

## Magic Quadrant for Enterprise Content Management

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ECM offerings are showing strong growth in demand as organizations embrace the vision of managing content assets throughout their life cycle. Process-centric solutions, social content management and integration are key factors differentiating the vendors assessed in this document.

## WHAT YOU NEED TO KNOW

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### ECM in 2011 and 2012: Driving Business Effectiveness in Today's Global Market

A funny thing happened in the depths of the recent recession. While budgets in many areas of information technology were under extreme pressure, enterprise content management (ECM) spending actually grew, by 5.1% in 2009 and by 7.6% in 2010. ECM software revenue alone was \$3.9 billion in 2010. And we project this growth will continue — at an impressive compound annual growth rate (CAGR) of 11.4% through 2015. Why is all this money being spent on ECM in a down economy? The answer is "productivity." ECM can drive process efficiency, improve data and process quality, and build better channels to your customers and prospects.

Gartner clients often use ECM to realize a range of productivity goals, including the following:

- **Improve Effectiveness.** Better data quality can lead to better decisions, as time and energy are not wasted. Project team support environments have a strong base in ECM. Knowledge repositories based on ECM can help companies build competitive differentiation, innovate better and realize better customer service.
- **Reduce Operational Cost.** Electronic management and delivery of client information using e-bill presentment and multichannel approaches to engage prospects and clients with relevant information requires Web Channel optimization using Web content management (WCM) tools. Costs can be reduced by consolidating diverse repositories of content and getting off of legacy content management tools where ongoing maintenance costs can be significant.
- **Optimize Business Processes.** ECM began with document imaging and document management of high volume information flowing through repetitive processes. These transactional types of ECM environments are critical to driving efficiencies in departments for mission-critical processes.
- **Achieve Regulatory Compliance and E-Discovery Goals.** Companies look to ECM to provide a full life cycle approach to information — from creation to destruction. ECM tools provide this level of support for many enterprises, beginning with integration with the Microsoft Office Suite for management of new and collaboratively authored content, to the use of inherited predefined metadata to automate the eventual records categorization. Companies use these tools to demonstrate best efforts at organizing and managing their information in a proactive manner to meet legal needs.
- **Attract and Retain Customers.** A Web technology approached based on WCM allows enterprises to use the Web for a range of dynamic information-based interactions. WCM can be used to drive interactive channels to prospects and customers. Publishing and leveraging social media and socially mediated content is just one newer use of WCM technologies.

In addition to these driving forces for ECM, one particular region is moving forward more noticeably than ever before. In Asia/Pacific, ECM is growing in adoption for document and records management, collaboration and knowledge management. Verticals such as financial, insurance and legal in Singapore, Australia and China are building out customizations as composite content applications (CCAs) incorporating comprehensive workflows. Some are looking at case management capabilities or frameworks. Records management is another area causing organizations to seek out platforms to adhere to compliance and audit capabilities. So

with clear growth among a new set of buyers, the market for ECM is moving forward at a healthy pace.

## **MAGIC QUADRANT**

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This Magic Quadrant represents a snapshot of the ECM market in 2011. Gartner advises readers not to compare the placement of vendors in prior years, as this market is changing — fresh acquisitions and partnerships, solutions development and the appearance of alternative delivery models are evidence of this — and our criteria for selecting and ranking vendors continue to evolve.

Our assessments take into account vendors' current offerings and overall strategies, as well as their planned initiatives and product road maps. We also consider how well vendors are driving market changes and adapting to changing market requirements.

This Magic Quadrant will help CIOs and business and IT leaders who are developing ECM strategies to assess whether vendors have the right products and enterprise platforms to support them.

ECM technology has changed greatly in recent years, with broader suite functionality, better process control, improved ease of use and a stronger focus on records. As a result, Gartner strongly advises organizations with ECM technologies more than five years old, or with multiple products across departments and geographies, to re-evaluate their content architecture with a view to possible consolidation of functionality and vendors.

Use this Magic Quadrant to understand the ECM market and how Gartner rates vendors and their packaged products (see Note 1). Draw on this research to evaluate vendors based on a customized set of objective criteria. Gartner advises organizations against simply selecting vendors because they appear in the Leaders quadrant. All selections should be buyer-specific, and vendors from the Challengers, Niche Players and Visionaries quadrants may be better matches for your business goals and solution requirements.

**Figure 1. Magic Quadrant for Enterprise Content Management**



Source: Gartner (October 2011)

## Market Overview

### ECM Today and Tomorrow

ECM has a rich history going back almost 30 years to the introduction of computer networks and document scanners to build the first document image processing applications. Functional elements such as the repository, scanning and capture tools, and workflow engines were often sourced from several vendors since full suites were rare. That changed during the late 1990s as IBM and others built out suites of technology to bring an integrated offering to bear. In the early 2000s, the impact of the Web hit ECM, and the concept of managing Web content and websites as user-friendly assets came under the ECM umbrella. By the mid 2000s, the market started experimenting with Microsoft's SharePoint 2003 as a low-end collaborative content management environment and those experiments got more serious by the time SharePoint 2007 was deployed. At the same time, other vendors were going through waves of acquisition — large vendors like EMC bought Documentum, IBM bought FileNet and then Oracle bought Stellent. Now, with four major vendors scrambling for ECM sales, the market really became a battleground post 2008. These top vendors control close to half the revenue of the ECM market today.

However, the future of ECM will not lie completely in the hands of these major players. Like in many IT markets, change is driven from the edges, by smaller vendors with innovative technology ideas not bound by the relative inflexibility of large corporations. These smaller vendors are often those in the Visionaries and Niche Players segments of the Magic Quadrant. Some of the forces of change on the future ECM market will come from these four key areas:

- **The Cloud.** Public cloud deployments of ECM allow enterprises the flexibility of launching new content initiatives quickly with no upfront costs for servers, system integrators and (usually) software licenses. The enterprise pays a per-user fee, and perhaps a fee for the volume of documents stored, and can reduce the size of a deployment, when needed. Today, this is often best suited to ECM needs that are more basic, such as advanced file server use cases, where customization and integration are not needed.
- **Mobility.** Given the clear demand for anywhere access and the rise of smartphones and tablets, ECM systems are deploying very functional clients for these devices in a post-PC era. In addition to simple use cases like repository access to documents, many vendors are developing interfaces for participation in process approvals and exception handling, camera-image (both still and video) and bar code inputs, case management system interfaces and, of course, the ability to maintain presence awareness of mobile users in an ECM system.
- **Analytics.** Content analytics defines a family of technologies that processes content and the behavior of users in consuming content to derive answers to specific questions. Content types include text of all kinds, such as documents, blogs, news sites, customer conversations (both audio and text), and social network discussions. Analytic approaches include text analytics, rich media and speech analytics, and behavioral analytics. As enterprises bring more of their content under the control of an ECM tool, they want to gain more valuable insights from the usage patterns, the latent knowledge in the content as well as the social interactions that occur during the collaborative creation and dissemination of the content.
- **Big Content.** Commonly accepted consumer file formats like audio and video have made their way into the enterprise and ECM systems are being leveraged to manage them in conjunction with many other file types. Enterprises seek to create a simpler view into a client or an issue which is agnostic of file type, and ECM tools are rising to the occasion. Big content refers both to the growth in size of repositories that organizations are able to achieve as file formats get larger, and also to the growth in diversity of content types. The world is getting bigger in terms of absolute quantities of content that enterprises must manage as well as diversity.

