

Magic Quadrant for Customer Communications Management Software

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Customer communications management software enables organizations to more effectively create, personalize and deliver communications to any output medium. IT leaders should use this research as a starting point when compiling a shortlist and evaluating providers.

Strategic Planning Assumptions

By 2017, 70% of customer communications will be digital, contextualized and consumed on demand via multiple channels, including the Web, mobile devices and social media.

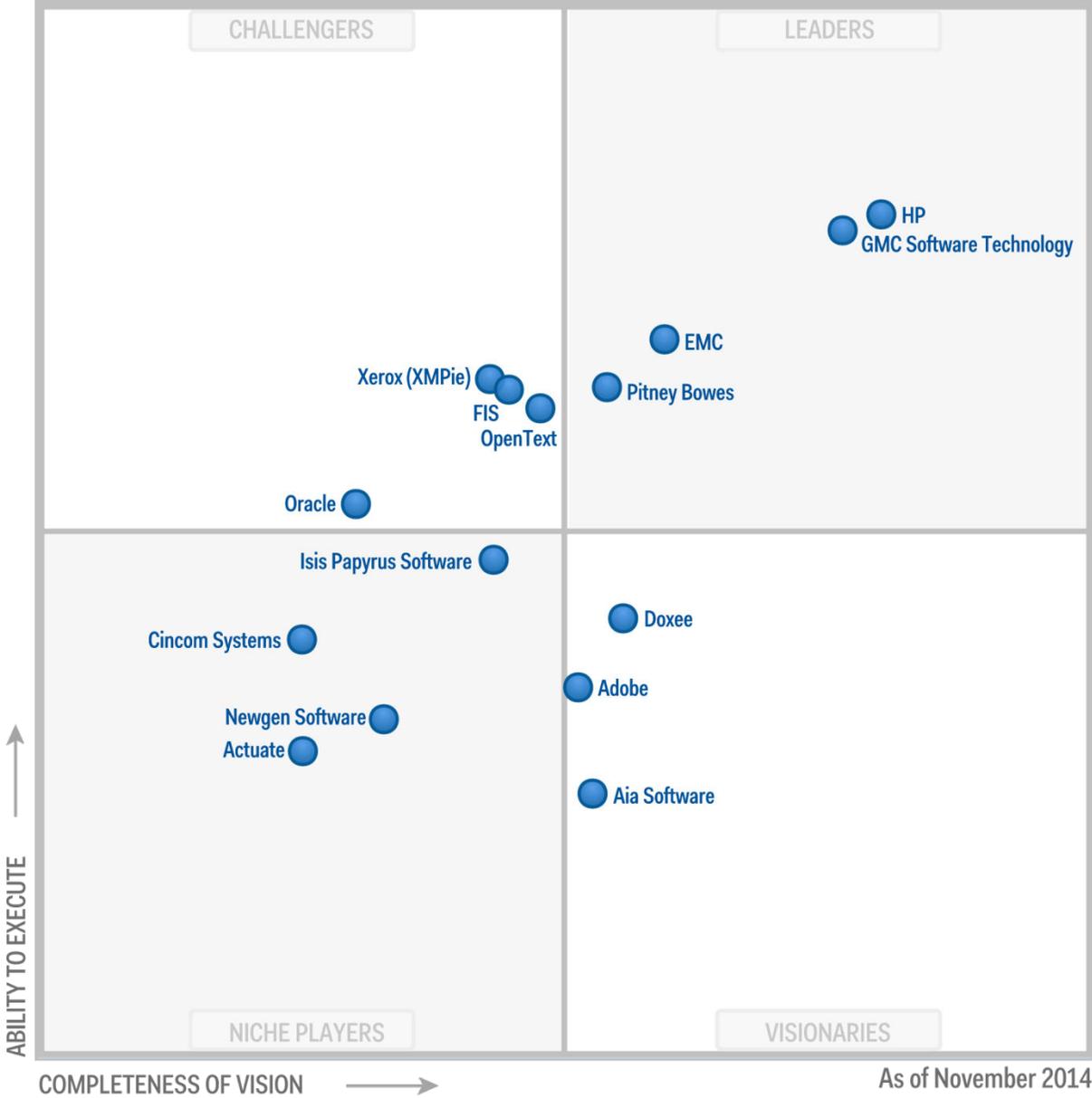
Market Definition/Description

Customer communications management (CCM) is a strategy and a market fulfilled by applications that improve the creation, delivery, storage and retrieval of outbound and interactive communications. CCM supports the production of individualized customer messages, marketing collateral, new product introductions and transaction documents. CCM software is a set of software components for composing, personalizing and formatting content (acquired from various sources) into targeted and relevant electronic and physical communications between an enterprise and its customers, prospective customers and business partners. CCM software enables customer interactions through a wide range of media including mobile, email, SMS, Web pages and print.

The CCM market has evolved from the convergence of document generation/composition and output management technologies. CCM solutions today include the core elements of a design tool, a composition engine, a workflow/rule engine and multichannel output management. Vendors are providing new delivery models, such as cloud SaaS, and incorporating social and mobile features into their product road maps. Gartner estimates that CCM software was an \$820-million market in 2013, based on total software revenue worldwide. It is forecast to grow at a five-year compound annual growth rate of approximately 11%.

Magic Quadrant

Figure 1. Magic Quadrant for Customer Communications Management Software



Source: Gartner (November 2014)

Vendor Strengths and Cautions

Actuate

Actuate (www.actuate.com) is based in San Mateo, California, U.S., and became a CCM software provider through its acquisition of output management vendor Xenos Group and German CCM

vendor legodo. It has combined these offerings into a CCM suite, Actuate Customer Communication Suite.

Strengths

- Actuate has assembled (from its acquisitions) a CCM suite that includes archiving and output management as well as document composition capabilities. Its focus on a combination of CCM and analytics and visualizations, via the Business Intelligence and Reporting Tools (BIRT) offering, is a competitive differentiator.
