

Magic Quadrant for Enterprise Content Management

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Analyst(s): Hanns Koehler-Kruener, Kenneth Chin, Karen A. Hobert

VIEW SUMMARY

The drive for more contextual relevance for enterprise content makes it necessary to think of ECM as a long-term investment in the ability to deliver relevant content to business applications. Our evaluation of 20 vendors' ability to meet these demands will inform business and IT buyers equally.

Market Definition/Description

The term "enterprise content management" (ECM) describes both a strategic framework and a technical architecture that supports all types of content (and format) throughout the content life cycle.

As a strategic framework, ECM can help enterprises take control of their content. It can contribute to initiatives around transactional processes, compliance and records management as well as sharing and collaborating around content and documents.

As a technical architecture, ECM can be delivered either as a suite of products integrated at the content or interface level or as a number of separate products that share a common architecture.

Gartner also sees several shifts in the market that will affect clients strongly. Consolidation in the market continues, with ever more tools that once belonged in the realm of specialist vendors now being part of the large ECM suites. These include enterprise file synchronization and sharing (EFSS), video content management and asset management. The ECM vendors build out these functionalities or acquire them through partnerships or direct acquisition of the technologies.

One of the signs of consolidation is that some of the same vendors are falling behind on their innovation of ECM functionality as part of a digital workplace, allowing newer, smaller and more specialized vendors to fill the gaps. So, although there is less differentiation in the established players, there is also a myriad of smaller non-ECM vendors pushing innovative features into the market. For clients investing in ECM technologies, these differences can be advantages or disadvantages:

Advantages include:

- One-stop shopping from large suite vendors. Clients can get the full suite from a single vendor, allowing for synergies to happen and possibly getting more for their money.
- Potentially, less complexity across the portfolio at the architectural level, with easier management and provisioning.

The disadvantages include:

- Potential lock-in, having to follow the future directions of a single vendor and its view of the market.
- Potentially, fewer competitors and therefore less competitive push from the vendors themselves — with more external factors (such as digital workplace and smart machines) influencing the differentiating factors.

For example, EFSS vendors are adding functionality to their platforms to allow for basic content and document management functionality, while business process management (BPM)/workflow vendors often have their own content repository.

The ECM market does not reflect "business as usual" and clients should look at their three- to five-year planning horizons and the adjoining areas of content management to pick the best strategy and technology portfolios going forward. For 2015, Gartner sees the following components (including the weighting we have given them for this Magic Quadrant, in brackets) as belonging to the core functionalities that an ECM platform should be able to fulfill (only vendors that supply most of these functionalities natively were considered for this year's Magic Quadrant):

Document management (20%) — 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 basic library services. Extended capabilities include digital rights management and metadata-driven views of documents, rather than strict taxonomy-based structures. Also of value are capabilities that offer some level of access to, and version management within, noncore repositories — such as the management of documents in a file share or cloud environment, and support for flexible customization of the user experience.

Web content management (5%) — For controlling a website's content through the use of specific management tools based on a core repository. Included are 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 Web content management (WCM) provider. Native capabilities score more highly than those provided through partnerships. The complexities of provisioning content to users across intranet, extranet and Internet applications are considered, as are the responsive design and adaptive device delivery capabilities that empower a range of client devices, and support for new



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ADDITIONAL PERSPECTIVES

Company Size: Small & Midsize (<1000 Employees)

Geography: Asia-Pacific | Europe

STRATEGIC PLANNING ASSUMPTIONS

By 2018, more than 20% of enterprise content management solution sales will address multiorganization "ecosystem" content.

By 2018, 50% of enterprises will be managing their content using a hybrid content architecture.

ACRONYM KEY AND GLOSSARY TERMS

BPM	business process management
CMIS	Content Management Interoperability Services
ECM	enterprise content management
EFSS	enterprise file synchronization and sharing
SMB	small or midsize business
WCM	Web content management

EVALUATION CRITERIA DEFINITIONS

Ability to Execute

Product/Service: Core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability: Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

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

Market Responsiveness/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 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 initiatives, 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 and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills,

content types and delivery models.

Records management (10%) — For long-term archiving, automation of retention and compliance policies, and 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) Design Criteria Standard for Electronic Records Management Software Applications (5015.2-STD), as well as stated compliance with ISO standards such as 15489 and the Victorian Electronic Records Strategy (VERS) and Modular Requirements for the Management of Electronic Records (MoReq2010).

Image-processing applications (15%) — 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 Kofax (acquired by Lexmark Enterprise Services), ReadSoft (acquired by Lexmark Enterprise Services) or Top Image Systems (TIS); (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.

Social content (15%) — For document sharing and collaboration support for project teams and knowledge management use cases. Blogs, wikis and support for other online interactions are evaluated. Social content — including video and audio — is the fastest-growing category of new content in enterprises.

Content workflow (20%) — 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 points are given to vendors with graphical process builders, and both serial and parallel routing. Many vendors are using stronger process capabilities to deliver frameworks or templates as content applications (for case management, for example).

Extended components (15%) — Can include one or more of the following: mobile applications, digital asset management, search, analytics and packaged integration capabilities (for portals, ERP and CRM, for example).

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 to 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 products 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 sets 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 vertical markets.

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.

Magic Quadrant

Figure 1. Magic Quadrant for Enterprise Content Management



Vendor Strengths and Cautions

Alfresco

Alfresco is based in Maidenhead, U.K., and San Mateo, California, U.S. It delivers ECM software both on-premises and in the cloud. Alfresco embraces open standards such as Content Management Interoperability Services (CMIS), Web Distributed Authoring and Versioning (WebDAV), FTP, Microsoft's Common Internet File System (CIFS), Internet Message Access Protocol (IMAP) and the Microsoft SharePoint protocol, which enable interoperability with third-party ECM systems and tools. Alfresco also offers a set of public APIs to extend and integrate its offering with other applications and platforms.

Strengths

Alfresco maintains its keen sense of the ECM market's needs by adding new features to its product, including open APIs that support off-the-shelf integrations (with SAP, SharePoint and Salesforce), case management, analytics and workflow.

Alfresco One, its core ECM product, delivers a consistent experience across social, mobile and cloud capabilities that support content management initiatives.

Clients indicate that Alfresco's increased focus on the quality of its certified partner network has improved presales and postsales support.

Cautions

Limited vertical solutions are hindering Alfresco's ability to differentiate in an increasingly consolidated market. Enterprises should keep an eye on Alfresco's experience in their related vertical industries to make sure it will meet their needs.

Performance and scalability were highlighted by some customers (surveyed by Gartner) as an issue. Prospective customers should pilot Alfresco with their most demanding use cases to ensure proper configuration and installation that suits their needs.

A lack of experienced implementation partners and reports of inconsistent support make it important for prospects and customers to challenge Alfresco's support model and identify an Alfresco-certified partner before committing or purchasing.

EMC

EMC, based in Hopkinton, Massachusetts, U.S., has focused its content management strategy on its core Documentum portfolio of products, which includes Documentum xCP, Captiva, Document Sciences and ApplicationXtender, along with a set of key industry solutions to accelerate ROI. EMC Managed Services OnDemand, a cloud offering, rounds out EMC's extended product family. EMC offers numerous solutions that support most vertical industries and business processes including life sciences, healthcare, public sector, financial services, and energy.

As of 12 October 2015, a definitive agreement was reached in which Dell will acquire EMC. Because the deal has yet to close, the impact on the ECM part of the business is currently unknown.

Strengths

EMC offers extensive ECM components in its Documentum portfolio and has advanced its product offerings with cloud and mobile capabilities that provide customers with various choices of delivery model. Public cloud and industry solutions are also available for select products.

The Documentum D2 client — EMC's modern, persona-based UI — provides a better user experience and enhanced collaboration capabilities, according to clients who have adopted it.

EMC's technology partner ecosystem is well-established and has a robust global presence.

Cautions

EMC's sale of Syncplicity to a private equity company in July 2015 has reduced its product portfolio, although Syncplicity remains an EMC Select Partner. Prospective clients should consider their needs for EFSS, to see if EMC still meets all their requirements.

Customer support issues and service levels are a concern from some of EMC's customers. Customers should work with EMC's service management group to gain above-average support and service levels.

Documentum is predominantly deployed in large enterprises; it has a limited footprint in smaller enterprises due to implementation complexity and cost. Prospective customers should evaluate their complete ECM needs and determine if Documentum or ApplicationXtender (appropriate for line-of-business use cases) is the appropriate fit before committing to EMC. EMC is looking to address smaller enterprises with its cloud-based offerings.