These new forces of change are having an effect on the solutions that vendors are building and they will spawn further new solutions. Gartner sees the market shifting toward four collections of technologies to suit them.

## The Four Worlds of ECM

Changing delivery models, new value propositions, solution configurations and partner ecosystems make ECM relevant to every business. Understanding the four usage scenarios of ECM can help put enterprises on the path to success. Very few vendors have market-leading emphasis and ability in all four. Though many implementations span several scenarios, almost all will have to relate to content management as infrastructure.

The four major usage scenarios or "worlds" of ECM are as follows:

**1. Transactional content management** solutions focus on imaging, workflow/business process management (BPM), compliance/archives, records management and e-forms. Content contained within applications in this category tends to be static, rather than dynamic, though this may change as XML representations become more common. Processes tend to be stable, long-running and have a high volume of forms or documents that demand scalability, life cycle control and human approval, primarily for exceptions. An application interface is almost guaranteed.

CCAs like those for invoice automation, case management frameworks, and other horizontal and vertical market templates and solutions are key considerations in vendor selection. Examples of solutions include offerings for customer communications management, processing of loan applications and electronic patient files.

*Sample vendors: EMC, Hyland Software, IBM, OpenText, Perceptive Software, Saperion.*

**2. Social content management** solutions focus on compound content object control and library services; document collaboration; workflow automation with alerts and calendaring; social content like wikis, blogs and videos; task tracking; browser or portal viewing; markup, annotation and version control. The focus is on systems of engagement — orchestrating high-value people involved in the project-based or long-running development and delivery of high-value documents, content or knowledge management, and optimizing the processes, interfaces and objectives that relate them through collaboration. Examples of these solutions include offerings for new drug discovery, new hire recruiting, onboarding and training, and construction project management.

*Sample vendors: Alfresco, IBM, Microsoft, OpenText.*

**3. Online channel optimization** solutions focus on Web channel sets of technology, including WCM, DAM, portals, electronic forms, Web and content analytics, social software, XML authoring, rich-media management, social content and collaboration, mobile device support and so on. The aim is to "idealize" them to serve as Web-delivered, context-aware engagement platforms for a variety of industry-focused solutions. Most important in delivering value will be a focus on relevancy and consequent measurable increases in the impact of the delivered experience. Examples of templates or solutions to engage customers more fully include online retail optimization, Web channel distributed claims processing, and constituency self-service in government.

*Sample vendors: Adobe, OpenText, Oracle.*

**4. Content management as infrastructure** solutions are increasingly being delivered by infrastructure vendors such as IBM, Oracle and Microsoft, which are embedding content management capabilities into their stacks. They are also increasingly becoming infrastructure platforms for supporting multiple CCAs. For example, when Microsoft SharePoint takes hold in an organization, users naturally begin exploring its suitability for a wider range of content management applications and its potential as a replacement for existing solutions. Essential considerations for this category include abilities to manage rich metadata, enable full life cycle control, allow easier migrations from other repositories, network drives or file servers, and to bring some analytic or business intelligence-like capability to unstructured data overall. Understanding how content relates to larger enterprise information management disciplines will also become critical.

*Sample vendors: IBM, Microsoft, Oracle.*

## **Market Definition/Description**

ECM, defined as a *strategy*, can help enterprises take control of their content and, in so doing, boost effectiveness, encourage collaboration and make information easier to share.

ECM, defined as *software*, consists of a set of capabilities and/or applications for content life cycle management that interoperate, but that can also be sold and used separately.

The core components of an ECM suite and the updated weights for the Magic Quadrant scoring are described below.

**Document management** for check-in/check-out, version control, security and library services for business documents. Advanced capabilities such as compound document support and content replication score more highly than do basic library services.

**Web content management (WCM)** for controlling the content of a website through the use of specific management tools based on a core repository. This includes content creation functions, such as templating, workflow and change management, and content deployment functions that deliver prepackaged or on-demand content to Web servers. The minimum requirement is a formal partnership with a WCM provider. Native capabilities score more highly than partnerships. The relative complexities of provisioning content to users across intranet, extranet and Internet applications are also considered, as are the implications of analytics, social content and delivery models.

*Several ECM vendors qualify for independent analysis of their WCM functionality (see "Magic Quadrant for Web Content Management").*

**Records management** for long-term retention of content through automation and policies, ensuring legal, regulatory and industry compliance. The minimum requirement is an ability to enforce retention of critical business documents, based on a records retention schedule. Higher ratings are given for certified compliance with standards such as the Department of Defense (DoD) Directive 5015.2-STD, The National Archives (TNA), the Victorian Electronic Records Strategy (VERS) and Model Requirements for the Management of Electronic Records (MoReq2).

*Several ECM vendors qualify for independent analysis of their records management functionality (see "MarketScope for Records Management").*

**Image-processing applications** for capturing, transforming and managing images of paper documents. For this component we require a vendor to offer two things: (1) document capture (scanning hardware and software, optical and intelligent character recognition technologies, and form-processing technology) performed either using native capabilities or through a formal partnership with a third-party solution provider such as KnowledgeLake, Kofax, EMC (Captiva) and IBM (Datacap); (2) the ability to store images of scanned documents in the repository as "just another" content type in a folder, and to route them through an electronic process. Extra credit is granted for vertical or horizontal solutions delivered directly or through partners.

*Several ECM vendors qualify for independent analysis of their image-processing functionality (see "Critical Capabilities for Composite Content Applications: Case Management").*

**Social content** for document sharing, collaboration and knowledge management, and for supporting project teams. Blogs, wikis and support for other online interactions have been added. Social content — including video — is the fastest-growing category of new content in the enterprise. The name of this component has been changed from "document collaboration" to "social content" to reflect broader audience and content types.

