# Magic Quadrant for Customer Communications Management Software

Published: 26 January 2017 ID: G00298788 Analyst(s): Karen M. Shegda, Pete Basiliere

## Summary

Customer communications management tools are evolving from supporting static, printed output and one-way broadcasting to creating dynamic, on-demand communications via multiple channels. Application leaders should use this report to help them assess the best CCM solution for their organization.

## Market Definition/Description

Customer communications management (CCM) software enables the creation, delivery, storage and retrieval, and analysis of outbound and interactive communications. These applications focus on composing, personalizing, formatting and distributing communications between an enterprise and its customers, prospective customers and business partners. CCM software enables output in a wide range of digital and analog media, including mobile devices, email, SMS, web pages and print.

The CCM market's origins lie in the convergence of document generation/composition and output management technologies. Traditionally, organizations used these applications to broadcast static, mainly print output to customers. Today's CCM market embraces a more dynamic, interactive model: CCM applications create personalized, on-demand communications via multiple channels, often based on the recipient's preferences rather than the sender's.

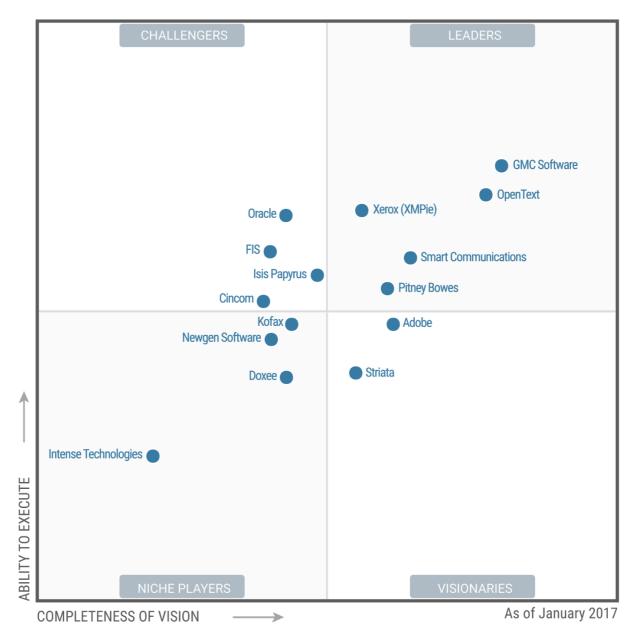
CCM solutions have four core elements: design tool, composition engine, workflow/rule engine and multichannel output management. New technologies and innovations, however, now complement these foundational elements especially for digital business initiatives:

- Social and mobility features that engage customers
- Contextualization capabilities to personalize communication for specific customers
- Analytics and search capabilities to better understand customer behavior and improve the customer experience
- Dynamic composition based on historical and real-time, contextual data
- Integration with adjacent technologies such as web content management, marketing campaign management and customer relationship management tools

Use this Magic Quadrant to assess the 15 featured CCM providers for potential use within your organization (an interactive version of this Magic Quadrant can be found online at gartner.com).

## Magic Quadrant

Figure 1. Magic Quadrant for Customer Communications Management Software



Source: Gartner (January 2017)

## **Vendor Strengths and Cautions**

## Adobe

Based in San Jose, California, U.S., Adobe is one of the Visionaries in this Magic Quadrant. It markets Adobe Experience Manager (AEM) Forms to support CCM use cases. It can be sold stand-alone and is part of Adobe Experience Manager (under the Marketing Cloud umbrella). AEM Forms supports any type of digital communications, but is targeted at those involving forms and digital signatures. Adobe offers AEM Forms as a hosted solution or a private, managed services cloud deployment, but not as a public cloud solution.

## **STRENGTHS**

- AEM Forms has received good feedback from some reference customers with regard to its design tools, workflow and overall product functionality. Adobe itself is rated well for technical expertise.
- Adobe's vision with AEM Forms aligns with the direction in which the CCM market is heading, especially with regard to adaptive forms and documents plus on-demand and interactive communications.
- With its mobile and HTML5 capabilities, and the optional integration with Adobe's e-signature offering, AEM Forms is quite strong when it comes to supporting mobile communications applications.

## **CAUTIONS**

- AEM Forms can be integrated with Adobe's own Marketing Cloud components and Document Cloud offerings, but beyond that it currently has limited application integration capabilities. Customers and partners must build the integration to lineof-business applications using Web Services APIs, JDBC, or custom components.
- While Adobe's AEM Forms supports on-demand and dynamic communications, it is not as focused on handling batch communications as are some of its primary competitors.