Everteam

Everteam, based in Paris, France, is primarily focused on Europe and the Middle East. Its current clients are mostly midsize organizations, although its products are also starting to gain visibility within larger customers. Everteam mostly targets these larger customers, but has a partner network that may offer its products to smaller organizations. Everteam concentrates on a number of vertical markets, including utilities, engineering, insurance and public services.

Strengths

Everteam has a strong, organically grown product portfolio that consistently gets high praise from its customers.

A recent rebranding and reorganization of Everteam's product portfolio has shown great focus on vertical industries, and greater product clarity.

Postsales support and capabilities across European and Middle Eastern markets garner strong client praise.

Cautions

Everteam does not offer a cloud solution, except a document sharing solution for boards, committees and strategic meetings called everteam.board. Rather, it allows the clients to choose their own cloud hosting instead. Clients looking for cloud-based service should verify whether this multiple-vendor approach is to their advantage, especially in pure cloud or hybrid scenarios.

Everteam's social content management is dependent on Microsoft SharePoint; clients should evaluate whether this meets their ECM socialization use cases.

Customers have pointed to inconsistent user experiences across desktop and mobile interfaces. Clients should, therefore, look across all delivery channels to make sure Everteam meets their ECM use case requirements.

Fabasoft

Fabasoft, based in Linz, Austria, offers its Fabasoft Folio ECM product line as an on-premises (Fabasoft Folio), public cloud (Fabasoft Cloud) and private cloud (Fabasoft Private Cloud) product in its core markets of Central Europe and parts of Eastern Europe. It has a small presence in the U.S. Fabasoft offers an

integrated solution that covers all parts of the document life cycle. Its eGov Suite is aimed at local government markets.

Strengths

Fabasoft's "private cloud in a box" offers a turnkey solution for installing an ECM system that includes software, hardware and maintenance, in the form of an appliance.

A strong hybrid cloud strategy, which includes the on-premises as well as the private cloud offerings, is attractive to customers looking for a hybrid ECM architecture.

Fabasoft has a strong product architecture that is highly scalable, even across its hybrid scenario.

Cautions

The lack of native social capabilities beyond document-based collaborating and sharing puts Fabasoft at a disadvantage with clients looking for social content experiences. Clients should look at the Fabasoft functionality to make sure it meets their ECM use-case requirements.

Fabasoft's global presence and visibility is primarily limited to EMEA, with a few clients in other regions. Clients should look for local or regional partners of Fabasoft that are available to meet their needs, or look elsewhere for a different ECM product.

Product pricing is based on named and concurrent users, hardware units, SaaS product capabilities and online storage, making for complex purchasing and implementation — especially in a hybrid solution or a mix of internal and external user scenarios. Clients should carefully select purchasing models to allow for transparency and flexibility.

Hyland

Hyland, based in Westlake, Ohio, U.S., markets its ECM software suite, OnBase, to midmarket and enterprise customers looking to enable people and line-of-business applications to use content associated with processing transactions and manage case-centric work. Hyland has achieved strong organic growth in the ECM market during the past year. It has a strong focus on industries such as healthcare, government, higher education, financial services, and insurance.

Strengths

The extent to which Hyland's OnBase can be customized and integrated with third-party applications — using menu-driven configuration options already built into the software — strongly appeals to customers looking for solutions that can be easily modified and upgraded. Most OnBase functionality is extended to mobile devices, allowing customers to work in the field both online and offline.

Hyland's cloud-hosted version of OnBase (OnBase Cloud) offers both perpetual license and SaaS purchasing models and is supported by eight global data centers.

Hyland has consistently received strong feedback for its customer support; strengths that have led to very satisfied customers.

Cautions

Most of Hyland's revenue comes from the U.S., and much of the rest from Latin America and Asia/Pacific. Hyland has made additional investments, in terms of people and partners, to expand its global presence. Buyers looking for a vendor with a well-established global presence may want to investigate other options.

Hyland's records management offering is not currently certified as a DoD 5015.2 solution (in the U.S.). Customers in markets where compliance is a strong driver will need to consider alternatives to Hyland.

Hyland's extended content-related capabilities, such as social collaboration, WCM and records management, lag behind its competitors. Customers looking for expanded functionality for collaboration and records management will find Hyland limited.

IBM

IBM, based in Armonk, New York, U.S., has used its scale effectively in the ECM market. With one of the broadest ECM portfolios and a global footprint, it supports large, multinational enterprises with a strong focus on transactional content management, social content and other use cases. It has a long track record of serving the financial services, insurance and government sectors, as well as IBM-centric organizations elsewhere.

Strengths

The completeness of IBM's ECM product line makes it the leading benchmark for ECM capabilities. Integration across product lines — including social and collaboration, analytics, portal and WCM — as well as BPM solutions, is strong, making IBM an attractive ECM option for large organizations with complex needs.

IBM has a large global presence and installed base through direct and reseller partnerships and is able to serve clients almost anywhere.

IBM's Content Navigator UI is a universal access layer that can be added to both on-premises and cloud-hosted content, including non-IBM content repositories to allow for a universal view across information.

Cautions

IBM's extensive product line includes some overlapping capabilities, which creates confusion for prospective customers evaluating its ECM products. Prospective customers should evaluate IBM's products and focus on areas where they might be able to leverage integration with existing systems.

Gartner's IBM customer survey reviews and interactions indicate less satisfaction with the IBM purchasing, customer service, implementation and upgrade support experiences. Potential buyers will want to employ strong resources or system integration partners to help with operational and upgrade activities.

IBM's extensive product line adds choice, purchasing, implementation and support challenges for some customers. Customers are most successful when they understand their own need for simplicity — rather than deep integration with adjacent capabilities such as social, analytics and

WCM — and can leverage IBM's cloud and service options to mitigate this issues.

Laserfiche

Laserfiche, based in Long Beach, California, U.S., provides easy-to-deploy ECM through its Laserfiche ECM solutions, which focus on document management, records management, imaging, and workflow applications. It has a strong installed base in the government, financial services, higher education and healthcare markets. Laserfiche is an established, stable vendor that has experienced good revenue growth with solid customer acquisition and retention.

Strengths

Laserfiche's product suite provides a wide range of capabilities for different-size organizations by offering flexible and cost-effective licensing options. A SaaS option is also offered with Laserfiche Cloud.

Clients indicate that Laserfiche's products are comparatively easy to implement and upgrade. Laserfiche has implemented a strategic program to expand the delivery of its services, with new deployment methodologies that can streamline costs and upgrades.

Laserfiche's products and services are primarily delivered through a strong, experienced partner and reseller channel, which helps drive sales, service and support.

Cautions

Partner-led technical support for Laserfiche is occasionally problematic, according to customer feedback. Enterprises should evaluate partners, first by checking reference customers and also by looking for "Gold Certified" partners and individuals who hold the Laserfiche Certified Professional Program (CPP) title.

Laserfiche's cloud services are a very small part of its business. Prospective cloud customers may want to wait for its expanded cloud offering, which should offer a stronger architecture for cloud deployments.

Depending on their location, enterprises will want to research local support for their Laserfiche solution. While Laserfiche has expanded its geographical presence in Europe and Asia/Pacific, it continues to lack brand awareness in these areas and getting strong localized support may be challenging.

Lexmark

Lexmark, based in Lexington, Kentucky, U.S., created its Enterprise Software business from Perceptive Software (the name under which it was listed in the 2014 Magic Quadrant for ECM) and other acquisitions, most recently including Kofax (2015) and ReadSoft (2014). It continues to experience growth, boosted by both organic sales and via its acquisitions. Lexmark focuses on industries such as healthcare, higher education and government, and on horizontal content-centric applications such as accounts payable.

Strengths

Lexmark has a broad ECM portfolio that is able to meet most use cases in organizations of all sizes.

Lexmark has always had a deep vertical focus, and the acquisition of Pacsgear (picture archive), Twistage (video content management) and Acuo Technologies (vendor-neutral archive) has expanded the Lexmark portfolio. Lexmark can now build richer industry solutions for healthcare and higher education.

Gartner clients who are Lexmark customers generally give the company positive feedback for its product capabilities, ease of implementation, presales and postsales support and overall customer responsiveness.

Cautions

Some of Lexmark's existing and prospective customers have expressed concern about the increasing fragmentation of its product architecture (due to acquisitions), a lack of clarity about its roadmap and overlap in the product portfolio.

Lexmark's cloud ECM architecture is new and evolving. At this point, its focus is more about traditional hosting of applications on the older platform. Lexmark has started to deploy components of its next-generation platform, Perceptive Evolution, which will be entirely multitenant-cloud-capable and is designed to support hybrid environments. However, customers should understand that Lexmark's cloud development will be a multiyear project that ultimately leads to a more cloud-ready platform.