**Workflow/business process management (BPM)** for supporting business processes, routing content, assigning work tasks and states, and creating audit trails. The minimum requirement is simple document review and approval workflow. Higher scores are given to vendors with graphical process builders, and both serial and parallel routing. Many vendors are drawing on stronger process capabilities to deliver frameworks or templates as CCAs.

*Several ECM vendors qualify for independent analysis of their workflow/BPM functionality (see "Magic Quadrant for Business Process Management Suites").*

**Extended components** can include one or more of the following: DAM, document composition, e-forms, search, content and Web analytics, email and information archiving, email management and packaged application integration.



### **Weighting changes from 2010 to 2011:**

- Document management: 15% = no change
- WCM: 10% = no change
- Records management: 15% in 2010, 10% in 2011 = -5% change
- Image-processing applications: 15% = no change
- Social content: 10% in 2010, 15% in 2015 = +5% change
- Workflow/BPM: 25% = no change
- Extended components: 10% = no change

See "Evaluating ECM Using the Magic Quadrant for Enterprise Content Management 2010."

## **Inclusion and Exclusion Criteria**

This year's Magic Quadrant for Enterprise Content Management includes revisions to the evaluation criteria, descriptions and scoring of the functional capabilities, as well as a focus on new combinations of technology, delivery models and vertical-market solutions. We will continue to use a threshold of \$10 million in new software license and maintenance revenue to enable us to recognize the growth of small and midsize business, departmental and alternative delivery ECM products. Although the Leaders quadrant continues to contain very large vendors, we have seen growth in the market in several categories and have qualified several new vendors for inclusion in the Magic Quadrant during the past few years.

To appear in this Magic Quadrant, a vendor must meet Gartner's criteria for revenue, geographic presence, functional capabilities and "referenceability." Specifically, a vendor must:

- Have at least \$10 million in total content management software revenue (licenses, updates and maintenance). An open-source software vendor must have at least \$10 million in annual customer subscriptions.
- Actively market its products in at least two major regions — for example, North America and EMEA, or Asia/Pacific and Latin America.
- Have ECM software commercially available, and active references that use its products in production scenarios.
- Have an integrated content management suite with at least four of the components listed above supplied natively; others may be supplied through partners.

### **Added**

Software Innovation is a Scandinavian company specializing in ECM from a composite content application perspective.

### **Dropped**

We have removed Autonomy because it is not actively promoting any products as ECM; rather, it focuses on meaning-based computing.



We have removed Xythos Software, a Blackboard company, because we have seen no client interest in its content management technology, nor have we seen any promotional efforts, since 2010.

## Evaluation Criteria

### Ability to Execute

Ability to Execute measures how well a vendor sells and supports its ECM products and services on a global basis. In addition to rating product capabilities, we evaluate each vendor's viability, installed base, pricing, customer support and satisfaction, and product migrations from one major release to another.

To be considered for the Leaders quadrant, a vendor must provide most components natively, though they may be loosely coupled as a suite.

Although not explicitly identified as a core component, information access or search technology has always been a critical component of an ECM suite, and it plays a big role in helping companies sift through structured and unstructured information. All ECM products ship with a search engine embedded as a core component, so that users can create a full-text index and search the content stored in repositories.

Some vendors have added extended components, such as DAM for handling rich media, e-forms, and document and email archiving, and document composition for high-volume generation of customized documents.

**Table 1. Ability to Execute Evaluation Criteria**

Evaluation Criteria	Weighting
Product/Service	high
Overall Viability (Business Unit, Financial, Strategy, Organization)	high
Sales Execution/Pricing	standard
Market Responsiveness and Track Record	standard
Marketing Execution	standard
Customer Experience	standard
Operations	standard

Source: Gartner (October 2011)

### Completeness of Vision

Completeness of Vision focuses on potential. A vendor might succeed financially in the short term without a clearly defined vision or strategic plan, but it won't become a Leader.

A vendor with average vision anticipates change by accurately perceiving market trends and exploiting technology.

A vendor with superior vision anticipates, directs and initiates market trends, particularly if it integrates its vision for a broad range of areas, and capitalizes on product and service development.

Part of our assessment involves looking at how well each vendor understands changing requirements and market trends. We evaluate vendors on their awareness and adoption of

emerging functionality, their technical architecture (for example, standards support, Web services and Web 2.0 capabilities), and their focus and abilities in federating and integrating with other content repositories and applications.

**Table 2. Completeness of Vision Evaluation Criteria**

Evaluation Criteria	Weighting
Market Understanding	standard
Marketing Strategy	standard
Sales Strategy	standard
Offering (Product) Strategy	high
Business Model	standard
Vertical/Industry Strategy	high
Innovation	low
Geographic Strategy	low

Source: Gartner (October 2011)

## Leaders

Leaders have the highest combined scores for Ability to Execute and Completeness of Vision. They are doing well and are prepared for the future with a clearly articulated vision. In the context of ECM, they have strong channel partners, presence in multiple regions, consistent financial performance, broad platform support and good customer support. In addition, they dominate in one or more technology or vertical market. Leaders deliver a suite that addresses market demand for direct delivery of the majority of core components, though these are not necessarily owned by them, tightly integrated, unique or best-of-breed in each area. We place more emphasis this year on demonstrated enterprise deployments; integration with other business applications and content repositories; incorporation of Web 2.0 and XML capabilities; and vertical-process and horizontal-solution focus. Leaders should drive market transformation. There are six Leaders in this year's Magic Quadrant.

## Challengers

Challengers offer good functionality and have a substantial number of installations, but they lack the vision of Leaders. They typically don't possess all the core ECM components. Instead, they use partnerships to round out their suites, or they ignore some markets altogether. Challengers can lack a broad ECM focus or geographic coverage, but they execute well, despite any product limitations.

Perceptive Software is the only Challenger in this year's Magic Quadrant.

## Visionaries

Visionaries may offer all capabilities natively or partner with other vendors for several core ECM components. In some cases, Visionaries will need to integrate their acquisitions into their product suites. They typically show a strong understanding of the market and anticipate shifting drivers. They may lead efforts relating to standards, new technologies or alternative delivery models, but they have less ability to execute than the Leaders. They are building their market presence.

## Niche Players

Niche Players typically focus on specific categories of ECM technology (such as transactional content management), midmarket buyers, or supplements to the offerings of business application or stack providers. This category may include vendors that are still ramping up their overall ECM efforts and those that have neither the vision nor the execution ability to break out of the Niche Players quadrant. Some Niche Players may be "boutiques" that serve only certain regions, industries or functional domains, not the broader market.