Organizations deploy AEM Forms for many different use cases and Adobe's overall market penetration for the CCM use
case is limited, especially outside of government, financial services and other regulated industries such as healthcare.

#### Cincom

Cincom's improvements to its offering and its Ability to Execute have moved it into the Challengers quadrant for the first time this year. Privately-held Cincom is based in Cincinnati, Ohio, U.S. and markets its Eloquence suite for CCM both on-premises and as a private cloud offering. It mainly targets the financial services, government, healthcare and insurance markets. Cincom has focused on Tier 2 companies (midsize insurers with portfolios of 1 million to 10 million policies), but its growth strategy aims at larger enterprises, both public and private. It has more than 30 offices in 18 countries.

## **STRENGTHS**

- Cincom has a strong customer service focus, specializing in the requirements of a few select vertical segments. Customers
  with whom Gartner has interacted express a high degree of overall satisfaction with Cincom.
- Some customers with whom we have interacted rated Cincom Eloquence highly for its ability to support on-demand communications, its architectural scalability and its ability to handle interactive communications.
- Cincom has a highly experienced professional services organization, with personnel averaging 15 years of CCM software implementation experience — offering customers a depth of programming and software integration expertise.

#### **CAUTIONS**

- While Cincom continues to execute well, it is a market follower compared with its more visionary competitors; this suits the bulk of its customer base, who want solid, practical CCM software.
- Low brand awareness is reflected in the marketing, sales and product strategy ratings given by Cincom's reference customers. While Cincom should be evaluated by small and midsize organizations (and departments within large enterprises) embracing CCM for the first time, the offering may not meet the goals of organizations that want leading-edge capabilities.
- Some customers rate Cincom poorly for its inflexible pricing models and limited partnerships.

### Doxee

A Niche Player in this Magic Quadrant, Doxee is based in Modena, Italy. The company has a direct sales organization in Italy and the Czech Republic, while selling through third parties elsewhere. Doxee's CCM and CX (customer experience) offering is the cloud-based Enterprise Communication Platform 2. Doxee is primarily an application platform as a service (aPaaS) provider. The market for Doxee's cloud-based CCM/CX platform includes business process outsourcers (both digital and print service bureaus) and financial services, media, telecommunications and utilities organizations. Doxee signed up 15 partners during the first half of 2016.

## **STRENGTHS**

- Doxee's platform is based on a native cloud platform hosted at multiple data centers and providing a highly scalable and flexible implementation.
- Doxee's application development interfaces are web-based GUI environments that do not require programming expertise.
- Doxee's CCM and CX services include personalized video with a text-to-speech module and Amazon Web Services (AWS) tools for automated provisioning and quicker implementation.

#### CALITIONS

- Doxee's current customer base is primarily in Italy and the Czech Republic. While it continues to ramp up its indirect sales channel and develop partnerships with managed IT services partners outside of these markets, organizations outside the region must evaluate the local tech support and services.
- Doxee has limited name recognition, due to weak marketing and sales execution, so prospective customers may be unaware of the company and its products. Increasing the number of business partners worldwide could jump-start its growth and provide additional regional references for organizations considering Doxee's offerings.
- Some customers with whom we have interacted have indicated that the Doxee Enterprise Communication Platform 2's interactive communications and workflow capabilities need strengthening, compared with other features of the Doxee offering.

## FIS

FIS, with headquarters in Jacksonville, Florida, U.S., is a Challenger in this Magic Quadrant that ranks among the top CCM providers in both number of clients and revenue. Its CSF Designer is a multichannel suite of CCM tools. Its primary market is financial services, but it also targets home services, insurance, health insurance and the gaming markets through a vertically focused sales force. Most customers are in North American and EMEA. FIS leverages selected partnerships, with Appway for complex business process flows, with Cognizant (a business/technology services provider) to enable Cognizant's custombuilt applications to call CSF Designer, and with Striata to manage customer preferences and direct users to FIS's payment

engine for automated clearinghouse (ACH)/card payments.

#### **STRENGTHS**

- FIS's core offering appeals to risk-averse industries, from banking to wealth/retirement and insurance, while also extending CSF Designer to integrate with core business functions such as business analytics.
- CSF Designer effectively leverages integration with FIS's Pinpoint Marketing data analytics suite, to drive message selection, and with FIS's core analytics and electronic bill presentment and payment applications.
- CSF Designer works with both the FIS rich client application and its web-based product, which share a common database
  for configuration and management. Workflow approvers have full composition and preview capabilities, enabling proper
  review in the context of the production document.