Lexmark has not fully addressed the need for interoperability with other content management environments. The current Perceptive Content platform does not support standards such as Web Distributed Authoring and Versioning (WebDAV), Open Document Management API (ODMA) and CMIS. The addition of Kofax's integration capabilities, which includes interoperability with other ECM systems, should address some of these concerns as the platform integration progresses.

M-Files

M-Files is an ECM vendor from Tampere, Finland, that focuses its products on three basic areas: document management, quality management and enterprise asset management. All solutions share a common code base and a metadata-driven architecture.

Strengths

All of M-Files' solutions are available as on-premises, cloud or hybrid, allowing for freedom of choice where content resides; the hybrid scenario is particularly flexible.

M-Files has an interface that looks like Windows Explorer, and folders, allowing for easy adoption and delivering an intuitive user experience.

M-Files uses a highly scalable and effective metadata-driven architecture, which allows for great flexibility in the use of metadata — including, for example, dynamic viewing of content.

Cautions

M-Files' products lack social content management, except for document-based collaboration and

authoring. Clients should look to see if this meets their requirements.

The M-Files system relies heavily on the Microsoft ecosystem. Customers with mixed endpoint and server environments should evaluate carefully whether their choice of platform will receive adequate functionality.

M-Files has not shown any great depth in developing its own vertical solutions, although some of its partners seem to have stepped up to fill that gap with more specific offerings.

Microsoft

Microsoft, based in Redmond, Washington, U.S., has delivered a foundational set of content management capabilities in SharePoint for more than a decade. SharePoint has strong integration with Microsoft Office, Exchange and Windows, and as a result has been used by about two-thirds of Gartner's clients in a wide range of geographies and industries. SharePoint is, however, in transition because Microsoft is strategically focused on cloud deployments using SharePoint Online in Office 365.

Strengths

Microsoft's pervasive presence in enterprises of all sizes has created a huge ecosystem including both skilled experts on SharePoint implementation and customization, and vendors that add functionality to the basic core platform.

Office 365's established cloud capabilities make leveraging SharePoint as an ECM solution attractive to many customers looking for easy-to-implement cloud ECM. Microsoft has taken the lead in the market for ECM as a SaaS delivery.

Microsoft SharePoint has strong collaboration and team-room functionalities — being the basis for several other vendors' social and collaboration functionality.

Cautions

SharePoint Online's capabilities are not as complete as those of SharePoint on-premises. Customers considering SharePoint Online or Office 365 should pilot existing SharePoint ECM use cases to ensure that the cloud version will support their end users' needs, or whether third-party add-ons will be required and available.

The SharePoint user interface is aging and new features are needed for a contemporary, Web-based user experience. There is potential for both Microsoft's Graph social interface and its Delve-assistant-based user experience to disrupt the SharePoint user interface.

SharePoint does not provide the same broad range of full ECM capabilities as the market leaders. Customers often have to rely on third-party add-ons for capabilities beyond the basics in areas such as imaging, records management, workflow and BPM.

Newgen Software

Newgen Software is based in New Delhi, India. The full ECM Suite consists of four components: OmniDocs, OmniScan, OmniFlow and the Newgen Enterprise Mobility Platform. Newgen uses the cloud (Amazon and HP Cloud Maps) to deliver industry solutions and some solutions for small or midsize businesses (SMBs).

Strengths

Customers give Newgen high scores for both presales and postsales support, representing some of the highest scores of all the vendors included in this Magic Quadrant.

Newgen's strong mobile platform and features include mobile capture and integration with business workflows.

Newgen's focus around BPM and case management makes it a strong choice for transactional content management needs.

Cautions

Despite strong customer reviews, Newgen's marketing execution is less effective than that of its competitors and it fails to show up in client shortlists even when its product portfolio does fit.

A conservative strategy across the board (that is, around vertical, product and geography) makes Newgen's future less clear than some of its more focused competitors. Clients should ask for clear product roadmaps and insight into future direction. Despite good growth in India and Middle Eastern markets, Newgen features less often in conversations and shortlists. Recent management changes might reverse this trend.

Objective

Objective is based in Sydney, Australia. Its ECM offering includes document management, records management and workflow capabilities. Objective also offers two SaaS-based ECM services: Objective Enterprise Content Creation, for document collaboration; and Objective Connect, for file synchronization and sharing. It specializes in public sector and highly regulated industries.

Strengths

Objective has taken numerous steps to enhance its product in the 8.x versions; customer satisfaction with product functionality has increased because of this.

A growing portfolio of government-focused applications is a competitive differentiator and positions Objective well in the public sector.

Objective Connect for file sync and sharing is gaining greater adoption, especially with government agencies wanting to securely share content across agencies. Its cloud offerings account for an increasingly significant portion of its revenue.

Cautions

Objective has a limited international footprint and mostly sells to and supports customers directly. Clients should evaluate in advance whether the local support will be competent and sufficient.

Despite improved usability, direct services and support in its latest offerings, clients point to differences in Objective's UI across desktops, smartphones and tablets. The user experience remains weaker than with some competitive offerings, although this may change with future releases.

Objective has been slow to add new functionalities to its ECM product lineup, likely due to its more traditional audiences. Newer functionality is showing up in the recent cloud-based Objective Connect and Objective Content collaboration products.

OpenText

OpenText, based in Waterloo, Ontario, Canada, is the second-largest ECM vendor in terms of worldwide market share. OpenText's acquisition-centric growth strategy has added companies and technologies to expand its market position. It has combined ECM with BPM and customer experience management to create an enterprise information management strategy that reaches across the full scope of content management needs.

Strengths

OpenText has a strong footprint within vertical solutions, especially for the government, life science, and utilities/energy industries.

Strong technical partnerships with SAP, Microsoft and Oracle give OpenText a global presence in the ECM marketplace. The OpenText and SAP relationship continues to expand with B2B process management capabilities that leverage OpenText's GXS product within SAP.

OpenText offers a robust portfolio with a heavy focus on traditional ECM capabilities, making it a strong option for businesses looking for solid ECM functionality to address information governance requirements.

Cautions

Customer survey scores indicate lagging support and service responsiveness in relation to OpenText. In many cases the support is excellent, but there are enough cases — across regions and products — to warrant this caution. OpenText has undertaken a multiyear service improvement initiative to address support concerns. Prospective customers should learn as much about the products as they can and push for full answers to service and support SLAs before committing to a purchase.

Emphasis on integration with third-party solutions such as SAP and Microsoft has delayed improvements to the OpenText Web UI, which can be a confusing and less than intuitive user experience — especially for nontrained workers. This potentially means a steeper learning curve for OpenText ECM. Clients should track different users' experiences with OpenText and adjust their training requirements as needed.

OpenText's policy for continued support of acquired and legacy products can mean little forward momentum or migration to developing and improved products. Customers should engage with OpenText to understand product roadmaps and ongoing upgrades in negotiating and getting support for migrations.

Oracle

Oracle, based in Redwood City, California, U.S., offers a broad content management portfolio. This starts with WebCenter Content and can then be added to with WebCenter Portal, Sites, Enterprise Capture and other modules. Oracle also has a broad range of business applications outside of content management ERP and CRM solutions, which integrate with WebCenter Content. Oracle Documents Cloud Service offering, Oracle Documents, is an enterprise file sync and share offering recently added to broaden the ECM toolset.

Strengths

Integration of WebCenter Content with Oracle infrastructure components (such as database and storage platforms) is strong, especially for the Oracle installed base.

The completeness of Oracle's ECM product portfolio — covering capture, creation and the complete life cycle management of content — has grown.

Oracle has an extensive customer base, along with a broad partner network and technology partnerships, which it leverages for market presence.

Cautions

Oracle's ECM customers often cite support and customer experience as areas of concern. Customers will do best when leveraging service agreements and contracts that include SLAs to meet their ECM requirements.

Oracle's ECM product line focuses on horizontal content management capabilities and has limited specialized industry solutions. Customers with highly industry-specific needs should evaluate carefully to see if Oracle will meet their requirements in this area.

Oracle has been slow to add new ECM capabilities. It recently released its file sync and share capabilities, and support for cloud. Despite accelerated efforts during the past year, customers considering Oracle WebCenter Content should consider its product roadmap to ensure that Oracle will be able to meet their future requirements.

SER Group

SER Group is based in Bonn, Germany, and offers ECM solutions through subsidiaries and local branch offices in important international markets; it is a new entrant into the Magic Quadrant. It offers the full range of services and solutions for ECM, with a focus on improving paper-based business. SER's Doxis4 iECM Suite offers modular solutions for capturing, archiving and managing content and providing collaboration, workflow and BPM.

Strengths

The SER Group has created several separate companies, with dedicated sales and support, for the government, healthcare and banking verticals. Clients from these verticals rate it very highly on its expertise in these areas.