- The BIRT PowerDocs component has a strong focus on social and mobile capabilities and provides integration with CRM applications such as those of Oracle (Siebel and CRM On Demand), SAP, salesforce.com and SugarCRM.
- Actuate is focusing heavily on accessibility requirements, including Section 508 compliance — which should make it attractive to organizations that must meet legislative requirements.

Cautions

- Actuate lacks brand recognition in the CCM market, because Xenos was best-known for archiving and transformation and legodo was predominantly focused on the German market. Prospective customers should vet the maturity of Actuate's offering and assess its overall vision, its direct and partner resources, and its potential for future growth.
- Not all of the components in the Actuate CCM suite, aside from the output, archiving and transformation components, are currently well-integrated — as is common with acquisitions. Customers and prospects should monitor the product road map and assess the impact on any upgrades or migration plans.
- Actuate has a nascent cloud strategy. The first cloud offering, its Cloud Correspondence PowerDocs application, was launched in August 2014. A cloud-hosted version of the full CCM suite is in the product road map.

Adobe

Adobe (www.adobe.com) is based in San Jose, California, U.S., and markets Adobe Experience Manager Forms (formerly LiveCycle ES4), which can support CCM use cases, under the Adobe Experience Manager umbrella. Adobe Experience Manager Forms is the base bundle, containing both CCM capabilities and interactive form components.

Strengths

- Adobe focuses predominantly on correspondence management and PDF output. It has a strong focus on interactive PDF and HTML5 forms as well as on mobile capabilities.

- Adobe Experience Manager Forms can be augmented with Adobe's digital rights management capabilities and its EchoSign digital signature tool for enhanced security and document authenticity.
- Adobe's global footprint and track record with both creative professionals and marketers gives it opportunities for cross-selling and the ability to support customers and prospects across the globe.

Cautions

- Adobe does not have a strong focus on batch print communications, so prospective customers should assess whether its capabilities are sufficient.
- Despite the Adobe brand, customer awareness of Adobe as a CCM provider is lacking: it is not often included on prospects' shortlists, even when Adobe Experience Manager Forms may be a suitable solution. Adobe must increase its marketing focus to address IT and line of business buyers outside of marketers.
- Adobe Experience Manager Forms offers prepackaged enterprise content management (ECM) connectors, but does not provide them for CRM and other line of business applications. Partners and customers can leverage the Web services APIs to build integration to these applications.