#### **CAUTIONS**

- Some of FIS's customers highlighted two weaknesses license/subscription costs being high and pricing models and options limited — which should be addressed during the RFP process.
- FIS continues to add a small number of clients each year and is predominantly focused on the U.S. market, although it has taken steps to increase its international sales. Prospective customers outside of North America will want to assess its ability to implement systems and provide ongoing support.
- FIS is in the process of assimilating its \$5.1 billion SunGard acquisition, its largest to date. Prospects must make sure that an appropriate management and support focus on CSF Designer is sustained during the integration.

#### **GMC Software**

GMC Software continues to be among the most highly regarded of CCM providers by our clients and by the reference clients for this Magic Quadrant; one reason it is once again a Leader in the Magic Quadrant. Based in Zurich, Switzerland, GMC is a wholly owned subsidiary of Neopost. It markets GMC Inspire to midsize and large enterprises in several verticals, including financial services, health insurance and insurance. It also targets smaller local insurers, credit unions and banks. GMC Cloud Services is a Microsoft Azure-based public cloud offering for CCM; Inspire Scaler allows for cloud-based scaling in clients' private cloud AWS environments.

#### **STRENGTHS**

- GMC is moving beyond traditional CCM to context-enriched communication via a platform that includes business analytics.
- GMC is investing heavily in customer journey mapping tools that connect Inspire's CCM capabilities with a customer experience platform (including business intelligence tools) to facilitate multichannel, context-rich communications.
- GMC's Inspire is adept at supporting interactive and on-demand communications. Inspire's capacity to handle large volumes of data and batch mode processing was singled out by its customer references.

#### CAUTIONS

- Some of GMC's customers have reported that its license or subscription costs are high and that its pricing models and options make it appear that components which should be included are actually available at an extra cost.
- GMC's tools and services to help with implementing and operating its Inspire-based solutions have historically been a weakness. Customers say that GMC has made progress here, but improvements can still be made.
- GMC's cloud strategy is evolving, so pay especially close attention to how current capabilities and product plans map to your requirements.

## Intense Technologies

A Niche Player that is new to the Magic Quadrant, Intense Technologies of Telangana, India provides UniServe 360, which is available as a private cloud or SaaS offering that focuses on the transformation of customer-centric processes including CCM. Its core customer base is in the telecom, insurance and banking verticals, as well as in government. The majority of its revenue comes from EMEA and Asia/Pacific, leaving it with limited presence in North America and Latin America.

#### **STRENGTHS**

- Intense Technologies has 10 years of experience in offering CCM software and professional services to customers in government and the banking, insurance and telecom industries.
- UniServe 360 is currently a private and multitenant cloud offering, with a planned launch for use by departments and lines
  of business within large organizations, as well as by small or midsize businesses.
- Some customers report that UniServe 360 has good application integration capabilities. It provides packaged integration with SAP and the Oracle E-Business Suite. It also provides prebuilt adapters for legacy billing systems.

#### **CAUTIONS**

The UniServe 360 product is currently not as mature as many of its competitors in supporting interactive communications.

- Some of the UniServe 360 customers with whom Gartner has interacted indicate that Intense Technologies needs to improve in areas such as pricing models and options, presales solutioning, and communicating the product roadmap for UniServe 360.
- Outside of its home region, Intense Technologies has limited name recognition due to weak marketing and sales execution, which means that prospective customers may be unaware of the company and its products.

#### Isis Papyrus

Isis Papyrus, a privately held company based in Maria Enzersdorf, Austria, and Southlake, Texas, U.S., returns to the Magic Quadrant as a Challenger in 2016. The Papyrus Platform consists of a broad set of components of which CCM is just one element. It also includes content management, business process management (BPM) and some CRM capabilities. Isis Papyrus has a proven track record of large-scale customer deployments globally, with the bulk of its revenue coming from EMEA, Asia/Pacific and the U.S. Its CCM tools focus on the business user and end-user recipients, with wizards plus web, mobile and video communications.

#### **STRENGTHS**

- Isis Papyrus has a scalable architecture and is able to handle high volumes for batch CCM applications. It has strong output management capabilities, including end-to-end automation of print shop and mail shop production processes.
- Isis Papyrus provides an integrated platform to handle both inbound and outbound customer communications. This has garnered positive feedback from some reference customers, especially in government.
- Isis Papyrus has a strong set of process management capabilities, and many of its customers will extend their case management application with CCM.

