Magic Quadrant for Enterprise Content Management

18 October 2012 ID:G00237781

Analyst(s): Mark R. Gilbert, Karen M. Shegda, Kenneth Chin, Gavin Tay, Hanns Koehler-Kruener

VIEW SUMMARY

Uptake of ECM offerings remains strong as organizations harness content to drive key business applications. Process-centric solutions, social content management and integration are factors differentiating the 22 vendors assessed here. Global adoption of ECM continues to rise.

Market Definition/Description

Enterprise content management (ECM) can be viewed both as a strategic approach to managing information and as a software toolset:

As a strategic approach, ECM can help enterprises take control of their content and, in so doing, boost effectiveness, encourage collaboration and make information easier to share.

As a software toolset, ECM 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 are as follows:

- **Document management**: Core capabilities include 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.

- **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) or 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 given for vertical or horizontal solutions delivered directly or through partners.

- **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 composite content applications (CCAs).

- **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).

- **Web content management (WCM)**: For controlling the content and influencing the interactions of a Web experience 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.

- **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.

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

These components are weighted as follows in this Magic Quadrant:

- **Document management**: 15%

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
Image-processing applications: 18%
Workflow/BPM: 22%
Records management: 13%
WCM: 7%
Social content: 15%
Extended components: 10%

Magic Quadrant

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

![Magic Quadrant Diagram](Image)

Source: Gartner (October 2012)

Vendor Strengths and Cautions

**Alfresco**

Since 2005, Alfresco has promoted the concept of open-source ECM and gained modest traction across the globe. Alfresco’s continues to be the only open source offering that is included in this Magic Quadrant. Alfresco is a Visionary in the ECM market due to its embracing of open standards, including Content Management Interoperability Services (CMIS), and its modern architecture, vibrant community and strong roster of partners. The notion of open source itself, however, is becoming less of a differentiator in the content management market, and Alfresco must execute on its fresh vision of bringing enterprise and cloud content to a mobile world in a secure, synchronized manner.

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

**Strengths**

A core strength of Alfresco is the openness of its platform. Alfresco supports standards like CMIS, and uses architectural approaches such as REST and Web services. It offers integration with Liferay, Drupal, Joomla, Google Docs, Jive, salesforce.com and IBM’s Connections. Alfresco has global penetration, with a presence in 75 countries. It also has a large installed base of 6.6 million users, including users of the free community version, the subscription-based Alfresco Enterprise, and cloud users.

With its current product release, Alfresco 4.0, and product road map, Alfresco is developing a strong story around mobility enablement. Its new efforts to synchronize premises-based, cloud-based and mobile content are especially interesting as we move to a more mobile work experience with growing mobile content and process needs.

**Cautions**

Alfresco’s strategy has shifted over the years from its roots as an open-source alternative to Documentum, then to SharePoint and then as a BPM platform. It has shifted once again by backing off of its Web content management offering and putting more of a focus on cloud 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.
Alfresco's "platform play," and it relies on its partner channel and user community to build solutions. As the market shifts more to content applications, this might hinder Alfresco's momentum. Alfresco has sold successfully mainly to IT roles, especially architects and application developers. However, business buyers are becoming increasingly influential in ECM system selection, so Alfresco should strengthen its messaging for them.

EMC

EMC has implemented strategies to focus on improving the user experience, industry solutions and cloud content management. Its acquisition of Syncplicity in May 2012 provides it with content-sharing and governance across mobile devices. EMC OnDemand is a key platform for content management in the cloud as EMC strives to drive customer adoption. Documentum D2 is a new product to improve the user experience of, and make it easier to deploy, Documentum. EMC's evolving strategy for ECM may help address its key market challenges.

Website: www.emc.com

Strengths

EMC has refocused on its strengths in life sciences and utilities with new industry solutions such as Documentum Quality & Manufacturing Solution for Life Sciences and Documentum EPFM. Documentum has been a key content management platform for supporting mission-critical processes, such as the creation of technical publications, and engineering drawing management applications.

EMC has placed strong emphasis on cloud content management, with Documentum, Captiva and Document Sciences products, Documentum D2, and the two life sciences solutions mentioned above ported to the cloud. EMC OnDemand provides for cost-effective and rapid infrastructure provisioning of EMC applications in the cloud.

EMC's content management stack is a strong set of complementary products, able to manage the whole content life cycle better than most of its competitors. Its strengths are capture, core repository, process management, archive and records management, and document composition capabilities — all of which are essential for transactional content management solutions.

Cautions

EMC still has challenges with leveraging its market strength in the storage hardware business to drive content management sales. While EMC has made significant investments in its content management business, it must do better to communicate and sell customers on its future.

