-a-thons
- T-shirts
- Discussion Sites
 - Slashdot
 - TSS
 - InfoQ
 - DZone
- Conferences, User Groups
- Good Documentation
 - Javadocs
 - User Guides
 - Quick Reference Guides
- White Papers
- Newsletters
- Articles
- Books
- Issue Trackers
- Webinars

Both closed and open source software developers need to talk to their users consistently.

Virtuous Cycle of Conversing with Developers



The Cult of Personality Prevalent in Open Source



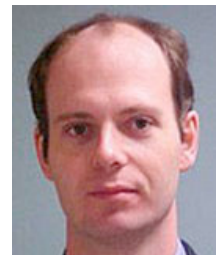
- Open Source has a history of strong leaders:

- JBoss – Marc Fleury
- Hibernate – Gavin King
- Spring – Rod Johnson
- Linux – Linus Torvalds



- But strong technology leaders are not limited to open source:

- Kodo – Patrick Linskey
- Atlassian – Mike Cannon-Brookes



Venture Money Too Early Can Kill A Software Company



- The nature of open source lends itself to the principals of bootstrapping:
 - Demo – Sell – Build very similar to open source philosophy of “release early and often”
 - Partner with the customer
 - Feedback is critical
 - Incorporate feedback and re-test
- Venture money too early makes you too rigid and tied to a particular goal
 - Open source needs to take a life of its own allowing the “inmates to run the asylum”
- The journey to find a compelling value proposition is critical
- Venture money is a catalyst once you have that value proposition / adoption

Reduce Barriers to Product Usage



- Open Source dramatically reduced barriers to evaluation and usage
 - No registration for evaluation
 - Easy to get basic / installation support on forums
 - No cost to use
 - No involving legal / procurement in many cases
- Traditional companies have their own examples:
 - Razor companies sending free razors in the mail

Charge the People Who Can Afford to Pay



- Special pricing
 - Free Personal Use Licenses
 - Free for academics
 - Free for non-profits
 - Free for up to X users
- Find Your “Saturday Night Stay Over”
- Community vs. Enterprise Editions
 - Community Edition can not be cripple-ware

Case Study: Atlassian



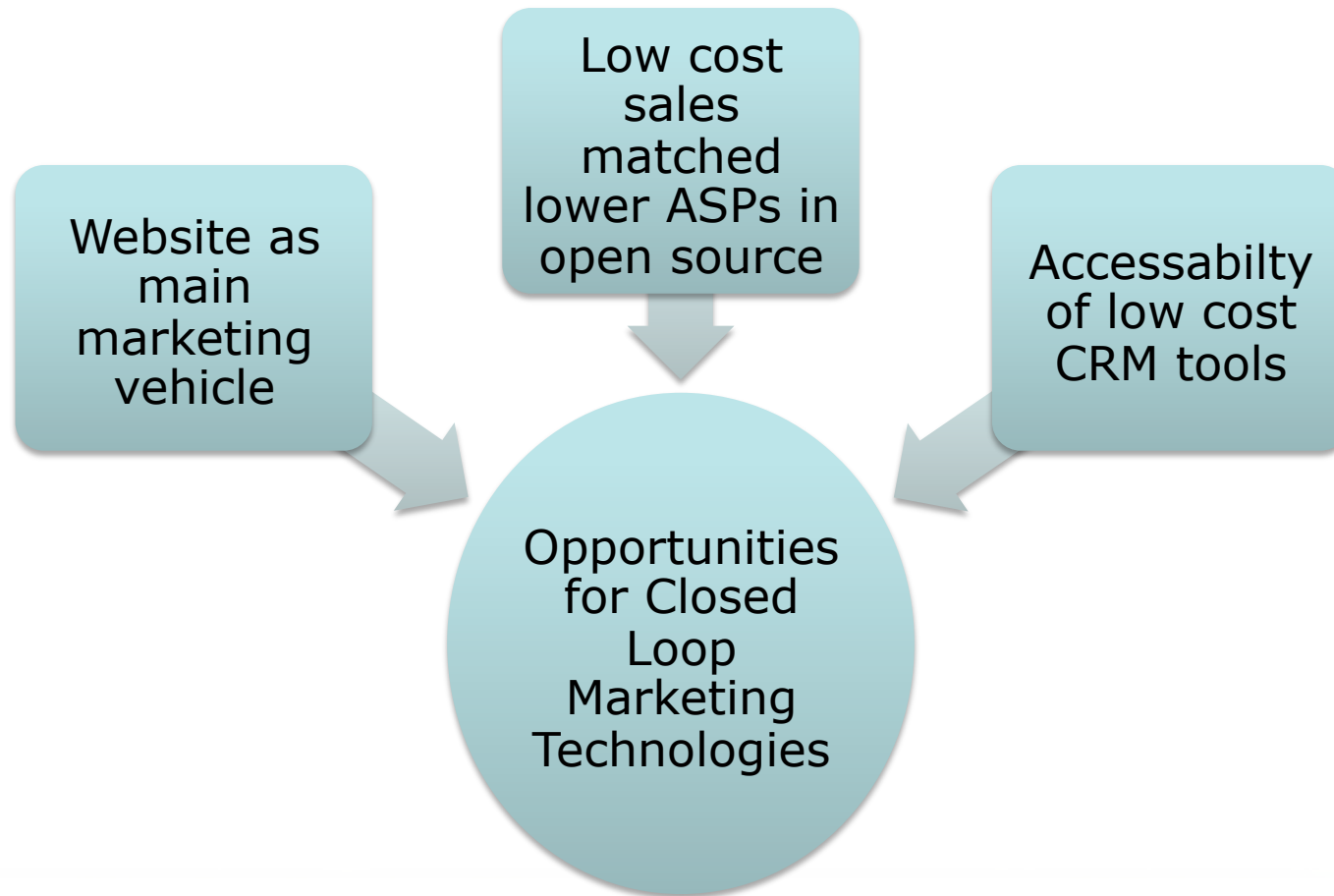
- Closed source development tool maker
 - Had no choice but had to learn how to market to developers
- Developer Network
- Codegeist 2008
 - 3rd annual plugin competition - \$30000
- Atlassian User Groups
- Sponsor JUGs
- Active forums
- Nice blog
 - Blogs not just about Atlassian but things their readers would be interested in

Sales and Marketing Challenges in the Open Source World



- Open Source Faced Problems Generally Not Faced in Closed Source World:
 - Proprietary software world:
 - Few downloads / evaluation
 - 100% contact info for everyone who downloaded
 - Open source software world:
 - Massive amount of downloads
 - No idea who downloaded your product

Closed Loop Marketing



Benefits of Closed Loop Marketing



- Integrated (marketing, sales, support) interactions driving contacts to leads to prospects
- Identify and prioritize best leads to maximize sales efforts:
 - Score each activity done on the website, other marketing programs to provide prioritized lead list every morning to sales team
- Measure... tweak... measure... tweak... measure...

Useful Tools



- Aggregated Analysis - Google Analytics
- Detailed Analysis - Omniture, LeadLander
- Closed Loop Marketing - Eloqua, Loopfuse
- CRM - Salesforce.com, SugarCRM

Suggestions



- **Develop a good product that provides benefits over existing products**
- Require that every member of the technical team must spend 4 hours per week (10%) doing technical marketing
 - Especially pay attention to newsgroups
- Require 6 speaking engagements per year by each member of the technical staff
- Require each member of the technical staff to write 1 technical white paper every year
- Create a monthly technical webinar program
- Hire a sales / marketing operations director / manager
- Augment developer marketing with traditional marketing activities

Evangelize... evangelize... evangelize...