#### **CAUTIONS**

- Isis Papyrus' Ability to Execute has varied this year; some customers report no major issues, and others have had concerns with implementation and ongoing use.
- While the Isis Papyrus CCM solution is cloud-enabled, Isis Papyrus itself does not offer a cloud deployment option.
- Some customers whom Gartner has surveyed rated Isis Papyrus' "ability to handle interactive communication" and "application integration to ERP, CRM, etc." as below average.

#### Kofax

Fomerly Lexmark Enterprise Software, Kofax markets a solid CCM product together with a range of content management technologies and solutions. The product, Kofax Customer Communications Manager, is based on the former ITP product from Aia Software plus some document composition and print management assets from the acquisition of Pallas Athena. Kofax is a Niche Player in this Magic Quadrant, with most of its CCM revenue coming from the U.S. and EMEA.

#### **STRENGTHS**

- Kofax has a strong focus on the business user, with its web-based designer and an HTML5-based composer, plus
  Document Pack Templates that combine all the documents and communications needed for a specific customer
  interaction
- Workflow, support for emerging technologies and the ability to support on-demand communications are rated highly by some of Kofax's reference customers. Workflow capabilities are bolstered via integration with Kofax TotalAgility and Perceptive Content and Perceptive Workflow.
- Kofax Customer Communications Manager has good integration with Microsoft Dynamics CRM and SharePoint, and the company has a healthy independent software vendor (ISV), OEM and reseller partner community to help bring its CCM tool to market.

## CAUTIONS

- Some customers report that Lexmark's postsales and implementation support is lacking.
- The Kofax Customer Communications Manager lacks packaged integrations with line-of-business applications, relying
  instead on partner- or customer-built integrations with tools such as Guidewire and SAP using the web services APIs.
- The Kofax Customer Communications Management offering is not well-known, so prospects don't often have it on their shortlists even when it may be a good choice.

## Newgen Software

Newgen Software, a Niche Player in this Magic Quadrant, markets CCM software as an extension to its enterprise content management and BPM suite. Based in New Delhi, India, its U.S. operations are based in McClean, Virginia. Newgen's OmniOMS CCM Suite addresses all communications use cases — batch, interactive and on-demand — primarily for banking, insurance and government clients. It can be deployed on-premises or as a cloud solution.

#### **STRENGTHS**

- Given that it is also a BPM provider, Newgen brings to its CCM application strong workflow capabilities that are rated highly by some reference customers.
- Prospective customers will find Newgen's vertical industry support compelling. It has established integrations with core banking systems such as Finacle, Temenos, Equation and Flexcube. In addition, Newgen has added solution accelerators for wealth management and loan offer generation.
- Newgen has invested in bringing mobile capture and output, as well as social media integration social capabilities, to OmniOMS.

#### **CAUTIONS**

- Some customers indicate that Newgen's support for emerging technologies as core capabilities in its CCM offering is below average.
- Despite its good overall capabilities and industry focus, Newgen lacks strong marketing around CCM relying on selling CCM as an add-on to its core ECM and BPM platform. This means it does not appear on prospect shortlists even where it might be a good fit, since prospective customers may not be aware of it.
- Newgen's pricing is based on the output generated, so prospects must carefully evaluate the cost for periods of peak throughput.

# OpenText

OpenText, based in Waterloo, Ontario, Canada, is a Leader in this Magic Quadrant. In 2015, it forged its Communications Center (CC) platform from several acquisitions (including StreamServe and Actuate PowerDocs) and continues that expansion with the former HP Exstream products. These products remain discrete CCM offerings for now, but are scheduled to be integrated with the OpenText 16.2 release in April 2017, and will lead with the Exstream brand name. CC emphasizes a multimedia customer experience that is shaped by a strong reliance on analytics. Exstream focuses on multichannel communications and supports interactive, high-volume, structured CCM applications well. Just over half of OpenText's CCM revenue comes from the North American market; its combined strongholds include financial services, insurance, utilities, telecommunications, and distribution/transportation. In January 2017, OpenText closed its acquisition of Dell EMC's Enterprise Content Division, which includes Document Sciences xPression, a solid CCM product. Document Sciences xPression supports a range of customer communications use cases and has a robust rule engine to dynamically create customized communications.