Gartner continues to see erosion of the Documentum business due to the high costs and complexities, combined with an increasingly competitive market. EMC needs to further build its sales channels and marketing to regain stronger momentum in the market.

EMC's changing strategy on social content management with CenterStage and eRoom have left some customers disenchanted, resulting in a shift to SharePoint for collaboration. Its collaboration strategy based on its planned integration of D2 with Syncplicity is still emerging and unproven.

Ever Team

Ever Team is headquartered in Lyon, France and concentrates its offering on the EMEA markets, with a very strong presence in the Middle East. Ever Team offers CCAs based either on SharePoint integration or its own core Java Platform, Enterprise Edition foundation. Ever Team covers the complete life cycle, with native capture and computer output to laserdisc (COLD) output management solutions completing its lineup. It recently added content analytics and collaboration capabilities to meet market demand.

Website: www.ever-team.com

Strengths

Ever Team's EverSuite solutions are prepackaged, and options are easy to understand. Its concentration on the Middle Eastern market makes Ever Team a vendor that comes up regularly, and positively, in client calls from that region.

Ever Team continues to provide strong support for paperless processes and case management, in line with market demand.

Cautions

Ever Team has taken the first steps to expand its partner network, but must do more to achieve a strong international presence.

Ever Team is not strong in the area of social content management; instead, it offers integration with Microsoft SharePoint for enterprises that want to leverage these tools together.

As one of the smaller vendors in this Magic Quadrant, Ever Team may not have the resources to be particularly strong across the ever widening reach of ECM. It may need to find stronger differentiators in order to win out over competitors.
Fabasoft has almost a 20-year history of selling ECM and search technologies, which have been updated to include a strong focus on cloud offerings. Fabasoft does not try to be everything to everyone, but its products and messaging have a strong focus on some vertical markets. These include the government, energy, financial services and retail sectors.

Website: www.fabasoft.com

**Strengths**

Fabasoft's is an organically grown solution that includes well-structured components, such as those for case management, workflow and records management, as well as offering more collaborative functionality. Fabasoft's records management product remains the only one in the world to be MoReq2-certified.

Fabasoft is gaining traction with its cloud offering. It offers different versions of Folio Cloud, including private cloud and software-as-a-service (SaaS) versions, to meet the needs of its target clients in local and central government. All versions have been extensively certified. Fabasoft's Mindbreeze enterprise search engine is used for search across all products, an arrangement that delivers an above-average search experience. This is one reason why Fabasoft products have been well received by users.

**Cautions**

Fabasoft's service revenue is still far higher than its new client revenue overall. The company needs to appeal to a broader and more varied client base to maintain growth in the coming years.

The user interface is driven by content-centric uses like case management, and needs updating for other use cases in order to appeal to a wider range of user groups.

Implementation for an on-premises deployment can be complicated because of the wide array of options. Apart from its eGov offering, a clearer application packaging, like Fabasoft's Folio Cloud offering, would make it easier to understand the breadth of Fabasoft.

---

Hyland Software

Hyland Software has a strong focus on vertical and horizontal solutions, a solid solution-centric vision and a strong history of execution. It has a long track record of supporting primarily midmarket customers, mostly in North and South America.

Website: www.hyland.com

**Strengths**

Hyland's OnBase platform has long been known for its ability to integrate with enterprise applications. OnBase facilitates human-to-system interaction at the user interface level using its proven Application Enabler technology or, in the case of systems like those of Epic and Cerner in the healthcare industry, through packaged integrations at the API level.

Hyland provides both on-premises and SaaS delivery options, giving customers more flexibility in how they wish to purchase and deploy OnBase.

A sharp focus on its core competencies of document imaging and workflow, plus a strong commitment to customer satisfaction, are driving Hyland's success in the midmarket and its movement upmarket.

**Cautions**

OnBase's Microsoft-centric architecture hampers its suitability for organizations with heterogeneous client and server environments. To increase its usefulness in these environments, Hyland does offer a Java client, for supporting its higher education customers with Apple Mac requirements, and a cross-browser, cross-platform Web client for Internet Explorer and Firefox support on different operating system platforms.

The modularity (currently over 200 modules) of Hyland's OnBase suite can present a challenge to purchasers. The onus is on the customer to ensure they understand which modules they need in order to augment the core OnBase capabilities. According to customers with whom Gartner has interacted, this is not always clear or well articulated in the sales cycle.

Hyland has long targeted Latin America in addition to the U.S., but must continue building out its international presence and expanding its partner channel to include system integrators and independent software vendors.