Aia Software

Based in the Netherlands, privately held Aia Software (www.aia software.com) develops and markets the ITP platform for CCM. A Visionary in the CCM market, Aia targets the insurance, financial services and utilities industries, as well as the public sector, and its software is often deployed in the departments of large enterprises.

Strengths

- Customer support, ease of use, implementation assistance and training are areas for which Aia has received positive feedback from its customers.
- Application integration is seen as one of Aia's strengths, particularly the integration of ITP with SharePoint and Office 365, as well as with Microsoft Dynamics and SAP.
- Aia focuses on the business user, with Microsoft Word and Apache OpenOffice used for authoring, and is deeply committed to leveraging mobile devices. The end-user interface for its interactive composition is an HTML5-based Web client that can run on tablets and smartphones. Aia is also developing a series of task-oriented mobile apps.

Cautions

- Customer feedback indicates that ITP is not as strong at batch communications as competing products. Prospects should therefore determine whether ITP's capabilities are sufficient for their use cases.

- Although in business for more than 25 years, Aia is relatively unknown outside of Europe (only a small percentage of its revenue comes from other regions). Prospects may be unaware of Aia as a potential provider that can deliver CCM software and support their implementation. Aia does have global business partners that deliver and support ITP as an integrated part of their solutions to their customers.
- ITP Enterprise lacks built-in analytics or reporting capabilities, a feature many of Aia's competitors offer; however, ITP can be integrated with existing reporting tools.

Cincom Systems

Cincom (www.cincom.com) is based in Cincinnati, Ohio, U.S., and benefits from being one of the few major CCM software providers that is privately held — enabling it to focus on its core markets rather than pushing into other areas to appease shareholders. A niche player, Cincom's trio of core base products is Eloquence Author, Eloquence Engine and Eloquence Web. The company's well-established customer base is midsize and large businesses, especially Tier 2 insurance firms, state governments and the banking and travel/leisure industries.

Strengths

- Cincom focuses on customer-oriented offerings targeted at the midsize business segment in a few core verticals. It also serves larger customers that have significant document volumes and multiple concurrent users.
- Cincom's graphical user interface is intuitive and enables enterprises to more easily design, deploy and deliver high document volumes.
- Customer references favorably cited Eloquence's architectural scalability and its ability to support on-demand communications and workflow, strengths that are very important foundations for CCM solutions.

Cautions

- Despite its long history and notable customer base, Cincom lacks brand awareness among today's broader, more global range of CCM users. Thus, it may not be on shortlists where it could be a fit. Cincom is working to better target its offering at organizations embracing CCM for the first time, as well as firms that are replacing existing CCM systems.
- Cincom does not lead with cutting-edge capabilities, preferring instead to work with partners and to introduce new capabilities as the market demands them. For example, Cincom plans to roll out support for Web interface connectors and multiple email attachments.
- Eloquence's processing speed enables fewer pages per server per hour compared with other providers, some of which use linked servers and daily produce millions of pages per hour. Eloquence's interoperability of multiple servers may mitigate these constraints and increase the number of pages per server per hour.

Doxee

Doxee (www.doxee.com) is based in Modena, Italy, and is a SaaS CCM provider with over 90% of its revenue coming from cloud-based CCM software services. Its Enterprise Communication Platform is available as a public cloud or a private on-premises cloud service. Doxee is using regional partners to expand its products and services to the international market. In the U.S., Doxee has partnered with [Straatus Solutions](#) to create a new company that offers "CCM as a service."

Strengths

- Doxee has a strong business model complemented by a solid market understanding.
- Doxee's CCM software runs on a multitenant SaaS platform hosted at its own data centers located in several countries — ensuring public cloud customers are on the latest version of the Enterprise Communication Platform and their data is hosted in-region or in-country.
- Doxee's cloud licensing model enables customers to readily configure the products and capacity appropriate to their needs.