### **STRENGTHS**

- OpenText continues to offer multiple CCM products, one of which may meet your needs regardless of the size of your organization or business unit.
- OpenText's CCM offerings integrate tightly with an array of business applications, such as business analytics, ERP and CRM, from a variety of software providers including Infor, Salesforce and SAP, and vertically oriented applications such those from Guidewire and Duck Creek Technologies.
- OpenText offers a flexible menu of implementation options, supplementing the on-premises solution with hosted, cloud or hybrid solutions.

#### **CAUTIONS**

- OpenText now has four CCM products. Existing customers and prospective buyers should obtain a clear vision of OpenText's CCM product development roadmap and timeline and its commitment to further integration development and ongoing maintenance.
- Some reference customers indicated that they felt the interactive communication capability of OpenText's CCM offerings (largely StreamServe) was weak. Customers with interactive needs should look at PowerDocs or the advances in Exstream Empower Editor, if they have not already purchased those.
- Some customers have found OpenText's license/subscription costs for its CCM offerings to be high, and pricing models and options unfavorable.

## Oracle

Oracle, based in Redwood City, California, U.S., is a solid market Challenger in this Magic Quadrant, offering the Documaker Enterprise Edition CCM through its Industry Solutions and vertical market packages. With more than 20 years of development behind it, Documaker is a mature product that Oracle bundles as part of its vertical industry solution for the banking, financial services, public sector, telecommunications and utilities markets. As a company, Oracle is embracing a cloud-first strategy. Documaker is available as a managed service today and Oracle plans to make CCM a core part of its future SaaS offerings.

#### **STRENGTHS**

 Oracle Documaker is a mature product with a strong installed base, especially among customers of Oracle's other offerings.

- Some customers rate Documaker among the strongest CCM software for the architectural scalability of the solution and its ability to handle large volumes and batch output. It also received high scores for value for money and strong presales support from Oracle's global base of sales and support personnel.
- Oracle Documaker Mobile, an add-on component, leverages HTML5 and responsive design to deliver dynamic communications in mobile environments.

#### **CAUTIONS**

- Oracle has done minimal development work on Documaker beyond enhancements to existing offerings.
- Some customers rank Oracle Documaker's workflow capabilities as below average.
- While Oracle has integration with line-of-business and industry-specific applications such as Guidewire, Duck Creek Technologies and Microsoft Dynamics, it has limited integration with CRM tools such as those from Salesforce or its own marketing and analytics tools (WebCenter Sites or Eloqua, for example).

## Pitney Bowes

A Leader in this Magic Quadrant, Pitney Bowes is based in Stamford, Connecticut, U.S., and markets the EngageOne Communication Suite. Pitney Bowes incorporates strong visionary elements with unique personalized video and location-based analytics. EngageOne had a major overhaul in 2015 that was focused on video capabilities and personalized interactive media. Target markets include financial services, insurance and the public sector. North America and EMEA customers make up the majority of Pitney Bowes' CCM sales, with Latin America and Asia/Pacific splitting the difference. Pitney Bowes has new leadership in its services organization and is focused on providing more optimized services blended with offshore capabilities.

#### **STRENGTHS**

- EngageOne gives customers access to solutions, analytics and APIs across the full commerce continuum. This integration helps organizations tie together CCM and commerce in areas such as shipping and payments.
- EngageOne has strong multichannel communication management capabilities; EngageOne Video enables leading-edge interactive and personalized video communications.
- Strong analytics built into the EngageOne platform let organizations explore relationships and relevancy through meaningful visualizations. Of the vendors rated in this Magic Quadrant, Pitney Bowes is the only CCM provider with location analysis that is based on proprietary and third-party datasets.

## **CAUTIONS**

- The architectural scalability of the EngageOne solution and integration with applications such as ERP and CRM are rated low by some Pitney Bowes reference customers.
- Some Pitney Bowes customer references gave it low ratings in two areas: "provider provided good value for money spent" and "provider met all promises and expectations from the presale phase to the final implemented solution, with no added charges or substantial changes in solution."
- Some Pitney Bowes reference customers, and customers with whom Gartner has interacted, indicate that its price point and pricing model remain costly when compared with similar CCM solutions.

### **Smart Communications**

Smart Communications, formerly the CCM division of Thunderhead, is a Leader in this Magic Quadrant by virtue of its Now product's track record in insurance and financial services and its vision for driving CCM into the cloud. Based in Elstree, U.K., Smart Communications became a separate entity (backed by the private equity firm, Accel-KKR) in September 2016. In addition to Now, it markets Smart Communications, a multitenant SaaS offering; SmartDX for Capital Markets; and Smart Correspond for Salesforce.