---

IBM

IBM, the largest ECM vendor in terms of market share and total content revenue, is increasingly focused on high-value solutions (see "Market Share Analysis: Enterprise Content Management Software, Worldwide, 2011"). IBM is successfully leveraging its position as an infrastructure vendor with a broad software and hardware stack, a deep partner channel and a global footprint. In the field of ECM, IBM primarily targets transactional and social content management use cases.

Website: www.ibm.com

**Strengths**

IBM's ECM products have a good history of scaling to meet the needs of large enterprises. IBM has solutions that incorporate analytical, social, process management and content management capabilities to solve business problems. These content-centric solutions tie into IBM's broader initiatives relating to its Smarter Planet (Smarter Cities, Smarter Commerce and so on) and Social Business themes.
IBM has made considerable progress in integrating ECM and social software by bundling its content repositories (FileNet CM and CM8) and Connections. It could further drive integration with its Web content management offerings and build out its digital asset management story.

Cautions

IBM's product portfolio is complex, as is deployment of its software. Frameworks like case management and a new common UI, the recently launched Content Navigator, should help mitigate this complexity.

IBM faces a challenge to scale down its current offerings to meet the needs of midsize and smaller enterprises, where there is a clear growth opportunity. These midsize and smaller organizations will be challenged to gain the interest of IBM, which also limits new revenue opportunities for IBM, particularly in emerging geographies.

In the content management market, IBM lacks a robust cloud strategy. Gartner does expect demand for cloud ECM offerings to grow. Microsoft and others are targeting midmarket adopters of cloud solutions.

Return to Top

Laserfiche

Laserfiche provides cost-effective ECM product suites for the midmarket with a focus on document management, records management, imaging and workflow applications. It has strong appeal for the government, education and healthcare markets. Its two product suites — Laserfiche Rio, targeted at large enterprises, and Laserfiche Avante, targeting small or midsize businesses (SMBs) — offer different choices to fit the needs of the customer. Its products and services are delivered through its partner and reseller channel. Laserfiche has continued to build out its international presence over the past year.

Website: www.laserfiche.com

Strengths

Laserfiche's combination of ECM product suites provides a range of capabilities for organizations of different sizes.

Laserfiche's products are easy to implement, with low deployment costs.

Customers continue to express generally high levels of satisfaction with Laserfiche's products, service and support. Users are often very positive about their relationship with the company's sales and technical teams.

Cautions

Historically, Laserfiche has not resonated with larger company clients. Increased investments in demonstrating scalable solutions as well as additional marketing and messaging will be needed for the larger enterprises.

Laserfiche needs to continue to invest further to build out its partner channel for sales and service. As Laserfiche evolves and becomes more global, ongoing training of the partner ecosystem is critical for its growth.

Laserfiche does not yet offer the strong range of CCAs across a range of vertical markets that many Gartner clients are looking for.

Return to Top

M-Files

An emerging provider of horizontal and vertical content solutions, M-Files (formerly Motive Systems) is a new entrant to the Magic Quadrant. The company was founded in 2005 in Finland, where all its product development still occurs, but it established a U.S. subsidiary in 2009. It also markets its offerings in Asia/Pacific and Canada.

Website: www.m-files.com

Strengths

M-Files' technology is architected to make deep use of metadata for file management, permissions and navigation. It is well integrated into Windows Explorer — it appears to users as if it were just another drive letter. Files are organized via metadata into virtual folders, though this might frustrate nontechnical users expecting to create their own folders.

M-Files goes beyond general-purpose document and content management with a strong focus on industries. This is manifest in content applications such as those for quality management and contract life cycle management.

In addition to traditional on-premises software, M-Files offers a full multitenant, public cloud offering (Cloud Vault) that runs natively on Windows Azure.

Cautions

A small, privately held company, M-Files has a limited market footprint and limited visibility, especially outside Europe. As an emerging player, M-Files must continue building its global partner channel and invest further in marketing.

Microsoft-centric architecture support for Windows at the server level and SQL Server for the database engine supporting the document repository (vault). It can support Oracle and DB2 via Open Database Connectivity (ODBC) or Object Linking and Embedding, Database (OLE DB), but typical use cases involve reading data from an Oracle- or IBM DB2-based ERP or CRM application.

As a mid-market focused company, M-Files is typically deployed in departmental scenarios or for 100 users or less. Though the architecture is designed to scale, prospective customers
Microsoft

Microsoft SharePoint 2010 has been a strong platform, which has been widely adopted. Over half the inquiries Gartner receives about ECM include discussion of SharePoint, and one-third of our clients have SharePoint at the core of their ECM strategy. However, users often have to add third-party products to SharePoint to achieve their goals. Furthermore, global enterprises have often found it a complex task to make SharePoint work effectively across a broad geographic area, and ease of general administration and overall usability are growing causes for concern.

