

Mattermost offers a cost-effective, enterprise-grade, private cloud alternative to Slack's SaaS-only workplace messaging service.

While both products offer agility, efficiency and innovation benefits, Mattermost's private cloud approach uniquely provides the control, privacy, legal compliance, extensibility and scalability required by top enterprises.

Mattermost and Slack both increase productivity via modern workplace messaging

Both solutions bring all your team's communications to one place, providing modern workplace messaging across web, mobile and PC with continuous archiving, instant search and a wide array of options to integrate your existing tools and workflows. These tools enable all your teams to:

- **Do more in less time**, with less email using searchable, topic-based messaging
- Solve problems faster with "war rooms" that assemble the right people and information
- Collaborate anywhere with cross-device access to vital communications
- Accelerate new hire onboarding with easy sharing of past team discussions

Enterprises need more

For technologists, modern messaging enables additional high-performance workflows: **DevOps**, **ChatOps**, Conversational Development and Social Coding, among other use cases, that improve software quality while reducing delivery time.

These innovative approaches have exploded across startups and small and medium businesses. But today's leading enterprises have a different set of needs that Mattermost was designed to meet.



The Best Companies in the World Use Mattermost















Only Mattermost offers the control, privacy, legal compliance, extensibility and scalability top enterprises need.

In contrast to Slack and other proprietary SaaS services, Mattermost offers an open source, private cloud platform where enterprises have complete control of their vital communications:



Security

Mattermost offers modern communication behind your firewall. Run your vital communications under your existing security and IT policies. Deploy to public, private or hybrid clouds with total control of your single-tenant system.



Privacy

Your IP address, your usage patterns, the contents of your messages—SaaS services know more about your company than you do. In contrast, Mattermost provides the benefits of modern communication without sacrificing privacy.



Legal Compliance

Consumer data protection laws, data regulations, GDPR and even non-disclosure agreements are complex and ever-changing, with heavy penalties for breach. Self-hosting your communications simplifies compliance and reduces risk.



Extensibility

Mattermost offers enterprise-grade customization with UI text files, APIs, plugins, drivers, and a wide array of open source integrations and samples. Whether it's branding the login page or white-labeling mobile apps, the enterprise is in total control.



Scalability

Mattermost was built ground-up for enterprises with a single-tenant private cloud architecture offering high availability and horizontal scaling. Tens of thousands of users across hundreds of teams can be deployed in an enterprise.

Mattermost vs. Slack: TCO comparison

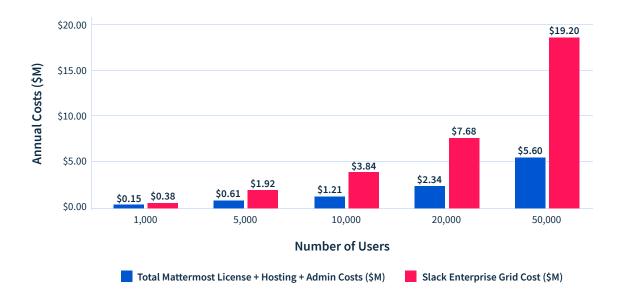
In addition to the above benefits, Mattermost is the more cost-effective solution.

We compared the total costs of ownership and operation between Mattermost and Slack Enterprise Grid. For the purposes of our analysis:

Mattermost costs include licensing fees, hosting expenses (based on on-demand AWS pricing; costs can be 40% lower with reserved instances) and in-house IT resources.

Slack Enterprise Grid costs \$32/user/month based on publicly displayed pricing during the beta period.

Mattermost vs. Slack Enterprise Grid Costs (\$M)



Mattermost customers enjoy **huge savings of over 60%** versus Slack Enterprise Grid users. Those savings are further amplified with more users thanks to economies of scale.

Here's how the costs break down:

Users	License Cost (\$K)	Server & Hosting Cost [AWS] (\$K)	IT Admin Costs (\$K)	Mattermost Total License + Hosting + Admin Costs (\$K)	Slack Enterprise Grid Cost (\$K)	Annual Savings (\$K)	% Savings
1,000	\$104	\$24	\$24	\$152	\$384	\$232	60%
5,000	\$520	\$28	\$59	\$607	\$1,920	\$1,313	68%
10,000	\$1,040	\$53	\$118	\$1,211	\$3,840	\$2,629	68%
20,000	\$2,080	\$83	\$177	\$2,340	\$7,680	\$5,340	70%
50,000	\$5,200	\$161	\$236	\$5,597	\$19,200	\$13,603	71%



Licensing fees. Mattermost E20 is \$104/user/year, which includes <u>Premier Support</u> (or \$80/user/year without Premier Support). Compare those prices to Slack Enterprise Grid, which can cost upwards of \$384/user/year.



Hosting costs. Mattermost deploys on standard commodity hardware on-premises or on the cloud platform of your choice, including AWS, Google Cloud, Microsoft Azure and Oracle Cloud. For this estimate, we used spot AWS pricing. Reserved pricing can be over 40% lower, depending on the reserve period and how much is paid up front.



IT admin expenses. In our experience, Mattermost does not require dedicated IT admins to operate. Standard operations (e.g., monitoring and upgrading) can be handled by existing teams. Even for our largest customers (with 10,000-plus users), deployment and rollout typically require less than 25% of the attention of three or four IT admins. Based on these assumptions, we conservatively estimate the equivalent of one IT admin's time for 10,000 users, at a nominal annual expense of \$117,983 (using the Glassdoor estimate for a Site Reliability Engineer based in the U.S.). These scale up to a maximum of two full-time equivalents at 50,000 users.



Similar support and integration costs. With familiar, easy-to-use UIs that require little to no training to get users up to speed, both solutions have similar support costs. Mattermost offers Slack-compatible commands and webhook integrations as well as a vibrant open source community that has contributed hundreds of <u>available integrations</u> to date.



Mattermost is built on mature and reliable technologies. It can be deployed on <u>common Linux</u> <u>operating systems</u> or as a Docker image and supports <u>MySQL</u>, <u>PostgreSQL</u> and <u>Amazon Aurora</u> for the database. Chances are your IT team is already familiar with many of these technologies.

Mattermost is easy to deploy and operate; large deployments can be configured in a matter of days.

For more information and detailed AWS server cost templates, check out our <u>Server Scaling Guide</u>.

Disclaimer: The information provided in this document is provided for general informational purposes only. It is intended to provide an example of your potential savings when you license Mattermost vs. Slack Enterprise Grid. Slack Enterprise Grid prices are based on publicly available list prices during the product's beta period, and are subject to change. The Slack Enterprise Grid prices were last observed on the Slack website in 2017. The information in this document is provided "as is," and is not intended to provide business, legal, accounting, tax or professional advice. Mattermost makes no warranties, express or implied, in this document. Please contact us with any feedback or questions.