# WP Engine bolsters WordPress platform with page performance testing and tools

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With the launch of its Page Performance service, the company is beginning to build a new layer onto its services, adding a performance intelligence component that helps address enterprise requirements for its managed WordPress hosting platform.

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WordPress has become the dominant tool in the content management system (CMS) market, accounting for over 25% of the world's websites, according to W3Techs, and almost 60% of CMS usage. As an open source tool, it is widely self-deployed and self-managed by hosting customers. However, a strong market has emerged for managed WordPress hosting among both specialists and existing hosting providers.

One of the earliest players focused on delivering a managed WordPress experience, WP Engine helped define what has become a fairly well-understood and well-populated segment of the hosting space. The company was involved in introducing or popularizing platform features that have become key characteristics of hosting, including site staging, integration with developer workflow tools and advanced caching strategies. With the recent launch of its Page Performance service, WP Engine is adding a layer that is likely to continue evolving customer expectations of a managed WordPress offering, as well as a set of tools that is beginning to address the deeper requirements of the more complex clients it is pursuing.

## THE 451 TAKE

451 Research believes applications (and the managed services surrounding them) are becoming instrumental to the delivery of products across the infrastructure sector, particularly the area traditionally served by hosting providers. Content management systems are one of the best avenues for this type of service, and WordPress is the most popular CMS by a significant margin. It is generally the most widely deployed application on a hosting firm's infrastructure.

As the managed WordPress business becomes more clearly defined and competitive, features that were once differentiators have become common expectations for many users. This presses the service providers in the space to advance the state of the art from a technology standpoint, and further differentiate themselves. With Page Performance, WP Engine is doing both. It is also taking the first step to address a specific requirement for the enterprise segment that it is increasingly targeting. It is reasonable to anticipate that site performance tools will be an area of continued investment for the company.

## CONTEXT

Founded in 2010, Austin, Texas-based WP Engine is one of the originators of the managed WordPress hosting platform model. The private company has raised approximately $40m in three funding rounds that included participation from Silverton Partners and North Bridge Venture Partners. It has not recently revealed revenue or growth numbers. WP Engine currently has over 300 employees, with offices in Austin, San Francisco and London.

The company has almost 40,000 customers, supports 300,000+ WordPress sites and serves more than one billion page views daily. Many of its clients are small businesses – however, in the past couple of years, WP Engine has made a credible push to deliver managed WordPress into the enterprise segment (this has aligned with a growing acceptance of WordPress among enterprises) and has succeeded in landing a significant number of larger clients and projects.

## TECHNOLOGY

WP Engine's basic proposition is more or less that of managed WordPress hosting itself, or even of managed application hosting in general. Although WordPress is a powerful CMS, running a site on it involves a range of performance and security challenges. A service provider with expertise in the platform can provide an infrastructure environment that is optimized for site performance, as well as secured against intrusion and infection. It can also offer a set of additional tools that support the WordPress publishing workflow.

The company regards its managed WordPress platform as essentially a PaaS offering. In addition to maintaining and managing the application itself, WP Engine operates the underlying platform according to its own customized and optimized specifications, giving customers very little choice about how Linux, PHP, NGINX and similar components are chosen or configured. The platform includes the EverCache system, which features customized configurations for open source tools like NGINX, Varnish and Memcached. The company also integrates CDN services via a partnership with MaxCDN.

Page Performance is a tool that WP Engine has added to its proprietary user portal. The fact that it is built into the console is a notable distinction relative to other options that users could acquire on their own, such as Google's PageSpeed. It enables users to run tests of their sites, and delivers recommendations on changes they can make to improve performance. These steps could include resizing images, using different fonts or placing JavaScript correctly. The product currently scans for 18 possible heuristics; however, the company intends to add more over time. Page Performance began rolling out in April, and will be freely available to all of WP Engine's customers.

## STRATEGY

Within the already small segment of the hosting sector focused on managed WordPress, WP Engine has been part of a subset that is working to win enterprise business. Along with all of the operational, account management and sales requirements involved with delivering an enterprise cloud service, this has also required support for the logical shift in which WordPress, a popular open source tool, is considered fit for enterprise use cases. This shift is indeed taking place.

WP Engine reports that it is placing more emphasis on the enterprise tier of its business, a process that includes developing new services that provide customers with additional insight into what is happening inside their platform. The company believes it is filling a gap regarding insight into site performance, and offering steps that customers can take to improve that. Page Performance is an early step in that direction and WP Engine will continue to focus on performance insight as an avenue for development.

## COMPETITION

WP Engine's key rivals are the other major WordPress specialists in the hosting space, including Automattic (with WordPress.com VIP), Pagely, Pantheon, Kinsta, Synthesis, Flywheel and others. It also competes with managed WordPress offerings from a range of more traditional hosting providers with strong WordPress offerings such as DreamHost, Media Temple, SiteGround, Rackspace, BlueHost and more.

## SWOT ANALYSIS

### STRENGTHS
WP Engine's strengths include the depth of its operational expertise regarding the WordPress platform, the performance of that platform, its reputation in the WordPress community, and the credibility of its services in the enterprise segment.

### WEAKNESSES
As the company begins to target enterprise workloads, potential customers could consider its services limited in breadth relative to those of some infrastructure competitors that might offer private cloud, network services and other connected resources.

### OPPORTUNITIES
An obvious opportunity for WP Engine is to serve the emerging enterprise market for WordPress sites. The company could also win business from smaller organizations.

### THREATS
As WP Engine and others demonstrate the value of a focused managed WordPress platform, a growing number of managed hosting providers are targeting that sector with new offerings, creating new competition for incumbents like WP Engine.