Website: www.sharepoint.microsoft.com

Strengths

Microsoft's position as a "stack" vendor with strong appeal to end users has helped SharePoint attract a large ecosystem. Many third-party software vendors offer extensions for SharePoint, and system integrators are generating big business from deployments and customizations.

SharePoint 2010 continues to be used for multiple use case deployments, somewhat larger in scale than the departmental deployments seen with the 2007 release.

With little competition as a multifaceted information-sharing and collaboration platform, SharePoint has a strong place in many enterprise environments.

Cautions

A recurring set of concerns cited by users is that they expected more native functionality in areas like administration, backup and recovery, workflow, WCM, replication, mobile support and broad usability. Some of these concerns may be partly mitigated in the upcoming release of SharePoint 2013, expected to be generally available in 1H13.

Migration from earlier versions 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.

Gartner expected Microsoft to build a stronger application ecosystem around SharePoint than has occurred. Users would like to see more applications and solutions available than currently are, and they would like to have Microsoft review the solution marketplace for quality.

Microsoft is pursuing a new cloud application model, which might improve this situation.

Newgen Software Technologies

Newgen is headquartered in India with offices in five other countries — the U.S., Canada, the U.K., the United Arab Emirates and Singapore — and has 1,100 employees. Its industry solutions portfolio has been prominent for focusing on business process management and customer communication management. OmniDocs 7.2 and OmniFlow 10 are versions of its ECM and BPM products released first half of 2012, which are part of the Omni product suite offering records management, capture, extraction and reporting. Newgen introduced a subset of its solutions as shrink-wrapped options for SMBs extending through a partner network of system integrators while extending further into the cloud arena with Amazon and other BPO data centers providers.

Website: www.newgensoft.com

Strengths

Newgen's middleware-based product suite gives organizations the flexibility to integrate it with their existing infrastructure and support coexistence of platforms.

Newgen's professional service delivery and support team stands out for its industry domain knowledge in the fields of ECM and BPM. This strength is complemented by focused partners.

Newgen has an opportunity to address new use cases related to mobile capture of content. Combining its advanced image processing and business process automation technology enables mobile devices to be an on-ramp for applications such as case management, customer contact management and CRM.

Cautions

Newgen’s geographical coverage remains predominately focused in India and UAE with most of its external footprint represented through a growing partnership network.

As Newgen expands its ecosystem further into the U.K., North America and other regions, requests for industry domain knowledge may be compromised and spread too thin.

Leveraging BPOs and cloud providers could help advance Newgen’s growth potential into untapped markets — however, it faces inconsistency in service levels and growing competition.

Objective

Objective is headquartered in Australia and has sales offices in the U.S., the U.K., New Zealand and Singapore. Objective Enterprise’s core product, which includes electronic document management, records management and workflow capabilities, recently reached version 8.1.4. It is complemented by various functional add-ons, such as those for search and discovery (on an OEM basis from Exalead), correspondence management and application integration. Objective has developed a growing number of CCAs dedicated to the government domain. These are tuned and deployed through direct professional service engagements, sometimes involving partners or system integrators. They appeal to the demands of both on-premises and SaaS deployments.
Strengths

Objective's portfolio of CCAs is a key differentiator and is complimented by its strong professional services team supporting its public sector implementations.

Objective’s core platform enables integration via Common Object Request Broker Architecture (CORBA), Internet Inter-ORB Protocol (IIOP), Web services and an application integration add-on called Applink Connector. This enables organizations to continue to use their existing applications.

Objective’s suite of SaaS-based offerings consist of uCreate, uEngage, Committees and Objective Connect which leverages a hybrid model by integrating with their core ECM platform for records management. These products are certified to standards such as ISO 15489.1, ISO 15489.2 and ISO27001, TNA02(UK) and VERS (Australia).

Cautions

Objective has had a tight focus on governmental needs and this may be constraining their growth, which has been essentially flat for the last two years.

Objective suffers from lack of visibility in the broader ECM market. It is infrequently a shortlisted option, less frequently than some of the other vendors featured in this report even in contexts where the Objective offering might be a potential fit. Gartner clients often cite the reason for their exclusion to be a large element of professional services or dependence on implementation partners, which becomes an administration challenge when in production.

The majority of Objective’s deployments are in Australia, New Zealand and the U.K., so enterprises in other geographies will need to assess its service capabilities as its 80 consultants are mostly based in those countries and could be spread too thin. Some customers cite difficulties in hiring in-house specialists that are well versed in the Objective platform.