### STRENGTHS

- With its Smart Communications as a service offering, the vendor has expanded its reseller arrangement with Guidewire and added partners such as EY (Insurance Nexus), ISCS and Salesforce.
- Smart Communications can support global customers with its CCM offerings, and is often on the shortlist in a variety of regions, including Asia/Pacific, EMEA and North America.
- Smart Communications has been known for its strong authoring and design capabilities, browser-based interfaces and unique XML-based templating capabilities which support multichannel communications with a single template.

#### CAUTIONS

Smart Communications has embraced a cloud-first model; it will continue to support its on-premises Now product, but will no longer enhance it. Current Now customers will have to upgrade to Smart Communications to get new capabilities and enhancements. This upgrade will require customers to move to a cloud or hybrid cloud deployment (the Smart Communications Appliance).

- Smart Communications is now a stand-alone entity, backed by Accel-KKR. Prospective customers should apply due diligence to the company, requesting product roadmaps and financial assurances, and should assess the strength and stability of its partner channel.
- Some customers have expressed frustration with the platform support and ease of use delivered in the Smart Communications CCM products.

#### Striata

Striata has evolved from the secure document delivery space into a full CCM provider. It has moved from the Niche Players to the Visionaries quadrant in this year's Magic Quadrant, as a result of its focus on digital delivery channels and on businesses going through digital transformation. The Striata Application Platform can be deployed on-premises or as a SaaS offering; SMS/text message delivery, Bill Payment and Secure Document Repository are separate add-on services. Based in New York, New York, U.S., Striata is privately held.

#### **STRENGTHS**

- With the Striata Application Platform, Striata targets dynamic, interactive communications that require secure and authenticated delivery. Some reference customers indicated that its ability to support interactive communications was above average.
- Striata has a growing partner channel of print service providers, payment processors and document management companies that help bring its products to the market and which customers have found valuable.
- While the Striata Application Platform can be used to author and compose outbound communications, it also enables users to support any authoring or design tool, including Adobe InDesign, QuarkXPress and Microsoft Word. It accepts and processes a variety of data formats (including CSV, XML, AFP and PDF).

#### CAUTIONS

- Because its focus is on electronic delivery, Striata only supports PDF as a print output format. Organizations that require printed communications from AFP or PostScript will need to consider Striata in combination with another CCM provider.
- Some customers have indicated that Striata's design tools are among its weakest capabilities, though it does allow the use of external authoring tools.
- Striata has limited recognition in the CCM market, outside of secure digital communications, which means that prospective customers may be unaware of the company and its communications products.

## Xerox (XMPie)

Moving into the Leaders quadrant for the first time this year, XMPie has demonstrated a strong Ability to Execute on marketing communications that has boosted the "visionary" element of its offering. A subsidiary of Xerox, XMPie is based in New York, New York, U.S., and markets a suite of CCM products to support multichannel, two-way customer communications. While many CCM providers focus on transaction documents, XMPie's marketing communication tools enable a wide range of printed and digital materials.

## **STRENGTHS**

- A key part of the new Xerox, XMPie is particularly well-suited to marketing collateral of all types and to integrating this content with modern outbound CCM campaigns.
- XMPie's CCM capabilities are tightly coupled with its web portal, web-to-print workflow offerings, personalized media, and campaign and analytics management tools, giving customers the tools to communicate in rapidly evolving web and mobile media.
- XMPie was among the highest-rated CCM providers, according to its customer references, for "provider provided good value for money spent" and "provider met all promises and expectations from the presale phase in the final implemented solution with no added charges or substantial changes in solution."

## **CAUTIONS**

- Xerox spent much of 2016 splitting off its business process outsourcing business. While XMPie is tightly woven into Xerox's remaining printer hardware and other software offerings, prospective customers should check references before investing in order to ensure that any contracts have a performance guarantee.
- Compared with other CCM software providers, XMPie has relatively weak support for environments that mainly publish transactional documents in high volumes.
- Some customers have rated XMPie's training and ease of use in the middle range for all CCM providers, a caution to consider during implementation planning and costing.

## **Vendors Added and Dropped**

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix

of vendors in any Magic Quadrant may change over time. A vendor's appearance in a Magic Quadrant 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

- Intense Technologies, a provider from India that now meets our inclusion criteria.
- Isis Papyrus returns to the Magic Quadrant this year as it once again meets all of our inclusion criteria.
- Smart Communications, a venture-backed spinoff of the former CCM division of Thunderhead, meets all our inclusion criteria (Thunderhead was in the previous version of this Magic Quadrant).