## Vendor Strengths and Cautions

### Adobe

Adobe has long played at the periphery of content management with its content creation tools, document transformation and output capabilities, and forms-based workflow, but its 2010 acquisition of Day Software has made it a richer content management provider. Adobe is aligning itself to focus on content authoring and digital marketing. The Adobe Digital Enterprise Platform (ADEP), which includes a core Java Content Repository and Web experience, rich Internet application, and document services, became generally available in August 2011. It also serves as a foundation for enterprises and developers looking to build content-centric applications.

Website: [www.adobe.com/solutions/customer-experience.html](http://www.adobe.com/solutions/customer-experience.html)

### Strengths

- Adobe has continued Day's leadership around industry efforts to devise integration standards such as JSR 170 and, more recently, JSR 283 and Content Management Interoperability Services (CMIS). Day was also instrumental in developing the Java Content Repository, a standards-based repository based on JSR specifications. This is now the core of ADEP.
- The company has development tools for mobile applications and cloud hosting, and it has targeted media companies that want to deliver applications to every channel and device.
- Through its acquisitions of Day and Omniture, Adobe is in a strong position to build linkages between content creation, management, analytics, business metrics and workflow, and drive the development of composite content applications.

### Cautions

- While Adobe has many of the required ECM components and a strong focus on solutions for marketers, it has been slow to demonstrate and articulate a cohesive message as an ECM provider. Enterprises looking for transactional content management solutions and needing to meet regulatory compliance initiatives will need to look elsewhere.
- Solid R&D investment in standards, user experience and mobile solutions support has helped put Adobe on the shortlist for enterprises focused on online channel optimization, but Adobe needs to build greater visibility in the overall market and for general-purpose content management use cases.
- Adobe has the potential to be a credible and significant player in content management, but must continue to drive market awareness with enterprises in terms of account

management, pricing models and messaging. It must overcome the perception that it is a consumer-oriented company.

## **Alfresco**

For clients interested in open source, Alfresco has risen to be the dominant provider of open-source ECM; it offers the full range of ECM functionality and is the only open-source vendor to meet our inclusion criteria this year. Based on discussions with Gartner clients, especially those in Europe or in cost-constrained industries, demand for open-source solutions remains steady. Founded in 2005, Alfresco focused originally on document repository services, but has expanded its suite to cover records management, WCM, social content with Alfresco Share and BPM (JBoss BPM and Acitiviti). It has embraced open standards, including CMIS, and is now targeting the nascent market for cloud-based content management.

Website: [www.alfresco.com](http://www.alfresco.com)

### **Strengths**

- A large network of system integrators and a base of open source fans has helped Alfresco gain global traction (now in 55 countries) and increase its penetration among enterprise customers. Now, at version 3.4, Alfresco Enterprise Edition has become a much more stable platform for social and enterprise content management applications.
- Alfresco has a strong story to tell in relation to integration and openness through its support for standards like CMIS, representational state transfer (REST) and Web services, and its integration with Drupal, Joomla, Google Docs, and IBM's Lotus Quickr and Lotus Connections. It is often deployed in combination with the popular open-source portal, Liferay, for intranet and social content use cases and as an alternative to SharePoint.
- Alfresco's ECM suite can be deployed on a single server. This can reduce hardware costs and simplify deployment and administration, which can be a significant factor when building a business case for ECM based on a positive total cost of ownership (TCO) story.

### **Cautions**

- Feedback from Gartner clients indicates that some Alfresco customers have experienced latency and scalability issues when deploying the Alfresco software beyond departmental implementations. However, we have seen some improvements with more recent implementations.
- As is often the case with open-source software, Alfresco customers may need a higher degree of technical competency to manage implementation. Additional costs of implementation and development may offset the initial lower cost of entry.
- Alfresco provides published application programming interfaces, but does not have packaged, certified integration with ERP or CRM applications such as those of SAP and Oracle (Siebel CRM). This level of integration is typically a prerequisite for transactional content processes, and some Alfresco partners have built these for customers.

## **EMC**

EMC has long held a strong position in the ECM market with a range of products, but has struggled in responding to significant challenges and changing market dynamics. For 2010, EMC's share of the ECM market was roughly 12%, making it one of the top three vendors, along

with IBM and OpenText. While other players have seen double-digit market growth, EMC has been trending down into negative territory over the past few years. To address this, EMC has formed the Information Intelligence Group and, under a new leadership team, is staking its future on cloud content management and industry solutions.

Website: [www.emc.com/products/category/enterprise-content-management.htm](http://www.emc.com/products/category/enterprise-content-management.htm)

## Strengths

- EMC Documentum has historically been used as a trusted system of record and as a platform for supporting mission-critical processes such as submissions to the U.S. Food and Drug Administration, technical publications, and engineering drawing management applications. It has focused increasingly on transactional content management as well, supporting production imaging and workflow.
- EMC's content stack remains a strong set of complementary products, able to manage the whole content life cycle better than most of its competitors. Among its stronger assets are capture, core repository, process management, archive and records management, and document composition capabilities — all of which are essential for case management.
- For risk management, EMC has a strong set of resources for enterprises that want to move from a traditional archiving approach to a larger, more comprehensive and more holistic information governance strategy that addresses archiving, compliance and e-discovery needs.

## Cautions

- Over the years that it has owned content management and related software, EMC has not executed well in creating sales synergies with its hardware or services teams. Some customers and references with whom Gartner has spoken over the past year are questioning EMC's overall commitment and investment in content management software.
- Gartner has seen some erosion of business across the Documentum family. This is partly due to perceived costs and complexities, compared with Microsoft SharePoint, and partly because its ecosystem of system integrator and independent software vendor partners has not delivered a catalog of solutions for all products — apart from xCP — compelling enough to stem the erosion.
- EMC's efforts at social content management have fallen flat with many clients moving to SharePoint and remaining unclear over CenterStage's role versus eRoom — while its strategy around Web content management has been opportunistic at best, relying on partnerships with Fatwire (now owned by competitor Oracle) and more recently SDL Tridion.

## Ever Team

Ever Team offers ECM primarily as composite content applications via a growing partner channel, primarily in EMEA. Ever Team is attracting new business by offering solutions based on SharePoint integration as well as its core Java EE foundation.