Cautions

- Doxee has made only slight progress in acquiring new customers outside of its home region of Western Europe, though its partnerships with Ricoh Mexico and Straatus Solutions should help.
- Doxee remains one of the smaller providers in terms of annual revenue, which is reflected in lower-than-average marks for its marketing and sales execution.
- Doxee's interactive document capabilities continue to lag behind those of its competitors, despite its plans to address this issue.

EMC

EMC (www.emc.com) is based in Hopkinton, Massachusetts, U.S., and is one of the Leaders in this market. EMC Document Sciences xPression supports both interactive and on-demand applications. EMC Document Sciences xPression is a standards-based CCM platform with a robust rule engine to dynamically create customized communications.

Strengths

- Document Sciences xPression is well-integrated with EMC's Documentum to automate the generation of customized customer correspondence from business processes, which is one of the most common use cases.
- EMC Managed Services OnDemand, a private cloud-based managed service, can be used to deploy Document Sciences xPression in the cloud — which can streamline and speed up implementation.

- Document Sciences xPression has strong design capabilities with a broad set of options for authoring tools, including Microsoft Word, Adobe InDesign and Adobe Dreamweaver for content creation.

Cautions

- Prospective customers should be aware that Document Sciences xPression is priced higher than average, but its pricing is comparable with other high-end enterprise CCM solutions. Some customers cite its implementation costs as a challenge, because its multitier, services-oriented architecture requires deployment on a Java Enterprise Edition application server.
- Some customers have noted that Document Sciences xPression has performance issues for high-volume, structured CCM applications.
- Some customers rate EMC as low in postsales and ongoing support.

FIS

FIS (www.fisglobal.com) of Jacksonville, Florida, U.S., is one of the few CCM software providers that also has a print, mail and fulfillment offering. Its Output Solutions organization provides design, printing, mailing and electronic distribution/payment of transactional, contractual and correspondence-related documents. FIS's CCM offering, CSF Designer, benefits not only from use by FIS in its day-to-day document outsourcing operations, but also from feedback from its client base.

Strengths

- FIS's particular strengths are its geographic focus, deep knowledge of its core markets and sales execution.
- FIS enables ad hoc and interactive correspondence, as well as campaign management, in the cloud for its Output Solutions and CSF Designer clients, with one-to-many document processing and publishing of high-volume ad hoc communications.
- FIS ranks among the top five CCM providers by number of clients and revenue. Its large installed base gives FIS access to insights and trends regarding CCM uses.

Cautions

- FIS's weak marketing execution (outside of its core financial services, insurance and utility markets), and in particular buyers' continued reference to its core product as "Metavante" (five years after that firm was acquired by FIS), are factors that inhibit its growth.
- While CSF Designer can produce highly targeted transaction documents, its ability to produce graphically intense, personalized marketing collateral is not as strong as in competing products.

- FIS is adding the ability to use multimedia output and anytime customer messaging and communication; a positive move, but one that potential buyers and upgrade customers need to fully test before implementing.

GMC Software Technology

Based in Appenzell, Switzerland, GMC Software Technology (www.gmc.net) is a major global player and one of the Leaders in the CCM market, with a strong, broad and capable platform. Its multimedia output capabilities are used by enterprises across the publishing market — from the in-house operations producing transaction documents to the service bureaus and commercial printing companies producing a wide range of marketing materials.

Strengths

- GMC has good market understanding, a robust product strategy and deep geographic penetration. It understands the market's evolving requirements and translates those needs into products and services. GMC now leads with its interactive and multichannel offerings, rather than with its traditional batch and file format transform capabilities. It has a significant mobile device (nonprint) sales pipeline.
- GMC's capabilities and feature sets, particularly its authoring and document composition capabilities, enable it to execute on its offering and customer installations exceptionally well.
- GMC continues to have one of the strongest customer experience ratings among users surveyed for the Magic Quadrant. The value of such strong references is reflected in its presence on shortlists and the growth in its deal sizes during the past three years.

Cautions

- GMC's parent company, Neopost, had little experience of selling complex software offerings prior to acquiring GMC, but does allow its acquisitions to stand on their own with little corporate interference.
- GMC's overall viability, and in particular our assessment of the likelihood that Neopost will continue investing in the product and will advance the state of the art of the portfolio of products, is about average for the providers in this Magic Quadrant.
- GMC's focus is on midsize to large enterprises, while parent company Neopost's focus is on small and midsize businesses. Customers should monitor GMC's product road maps and strategic direction in case Neopost shifts development resources from the large- to the small-company end of the CCM spectrum.