OpenText

OpenText is continuing its acquisition-centric growth strategy of making technology purchases to expand its capabilities with the May 2012 acquisition of EasyLink, a cloud provider of messaging services. 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 are key to its future success.

Strengths

OpenText has one of the broadest ECM product portfolios as a result of its acquisition strategy. This includes the potential for significant cloud content management deployments, leveraging its May 2012 acquisition of EasyLink, a cloud messaging environment.

OpenText’s 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 adding more composite content applications leveraging its MetaStorm and Global360 BPM products, in addition to other composite content applications it already offers on its traditional ECM platform.

Cautions

Some of OpenText’s customers have continued to voice concerns over migration paths, support issues and only modest product enhancements, as well as the complexity of its portfolio of offerings — many of which have come through acquisitions. Also, customers may find the company’s shift in messaging toward enterprise information management confusing.

OpenText’s sales of new software licenses have slowed as a percentage of overall revenue, which may imply a decline in organic growth for the company.

Many of OpenText’s customers are adopting Microsoft SharePoint, and some are discussing with Gartner the idea of designating OpenText as the regulatory back-end content repository.

Oracle

Through a mixture of native development and acquisitions, Oracle has brought content management together with portal, Web and collaboration capabilities within its Oracle WebCenter strategy and platform. Oracle WebCenter Content subsumes Oracle Enterprise Content Management Suite 11g, which continues to expand its footprint in the ECM market. Oracle’s strong global sales presence and broad technology stack make it a Leader.

Strengths

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, Siebel and Oracle Fusion Applications — can provide 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. Oracle has growing visibility in the ECM market. It also has a strong presence in the adjacent portal market, which can help clients wanting a range of user-facing information tools.

Cautions

WebCenter Sites — the WCM technology gained from the Fatwire acquisition — is now a separate offering, with the result that the overall WCM and ECM product offerings are more distinct than in the past. This leads to a more complex deployment if a customer needs both strong ECM and strong WCM. Oracle is working on stronger integration of these products.

Oracle has a weak focus on interoperability with other content management platforms, which may present challenges to companies that wish to build solutions that also incorporate other vendors' ECM platforms.

Oracle’s application strategy is not as strong as most other ECM leaders, as it has few ECM-based vertical solutions or applications to offer today. Enterprises wanting more CCA approaches may want to consider other vendors.

Perceptive Software

Perceptive, a vendor focused on transactional content management, has seen market share growth that has outpaced the overall market. Operating as a stand-alone software business unit of Lexmark, Perceptive has increased its presence internationally and grown through acquisitions. With Lexmark's organizational strength behind it, Perceptive has expanded its portfolio to include BPM and intelligent recognition capabilities, both of which are necessary as it embarks on a solutions strategy.

Website: www.perceptivesoftware.com

Strengths

Perceptive has delivered solutions well against its stated vertical and horizontal application strategy, especially in the areas of accounts payable invoice automation, higher education (admissions and financial aid) and healthcare applications.

Over the years, Perceptive has achieved good organic growth and more recently has expanded its footprint through acquisitions such as Pallas Athena (BPM), Brainware (intelligent recognition) and Isys (enterprise search).

Since its acquisition by Lexmark in 2010, Perceptive has capitalized on the brand recognition of the Lexmark name and Lexmark's international presence, in terms of offices in key regions and the Lexmark partner channel.

Cautions

While Perceptive is modestly gaining enterprise customers and attracting global partners, it is still best known for addressing midmarket and departmental deployments.

Generally, Perceptive's customers have been enthusiastic about the product and the company. As it grows internationally and continues to acquire companies for their technology and installed base, it must make more effort to maintain its customer focus. Gartner interactions with customers indicate that professional services and support are areas for improvement.

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 absence may eliminate Perceptive from some clients' shortlists.

Saperion

Saperion is headquartered in Germany and has sales and professional service offices around Europe, the U.S. and Asia. It has 140 employees. Saperion has developed both an implementation and technology partner network to deliver the current version of its ECM product (Saperion ECM 7.1), add-on solutions for compliance and archiving, and a SaaS offering. Saperion appeals to small and midsize organizations but also wins larger contracts from customers seeking extensible and scalable architectures.

Website: www.saperion.com

Strengths

Saperion continues to focus on employing open standards and forming technology partnerships. This has led to strong integrations with SAP, Microsoft SharePoint and other offerings.

Saperion's compliance and archival solutions are attracting strong interest among its customer base. Gartner’s inquiry data indicates a good level of user satisfaction in these areas.

Saperion's core technology platform is easy to expand because of its consistent base and in-place expansion possibilities. All components can be federated across multiple servers, allowing for flexibility and easy scalability.