Website: [www.ever-team.com/en](http://www.ever-team.com/en)

## Strengths

- Ever Team's EverSuite solutions are a range of packaged CCAs for ERP and other applications. They offer integrated capabilities to Microsoft Dynamics NAV and SharePoint.
- Over the past four years, Ever Team has built a significant presence beyond France and into the Middle East, as well as Algeria, and it is known for providing good support.
- Ever Team extends horizontal business applications by providing simple support for common paper-based processes such as sales ordering, invoicing and documenting human resources processes and case management.

## Cautions

- Ever Team could expand its footprint further through better marketing and by building stronger international channels.
- Ever Team's enabling solutions for Microsoft are not being promoted effectively enough in global markets.
- Although it has invested in product enhancements, Ever Team may not have enough developer resources to match the process, analytics and user interface updates of its competitors.

## Fabasoft

Fabasoft delivers both on-premises and cloud-hosted ECM and search technologies. Fabasoft sells to four main vertical markets: government, financial services, energy and retail. Its ECM solutions leverage its very solid search tool, Mindbreeze.

Website: [www.fabasoftfolio.com](http://www.fabasoftfolio.com)

## Strengths

- Fabasoft is a very flexible platform that allows extensions and integrations relatively easily. It has good workflow and vertical applications for composite content applications. Fabasoft is of particular interest to European government agencies trying to capitalize on Microsoft SharePoint, as it can extend SharePoint.
- Fabasoft is gaining traction with its cloud offering, Folio. European organizations concerned with data residency issues due to legislation can work with Fabasoft to ensure compliance.
- Fabasoft grew its applications through organic development, rather than acquisitions. Recent additions include support for CMIS, mobile application development and alternative delivery options.

## Cautions

- Fabasoft must increase new software license growth in proportion to its maintenance and services revenue — an option is to build its global presence for better access to large companies.
- Folio's system administration and interfaces can be improved to meet the expectations of current users.

- Implementation can be complex and Fabasoft needs to offer better documentation of the software. In the case of FolioCloud, customers can leverage the strength of Folio without the requirement for on-premises implementation.

## Hyland Software

Hyland Software has continued its success in, and focus on, the mid-market. It made several acquisitions since late 2010 to boost its vertical focus, including: eWebHealth, a provider of hosted medical records; Hershey Systems, a provider of solutions for higher education; and Computer Systems Company, a provider of healthcare software and document conversion services. It has a consistent and focused vision, and strong execution demonstrated by its double-digit growth rate and expanding customer base.

Website: [www.hyland.com/onbase-and-ecm/ecm-101.aspx](http://www.hyland.com/onbase-and-ecm/ecm-101.aspx)

### Strengths

- Hyland continues to demonstrate a focus on customer satisfaction and brings a clearly articulated set of content management solutions to the market.
- Hyland's appeal to the mid-market is partly due to its moderate cost for deployment and its strength in integration with other core players, such as Epic in the healthcare arena.
- Hyland has expanded its software as a service (SaaS)-based offering, OnBase OnLine, and has invested in its international data centers to accommodate increased demand from EMEA and Asia/Pacific.

### Cautions

- Hyland must continue to build out richer vertical solutions as well as an aligned partner ecosystem with strong domain expertise in these areas.
- Hyland itself remains a midsize organization with a more limited international footprint than the other ECM Leaders. As such, it may not be suitable for the most demanding scalability requirements of some Global 2000 enterprises and federal government agencies of comparable size with geographically distributed deployments.
- Hyland's functional capabilities focus primarily on transactional content management. Clients with a focus on social content management or online channel optimization will need to supplement OnBase with partner offerings.

## IBM

One of the leading infrastructure players in content management and the largest in terms of revenue, IBM ECM often focuses on high value and more sophisticated use cases that provide business value for its customers. Yet IBM's strengths also pose challenges as it has multiple ECM products. IBM's strengths lie in the worlds of transactional content management and social content management.

Website: [www-01.ibm.com/software/data/content-management](http://www-01.ibm.com/software/data/content-management)

### Strengths

- IBM's worldwide footprint, direct sales force and channel partners have helped it retain its position as the largest global ECM vendor, with a 20% market share in terms of total software revenue.



- IBM's long-standing strengths in production imaging and document-centric workflow, particularly with the FileNet Content Manager and Business Process Manager platform and the acquisition of Datacap, give it the foundation to support its vision and strategy for advanced case management, exploiting analytics (like Watson) and social integration.
- IBM's Smart Archive strategy takes a unified approach to archiving and brings together a broad range of products from its software (ECM, information management and Tivoli), hardware and solutions groups. IBM also has value-added capabilities to support an enterprise information archiving platform, including data discovery, e-discovery, classification, records management and analytics.

## Cautions

- IBM has made progress integrating its ECM offering with other IBM products in fields such as social software, WCM, electronic forms (Lotus), portals, business rules (Ilog), analytics (Cognos), application archiving (Optim), and master data management (InfoSphere) and appliances. However, feedback from Gartner clients indicates that customers remain frustrated with IBM's complex product portfolio, the need for services resources to get products up and running, initial and ongoing costs, and the quality and consistency of technical support.
- IBM's size and complexity as a global software and hardware company prevent it from reacting as nimbly as its competitors to the increased demand for better support for role-based clients, casual content creation/consumption, shorter deployment cycles and less complexity. It has lost some ground to lower-cost transactional content management alternatives such as those of Hyland and Perceptive, and to Microsoft SharePoint for simple document management, collaboration and forms-based process automation.
- IBM is challenged to scale down its current offerings to meet the needs of midsize and smaller enterprises where there is a clear growth opportunity. These enterprises are increasingly considering alternative delivery models, such as cloud provisioning and open-source ECM. Although IBM has an emerging vision, strategy and product family in LotusLive to address the growing demand for cloud-based ECM, it needs to ramp-up marketing and sales of this offering.

## Laserfiche

Laserfiche has strong, cost-effective ECM offerings that appeal to the government, education and healthcare markets. Its Laserfiche Rio (ECM) and Laserfiche Avante (BPM) offerings focus on helping enterprises move from paper-based processes to electronic ones. Laserfiche generates transactional content management revenue via its reseller channel, which is focused on North America but has grown its presence in several countries over the past year.

Website: [www.laserfiche.com](http://www.laserfiche.com)

## Strengths

- Laserfiche's software and implementation costs have a reputation for being more palatable to midsize enterprises.
- Laserfiche customers have expressed good levels of satisfaction and, as a result, its business continues to grow.
- Value-based pricing and alternative models such as the ability to "rent" a Laserfiche system keep this vendor competitive, even against SaaS vendors.