HP

HP is based in Palo Alto, California, U.S. (www.hp.com), and is one of the Leaders in the CCM software market. HP Exstream provides a comprehensive set of capabilities in all areas, including authoring, workflow, composition and multichannel output. Its product supports high-volume, structured CCM applications well, due its scalability and output management capabilities. HP is

starting to bring together and leverage its other software products, such as those for ECM and analytics.

Strengths

- With HP Exstream Empower Editor, HP provides a rich thin-client, "what you see is what you get" editing experience to support interactive communications and the authoring process. The HTML5-browser-based editor interface requires no download or installation.
- HP Exstream's strong multichannel output capabilities enable it to handle the full spectrum of output formats and devices, including email, electronic and multichannel, multiple print formats and emerging channels, including video and social media.
- HP Exstream provides deeply integrated solutions to salesforce.com, Guidewire Software, and SAP Enterprise Portal.

Cautions

- HP Exstream is often more costly than other CCM products for services and support, and its implementation time is typically longer — although its deployments are often also larger and more comprehensive.
- HP Exstream has provided stronger capabilities for interactive CCM capabilities in its latest release (version 9), but its strength and more typical deployments lie in structured CCM applications.
- HP Relate, the SaaS version of Exstream, is still evolving, but many customers remain focused on the on-premises version of HP Exstream.

Isis Papyrus Software

Isis Papyrus Software (www.isis-papyrus.com) is a privately held company based in Maria Enzersdorf, Austria. The Papyrus Platform consists of a broad set of components of which CCM is just one element and includes content management, business process management (BPM) and some CRM capabilities. While Isis Papyrus comes from a document composition and output management heritage, it has expanded its platform to include these core capabilities. Isis Papyrus continues to expand globally, with success in Asia/Pacific through its partners.

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.

- Isis Papyrus has a strong set of process management capabilities and many of its customers will extend their case management application with CCM.

Cautions

- A significant part of the Isis Papyrus customer base is in EMEA; it is still limited geographically in the North American and Latin American markets.
- Isis Papyrus does not currently have a public cloud-based offering (or customers), although the Papyrus Platform can be deployed as a private cloud option.
- Feedback from Isis Papyrus' customers and prospects with whom Gartner has interacted, indicated that the pricing model and price points were high relative to the CCM solutions they had considered.

Newgen Software

Newgen Software (www.newgensoft.com) is based in New Delhi, India, and has regional head offices in Washington, D.C., the United Arab Emirates and Singapore. Newgen delivers content applications, including its OmniOMS CCM software, on top of its core ECM and BPM stack. The OmniOMS CCM Suite addresses batch, interactive and on-demand communications use cases.

Strengths

- Social and mobile capabilities are increasingly in demand from CCM buyers. Newgen has responded by supporting the HTML5/CSS 3.0 format and using responsive design for delivering communications to mobile devices. Newgen partners with SMC4 to incorporate its bidirectional social media integration capabilities within the CCM suite.
- Newgen has been steadily growing its partnerships and has seen some traction from its integration with core application providers such as Flexcube, Infosys (Finacle) and SAP.
- Newgen has seen good growth in its CCM revenue during the past year, driven largely by upsell opportunities within its ECM and BPM customer base. Existing Newgen customers looking for CCM will benefit from this add-on capability.

Cautions

- Outside of the Middle East and parts of Asia/Pacific, Newgen has limited market visibility and penetration. Prospects outside of those regions must ascertain if Newgen has partners or the appropriate direct resources to support them, and should check references.
- Newgen's cloud strategy is nascent; prospective customers should assess whether it meets their functional and service-level requirements. Newgen provides hosting of its CCM offering in Amazon data centers.
- Gartner's interactions with Newgen customers indicate that its design tools could be improved. Newgen provides its own template-based Composition Designer and supports Word and Adobe InDesign via plug-ins. Customers will want to assess whether the built-in designer is

intuitive enough for their business users, or whether it is even necessary to use this tool if they already have Word or Adobe InDesign.