Cautions

Saperion's core focus on the markets of Germany and Austria have fueled its growth. However, its ability to tap into broader international markets has yet to mature.

Gartner clients have sometimes noted challenges in the deployment phase. This seems to be less a technology issue and more of a training issue regarding Saperion's partner network. Each partner needs to be evaluated on skill and local domain expertise. Some markets and
Verticals are only covered in a rudimentary fashion, and some partners need to expand their competencies. Saperion’s multitenancy SaaS is spread over several hosting partners. Clients are advised to check the individual providers for their SLAs and compliance with local and international laws.

**Siav**

Siav is an Italian software development and IT services company with 250 employees. It produces ECM solutions focused on electronic document management, workflow, archiving and capture. Its Archiflow suite forms the platform base for its vertical applications, and is complemented by Virgilio for digital preservation and Cartesio for business process intelligence. A large proportion of Siav’s business is concentrated in the government and manufacturing sectors, and a significant proportion of its installed base is in Italy.

**Website:** www.siav.it

**Strengths**

- Siav has several public-sector and CCA 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 primarily southern European reference clients. Siav has also grown its alliance network through distributors and partners.
- Siav’s service-oriented architecture provides an avenue for integration with a variety of platforms via Web services, as well as native connectors for SAP and JD Edwards, even though its solution is centered around .NET.

**Cautions**

- Siav’s Archiflow product allows organizations requiring flexibility to build out almost any workflow requirement or integration, but extensive technical knowledge and programming should be expected and will likely add time and expense to the deployment.
- Siav’s dependence on SharePoint for document-centric collaboration, WCM and user interface may undercut its independent value proposition in some use cases.
- Potential clients outside of Siav’s core geographic footprint of southern Europe may find it a challenge to get strong professional services — Siav’s alliance partners must get deeper training and experience or clients may be limited in the depth of the solutions they can realize.

**Software Innovation**

Software Innovation is a growing Norwegian company that focuses on ECM solutions — both traditional premises-based offerings and SaaS-based offerings. It continues to build a significant installed base in and around Scandinavia, and is expanding in other countries in Europe thanks to a growing network of partners. It has gained momentum in the ECM market during the past three years and offers its core platforms (Business 360, Public 360 and ProArc) for a range of records management, case management and technical document management requirements.

**Website:** www.software-innovation.com

**Strengths**

- Software Innovation’s architecture appeals to many companies because it is very Microsoft-centric and delivers highly scalable CCAs, which have good workflow capabilities.
- The company’s 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. There are also native SharePoint extensions for ECM.

**Cautions**

- Software Innovation’s support structure is not strong. It needs to improve its help desk, as users report that response times on open tickets can be considerable.
- The company still needs to build a richer partner ecosystem for further global expansion, despite the noticeable progress it has made.
- Better documentation for the various solutions is needed. Software Innovation often does light customization to solutions to meet user requirements, but it needs to document these in greater detail.

**SpringCM**

Cloud-based CM solutions have grown in popularity, often thanks to companies wanting to outsource aspects of their environments that are not cost-effective to build or support internally. SpringCM’s cloud offering presents the necessary ECM capabilities, particularly in the fields of search, taxonomy and metadata management. SpringCM, one of the early movers in the cloud ECM arena, must continue to build momentum through additional solution offerings, technological innovation and stronger customer focus, in order to establish a firm position. Other vendors are introducing cloud solutions and its differentiation is becoming less clear.

**Website:** www.springcm.com

**Strengths**
SpringCM offers an alternative to organizations that want traditional ECM capabilities delivered as a cloud platform for content management. SpringCM's industry packages appeal to business stakeholders of organizations that are looking for a solution to meet their immediate needs.

The SpringCM user interface is intuitive, and so end users will require very little training. The company's mobile capabilities and its SpringCM Sync solution for file access and synchronization are interesting developments.

The investments that SpringCM has made in security infrastructure has resonated well with users. Its ability to integrate with salesforce.com has also helped increase its visibility in the market.

**Cautions**

SpringCM's growth and overall presence in cloud CM has not been particularly strong for a company so deeply focused on the cloud.

SpringCM's implementation services and support team is not strong. Some customers have noted longer than desired issue resolution times. While product quality seems to be well received, implementation services and support must improve.

SpringCM has to strengthen their partner network as Gartner has not seem a strong partner ecosystem to assist users in getting their systems running.

---

**SunGard**

SunGard Financial Systems provides software and IT services to the financial services industry. SunGard iWorks Maceess is a content-centric business process management solution used primarily by financial service providers and health insurers, offering good capabilities in image management. It is a scalable .NET-based platform that can also support Java integration.