## Cautions

- Laserfiche's marketing efforts are only just starting to resonate with large enterprises.
- Laserfiche needs to expand beyond the government, education, healthcare and financial services. It should continue to enter more geographies and focus on dynamic and Web-oriented content.
- Laserfiche must refine its focus and investment to create a broader portfolio of CCAs.

## Microsoft

Microsoft SharePoint 2010 is proving to be a viable enterprise class platform, but it often requires third-party enhancements. Over half the inquiries Gartner receives about ECM include discussion of SharePoint, and one-third of our client base is using SharePoint as the core of their content management strategy. Global enterprises are working on SharePoint strategies and deployments, something not frequently seen in the 2007 release. The June 2011 availability of cloud-based content management with multitenant Office 365 is intriguing, but Gartner believes this will appeal to enterprises with only basic content management requirements.

Website: <http://sharepoint.microsoft.com/Pages/Default.aspx>

## Strengths

- Key functional enhancements include greater ease of composite content application development with Visual Studio integration and more robust content management, taxonomy and metadata capabilities, as well as strong search.
- Thanks to Microsoft's position as a "stack" vendor, SharePoint has attracted a very large ecosystem. Many third-party software vendors are building extensions, and system integrators are generating big business around deployments and customizations.
- SharePoint is increasingly being used for more broad enterprise deployments, moving beyond the departmental deployments typically seen with the 2007 release.

## Cautions

- There is continued need in many enterprises to add third-party tools to build a suitably robust content management environment — Microsoft needs to bring some of these capabilities deeper in the next release, as today there are many vendors offering tools in areas such as document capture, workflow, records management, administration, storage and backup as well as governance and taxonomy. Many other content management vendors offer these natively.
- Migration to SharePoint 2010 continues to be challenging for many, especially in the case of customized implementations, even though Microsoft and several partners offer migration tools.
- SharePoint 2010 has modest WCM capabilities and somewhat limited BPM/imaging capabilities for building CCAs.

## Newgen Software Technologies

Newgen is headquartered in India with offices in four other countries and has 1,100 employees. Its industry solutions portfolio has been prominent — focusing on business process management and customer communication management. OmniDocs 7.1 and OmniFlow 9.1 are newly released

versions of its ECM and BPM products, which are part of the Omni product suite offering records management, capture, extraction and reporting. Newgen has also expanded its offerings into the cloud arena through a partner network of system integrators and cloud platform providers.

Website: [www.newgensoft.com](http://www.newgensoft.com)

### **Strengths**

- Newgen's middleware-based product suite gives organizations the flexibility of integrating it with their existing infrastructure.
- Industry domain knowledge in the arena of ECM and BPM is a differentiator for Newgen's professional services delivery and support team that is further complemented by its focused partners.
- CCAs such as case management, customer contact management and customer relationship management have garnered Newgen new business opportunities.

### **Cautions**

- Leveraging Amazon's cloud infrastructure could help advance Newgen's growth potential into untapped markets — however, it faces growing competition.
- Newgen's geographical coverage remains predominately focused in India with most of its external footprint represented through a growing partnership network.
- As Newgen expands its ecosystem into the Middle East, the U.K. and North America, requests for industry domain knowledge may be compromised and spread too thin.

### **Objective**

Objective is headquartered in Australia, with sales offices in the U.S., the U.K., New Zealand and Singapore. It has developed a strong specialty in the government domain with both on-premises and SaaS offerings. It has a growing number of CCAs mainly dedicated to government. These are tuned and deployed through direct professional services engagements, sometimes involving its partners or system integrators.

Website: [www.objective.com](http://www.objective.com)

### **Strengths**

- Objective has a strong professional services team supporting its public sector implementations.
- Objective's portfolio of CCAs is a key differentiator and has been enhanced with its acquisition and integration of Limehouse Software.
- Objective's integration of search and discovery into its ECM 8.1 offering with technology partner Exalead has enhanced its ECM offering, as well as opening new opportunities.

### **Cautions**

- The majority of Objective's deployments are in Australia, New Zealand and the U.K., so enterprises in other geographies will need to assess their service capabilities.
- Objective's tight focus on government may constrain its options in other vertical markets.

- Objective's cloud-hosted product could be constrained by concerns for privacy of content, especially in the government.

## OpenText

OpenText continues to grow through its acquisition strategy and is expanding into the BPM market with the purchase of MetaStorm and Global 360. OpenText's ECM Suite provides a complete set of content management technologies and solutions to manage the entire life cycle of content. OpenText's strategic relationships and interoperability with SAP and Microsoft's infrastructure and applications are key to its success. The global partnership with SAP has been especially instrumental in driving revenue through this channel with Extended ECM for SAP Solutions.

Website: [www.opentext.com/2/global/sol-products/sol-pro-open-text-ecm-suite.htm](http://www.opentext.com/2/global/sol-products/sol-pro-open-text-ecm-suite.htm)

## Strengths

- OpenText has many CCAs and it has seen particularly good traction in government and in European sales during 2011.
- OpenText's expanding reseller partner agreement with SAP gives it a competitive advantage when it comes to seizing opportunities with SAP customers, particularly for deals involving imaging, archiving, and document and records management. SAP also provides an extensive sales channel for OpenText.
- OpenText is the largest vendor focused on content management and is second only to IBM in ECM market share.

## Cautions

- OpenText clients voice concern about the product road map. The company needs to articulate and execute on a much clearer product vision to the marketplace.
- OpenText's needs to integrate the BPM capabilities of MetaStorm and Global 360 quickly into its portfolio to exploit the opportunities.
- Microsoft SharePoint may have an impact on OpenText's revenue stream, as some customers move to standardize on SharePoint.

## Oracle

Oracle brings together content management with portal, Web, and collaboration in its new Oracle WebCenter strategy and platform. Oracle WebCenter Content subsumes Oracle Enterprise Content Management Suite 11g, which continues to expand its ECM market footprint. Oracle made a significant move in expanding its Web management capabilities with the acquisition of FatWire in June 2011. This provides Oracle with features and functionality that focuses more on the marketing buyer rather than the IT buyer. Oracle WebCenter Content enables customers to leverage the Oracle product stack, which can reduce the overall cost of deployment. Oracle's sales presence and broad technology stack make it a strong contender in the ECM market.

Website: [www.oracle.com/us/products/middleware/content-management/index.htm](http://www.oracle.com/us/products/middleware/content-management/index.htm)

## Strengths

- Oracle WebCenter Content is a well integrated content management suite that provides a broad set of content management functionality. It addresses the integrated content

management needs that are driven by infrastructure requirements as well as the line of business.