OpenText

OpenText (www.opentext.com) is based in Waterloo, Ontario, Canada, and markets StreamServe, a CCM product with a strong history of providing document presentment and output management. Its strategic alliances with SAP (for SAP Document Presentment) and Infor (for Infor M3 Output Manager) enable OpenText to win large enterprise deals with those customers. OpenText has aligned and integrated StreamServe with its ECM, customer experience management and case management products.

Strengths

- OpenText StreamServe provides a flexible authoring environment along with its authoring tool, StreamServe StoryTeller.
- StreamServe provides enterprise-level workflow/BPM capabilities, including case management, which can use the CCM capabilities to enhance the interactions with the customer.
- StreamServe has good multichannel output capabilities, especially print output management. StreamServe cloud delivery service for email, fax and SMS message distribution provides the ability for seamless scalability as electronic distribution volumes increase.

Cautions

- StreamServe's interactive and on-demand CCM capabilities are still not very strong, but OpenText plans to address some of the shortcomings in future releases.
- Feedback from customer references indicates that StreamServe has a high total cost of ownership and the software is expensive.
- OpenText does not currently have a SaaS cloud offering for StreamServe, although it can be deployed in a private cloud environment.

Oracle

Oracle (www.oracle.com) is based in Redwood Shores, California, U.S., and has provided CCM software since 2008, when it acquired Skywire Software. Oracle Documaker is a horizontal platform that addresses the communications needs of enterprises in the insurance, financial services and banking, and telecommunications and utilities markets, as well as in the public sector.

Strengths

- Oracle Documaker is a mature product with a significant installed base, especially in insurance. It appeals to organizations heavily invested in Oracle technology because it integrates with a variety of Oracle application offerings — including Siebel and WebCenter Portal.

- Oracle's global footprint and its extensive sales and services resources enable it to support Documaker implementations across the globe.
- Documaker includes preconfigured review and approval workflows for production documents and uses Oracle's Business Process Execution Language (BPEL) Process Manager for interactive document workflows.

Cautions

- Though one of the more established CCM providers, with a large legacy installed base, Oracle lags behind competitors when it comes to emerging technologies and capabilities such as social, analytics and cloud. Documaker does incorporate dashboards, and can be integrated with Oracle BI suite. Social integration is on the road map.
- Documaker is hosted in a private cloud deployment by Oracle partners and via Oracle Cloud Managed Services. The Documaker Studio component, however, is not yet available for cloud deployments.
- IT leaders and CCM buyers looking for a solution for their marketing-related communications should assess Oracle's product road map plans and timeline. To date, Documaker is integrated with the WebCenter Content ECM offering, but not yet with WebCenter Sites (for Web content management). It was only recently integrated with Oracle Marketing Cloud (formerly Eloqua).

Pitney Bowes

Pitney Bowes (www.pb.com) is based in Stamford, Connecticut, U.S., and is among the Leaders in this market — providing CCM software, hardware and services that enable both printed and digital communications. Its EngageOne Communication Suite is a complete solution for CCM and can be extended with Portrait Suite to provide campaign management and analytics.

Strengths

- The EngageOne Communication Suite is very scalable, especially for structured CCM applications, and has been enhanced in version 4 to provide better interactive CCM applications.
- EngageOne has strong multichannel communication management capabilities, along with customer communication delivery tracking and audit capabilities.
- Pitney Bowes has a broad base of global CCM customers. It focuses on upper-midsize and large enterprises looking for end-to-end CCM solutions.

Cautions

- The authoring capabilities are still one of the suite's weak areas, with EngageOne Designer being the only authoring tool available. Other authoring tools, such as Microsoft Word and Adobe InDesign, cannot be used.

- Feedback from Pitney Bowes customers with whom Gartner has interacted indicates that overall customer and product support are areas that need improvement.
- Pitney Bowes does not currently provide a cloud option for EngageOne and is not expected to do so until 2015, although it does provide hosting services.