**Websites:** [www.sungard.com](http://www.sungard.com)

**Strengths**

SunGard iWorks Maceess has strong process capabilities, with its business process management component serving as the product "backbone."

SunGard provides CCAs that appeal strongly to financial services and insurance customers looking for out-of-the-box functionality.

SunGard's has a strong presence as a services and solutions provider for the financial services sector.

**Cautions**

SunGard's ECM-related products have low visibility, as iWorks Maceess is promoted primarily as a BPM platform.

SunGard is challenged with new customer acquisitions, as the majority of their ECM revenue derived from maintenance and service rather than software licenses.

SunGard iWorks Maceess does not have any components or functionality for social content management nor for WCM.

---

**Systemware**

Systemware has expanded its product suite to include a full complement of ECM components. With these additional ECM product capabilities come more opportunities to grow the business. However, more significantly, it is expanding its solutions into the financial services, insurance and healthcare sectors, as well as providing hosted and SaaS delivery of these solutions. Systemware has also partnered with Pitney Bowes and Volly to launch the Digital Mail Gateway solution, which takes printed bills, statements and other documents, turns them into digital versions, and then delivers them to digital mail providers for distribution.

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

**Strengths**

Systemware provides a scalable and fully featured report management and archiving platform. This still remains the strongest part of its business.

Systemware's industry solutions — such as its medical banking solution and its hosted and SaaS implementations — provide unique opportunities.

The leveraging of Systemware's strength with partners like Pitney Bowes offers new revenue opportunities.

**Cautions**

Systemware’s growth continues to be limited by its marketing and partner channel — additional development in both of these areas may lead to more customer awareness and opportunities.

Market adoption of the broader Systemware ECM products has been slow despite the addition of key elements such as imaging, workflow and DoD 5015.2-certified records management.

Systemware's customers are based predominately in North America, with some in Latin America. It intends to remain focused on its customers in these geographies.
Unisys

A new entrant to the ECM Magic Quadrant, Unisys was a contender in the earliest days of the content management industry. While it has long marketed and supported its core InfoImage offering, Unisys was best known as a system integrator for most of the past decade. More recently, the firm has renewed its focus on software and invested in enhancing the InfoImage offering for transactional content management applications.

Website: www.unisys.com

Strengths

Unisys has a high level of penetration in the government and financial services sectors for mission-critical, high-volume transactional content applications, such as tax revenue processing, employment/unemployment services and mortgage processing. Being one of the early providers in document-centric workflow and document imaging markets, Unisys has a proven track record of deployments and a generally satisfied customer base. InfoImage focuses on the full content life cycle, from capture to archive. Unisys can leverage those capabilities, along with future enhancements around rich media and mobility, to go deeper into its targeted vertical markets. The company intends to offer InfoImage in a SaaS environment in early 2013.

Cautions

InfoImage is predominantly used for transactional content applications involving the capture and management of static images. Though it offers retention and records management features, InfoImage currently lacks DoD 5015.2-certified records management and does not focus on WCM at all. Unisys has limited marketing as an ECM software provider. It must also continue investing in its core software in order to extend its functionality (such as its recently announced Mobile Work Manager), and form further partnerships from an integrator perspective. Much of Unisys's InfoImage revenue has been derived from maintenance and add-on sales to existing customers. It needs to focus more on new customer acquisitions in order to reinvigorate its software business.

Xerox

Xerox has continued to demonstrate strong commitment to the ECM market during 2012. Its strength is generally in the area of transactional content management, where its offerings in mortgage collaboration (BlitzDocs), and litigation services (OmniX, CategoriX and ViewPoint) show good adoption. Xerox's general business document platform, DocuShare, has been used primarily in departmental use cases, and is seen less in broad enterprise deployments. Additionally, Xerox is building more solutions leveraging DocuShare.

Websites: www.xerox.com

Strengths

Xerox's broad capabilities and presence in the global printer/copier and fleet management segments have enabled it to deliver a range of ECM applications to its customers. Xerox's success with cloud-based approaches to CCAs, including mortgage and litigation services, has validated its vision for cloud-based ECM services. We expect to see further growth here. Xerox's general ECM offerings, DocuShare and DocuShare CPX, continue to resonate largely with departmental ECM buyers for moderately priced ECM capabilities.

Cautions

Xerox's ECM marketing needs to become more aggressive as it is often not seen on enterprises' shortlists. Xerox's perception as a very traditional company continues to hold back some growth opportunities as it markets cloud-based offerings as well as a range of ECM services. DocuShare's partner channel is small. By investing further in the channel, there could be many more global opportunities for the product.

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's appearance 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. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

Added

Unisys is a vendor that was an early player in the document imaging and workflow market that has extended its InfoImage platform to meet the ECM market criteria.