SER Group's products show a complete architecture, with many modules and with metadata and rights management across all components and processes. Almost all components have been developed and maintained by SER Group, which has led to close integration.

An embedded external search and discovery engine for full-text searching gives SER Group's products strong search and discovery capabilities.

Cautions

Currently, there is no direct sales presence in the Americas and clients looking at SER Group for international operations should make sure it can deliver on SLAs in regional markets.

Clients report that the functional range of SER Group's products is not entirely to their satisfaction. Perspective customers should explore the full range of possibilities and functionalities to make sure it meets all of their requirements.

SER Group does not offer a native WCM system as part of its functionality. Clients should make sure their preferred WCM system of choice will work seamlessly where necessary.

Siav

Siav is based in Padua, Italy, and is a vendor and system integrator with a strong background in the government and financial services sectors. Its products include: Archiflow for workflow, BPM and document management; Intelligo for imaging; Virgilio for records management; BlueDrive for collaboration and file sharing; and the Active Document Portal as a way to publish documents from the repository.

Strengths

Siav has built a strong vertical expertise in government and financial circles with focused solutions in image processing.

Clients praise the technical implementation architecture of Siav's products, highlighting its scalability and flexibility.

Siav has introduced a file sync and share solution (BlueDrive), which is integrated with its repository and provides for both sharing and collaborative features while maintaining content in the content repository.

Cautions

Siav has very limited reach, through partners, into the Asia/Pacific region and no visibility in the U.S. Clients evaluating Siav should make sure that capable partners are available regionally.

Clients mention that Archiflow, Siav's mobile device, tablet and Web interfaces need improvement — and need to be brought in line with BlueDrive. Clients should carefully evaluate their mobile and Web ECM use cases to see if Siav will meet their needs.

Siav has a very flexible pricing model based on functions, volume, options, named or concurrent users and possible additional services, which can be hard to calculate. Clients should make sure they get a good understanding of pricing to avoid any unexpected expense.

Software Innovation

Software Innovation, based in Oslo, Norway, offers traditional on-premises and SaaS-based offerings. Its client base is largely in Scandinavia, and it is showing growth in Europe due to an increasing network of partners. Software Innovation offers Business 360°, Public 360° and ProArc for case management, technical document management and records management needs.

Strengths

Software Innovation has a strong product lineup, across multiple verticals such as government and construction, which includes ECM as well as BPM products.

Software Innovation's presales and implementation support received strong endorsement from its clients.

A very strong commitment to the Microsoft product stack, with integrations into cloud as well as on-premises products, allows easy integration between Software Innovation's products and Microsoft Office 365.

Cautions

Software Innovation uses SharePoint as the user interface for its Web client and requires the use of SharePoint for Web content management and social content with SharePoint installed next to its own repository. Clients need to evaluate if they want to run both systems in parallel.

Clients point out that Software Innovation's mobile interface across multiple end devices and the Web interfaces is not as intuitive as with some other vendors.

Software Innovation's marketing and visibility outside of its core markets and verticals is not very strong and it does not show up in client shortlists very often.

Systemware

Systemware, based in Addison, Texas, U.S., has evolved from a historical strength in document archiving and report management to a focus on the broader ECM market. Its product suite, Systemware Content Cloud, is a set of ECM components — including image and capture, records management, workflow, archiving and output management. Systemware Content Cloud ECM provides cloud, on-premises and hybrid delivery options for customers to deploy their content management applications.

Strengths

Systemware's greater flexibility in transactional settings, through contextualized user experiences with metadata-based views of information, provides more personalization of information for specific stakeholders in a process.

Systemware has a strong set of industry solutions for the financial services, insurance and healthcare markets.

Service and support is highly rated by customers, who report that the service department is extremely responsive in resolving problems.

Cautions

Systemware has increased its marketing spend during the past year; however, it is still challenged with customer awareness in sales opportunities.

The portfolio of applications and solutions is evolving as Systemware grows beyond its core domains. Clients should look for customer references for individual components to confirm their maturity.

Systemware has limited recognition beyond North America. Prospective customers outside North America should check Systemware's references to understand its ability to support geographically distributed implementations.

Upland Software

Upland Software, based in Austin, Texas, U.S., focuses on providing ECM solutions to the midmarket with its FileBound and Clickability offerings — its solutions having come from acquisitions focused on business process automation and management.

Strengths

Upland's FileBound has good workflow and reporting capabilities for business processes such as accounts payable approval. FileBound will appeal to SMBs looking for good document imaging, workflow, electronic forms and archiving capabilities.

FileBound has packaged integrations with Microsoft Dynamics, Microsoft SharePoint and other sources (such as Open Database Connectivity databases). FileBound's Microsoft-based architecture, cloud offering and a good set of core functions will appeal to a broad range of customers.

Upland Software has placed heavy emphasis on usability and user experience across all platforms and has been highly rated by clients.

Cautions

Upland's FileBound does not have a track record of scalability in large enterprises; it is currently better suited to midsize companies. Large clients should look for additional partnerships before installing this vendor.

Upland acquired its ECM products (FileBound and Clickability) and its project management tools (EPM Live); currently, there is minimal integration between these offerings. Upland is working on tighter integration with EPM Live.

A lack of brand awareness may keep Upland off some shortlists, even if it could be a good fit for those enterprises. Its customers are primarily in North America and Australia, so enterprises in other regions must check Upland's references for local services and support. It has added a local office and data center in Europe to support its expansion into that region.

Xerox

Xerox, based in Rochester, New York, U.S., offers a mix of ECM products and services. At the heart of its ECM portfolio is Xerox DocuShare, an established product typically deployed as a departmental solution. DocuShare also serves as a way for Xerox to add value to larger fleet management and multifunction product contracts. Beyond DocuShare, Xerox has strong SaaS offerings that are targeted at the financial services, legal services and mortgage industries: Xerox Transactional Content Manager (XTCM), Xerox Mortgage Services/BlitzDocs and Xerox Litigation Services (OmniX, CategoriX and Viewpoint).

Strengths

A strong brand and global sales, support and service capabilities enable Xerox to deliver a range of ECM applications and services.

Xerox has demonstrated success with cloud-based approaches to ECM — ranging from simpler tasks such as scanning and indexing all the way through to cloud-based applications, including mortgage and litigation services.

Offerings resonate well with SMBs (and enterprises) and departmental needs, because Xerox's general ECM offerings, DocuShare and DocuShare CPX, offer good capabilities at moderate prices.

Cautions

Many potential customers are unaware of the value Xerox offers in ECM, because Xerox primarily offers ECM as a key part of its larger workflow automation solutions, or for business process outsourcing services as a value-add to existing customers.

Strategically, Xerox attributes a significant percentage of its business to business process outsourcing technology and BPM rather than ECM products. This business focus may result in Xerox not being considered or shortlisted by customers looking for ECM.

Xerox has not sufficiently grown its industry application offerings around DocuShare. Though it has been successful with its applications for mortgage processing and litigation support, and has good services offerings, it needs to develop more industry solutions if it is to continue to grow in the ECM market.

Vendors Added and 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

SER Group

Dropped

HP was dropped because, following the management buyout of its WorkSite suite of products, it no longer meets the inclusion criteria.

SunGard and Unisys did not meet the inclusion criteria and were dropped this year.

Inclusion and Exclusion Criteria

To appear in this Magic Quadrant, vendors had to meet Gartner's criteria for revenue, geographic presence, functional capabilities and proof of use in production scenarios. Specifically, each vendor had to:

Have at least \$13 million in total content management software revenue (licenses, updates and

maintenance).

Actively market its products and have an established customer base in at least two major regions — for example, North America and Europe, the Middle East and Africa (EMEA), or Asia/Pacific and Latin America.

Have at least four of the core technology components supplied natively; others may be supplied through partners.

Have content management software commercially available and reference customers that use its products in production scenarios.

Evaluation Criteria

Ability to Execute

Ability to Execute (see Table 1) measures how well a vendor is able to sell and support its ECM products and services. The vendors are also rated on their financial viability, which is done by a standard Gartner methodology that does not equate size with financial stability. Feedback on the current installed base, customer support, customer satisfaction and information about migrations is also taken into consideration.

Next to the main core components, vendors can receive additional recognition for extended components such as search and analytics, which remain a critical aspect of content management as well other functionalities — including digital asset management, output management and archiving solutions, and email integration and management.