## Dropped

- Assentis did not meet our inclusion criterion for revenue this year.
- HP Inc. was dropped because the assets of HP Exstream were acquired by OpenText in August 2016 and HP Exstream is no longer a separate legal entity.
- Dell EMC was dropped because the assets of its Enterprise Content Division (ECD), which included Document Sciences xPression, were acquired by OpenText. As of 23 January 2017, the ECD division is no longer a separate legal entity.

### Inclusion and Exclusion Criteria

To qualify for inclusion, vendors must meet the following criteria:

- The vendor must currently have its own, proprietary (not relicensed) CCM software commercially available for on-premises or cloud deployment, and actively marketed and promoted as such.
- Functionality. The vendor must have software or a SaaS offering that includes all of these components: the authoring/design tool, composition engine, workflow/rule engine and capabilities for multichannel output.
- Geographic presence. The vendor must actively market its software in at least two major regions for example, North America and EMEA, or Asia/Pacific and Latin America. This means the vendor must have existing clients in both regions and either a direct sales presence in those regions or partners that are actively distributing and implementing its solution.
- Revenue. The vendor must have \$10 million in total software revenue derived from CCM, or \$10 million in annual subscription revenue for SaaS providers. Total CCM software revenue includes the revenue that is generated by sales of CCM software and/or SaaS and software maintenance and support services.

### Other Vendors to Consider

The providers rated in this Magic Quadrant are the ones likely to be considered by CCM buyers. In some cases, however, a provider that did not meet our thresholds for revenue (CCM revenue of \$10 million) or geography (marketing in two geographies) may be well-suited to your specific requirements. Because CCM is a popular content application in Europe, there are many regional providers. In addition, some providers may address only a specific component, such as document composition. Such providers would not meet our functional criteria for inclusion, but may be a good choice for some customers. The following list provides a sample only (it is not comprehensive) of other providers to consider when compiling a CCM shortlist:

- Assentis Technologies
- Aurionpro
- Business Document
- Elixir Technologies
- Inventive Designers
- Metaforce
- Prinova
- Sefas
- Topdown Systems
- Xpertdoc

## **Evaluation Criteria**

# **Ability to Execute**

For Ability to Execute, Gartner analysts evaluate how well a provider sells and supports its CCM products and services on a

global basis. In addition to rating product capabilities, we evaluate each provider's viability, especially with regard to revenue growth and profitability, direct sales operation and/or partner channel, installed base, pricing, customer support and satisfaction, and product migrations from one major release to another.

Table 1. Ability to Execute Evaluation Criteria

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

Source: Gartner (January 2017)

### **Completeness of Vision**

Completeness of Vision focuses on potential. A provider might succeed financially in the short term without a clearly defined vision or strategic plan, but it will not become a Leader. A provider with average vision anticipates change by accurately perceiving CCM market trends and exploiting technology. A provider with superior vision anticipates, directs and initiates market trends — particularly if it integrates its vision for a broad range of areas — and capitalizes on product and service development. Part of our assessment involves looking at how well each provider understands enterprises' changing requirements for CCM, including the movement toward more interactive and on-demand capabilities as well as multichannel versus print output. We also assess how well the provider is anticipating or planning to address market trends such as cloud delivery options and the increased use of analytics, social and mobile technologies.

Table 2. Completeness of Vision Evaluation Criteria

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

Source: Gartner (January 2017)

**Quadrant Descriptions** 

Leaders

In terms of Ability to Execute and Completeness of Vision, Leaders are doing well and are prepared for the future with a clear vision. They have strong channel partners and a presence in multiple regions; they achieve consistent financial performance; and they offer broad platform support and good customer support. In addition, they dominate in one or more technologies or vertical markets. Leaders are aware of the ecosystem in which their offerings need to fit.

## Challengers

Challengers are solid providers today and can perform well for many enterprises. The important question is whether they have the vision to succeed in tomorrow's CCM software market. A Challenger may have a strong CCM product, but a product strategy that does not fully reflect current market trends — such as the increasing importance of the user's context, multichannel output and interoperability with adjacent technologies (such as CRM, ECM and web content management).

#### Visionaries

Visionaries are forward-thinking and technically focused. For example, their CCM products may have unique capabilities or they may set the market's direction through their innovation and product development. To become Leaders, they must work on some of the core aspects of their offerings and increase their Ability to Execute. They may also need to build financial strength, gain functional breadth, improve service and support, and expand their geographical coverage and sales and distribution channels. Their evolution may hinge on the acceptance of a new technology or on the development of partnerships that complement their strengths.