M-Files is an emerging midmarket ECM vendor with a strong focus on vertical content-centric applications.
Dropped

We have removed Adobe as its focus has shifted to WCM, customer engagement and digital marketing. We have not seen Adobe actively developing, promoting or selling enough of the other components of ECM to warrant consideration in this Magic Quadrant.

Inclusion and Exclusion Criteria

This year's Magic Quadrant for ECM 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 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 mostly large vendors, we have seen growth in the market in several categories and several new vendors have qualified 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 annual 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.

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>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product/Service</td>
<td>high</td>
</tr>
<tr>
<td>Overall Viability (Business Unit, Financial, Strategy, Organization)</td>
<td>high</td>
</tr>
<tr>
<td>Sales Execution/Pricing</td>
<td>standard</td>
</tr>
<tr>
<td>Market Responsiveness and Track Record</td>
<td>standard</td>
</tr>
<tr>
<td>Marketing Execution</td>
<td>standard</td>
</tr>
<tr>
<td>Customer Experience</td>
<td>High</td>
</tr>
<tr>
<td>Operations</td>
<td>standard</td>
</tr>
</tbody>
</table>

Source: Gartner (October 2012)

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
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>
<thead>
<tr>
<th>Table 2. Completeness of Vision Evaluation Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evaluation Criteria</td>
</tr>
<tr>
<td>Market Understanding</td>
</tr>
<tr>
<td>Marketing Strategy</td>
</tr>
<tr>
<td>Sales Strategy</td>
</tr>
<tr>
<td>Offering (Product) Strategy</td>
</tr>
<tr>
<td>Business Model</td>
</tr>
<tr>
<td>Vertical/Industry Strategy</td>
</tr>
<tr>
<td>Innovation</td>
</tr>
<tr>
<td>Geographic Strategy</td>
</tr>
</tbody>
</table>

Source: Gartner (October 2012)

Quadrant Descriptions

**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 the 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 the 2012 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.

**Context**
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 presentation and multichannel approaches to engage prospects and clients with relevant...
In summary, the context of ECM has shifted from a focus primarily on efficiencies and compliance to one that emphasizes impact and tangible business outcomes.

**Market Overview**

ECM continues to demonstrate value and growth, with total software revenue increasing 11.1% annually to $4.3 billion in 2011. Many enterprises are moving well beyond the basic uses of ECM (such as secure file storage in organized libraries), to tackle deeper business requirements that need strong process efficiency as well. This has led organizations to increasingly regard ECM as an environment for solutions that fit their business needs. Gartner refers to these applications as CCAs and we expect these solutions to be one of the key drivers of continued growth in the ECM market due to demand for CCAs of many types.

In addition to this focus on the solutions, we see more ECM vendors also offering a lightweight cloud-based environment to address emerging market needs and possibly to prevent their clients from exploring the popular cloud-based file sharing environments, which only offer a fraction of the full functionality of ECM. Some of the vendors that offer this added capability include EMC (which purchased Syncplicity), Oracle (which offers Oracle Social Network) and OpenText (which has introduced Tempo). What's interesting about these types of tools is they are appealing to the new generation of users that like to collaborate and synchronize files from their mobile devices. This is helping the broader ECM market evolve, as successful efforts will end up justifying additional R&D spend. This area of technology may even become a common feature in ECM systems over the next few years. As ECM begins to see increased usage on mobile devices, we expect to see it getting a generational make-over, moving further and further from its roots in networked back-office environments.

© 2012 Gartner, Inc. and/or its affiliates. All rights reserved. Gartner is a registered trademark of Gartner, Inc. or its affiliates. This publication may not be reproduced or distributed in any form without Gartner’s prior written permission. If you are authorized to access this publication, your use of it is subject to the Usage Guidelines for Gartner Services posted on gartner.com. The information contained in this publication has been obtained from sources believed to be reliable. Gartner disclaims all warranties as to the accuracy, completeness or adequacy of such information and shall have no liability for errors, omissions or inadequacies in such information. This publication consists of the opinions of Gartner’s research organization and should not be construed as statements of fact. The opinions expressed herein are subject to change without notice. Although Gartner research may include a discussion of related legal issues, Gartner does not provide legal advice or services and its research should not be construed or used as such. Gartner is a public company, and its shareholders may include firms and funds that have financial interests in entities covered in Gartner research. Gartner’s Board of Directors may include senior managers of these firms or funds. Gartner research is produced independently by its research organization without input or influence from these firms, funds or their managers. For further information on the independence and integrity of Gartner research, see “Guiding Principles on Independence and Objectivity.”