Table 1. Ability to Execute Evaluation Criteria

Evaluation Criteria	Weighting
Product or Service	High
Overall Viability	High
Sales Execution/Pricing	Medium
Market Responsiveness/Record	Medium
Marketing Execution	Medium
Customer Experience	High
Operations	Medium

Source: Gartner (October 2015)

Completeness of Vision

Completeness of Vision (see Table 2) focuses on a vendor's ability to perceive where a market is going, or where it should go, and act upon it. This may include new sales models or new products, but also creating new markets or entering promising vertical markets with new products. A vendor might succeed financially in the short term without a clearly defined vision or strategic plan, but it won't become a Leader on that basis. 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 its 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, or their technical architecture. Examples include the ability to integrate both on-premises and cloud repositories, file syncing and sharing functionality, collaborative authoring features or the ability to include analytics to create greater relevancy for the user.

Table 2. Completeness of Vision Evaluation Criteria

Evaluation Criteria	Weighting
Market Understanding	Medium
Marketing Strategy	Medium
Sales Strategy	Medium
Offering (Product) Strategy	High
Business Model	Medium
Vertical/Industry Strategy	High
Innovation	Medium
Geographic Strategy	Medium

Source: Gartner (October 2015)

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. They are very strong in one or more technologies or vertical markets. Leaders deliver a suite that addresses the demand for direct delivery of the majority of core components, although these are not necessarily owned by them, tightly integrated, unique or best of breed in each area. In our assessments we looked for demonstrated enterprise deployments; integration with other business applications and content repositories; incorporation of social, cloud and mobile capabilities; and vertical-process and horizontal-solution focus. Leaders should drive market transformation.

Challengers

Challengers offer good functionality and have a substantial number of installations, but they lack the vision of Leaders. Nor do they, typically, possess all the core ECM components. Instead, they use partnerships to round out their suites or they ignore some markets altogether. Challengers may lack a broad ECM focus or wide geographical coverage, but they execute well despite some product limitations.

Visionaries

Visionaries may offer all capabilities natively or may partner with other vendors to supply some core ECM components. In some cases, Visionaries need to integrate acquisitions into their existing product portfolios. Visionaries typically show a strong understanding of the market and anticipate shifting market drivers. They may lead efforts relating to standards, new technologies or alternative delivery models, but they have less Ability to Execute than 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. They may be vendors that are still ramping up their ECM efforts, or that have neither the Completeness of Vision nor the Ability to Execute to break out of the Niche Players quadrant. Some Niche Players may be "boutiques" that serve only certain regions, industries or functional domains, rather than the broader market.

Context

The ECM market is going through a shift, from large enterprise suites to more business solutions focused on delivering business value in specific use cases. These use cases are highly varied and span the full commute from content storage to archiving, records management and disposition of files. ECM suites feed individual and group-based file management and sharing, covering compliance needs and collaborative use cases. The era of large-scale single vendor deployments across the whole enterprise is being increasingly undermined by business-specific solutions, new content types and an expanding number of SaaS tools that are brought in by users themselves.

The three main ECM use cases that Gartner sees being regularly put forward by clients are:

Transactional content management, as a way of moving individual pieces of content through a business process. The line of business application requires deep integration with the content management system to make the document available through its interface, while the content management component might never become visible in the process.

Records management and compliance, where legal and regulatory drivers require organizations to keep both tight control of their information assets and provide a full audit trail of how, when and where it was accessed.

Digital workplace scenarios, where consumerization and nonroutine kinds of work have disrupted traditional content management strategy, requiring a more open and agile approach to content management.

Additional drivers in ECM for 2015 include the need to mine content for either internal or external use cases. These include scenarios where a more contextual or personalized view of content is desired. Vendors that have a close relationship with an analytics vendor and have integrated analytics or search score better in these areas.

Content management investments, while having a natural ebb and flow, continue to expand. Content management marketplace drivers focus on the ability to:

Manage content throughout the full life cycle, providing information on demand (archiving and accessing content as needed), improving content security, supporting policies and procedures, rationalizing older systems, and standardizing on select technologies (primary and secondary vendors for content repositories, portals and infrastructure).

Integrate and share content across packaged application systems, such as CRM, ERP, supply chain management and transactional systems.

Enhance collaborative work and content authoring and sharing through support of social software (wikis, blogs, discussion forums, expertise location and social networks) and team collaboration/shared workspaces.

Align to key business drivers of employee self-service, improved efficiency and effectiveness, better cost management, enhanced multichannel delivery, retaining and sharing key knowledge and information, and complying with governmental regulations.

Provide content in the context of work process and line-of-business functions, and automating and aligning business processes; this includes mobility extensions and support.

Market Overview

The ECM market grew 6.2% in 2014 to a worldwide revenue of \$5.4 billion. First-time implementations, mobility-based upgrades and composite content applications (CCAs) helped drive continuous double-digit growth during 2014 in the regions of Asia/Pacific, Greater China, and Middle East and Africa.

Product specialization — aligned to country-based business requirements — increased the fragmentation of market share as best-of-breed and regional vendors succeeded in out-competing their larger international rivals. The combined market share of the top three ECM vendors continued to decline — from approximately 46% in 2012, to 44% in 2013, and to 41% in 2014.

SaaS and cloud-based delivery models represented approximately 5% of total vendor revenue in 2014

(with a small but growing market presence), with deployments focused primarily in France, Germany, the U.K. and the U.S. Most vendors list somewhere between 5% and 10% of their current ECM license sales as being SaaS or cloud-based sales.

Small & Midsize (<1000 Employees) Context

🕒 21 October 2015

Analyst(s): Hanns Koehler-Kruener, Joe Mariano

Midsize organizations can derive considerable benefit from taking a strategic approach to enterprise content management. This contextualization identifies vendors that are either focused on midsize organizations or primarily have clients in this segment of the market.

Market Differentiators

The purpose of this contextualization of Gartner's "Magic Quadrant for Enterprise Content Management" is to help midmarket IT leaders differentiate content management (CM) solutions, determine which CM solutions meet the needs of the business and identify providers that have a proven track record of being a good fit for the midmarket enterprise.

Midmarket enterprises often have similar content and process-centric requirements to larger enterprises, but usually don't have the same resources to deploy and manage complex enterprise content management (ECM) tools. In order to obtain some benefit, they often start with one component of ECM and then try to expand the use and functionality over time. Another approach is to look for vendors that target the midmarket with solutions that focus on core functionality while still delivering value. They may also be attracted to cloud-based ECM services, where the implementation costs may be lower and the deployment itself is simpler. Typical midmarket implementations are linked to content-sensitive processes. Frequently seen examples include HR hiring and employee performance, contract management, customer acquisition, loan origination and medical records management.

One of the most frequently asked questions from midmarket organizations about CM initiatives is, "How do we know which solution(s) is/are best for our size of business?"

In this midmarket contextualization we review some vendors with a good focus on small and midsize organizations.

Considerations for Technology and Service Selection

Here are some of the core ECM components that midsize organizations often find useful as they begin their initiatives and are the most commonly sought-after areas of interest. Beyond these core components, many ECM tools can be extended to meet the needs in accounts payable, invoicing and quality management — creating wraparound products with more out-of-the-box functionality to meet a wide range of needs, and scaling back on the need for customization.

Image Processing Applications

Image processing applications can provide midsize organizations with document capture, simple archiving and automation of paper-centric business processes. This is often a good starting point, because the reduction in paper use and the speed and efficiency of routing electronic images often delivers good ROI as midsize enterprises adopt this backbone technology of ECM. Midsize enterprises in industries with more sophisticated CM requirements (healthcare, pharmaceuticals and banking, for example) will often require a more complete ECM solution. In such cases, midsize enterprises are often attracted to cloud-based versions of these end-to-end ECM solutions, which are more in line with their IT budgets and skills.

Document Management

Document management systems are designed to manage dynamic business documents that originate in electronic form, and are typically Microsoft Office, Google Docs or Adobe PDF files. Document management systems track versions of documents and use workflow to route documents through predefined processes. They provide secure access to individual documents and can be accessed through a range of devices, including mobile devices. Basic taxonomy capabilities, the use of foldering and strong search are core components. While high-end document management systems handle millions of documents, offer complex capabilities (such as component management) and require WAN optimization, midmarket deployments are typically focused on lower volumes of documents (generally in the tens of thousands or fewer) and have fewer users, often up to a few dozen.

Records Management

Records management allows for the long-term retention of content through automation and policies, ensuring legal, regulatory and industry compliance (such as U.S. Department of Defense [DoD] Directive 5015.2-STD and MoReq2010). One of the biggest challenges midsize enterprises experience when they begin a records management initiative is the daunting task of creating retention policies. Understanding industry regulations is difficult on its own; managing and enforcing the necessary records management policies and practices is even more challenging. This means that good training in and auditing of record classifications is crucial — this set of nontechnology issues is very important to your organization's success.