- Integration of Oracle WebCenter with Oracle's software stack — including the rest of the WebCenter portfolio and out-of-box integrations with Oracle E-Business Suite, PeopleSoft and Siebel — provides substantial benefits to Oracle customers, much as Microsoft SharePoint provides value through integration with Office and Outlook.
- The size and capabilities of Oracle's sales force, product development and support organizations provide it with significant opportunities to continue growing its content management business and increase its market share.

### **Cautions**

- Oracle must provide tighter integration of its Web 2.0 and collaboration capabilities with Oracle Social Network, which was recently introduced at Oracle OpenWorld.
- Mid-market customers often find Oracle ECM too expensive for their content management applications due to software and services costs.
- Oracle needs to provide a stronger story of ECM and BPM "fusion" as enterprises look for better business processes for their content-centric applications.

### **Perceptive Software**

Perceptive, a stand-alone business unit of Lexmark, is a longtime ECM vendor with a strong track record in transactional content management applications. Perceptive's ImageNow platform is well-known for fast integration and transactional content management solutions for higher education, healthcare and financial services, as well as government and back-office processes. Perceptive delivers solutions via several deployment and licensing program options.

Website: [www.perceptivesoftware.com](http://www.perceptivesoftware.com)

### **Strengths**

- In the past year, Perceptive has begun expanding its international presence with offices and teams in EMEA, Australia and Latin America, and is actively building out its partner channel. In addition, Lexmark's global presence and sales support should help fuel Perceptive's growth, providing the companies execute well.
- Perceptive's focus on ERP integration (for example, with Oracle, SAP, Lawson, Microsoft Dynamics AX and PeopleSoft products) and integration with systems such as ESRI in government and Epic in healthcare positions it as one of the few specialists able to meet the demand for transactional content management solutions.
- Perceptive's development strategy remains closely aligned with customer feedback. Generally, its customers are enthusiastic about the company and its products.

### **Cautions**

- Perceptive's capabilities focus primarily on transactional content management. Clients with a focus on social content management or online channel optimization will need to supplement ImageNow with partner offerings.
- While Perceptive has begun expanding its global presence with new offices in Europe, Brazil and Australia, its current installed base is predominantly North American and mid-market focused, and it must still expand its distribution channel internationally.

- The current release of ImageNow 6.6x includes a Retention Policy Manager for managing the life cycle of content, but Perceptive's offering is not certified for records management standards like DoD 5015.2 or MoReq. Support for both standards is in development, but in the short term, this may eliminate Perceptive from some clients' shortlists.

## Saperion

Saperion is headquartered in Germany with 140 employees, with sales and professional services offices in and around Europe, the U.S. and Asia. It has developed both an implementation and technology partner network to deliver its current version of Saperion ECM 7.1, add-on solutions for compliance, archival and its SaaS offering. Saperion appeals to small and midsize organizations with growth in larger deployments seeking out extensible and scalable architectures.

Website: [www.saperion.com/en/products/enterprise-content-management.html](http://www.saperion.com/en/products/enterprise-content-management.html)

## Strengths

- Saperion's focus on employing open standards and technology partnerships has led it to greater interoperability across technology platforms, particularly with SAP and Microsoft SharePoint among others.
- Client satisfaction is high overall, with significant interest in its compliance and archival solutions, which are orchestrated by an integrated BPM platform.
- Industry CCAs such as Saperion's Invoice Portal, along with its technology partner platforms, enable its customers to focus on process optimization and information management.

## Cautions

- Saperion's product and company marketing has remained very conservative, resulting in limited growth outside of Germany and Austria.
- Saperion's use of an extended partner network yields inconsistency in customer support. It must overcome this to achieve broader global growth.
- Saperion's multitenancy SaaS offering must be evaluated carefully for organizations that have stringent national compliance requirements to ensure that all their data resides within data centers in their country and that they meet any regional SLA requirements.

## Siav

Siav is an Italian software development and IT services company of 250 employees that produces ECM solutions focused on archiving, workflow and electronic document management. Its Archiflow suite is the platform base for its vertical applications. A large proportion of Siav's business is concentrated in government and manufacturing with a significant proportion of its installed base in Italy.

Website: [www.siav.it](http://www.siav.it)

## Strengths

- Siav has several public sector and horizontal solutions that manage correspondence tracking, constituent self-service, and content for finance and administration functions.

- Siav has established itself in the government arena with an extensive list of Italian client references that organizations could leverage for their industry knowledge. Siav has also grown its alliance network through distributors and partners.
- Siav's licensing, based on the number of concurrent users versus the actual number of users, makes adoption more palatable for smaller organizations.

### **Cautions**

- Siav's Archiflow product allows organizations wanting extensive flexibility to build out almost any workflow requirement, but extensive programming can be expected.
- For organizations that do not have an IT team or else one that has programmers with skills in, for example, Visual Basic, they will have to limit themselves to Siav's outsourced offering or engage their professional services team.
- Siav's use of SharePoint for document-centric collaboration, WCM and user interface may undercut its independent value proposition in some use cases.

### **Software Innovation**

Software Innovation is a Scandinavian company that offers traditional and SaaS-based ECM solutions and is developing a significant installed base in and around Scandinavia. It has gained momentum in ECM over the past three years and offers core platforms of 360° and ProArc for a range of case and records management and technical document management requirements.

Website: [www.software-innovation.com](http://www.software-innovation.com)

### **Strengths**

- Software Innovation delivers highly scalable CCAs, which have good workflow capabilities.
- Its portfolio of ECM solutions (CCAs) for various industries is growing rapidly.
- The offerings are easy to configure and clients have integrated them with other environments, and it does offer native SharePoint extensions for ECM as well.

### **Cautions**

- The company needs to invest further in support, as users report that response times on open tickets can be considerable.
- The opportunity to build a richer partner ecosystem for further global expansion needs to be exploited.
- Better documentation for the various solutions is needed.

### **SpringCM**

The concept of content management solutions being offered in the cloud is garnering a great deal of attention from many organizations with high expectations, but which are on a restrained IT budget. SpringCM's cloud offering presents the necessary ECM capabilities particularly around search, taxonomy and metadata management. As an early mover in the cloud ECM arena, SpringCM will have to ensure a consistent ramp up of its solution offerings, technological innovation and customer focus to stay ahead of the rapid developments its competition comes up



with. While Gartner does not expect more than 10% of organizations to jump onboard a cloud ECM deployment before 2015, SpringCM could be attractive for specific ECM projects.

