

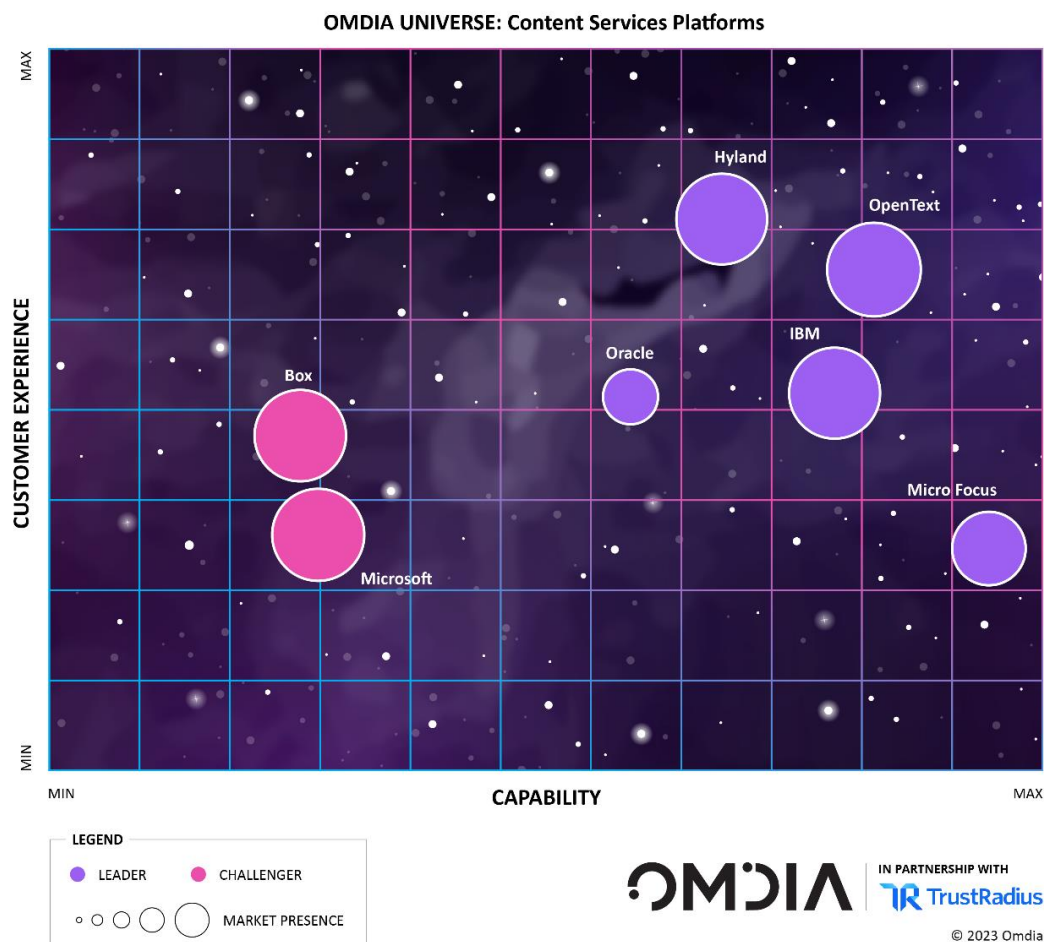
Content Services Platform Solutions, 2023

Summary

Catalyst

During the COVID-19 pandemic, enterprises needed to adapt and demonstrate agility to survive. In 2023, they will face further challenges as a downturn bites, with some countries set to be hit harder than others. This means seeking cost-savings and efficiencies by implementing solutions such as content services platforms. This report compares the solutions from leading content services platform vendors and will help decision-makers to draw up a shortlist of products to consider.

Figure 1: The Omdia Universe for Content Services Platforms



Source: Omdia

Omdia view

Over the past three years, enterprises have been forced to adapt and become more agile in order to survive during the COVID-19 pandemic by becoming more efficient. One of the ways this has been achieved is by accelerating digital transformation initiatives by replacing legacy applications with modern, agile applications and by adapting their systems and infrastructure to support a largely home-based workforce. Now we are learning to live with the pandemic, enterprises must face a new threat—that of a downturn and increasing costs, which is expected to hit enterprises hard in 2023 and will require more changes. Digital transformation initiatives will continue, but there will be an emphasis on rationalization and optimization by making efficiencies and cost savings, which will largely be achieved in the content management space through technology.

One area where technology can help is by automating manual processes. Where these manual processes are mundane and highly repetitive, robotic process automation (RPA) may be an option, and some content services platform vendors have added RPA to their portfolios. Another way of building automated processes is to use the business process management (BPM) tools provided by many content services platform vendors. It will be the enterprises that are able to adapt to this latest challenge that will ride out the recession.

During a downturn, it is inevitable that some reduction of headcount will be required, but by using technology effectively and taking advantage of the features and functions that the content services platform vendors provide, including cloud implementation options, enterprises can survive. A downturn or even recession can provide a good opportunity to implement new systems, so enterprises that are yet to commence their digital transformation journeys should do so now. *Omdia IT enterprise Insights 2023* shows that only just over 6% of enterprises surveyed have not yet started a digital transformation initiative in the area of exploiting business information. The good news is that the survey shows that budgets are increasing in the post-COVID-19 era, with the number of enterprises significantly increasing their budgets, rising from 20.84% to 25.54%.