## Niche Players

Niche Players focus on a particular geography or segment of the CCM software market, as defined by characteristics such as size, industry and project complexity. Niche Players typically have a comprehensive CCM offering, but a relatively limited customer base. This focus can enable them to outperform or be more innovative than other players, but there is no guarantee that this will be the case. A Niche Player may be a perfect fit for your requirements, but if it goes against the direction of the market (even if you like what it offers) it may be a risky choice because its long-term viability will be under threat.

### Context

Continuous, personalized customer engagement is a central, even urgent, priority for digital business. Indeed, the customer remains one of the highest strategic priorities for CEOs (see "2016 CEO Survey: The Year of Digital Tenacity").

Modern CCM solutions are vital to enable digital businesses to continuously engage with their customers, yet many organizations find their existing CCM software is not flexible enough to adapt to their changing business needs. This reality is seen in the following top reasons given by organizations in Gartner surveys and inquiries who are considering a new CCM solution:

- Flexibility in adapting to changing business needs
- New functions outside those of the existing CCM tool
- Technical obsolescence of existing CCM application

As a result, application leaders in charge of CCM require solutions that can incorporate insights about customers' behavior, preferences and needs in order to create direct, personal and contextualized engagement through electronic and digital channels.

## **Conclusions:**

- Digital business continues to be the spark driving innovation in the mature CCM market.
- CCM providers are introducing new capabilities, and sometimes new platforms, that reflect the organization's evolving view of the customer and the attendant changes in business requirements.
- New providers in the CCM market are an important source of market innovation.
- A unified customer view requires an interplay between CCM and web content management capabilities.

### **Recommendations:**

- Be aware of the merger and acquisition activity within the CCM market:
  - If you are interested in a recently acquired or merged solution, have in-depth conversations with multiple reference customers in your vertical.
  - If you are using a product that has been acquired, ascertain whether it will still be supported and whether the product roadmap meets your long-term goals, or plan a migration strategy to a new offering.
  - Ensure strong legal language protects your interests (and in the case of SaaS offerings, your code and data).
- Monitor the evolution of CCM into a key component of customer experience platforms.
- If using CCM strictly to publish transaction documents in multiple media, focus on ease of implementation by IT and ease

of document design and creation by line-of-business personnel.

#### **How to Use This Magic Quadrant**

This Magic Quadrant gives guidance on what each of the featured CCM providers does well and what each one can do better. Use this research to help evaluate providers based on your customized set of objective criteria. Carefully match your particular needs with the Magic Quadrant evaluations. Concentrating on just the providers in the Leaders quadrant is a mistake; depending on your needs, a Challenger, Niche Player or Visionary could be the best fit for your organization. This research is intended as one part of the CCM decision-making process.

## **Market Overview**

The CCM market is mature, yet evolving, with some of the innovation around cloud and mobile coming from vendors with a regional or midmarket focus. The CCM providers are moving to address new market demands. Indeed, across all of the CCM software providers' reference customers that we surveyed for this report, two answers stood out as the primary reasons for their investment in a new CCM product:

- "The functionality of our previous CCM software no longer supported the needs of our business," which refers to the ease of use for the business user and the design tools and types of communications handled.
- "We needed new functionality not supported by our previous CCM solution," which refers to the incorporation of emerging technologies (such as analytics, social platform integration, mobile capabilities, integration with web content management or CRM, and more).

CCM providers, both established companies and newer entrants, are adding new capabilities for digital engagement, rich media, context awareness, social and mobility, and cloud delivery. Evaluating these capabilities and the providers' Completeness of Vision and Ability to Execute will enable application leaders in charge of CCM to craft a modern CCM solution that matches their organization's specific requirements and objectives.

# Acronym Key and Glossary Terms

AWS	Amazon Web Services
ВРМ	business process management
ССМ	customer communications management

### **Fvidence**

The analysis in this document is based on information from a number of sources, including:

- Extensive data on functional capabilities, customer base demographics, financial status, pricing and other quantitative attributes gained via an RFI process that engaged vendors in this market.
- Interactive briefings in which vendors provided Gartner with updates on their strategy, market positioning, recent key developments and product roadmaps.
- A web-based survey of the reference customers provided by each vendor. This captured data on usage patterns, levels of satisfaction with major product functionality categories, various non-technology-related vendor attributes (such as pricing, product support and overall service delivery), and more.
- Feedback about tools and vendors captured during conversations with users of Gartner's client inquiry service.

### **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, 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.



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