Notable Vendors

Vendors included in this Magic Quadrant Perspective have customers that are successfully using their products and services. Selections are based on analyst opinion and references that validate IT provider claims; however, this is not an exhaustive list or analysis of vendors in this market. Use this perspective as a resource for evaluations, but explore the market further to gauge the ability of each vendor to address your unique business problems and technical concerns. Consider this research as part of your due diligence and in conjunction with discussions with Gartner analysts and other resources.

Alfresco

Alfresco has headquarters in both the U.S. and U.K., with a strong global footprint that can provide support for midmarket organizations across a large geographical reach. Alfresco provides enterprise editions in the form of Alfresco One, its on-premises enterprise solution, and Alfresco Cloud, its cloud-based SaaS solution. This solution set provides core ECM capabilities along with a robust collaboration toolset that can allow midmarket enterprises to utilize one solution for two distinct use cases. Alfresco can also provide a DoD 5015.2-certified records management add-on through Alfresco One. Alfresco also provides access to the solution from outside the enterprise firewall and mobile access for review documents, which can allow for a much more agile workforce. Alfresco can also provide strong integrations for SAP, Amazon Web Services and Salesforce, allowing the enterprise to manage content beyond the Alfresco repository. Many midmarket enterprises begin their use of the solution with Alfresco Community Edition — a free-to-install, open-source edition. In most cases, this version is not suitable for regulated or business-critical use cases due to its lack of functionality and features.

DocuWare

DocuWare is a private company founded in 1988 and based in Germering, Germany and New Windsor, New York, U.S., with subsidiaries in the U.K., Spain and France — making it a strong fit for midsize organizations that are geographically dispersed. DocuWare offers a range of products that are highly modular and allow customers to pick and choose the modules they need. DocuWare exists both as a pure cloud version or an on-premises version. The company offers its on-premises server in three different models — Business, Professional and Enterprise — geared toward different user needs. The core product has all-ECM functionality, while the other two models include integration with a large number of scanners and multifunctional devices; this is because DocuWare has a number of partnerships with hardware vendors as the archive or capturing solution of choice.

Hyland

Hyland's OnBase product is predominantly seen in regulated midmarket industries, with higher education and government (state/local) its two biggest markets. Local government, manufacturing and retail are among the largest midmarket industries for OnBase, and where the product is primarily sold through its reseller channel. OnBase can be installed on-premises and via Hyland's cloud hosting service, OnBase Cloud, using either a perpetual license or a monthly subscription model. OnBase has a robust set of no-code and low-code options to integrate with personal productivity suites (such as Microsoft Office Suites and Google Docs) and enterprise applications such as Oracle JD Edwards EnterpriseOne, PeopleSoft, Infor M3 and Esri ArcGIS. This can be helpful to small IT groups that do not have the time or resources to manage multiple integrations developed via custom script and Web services calls. Hyland has a good reputation for creating strong first-party modules for the OnBase solution, which allows it to scale well as an organization grows. This is appealing to midmarket enterprises that are currently growing fast and want to minimize the level of customization that needs to be managed. Hyland also provides strong document-imaging and workflow functionality, low-code case management solutions, and licensed solution frameworks for local government agencies (for example, Agenda Management [including Minutes] and Electronic Plan Review) that reduce the need for services.

M-Files

M-Files is used in the U.S. and Europe and can provide document management that complies with U.S. Food and Drug Administration (FDA) regulations, the Health Insurance Portability and Accountability Act (HIPAA) in the U.S., and EU good manufacturing practices as well as International Organization for Standardization (ISO) 9000/9001, making it a good option for midsize organizations in heavily regulated industries. M-Files offers both an on-premises and a cloud version of its software. Cloud versions run on Azure. M-Files can be deployed as a hybrid configuration with tightly coupled on-premises and cloud repositories. Hybrid deployment can be useful to those organizations that want a cloud solution, but wish to have more control over their sensitive data or wish to separate internal and external data. M-Files addresses core document management uses; its M-Files DMS product provides core ECM functionality — such as workflow, versioning, search, and check in/check out. M-Files is highly scalable and will work well for both nonregulated and heavily regulated markets. M-Files also has a built-in workflow engine that is accessible on mobile devices and allows multiple users to author a document at the same time, allowing for easy document-based collaboration.

Microsoft

Microsoft SharePoint on-premises is a versatile solution that appeals to the midmarket because of its integration with other Microsoft applications and the ability to meet a variety of use cases, beyond ECM, through third-party integrations and customization. Midmarket enterprises are now considering SharePoint Online, which can provide functionality that is not available through traditional ECM solutions at a cost that appeals to midmarket organizations. This functionality includes tools such as video content management and Office Graph. Midmarket industries looking for a more customized experience, or that are in more regulated industries, will want to focus on SharePoint on-premises. SharePoint Online will work best for nonregulated industries that have either a small or no legacy footprint of SharePoint on-premises.

Upland Software

Upland is a cloud-native product. It has expanded its mobile functionality and the product's use cases beyond core ECM. Upland includes better integration with the Upland family of products, such as document and workflow automation and IT financial management. Upland has placed heavy emphasis on usability and configurability to create a tailored experience for its end users; this experience is extended to both the tablet and smartphone, creating a consistent experience across platforms. Upland is of interest to midsize organizations across industries due to its mix of vertical and departmentally focused functionality — with solutions for HR, accounts payable, healthcare, education, government and legal — as well as cloud-hosted services that could appeal to midsize organizations with limited IT resources and infrastructure. Upland can provide professional services for delivery and adoption of the solution, and education and training.

Asia-Pacific Context

🕒 21 October 2015

Analyst(s): Gavin Tay

The Asia/Pacific region comprises a broad geographical footprint that embeds a mosaic of cultures and heritage. Enterprise content management leaders must grapple with the diversity when identifying an ECM solution that differentiates itself to address the unique demands of this region.

Market Differentiators

The Asia/Pacific (APAC) region represents a mosaic of cultures that are deeply embedded with the diversity of language, culture and heritage across its geography. This broad geographical footprint can be divided into "mature APAC" and "emerging APAC."

Mature APAC includes Australia and New Zealand (ANZ), Japan, Korea and Singapore.

Emerging APAC comprises China, Hong Kong, Taiwan, India and South East Asia (Malaysia, Indonesia, Brunei, Philippines, Vietnam, Thailand, Cambodia, Laos and Burma).

Unlike North America and Europe, the APAC region — including the key countries of China and India, but excluding Japan — is forecast to have a five-year compound annual growth rate (CAGR) that exceeds 13% through 2019. The CAGR from 2014 through 2019 for the emerging APAC region, which includes India, Indonesia, Malaysia and Thailand, is the highest five-year CAGR for the regional enterprise content management (ECM) segments at 19.5% (see "Market Trends: New Mandates and Market Structures for Content Management Drive Growth in 2015 and 2016"). These growth rates are closely aligned to revenue.

ECM solutions are most sought-after in key vertical industries such as communications, financial services, insurance, government, and manufacturing whether in mature or emerging APAC. A deeper inspection of these two subregions will reveal emerging industries in mature APAC such as pharmaceutical and life sciences. In some industries, we will find emerging APAC leapfrogging more mature regions in their adoption of ECM, a move that is augmented with real-time analytics because of the lack of baggage or legacy (see "Easy Content Management Demands a Smarter Content Approach"). Integration of analytics with ECM is fast becoming one of the selection criteria when buying or upgrading in APAC.

Emerging APAC continues to present two pertinent challenges, mainly with bandwidth (particularly in remote locations) and the enforcement of an ECM discipline. While bandwidth will improve given the modernization of telco infrastructure, the enforcement of ECM discipline is often an uphill battle because of the nonexistence of governmental policy or regulation.

ECM investments in this subregion continue to be major initiatives involving the digitization of massive amounts of paper into an electronic format, archiving, and implementing a life cycle of governance. Mature APAC, on the other hand, is in a race to be at the leading edge of ECM because of the competitive nature of the industries therein.

Most often industry, global or regional regulations and compliance requirements such as VERS, HIPAA, FATCA and Dodd-Frank are a huge driver of that rapid adoption. In the ANZ subregion, there is extensive consolidation from older records management systems into new offerings as well as in combination with SharePoint. There is also an increasing use of enterprise file synchronization and sharing (EFSS) as a stand-alone offering as well as in combination with existing ECM systems.

One consistent trend across all of APAC is the rapid adoption of the latest smartphone or phablet devices, sometimes even before they hit the local market. This has led to demand for ECM vendors to provide easy content capabilities (such as creating, editing, approving or sharing documents while on the go) driven in part by rapid device adoption, but also by their inherent culture of collaboration. ECM vendors in the APAC region are seizing this opportunity and are very aggressive in offering smarter content capabilities and technologies that realize a digital workplace vision before other continents.

