

Axel Springer

EUROPE'S LARGEST PUBLISHER TRANSFORMS WITH CLOUD FOUNDRY

AT-A-GLANCE



Challenges

- Europe's largest publishing company must innovate to implement digital transformation
- Digital leaders must manage explosion of applications and data
- Executives and developers must choose a PaaS platform to drive profit

Solution

- Pivotal CF

Key Benefits

- Transformed print business to digital media
- Reduced operating costs without vendor lock-in
- Enabled agile application development for increased developer productivity
- Built continuous deployment model for improved operational efficiency

“One thing is very clear. Cloud Foundry and Pivotal CF are helping Axel Springer transform its media businesses worldwide. The Chairman and CEO’s mission has directed our digital teams to deliver a smart, cost effective, green IT infrastructure. With Pivotal CF, we have quickly improved time to market, bringing more products to our readers. We are developing with flexibility, improving quality, and strengthening collaboration—all while reducing costs.”

— Lajos Lange, Head of Online Development, WELT-Group, Axel Springer

OVERVIEW

With over 12,000 employees, operations in 40 countries, and 2.8 billion EUR in revenue, Berlin-based Axel Springer is the largest publishing house in Europe and controls the largest share of the German market for daily newspapers. Although many publishers have failed in the Internet age, Axel Springer is the exception. The nearly 70 year-old company is on track to successfully transition to digital media, with nearly 50% of revenues and over 60% of EBITDA coming from its digital businesses, all while maintaining the high standards of journalism for which Axel Springer is known. However, they faced a new challenge in managing the printing press of the digital era—internet media technology.

CHALLENGE

Delivering the Company Mission with a High Cost

To save diverse, independent, and high quality journalism in the digital age, Axel Springer needed to migrate all print resources towards data centers, servers, software, data, and analysis platforms that would drive future revenue and reduce costs. In parallel, digital business leaders began acquiring companies, creating their own brands, and investing in start-ups. This was a double-edged sword. Although it provided Axel Springer with a wide range of digital media properties, audiences, and revenue streams, it also created a mountain of technical debt since these media properties were built on widely varying technology stacks. The model hindered integration and increased operating costs. With thousands of media channels, the problems were significant. To address the problems, Axel Springer needed a common platform for all their properties—one where they could collaborate and compete more effectively.

Application Explosion, Shadow IT, and Competitive Dependence

Within the data center, IT operations were tasked with managing the diversity. Axel Springer had begun its digital transformation in 2006 and was acquiring a new company every one to two months. But, every acquisition, new brand, and start-up investment meant more servers to manage. At the same time, business units continued to push for more innovation, faster development

cycles, and lower IT costs. Some groups went outside to public clouds from Amazon and Google so developers could move more quickly. Since Amazon and Google have media interests, such as Kindle and YouTube, Axel Springer was using cloud infrastructure from its competitors while relying on them for traffic.

Designing a Cloud Platform for Profit Impact

To overcome the business challenges and help transform the company, development teams needed a way to accelerate the software development lifecycle, which was delaying feature rollouts because of the highly manual and error-prone process. Much of their content management system was inflexible and monolithic, requiring developers to re-create features across multiple properties. This drove up software engineering costs.

SOLUTION

Application Platform for Rapid, Efficient Innovation

Axel Springer's goals for its application platform were to accelerate the time to market for high quality digital media services while reducing operational expenses and maintaining control over their content. To do this, they needed to automate. They envisioned a continuous delivery processes for application updates. They wanted a modular architecture to reuse services across all digital media properties. Lastly, they needed to run on infrastructure they controlled, in a European datacenter, with data protected by European privacy laws.

Enabling Developer Productivity

Axel Springer evaluated a range of PaaS platforms in addition to Pivotal CF, including Red Hat OpenShift, Microsoft Azure, Salesforce.com Heroku, and others. Evaluation criteria included market adoption, quality of documentation, pricing, scalability, automation, productivity, and integration. Axel Springer chose Pivotal CF as its standard platform across all its digital media properties, leveraging it to create a range of reusable microservices and provide features for community, location, image scaling, voting, mobile push, and more. Developers could build these microservices in whatever language made them most productive—Spring Java, Ruby, Python, PHP, Node.js or Go all work on Pivotal CF buildpacks. Axel Springer deployed Pivotal CF with RabbitMQ, MySQL and MongoDB, and allows them to connect to external databases using Pivotal CF's service broker.

Demonstrating Operations Efficiency

By using agile concepts to iterate on a small, low-risk pilot with large potential impact, Pivotal worked with Axel Springer to get an environment up in days. Together, the teams were able to reduce deployment times from 14 hours to 14 minutes, facilitated

by Pivotal CF's integration with Jenkins and Gradle build systems. Since this pilot, Pivotal CF has had zero downtime. It is being maintained by just two operators, using their preferred tools: Logstash, DataDog, and PagerDuty. Furthermore, it runs in Axel Springer's chosen datacenter on European soil.

BUSINESS BENEFITS

Translating Corporate Mission into Market Traction and Competitive Advantage

Pivotal CF has enabled Axel Springer to take a great step forward in their digital transformation, introducing a culture of advanced media manufacturing and prototyping within their company. Each new microservice running on Pivotal CF is initially built as a minimum viable product, quickly delivering it to market and reducing time to customer feedback. The shortened feedback loop helps business leaders understand what works and what doesn't, and deliver products superior to competitors.

Broad Ecosystem for Reduced Risk

Cloud Foundry is the widely-used open source PaaS upon which Pivotal CF is based, and offers a robust ecosystem. It runs on a range of infrastructure, including VMware, Amazon Web Services, and OpenStack. Cloud Foundry supports major languages, frameworks, and application containers as well as integrating with a range of databases, message brokers, continuous delivery systems, and monitoring tools. It is also supported by a number of systems integrators. Importantly, Cloud Foundry is an open source project independently governed by the Cloud Foundry Foundation with over 35 member companies that include some of the largest names in enterprise IT. With source code available via a business-friendly Apache 2.0 license, Cloud Foundry's broad ecosystem provides Axel Springer with a range of PaaS vendors from which to choose, including Pivotal CF, the leading commercial distribution of Cloud Foundry.

CONCLUSION

Axel Springer's visionary thinking has enabled it to beat the odds and become one of the few traditional publishing houses to make the leap to digital. This same visionary thinking has led Axel Springer to embrace Pivotal CF as a core enabling technology for creating compelling digital media experiences. With Pivotal, Axel Springer continues their journey into the post-paper era with confidence.

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Pivotal, committed to open source and open standards, is a leading provider of application and data infrastructure software, agile development services, and data science consulting. Pivotal's revolutionary Enterprise PaaS product, Pivotal CF, powered by Cloud Foundry, is available now.

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