Website: [www.springcm.com](http://www.springcm.com)

### **Strengths**

- SpringCM offers an alternative to organizations seeking out traditional ECM capabilities delivered as a SaaS platform for content management. SpringCM's industry packages offer an affinity with business stakeholders of organizations looking for a solution to meet their immediate needs.
- End users will find the SpringCM user interface intuitive, requiring very little training.
- Spring has made investments in stringent security infrastructure for its cloud offerings, which is attractive to potential users.

### **Cautions**

- SpringCM is a relatively small vendor with a small but growing customer base.
- SpringCM needs to improve its services and support team. Some customers have noted longer than desired issue resolution times.
- SpringCM faces a fiercely competitive ECM landscape that requires attention to the scalability of its business through a strong partner network.

### **SunGard**

SunGard's strategy and focus is on composite content applications and vertical market solutions. EXP Macess has been used as a long-standing transactional content management solution for financial services and health insurers — with good capabilities in business process management, including business activity monitoring. EXP Macess is a scalable .NET platform that can also support Java integration natively.

Website: [www.sungard.com/EXP](http://www.sungard.com/EXP)

### **Strengths**

- SunGard EXP Macess has strong process capabilities, with its business process management component serving as the "backbone" to its overall ECM suite.
- SunGard's composite content applications have a strong appeal to financial services and insurance customers looking for out-of-the-box functionality.
- SunGard's has a strong presence as a solutions provider in the financial services sector, which provides it with opportunities for EXP Macess.

### **Cautions**

- SunGard is a broad IT software and services company, and its ECM-related products have minimal promotion and visibility.
- The majority of the revenue derived from ECM is in maintenance and service rather than software licenses, indicating very limited growth of new installations.
- With SunGard's focus on transactional content applications, its functional capabilities for social and Web content management are limited.

## Systemware

Systemware has grown its long-term expertise in enterprise report management and document archiving to richer ECM capabilities. It is delivering both premises-based and cloud-based offerings to the financial services and healthcare sectors.

Website: [www.systemware.com](http://www.systemware.com)

### Strengths

- Systemware provides a scalable and fully featured archiving platform. It is particularly strong in transactional content management.
- Systemware receives high customer satisfaction scores and has done so consistently for several years.
- Systemware has introduced a new environment, "Cite," to allow faster collaboration around managing content in context.

### Cautions

- Systemware's growth overall is constrained — it could market its products more aggressively and pursue more technology partnerships to gain broader awareness in the ECM space.
- Systemware Content Suite is designed primarily for archiving. Its ECM product features and breadth remain somewhat limited.
- Systemware's customer base is predominately North American. It faces a challenge to sell and provide support elsewhere.

## Xerox

Xerox's footprint in the ECM software and solution market has expanded through the acquisition of Affiliated Computer Services (ACS). DocuShare is a core component of its broader consulting, implementation and related services business. Xerox's ECM footprint extends beyond DocuShare with Xerox Mortgage Services offering BlitzDocs, a hosted mortgage processing composite content application and Xerox Litigation Services, offering OmniX for e-discovery and CategoriX for classification.

Website: [http://docushare.xerox.com/products/ds\\_products.html](http://docushare.xerox.com/products/ds_products.html)

### Strengths

- DocuShare and DocuShare CPX continue to resonate largely with the departmental ECM buyer, although there have been recent larger deployments.
- Xerox provides a set of cloud-based CCA offerings including mortgage and litigation services, as well as private cloud offerings.
- Xerox leverages its global position in printer/copier and fleet management effectively to sell and deliver ECM to its customers through a robust channel.

### Cautions

- Xerox's perception as a very traditional company holds back some growth opportunities as it markets cloud-based offerings.

- The larger partner program for DocuShare is not deeply rooted, and Xerox's partners generally consider the product to be fairly basic. Xerox needs to combat this perception by improving product functionality so that channel interest and investment grow accordingly.
- Xerox must spend more on marketing to grow awareness of its capabilities in the ECM space.

## RECOMMENDED READING

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*Some documents may not be available as part of your current Gartner subscription.*

"Magic Quadrants and MarketScopes: How Gartner Evaluates Vendors Within a Market"

"Key Issues for Enterprise Content Management, 2011"

"Magic Quadrant for Web Content Management"

"MarketScope for Records Management"

### Note 1

#### Defining the ECM Market

The term "enterprise content management" (ECM) refers both to a strategy to deal with all types of enterprise content and a set of software products for managing the entire life cycle of that content.

ECM suites and solutions combine different technologies, and their selection requires a knowledge of market trends, vendors and deployment models.

Gartner sees the market splitting into four main areas of buyer focus and vendor influence: transactional content management, social content management, online channel optimization and content management as infrastructure.

Use this Magic Quadrant to assess which ECM vendors have the functional capabilities and vision to support your business objectives and requirements, and to determine which would therefore make suitable strategic partners.

#### Vendors Added or Dropped

We review and adjust our inclusion criteria for Magic Quadrants and MarketScopes as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant or MarketScope may change over time. A vendor appearing in a Magic Quadrant or MarketScope one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. This may be a reflection of a change in the market and, therefore, changed evaluation criteria, or a change of focus by a vendor.

#### Evaluation Criteria Definitions

##### Ability to Execute

**Product/Service:** Core goods and services offered by the vendor that compete in/serve the defined market. This includes current product/service capabilities, quality, feature sets, skills, etc.,

whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

**Overall Viability (Business Unit, Financial, Strategy, Organization):** Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood of the individual business unit to continue investing in the product, to continue offering the product and to advance the state of the art within the organization's portfolio of products.

**Sales Execution/Pricing:** The vendor's capabilities in all pre-sales activities and the structure that supports them. This includes deal management, pricing and negotiation, pre-sales support and the overall effectiveness of the sales channel.

**Market Responsiveness and Track Record:** Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

**Marketing Execution:** The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message in order to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional, thought leadership, word-of-mouth and sales activities.

**Customer Experience:** Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements, etc.

**Operations:** The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

### **Completeness of Vision**

**Market Understanding:** Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen and understand buyers' wants and needs, and can shape or enhance those with their added vision.

**Marketing Strategy:** A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

**Sales Strategy:** The strategy for selling product that uses the appropriate network of direct and indirect sales, marketing, service and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

**Offering (Product) Strategy:** The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature set as they map to current and future requirements.

**Business Model:** The soundness and logic of the vendor's underlying business proposition.

**Vertical/Industry Strategy:** The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including verticals.

**Innovation:** Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

**Geographic Strategy:** The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.

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