Considerations for Technology and Service Selection

Organizations in the APAC region are as vigorous (if not more so) than their North American or European counterparts when it comes to their ECM expectations being met. When selecting an APAC ECM vendor, IT leaders place a high emphasis on the following six core criteria:

1. **Local presence of the principal vendor:** Many North American and regional vendors that are new to APAC sell their solutions indirectly via a distribution channel partner or a systems implementer to test the market. This approach helps the vendor to establish a new market but presents a challenge to client organizations when issues arise from product bugs or limitations. In some cases, it may even bring the ECM implementation to a halt. Without a local office staffed with a sales force, postsales support staff, or a professional services team, they may relinquish ownership to a third party. A close relationship is of the highest priority to an IT leader, otherwise a vendor that is out of sight is out of mind.
2. **Local postsales support and established partner alliances:** Supporting your organization's ECM initiative in APAC requires added attention, unlike the homogeneous nature of its counterparts. It is expected that the help desk center is staffed with native speakers of the local language, and that it adheres to the respective time zones. Also ensure the vendor has a roster of established alliances with in-depth expertise in not just the product offering, but value-added services of industry-specific consulting. A vendor that has a technology ecosystem with prebuilt integration to third-party tools (such as capture or digital signature products) to supplement your ECM solution can help alleviate the challenge of trying to purchase and then assemble a piecemeal implementation yourself (or with another system implementer) further complicating the initiative.
3. **Extended product evaluation cycles:** Inherent to the culture of the APAC region is the need to evaluate a solution offering (not just a product) for extended periods (sometimes months or years rather than weeks). Choosing the right solution ranks higher than having to spend a longer time evaluating it. It is almost a given that IT leaders in APAC will expect to call for a tender evaluation, issue an RFP, request for a POC or a pilot project. A greater amount of hand holding is absolutely required, not just for the duration of the evaluation, but also during implementation and postproduction. The vendor, solution implementer or consulting partner and your organization are in a partnership for the foreseeable future of this ECM deployment. Such tight-knit partnerships often result in greater longevity for the ECM platform (unless the organization was left in the lurch when encountering a grave challenge).
4. **Access to local case studies and organizational references:** IT leaders often do a great job of evaluating technology as observed in the criteria above. What is increasingly being sought after by

IT leaders in APAC to complete their evaluation process is the demand for local customer references. Such references must be live implementations that are representative of their specific industry and business scenario. CIOs, ECM leaders or case-study contacts of these references must also be very willing and have granted permission to be called upon to offer tours of their ECM production environment. Ultimately, IT leaders will find customer references who are extremely proud of their deployments in APAC.

5. **Support local standards and regulatory requirements:** Compliance to regulatory requirements is often a huge driver for the adoption of ECM in APAC. These requirements span from having in-country data centers, to supporting governmental standards of data sovereignty (as seen in China). In Australia, it is about the support of a records management standard with the Victorian Electronic Records Strategy (VERS). Such standardization efforts are also driven in part by the need for greater transparency among the governments across the countries covered by the organization Asia-Pacific Economic Cooperation (APEC).
6. **Language support across the multibyte character sets (MBCS):** Many organizations take the support of MBCS (Chinese, Indian, Japanese, Korean and Thai, for example) for granted. Support of MBCS implies having software capable of displaying its innate functionality and accepting the input of the language in the MBCS format. This is an immensely important criteria given that almost all countries in APAC depend on MBCS, while very often this occurs as a Tier 2 or sometimes Tier 3 language pack supported by the ECM platform. Increasingly, the ability to automatically translate the content within the ECM package, or even speech to text (or vice versa) in your preferred language, has become the new norm.

Notable Vendors

Vendors included in this Magic Quadrant Perspective have customers that are successfully using their products and services. Selections are based on analyst opinion and references that validate IT provider claims; however, this is not an exhaustive list or analysis of vendors in this market. Use this perspective as a resource for evaluations, but explore the market further to gauge the ability of each vendor to address your unique business problems and technical concerns. Consider this research as part of your due diligence and in conjunction with discussions with Gartner analysts and other resources.

The vendors listed below showcase prevailing presence in APAC with adoption by local organizations. Apart from these vendors, which are derived from the ECM Magic Quadrant for 2015, APAC organizations often use vendors that fall in the "Magic Quadrant for Enterprise File Synchronization and Sharing" for the "management" of documents. EFSS solutions are not equivalent to ECMs. EFSS solutions may store the documents or enable them to be shared, but they are not typically "managing" them in terms of versioning, retention management, or workflow.

Alfresco

Alfresco has local presence with offices in Sydney, Australia and India. A significant part of the company's APAC business is concentrated in the ANZ region while being supported by local partners in Japan, the Indian subcontinent and Indonesia through its alliance network with local system implementers. While Alfresco's heritage has been with the government, its deployments in APAC are across a mix of industries but typically for document or process management.

EMC

EMC has presence in every APAC country coupled with a strong representation of channel partners and systems implementers. In APAC it is mainly involved in capture and archive. Documentum, the company's ECM offering, is typically used in financial services, healthcare and energy organizations, but also as part of a larger solution deployment offered by their implementation partners.

Hyland

Hyland has local presence in Australia, Japan and Singapore. OnBase, the company's ECM suite, is not often heard of in APAC, but has made its way specifically into the insurance industry (mainly in ANZ and Malaysia) and healthcare (mainly in Australia and Singapore). Hyland's strength here lies in the digitization of paper documents, which still is a requirement for those industries. The accelerated improvement of such processes in combination with the integration of core applications, such as Guidewire and Epic, has yielded a significant business benefit to these organizations.

IBM

IBM is a global vendor with a footprint in every APAC country coupled with a strong representation of channel partners and system implementers. While its FileNet CM solution portfolio is seen as a product for large enterprises, much of IBM's business in APAC is aligned with the small and midsize business segment and is often partner led. Apart from in South East Asia (SEA), IBM has developed the strong reputation necessary to be successful in regions such as China, India and Japan.

Laserfiche International

Laserfiche's APAC headquarters is in Hong Kong, with an office in Shanghai, China. The company's solution portfolio is one that is representative of the requirements of the APAC region. Such requirements particularly include capture and imaging but, more importantly, ease of deployment is placed at the highest priority in APAC. The company's cost-effective licensing options are also beneficial to organizations in this region, especially because of their typically lower budgets.

Microsoft

Microsoft is no stranger to APAC, with local representation across the region, as well as a lineup of certified channel partners and systems implementers. Use of SharePoint for ECM can vary from widely used in ANZ and SEA, to near nonexistent in China, India, Japan and Korea, countries that often favor locally developed solutions. Numerous certified SharePoint implementers based in India offer services for organizations in other regions, particularly in SEA.

Newgen Software

A significant number of Newgen's ECM deployments in APAC stem from India given its strong heritage in its home region, particularly in the government and financial services industry. Much of the company's

work is focused on purpose-built solutions that center mainly on two of its products — OmniDocs and OmniFlow. In mid-2012, Newgen expanded with an office in Singapore to better cater to the APAC region. It has some deployments in SEA and China.

Objective

Objective is headquartered in Australia with APAC offices in New Zealand and Singapore. The major concentration of its clients are in ANZ, and government institutions there have benefited from a solution offering that was born out of a heritage of compliance and accountability. It is also worth noting that the company's foray into secure content exchange is among the first in this APAC listing of ECM vendors, and is a SaaS-based service offering.

OpenText

OpenText is represented in ANZ, China, Hong Kong, India, Japan, Korea and Singapore. OpenText Content Suite Platform appeals to IT leaders in APAC that are under the jurisdiction of the law as it meets many governance, compliance and risk-mitigation requirements. OpenText's exclusive partnership with SAP will be of benefit to organizations requiring a close-knit integration between SAP's work processes and those of an ECM package. The largest concentration of its deployments are in ANZ with others in China and Indonesia.

Oracle

Oracle has a footprint in every APAC country coupled with a representation of mainly global system implementers. Oracle WebCenter Content has a good mix of deployments across APAC with much lesser deployments in the SEA region. Oracle's ECM initiatives are often built on a complete WebCenter product suite, and typically center on the digitization of content, automation of document workflow, and archiving.

Lexmark International

Lexmark (previously Perceptive Software) has local offices in Australia, China and Singapore. Perceptive Software, which was otherwise an unknown in APAC, has been strengthened by the Lexmark brand, which is better recognized in China and Singapore. The company's solutions are often used in the digitization of paper documents, and in the automation or streamlining of processes such as accounts payable, which is of great value to the emerging APAC regions.

Xerox

Xerox is represented in Asia by its joint-venture company Fuji-Xerox. It is headquartered in Japan with operations in ANZ, China, Taiwan, Hong Kong, Korea and SEA. While its ECM product DocuShare (licensed from Xerox) is a core part of many of its innovative solution offerings across APAC, Fuji-Xerox is a system integrator that focuses on document process outsourcing, digital printing, and consultancy services. Fuji-Xerox also offers services for HP (HP Trim), Microsoft (SharePoint) and is the largest partner for EMC (Documentum).