Xerox (XMPie)

Xerox's CCM offering is delivered by XMPie (www.xmpie.com), a wholly owned subsidiary based in New York City, New York, U.S. Drawing on its heritage of supporting commercial printing companies that publish a wide range of highly personalized documents, as well as its transaction document clientele, XMPie's tools enable not only multichannel communications and marketing automation but also Web-to-print and personalized videos. XMPie's ability to execute and offer support for direct marketing campaigns makes it a Challenger.

Strengths

- XMPie benefits from a financially strong parent in Xerox, and a management focus on enabling all clients — and especially those that have focused on print media in the past — to publish content in multiple media.
- XMPie provides tools not only for multichannel input and output, but also for marketing campaign management and analytics.
- XMPie's offerings are particularly well-suited to customers such as printing companies, advertising agencies and service bureaus that serve other organizations by providing turnkey systems and platforms.

Cautions

- Given that most of XMPie's customers are commercial printing companies, IT leaders responsible for CCM decisions should determine whether its tools, implementation and scalability meet the unique requirements of in-house operations with high transaction document volumes.
- XMPie's lack of marketing execution outside of its core commercial printing company, agency and small or midsize business (SMB) markets inhibits its growth in the high-volume transaction document CCM market.
- Feedback from XMPie customers with whom Gartner has interacted indicates that overall customer support and training are areas that need improvement.

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

- Actuate acquired legodo in 2013, and the combined company now meets our inclusion criteria.

Dropped

- Sefas Innovation no longer meets the inclusion criteria for this research.

Inclusion and Exclusion Criteria

- Commercial Product.** 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 the following 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, plus software maintenance and support services. Total CCM software revenue is aligned to:
 - License** — The right to use the software based upon contract type (perpetual or term license)
 - Cloud** — The revenue for cloud services, including business process as a service, infrastructure as a service, back-end as a service and SaaS
 - Subscription** — The annual fees for licensed, on-premises software as well as license revenue for single-tenant managed services (such as hosting)
 - Technical Support and Maintenance** — The contract fees for support services (not including training) and new versions, updates and upgrades

Total CCM software revenue excludes revenue from professional services and the sale of products manufactured by other vendors. Revenue arising from customer requests for software changes may also not be considered, even if such changes are subsequently incorporated into

the core CCM offering. Increases in software license charges as a result of such changes can, however, be considered.

- **References.** The vendor must supply five references, representing a diversity of industries, company sizes and geographies, that have had its CCM software in production for at least a year.

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 (November 2014)

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 (November 2014)

Quadrant Descriptions

Leaders

Leaders drive transformation in the CCM market. They 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 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 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 a Niche Player 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

Enterprises need to continue to reduce costs and control spending. This has led more of them to migrate to open platforms and service-oriented architecture, as older applications and mainframe CCM systems become more costly to upgrade and maintain and SaaS and cloud-based applications continue to grow as alternatives to internally managed systems. This development increasingly involves a move from in-house-developed CCM solutions to packaged apps.

Enterprises' CCM initiatives continue to focus on more cost-effective reuse of shared content resources such as product documentation, marketing messages and service representatives' scripts for discussions with customers. This content is used to upsell and cross-sell using "push" and "pull" marketing techniques that result in revenue gains from the use of highly targeted and personally relevant content. Moving beyond the basic personalization that was a staple of document composition tools, enterprises have also recognized the power of CCM solutions for handling on-demand and interactive scenarios. Today's CCM software must also support the revenue opportunities arising from instantaneous context-aware interactions with users who express their product and service needs via mobile devices and a variety of social media channels.

Market Overview

CCM software as a market has emerged from the convergence of document generation/composition and output management technologies. CCM software is the engine that generates the electronic and print communications used by an organization to interact with its audiences. Common types of communication are customer correspondence, statements, bills and payment

notices, policy documents, claims, contracts, welcome kits and explanations of benefits. CCM software enables customer interactions through a wide range of media, including mobile, email, SMS, Web pages, print and customer self-service.

Increasingly, CCM is seen as a content application and tied to an ECM solution for archiving and retention of communications. In addition, providers are tying their respective CCM offerings more deeply to their Web content management, and search and analytics offerings, as part of a strategy for customer experience management or digital marketing. As CCM providers focus more on interactive, on-demand and contextual communications, and the delivery of those communications via multiple channels, the CCM category is both overlapping with and requiring of a high degree of interoperability with adjacent technologies such as CRM, marketing resource management and Web analytics tools.

IT leaders making decisions about CCM vendor selection should assess the potential vendor's ability to support their communication purposes. Not all vendors are well-suited to all three types of communications (batch, interactive and on-demand), nor do all vendors address the emerging social, mobile and analytics requirements.

See Note 1 for a list (not comprehensive) of other vendors that did not meet all our evaluation criteria for this Magic Quadrant, but that you might want to consider when compiling a shortlist.

Gartner Recommended Reading

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

"How Markets and Vendors Are Evaluated in Gartner Magic Quadrants"

"How to Reduce Costs Using Customer Communications Management Software"

"Cool Vendors in Imaging and Print Services, 2014"

"When to Consider Digital Asset Management, Marketing Resource Management and Web Content Management"

"Magic Quadrant for Enterprise Content Management"

"Magic Quadrant for Web Content Management"

Evidence

Findings in this Magic Quadrant reflect Gartner's surveys of the provider community, its interactions with clients seeking solutions for CCM projects, and a survey of reference customers identified by the providers.

Note 1 Other Providers That May Meet Your Needs

The CCM market is evolving with some of the innovation around cloud and mobile coming from regional or midmarket-focused vendors. The vendors rated in this Magic Quadrant are likely to be considered by CCM buyers. In some cases, however, a provider that did not meet our revenue (CCM revenue of \$10 million) or geographic (marketing in two geographies) thresholds may be well-suited to your specific requirements. As 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. Following is a list (not comprehensive) of other vendors to consider when compiling a shortlist.

- Assentis Technologies (www.assentis.com) of Rotkreuz, Switzerland, provides CCM solutions targeting the financial services industry as well as telecom providers. Most of its traction has been in Europe.
- Business Document (www.bdoc.com) of Billancourt, France, has a strong track record in the French insurance market with its CCM suite.
- Ecrion (www.ecrion.com) of Rockville, Maryland, U.S., develops a CCM platform, Ecrion Omni System, for interactive, batch and on-demand communications. It supports output to email, print, fax and SMS channels. It targets use cases mainly in the government, financial services, insurance, healthcare and telecommunications sectors. Advanced capabilities include analytics and support for marketing campaigns.
- Icon Systemhaus (www.icongmbh.de) of Stuttgart, Germany was founded in 1995 and is a privately held company that provides CCM software and consulting services. It counts many of the top insurers and banks in Germany among its customers.
- Inventive Designers (www.inventivedesigners.com) of Antwerp, Belgium, was founded in 1994 and markets the Scriptura Engage CCM platform.
- Novadex (www.novadex.com) of Bietigheim-Bissingen, Germany, was founded in 2011 and is currently marketing only in Germany. Novadex provides a SaaS-based CCM solution targeted at SMBs and output service providers. Its focus on cross-media analytics and e-commerce is a differentiator.
- Perceptive Software (www.perceptivesoftware.com) of Lenexa, Kansas, U.S., gained the ModusOne offering with its acquisition of Pallas Athena. Rebranded as Perceptive Document Composition, it addresses organizations' needs for document composition and assembly and multichannel output.
- Sefas Innovation (www.sefas.com) of Charenton-le-Pont, France, is a wholly owned subsidiary of La Poste, the French postal service. Sefas also has a presence in the U.S. and the U.K. Its CCM offering incorporates document composition, postcomposition and output management capabilities into a single interface. It is an end-to-end solution for small and midsize organizations and departments within large enterprises.

- Thunderhead.com (www.thunderhead.com) of London, U.K., is known for its legacy on-premises Now product focused on interactive customer communications, but has shifted its strategy and product offering away from CCM.
- Xpertdoc Technologies (www.xpertdoc.com) of Quebec, Canada, focuses heavily on the insurance industry. Its product capabilities lean toward the document composition end of CCM. A Microsoft partner, Xpertdoc markets a solution for Microsoft SharePoint and integrates its CCM offering with Microsoft Dynamics.

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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