Europe Context

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Analyst(s): Hanns Koehler-Kruener

Europe's market for ECM software may be slow-growing but it has a wide variety of vendors and many region-specific suppliers, which opens up opportunities for IT leaders looking to buy ECM products. We identify this market's distinctive features and profile eight notable vendors.

Market Differentiators

The worldwide market for enterprise content management (ECM) software grew by 6.2% in 2014, to \$5.4 billion, which was less than we predicted. This growth was unevenly distributed across the world's regions. Asia/Pacific, Greater China, the Middle East and Africa, for example, achieved double-digit growth, whereas Western Europe grew more slowly than the worldwide market. Furthermore, we forecast that Western Europe's ECM software market will grow by only about 5% in both 2015 and 2016.

Western Europe remains plagued by economic troubles, which have dented the confidence of enterprises. Most Western European economies have yet to return to the level they were at before the 2009 financial crisis, and they continue to struggle. Parts of southern and southeastern Europe are particularly suffering.

Document and records management are important issues for many European organizations, but at present they are more likely to invest in "point solutions" for individual business problems than wider ECM solutions. Few see any urgency to replace or upgrade their existing ECM software installations in a saturated market and against a troubled economic backdrop. Some European markets also have less appetite than others for additional automation because of the potential for job losses.

On the other hand, the increased number of EU-located data centers from global vendors, along with regional and national European vendors' work with local ISPs to offer local data centers, has slowly led to an increase in cloud ECM deployments, especially for midsize organizations with limited IT resources.

This report focuses on Europe's ECM software market because it shows enough differences from other regions' markets to merit special consideration. The key differences are as follows:

Language: Europe has many different languages, not all of which are supported by the large global vendors. This gives regional or national European vendors the opportunity to concentrate on meeting the demands of local European markets. Prospective customers should ensure all their language needs are met, not just in the software's interface and documentation, but especially also when it comes to support.

Regulations: Niche Players have long focused on meeting Europe's local regulatory demands. Many

European countries have their own versions of global technology standards and usually more stringent requirements for adherence and certification. Germany, Austria and Switzerland, for example, each have their own standard for local-government case management, so vendors wanting to sell to local government in all three markets need to understand these thoroughly. Clients should ensure that vendors understand the specific regulations that apply to their country and sector, and that reference clients are available. Just because a vendor is European does not automatically mean it has the necessary expertise. There are many working groups in areas like security and the cloud that are striving to create a more unified European market. Global digitization will strengthen the trend for more international standards over the next few years.

Market saturation: Most organizations will have one or more ECM systems already in place. They need a vendor that understands how to integrate these systems or how to migrate them to new software. Local European vendors are likely to know how to do this, having done it before, but global players may be skilled only in migrating customers from the software of their largest competitors.

Industry and area focus: ECM software vendors that focus on the European market often specialize in one or more industries or a particular political or linguistic area. For example, some focus on the healthcare sector in a single country, while others concentrate on the multicountry German-speaking area (Germany, Austria, parts of Switzerland and the Alsace region of France).

Considerations for Technology and Service Selection

When selecting a vendor for ECM software in Europe, IT leaders must consider several factors.

The vendor's product focus: Although the global vendors in "Magic Quadrant for Enterprise Content Management" cover all aspects of ECM, local European vendors may cover only parts of it, often in response to clients' specific use cases. They may leave out aspects like analytics, enterprise search, Web content management and social components, and instead focus on highly specialized solutions to meet local regulatory requirements.

The vendor's local support resources: If the ECM project needs to meet international standards or has the potential to be rolled out right across Europe or other world regions, a local German, French or Italian vendor might not have the necessary local support resources outside its main market(s). Equally, though, international vendors may also lack local support, or may work through partners with limited expertise. A distinguishing feature of the European market is that many customers still prefer to receive local, face-to-face support.

The vendor's financial viability and track record: Over the past few years, large vendors have acquired strong regional contenders to increase their presence in a market or sector. This could lead to the discontinuation of certain codebases or product lines. If it does, clients could be left facing an end-of-life situation for their product and a need for a costly migration. IT leaders therefore need to examine vendors' financial viability, growth, track record of winning new business, and visibility in the relevant market or industry.

Local vendors' advantages over larger, more generic global vendors: In particular markets local vendors may well:

- Have very good knowledge of local conditions and regulations, which can result in superior support.
- Speak their clients' language as they are often nearby, which means they can involve their development teams in more complex customizations or other requirements.
- Have cloud data centers within a single European country's borders, which makes it easier for them to comply with local legislation.

Notable Vendors

Vendors included in this Magic Quadrant Perspective have customers that are successfully using their products and services. Selections are based on analyst opinion and references that validate IT provider claims; however, this is not an exhaustive list or analysis of vendors in this market. Use this perspective as a resource for evaluations, but explore the market further to gauge the ability of each vendor to address your unique business problems and technical concerns. Consider this research as part of your due diligence and in conjunction with discussions with Gartner analysts and other resources.

Alfresco

[Alfresco](#) is a U.K.- and U.S.-based vendor of open-source ECM products. It sells worldwide, but has a particularly strong presence in France, Germany, Italy, Spain and the U.K. Alfresco concentrates on the financial services, national government and healthcare sectors, in which it competes both directly and via partners. Its strength lies in its adherence to open standards and in its many different connectors. Its Alfresco One offering comes in both on-premises and cloud versions, which can be synchronized. Alfresco has a wide network of European partners that build solutions on Alfresco One. Alfresco has been building up its portfolio not just through partnerships, but also through its own development efforts and acquisitions.

d.velop

[d.velop](#), which is headquartered in Germany, has a flexible and technologically advanced suite of products, which make a strong showing in a variety of use cases. Its main ECM product is d.3ecm, a fully-featured ECM suite. Its other products are ecspan and foxdox: ecspan is a case management add-on, deployed on top of Microsoft SharePoint, that is popular with enterprises that need such functionality; foxdox is a cloud-based file synchronization and sharing solution. This vendor's data centers, support and development are based in Europe. Its offices and direct sales and support resources are widely distributed within Germany, Austria and Switzerland.

DocuWare

[DocuWare](#) is a Germany-based vendor of both on-premises and cloud-based ECM software. It has a highly modular architecture that covers the whole content life cycle across the different deployment models. DocuWare has traditionally had very strong relationships with multifunctional-device manufacturers, on which basis it has connectors to most of the main brands in this market. DocuWare caters mainly to the

ECM market's smaller customers, but it is slowly attracting larger organizations as well.

Easy Software

Easy Software is a Germany-based vendor with a strong presence in Germany, Austria, Switzerland and the U.K. It has a strong background in the field of document archiving. Easy Software offers document management software. It focuses most of its efforts on — and is most effective for — customers with up to 1,000 employees. It has offices around Germany. Its products include Easy Archive and solutions for integration with SAP and Microsoft products, as well as for specific use cases, such as invoice process automation.

Everteam

Everteam, which is based in France, has a strong portfolio across the entire content life cycle. It has particular strengths in French-speaking countries and the Middle East. It covers a wide variety of on-premises use cases. A cloud version of its software can run in any cloud provider that the client chooses. Capture, search and content analytics are particular strengths of Everteam in Europe.

Fabasoft

Fabasoft, which is headquartered in Austria, offers on-premises and cloud-based ECM solutions, as well as a private cloud ECM solution delivered as an appliance. Its strongest focus is on case management for local- and national-government solutions, for which it is in a very strong position in Germany, Austria and Switzerland. It also offers the Mindbreeze enterprise search and content classification product as a boxed, turnkey solution. Fabasoft has particular skills in the fields of e-government and national records management.

M-Files

M-Files is a Finnish vendor that offers its ECM product in on-premises and cloud versions, with strong integration between the two environments — it supports very granular hybrid deployments. M-Files uses a metadata-driven approach to content organization and foldering. Its use of metadata for all aspects of its infrastructure, from security to navigation, gives it a lot of flexibility in terms of deployment. Traditionally strong in Nordic countries and the U.S., M-Files is now also present in Germany, the U.K. and the Benelux countries.

Siav

Siav is an Italian vendor focused on delivering ECM solutions to Italian government organizations and multinational organizations headquartered in Italy. It has a relatively small number of clients outside its core market, but continues to show up on shortlists for regional use cases. Siav also has good coverage of, and expertise in, other southern European countries. It particularly focuses on digital mailroom, case management and capture solutions. It also offers a solution for file synchronization and sharing called BlueDrive.

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