Content services platforms should form an important part of a digital transformation strategy as they manage the 80% of an enterprise's data that is not transactional and stored in a database. Although there are different approaches to content services platforms from the vendors, all platforms comprise a number of core capabilities that include:

- The repository
- Document management and collaboration
- Search
- Workflow (at least basic)
- Integration capabilities
- Development tools.

The differences occur in the additional features provided. Some solutions include basic records management capabilities that are included with the platform, while other vendors have full records management platforms that are available as add-ons and may incur an additional cost. The former option may include the ability to declare content as records, manage access rights and set retention and disposition schedules, and possibly create legal holds, which will suit many enterprises that require light records management capabilities. The standalone records management option will be preferable for enterprises in highly regulated industries that require a robust records management system that is certified against standards such as the Department of Defense (DoD) in the US. Other differences include the availability of content services applications, with some vendors providing many horizontal and/or vertical applications while others only provide a few. Selecting the appropriate content services platform depends on matching the enterprise's requirements against the features provided by each vendor.

Analyzing the Content Services Platform Solutions Universe

Market definition

In this assessment, Omdia analysts have developed a series of features and functionality that would provide differentiation between the leading solutions in the content services platforms marketplace. The criteria groups identified are as follows:

- **Content Services Platform.** This category includes the content repository, document management and collaboration, workflow, integration, and search capabilities. Some platforms provide additional capabilities, such as records management and analytics.
- **Document management and collaboration.** The ability to create and edit content in a collaborative environment; collaboration capabilities may include file sync and sharing.
- **Search.** The ability to locate content across the enterprise on local drives, desktops, and a wide range of repositories, including those that are cloud-based.
- **Content analytics.** Tools that analyze how content is being used and who is using it, which is useful in assessing whether content has value to the organization.
- **Workflow and BPM.** The ability to create content-centric processes that are often triggered by the receipt of an item of content. These may range from simple approval processes to complex processes that involve interactions between multiple applications.
- **Content services.** The features that are included to enable content services, such as development tools, common integration mechanisms, and prebuilt horizontal and vertical industry applications and components, as well as the content services applications themselves, such as records management and capture.
- **AI and ML.** How AI and ML capabilities are embedded throughout the product in areas such as document management, content analytics, BPM, reporting, and search. Also, how enterprises can use the capabilities provided in the platform when building their own applications.
- **Development and integration.** The provision of low-code and no-code tools, components and widgets, and horizontal and vertical applications that are provided for developers to create applications that interact with content as well as the methods by which the content services platform can integrate with other applications, including the availability of prebuilt connectors

to common third-party applications including analytics, enterprise resource planning (ERP), and other content services platforms.

- Cloud. The various options for cloud deployment include the cloud options available; which public clouds are supported; the ease, cost, and speed of migrating content to the cloud; and cloud security.
- Governance and security. Features and functions included that help to ensure that content is secure and managed appropriately.

Market dynamics

Over the past three years, the market dynamics in the content services platform space have been driven by the COVID-19 pandemic, which has resulted in accelerated digital transformation initiatives. One of the major changes has been to working practices, with most employees being forced to work from home during the height of the pandemic. Although many have now returned to the office for at least part of the week, there has been a permanent change with many enterprises having to manage both office and home workers, with the additional requirements and security measures required to manage a blended or hybrid workforce.

In 2023, market dynamics will be dominated by increases in costs and a downturn, forcing enterprises' focus to change to become more efficient and sustainable to achieve cost savings. Modernizing legacy applications will be important, as will continuing with digital transformation initiatives, but the focus will be on modernizing and retaining applications that are deemed to be working well. This fits well with the content services paradigm, where the content repository is separated from the applications that access the content, allowing third-party applications to integrate easily with the platform. This means that implementing a content services platform is no longer a case of rip-and-replace, and an added advantage is the fact that modern systems are generally more cost-effective, especially if they are implemented in cloud environments.

Many enterprises will also be forced to make cost savings by reducing headcount, which calls for more automation to enable enterprises to do more with less. Vendors such as Hyland and IBM have already anticipated the growing importance of automation. There are many examples of mundane, highly repetitive, manual content-centric processes that are ripe for RPA applications, and these vendors have added the technology to their portfolios and made it available to their content services customers. Such tasks include document processing—which also provides the benefit of making enterprises more sustainable by reducing their paper usage by eliminating the need to print documents. However, RPA is not the only way to automate processes, and most content services platform vendors also include BPM capabilities allowing enterprises to build process-centric applications that automate manual tasks. Vendors that provide prebuilt applications for content-centric tasks such as content capture will be at an advantage over those that do not when enterprises are considering platforms. Over the next few years, more content management vendors are likely to acquire RPA capabilities.

There will also be more consolidation in the content services platform space, with OpenText expected to complete the acquisition of Micro Focus in the first half of 2023. This will reduce the

number of content services vendors in the marketplace, and it shows a growing trend of vendors that have multiple content services platforms in their portfolios, as this will bring OpenText's total to three, Hyland with four distinct content services platforms, and IBM has two.

Cloud is also growing in popularity, although there is a difference in approach by vendors. Some—such as OpenText and Micro Focus—still have many on-premises customers, in some cases because it would be a complex undertaking to migrate to the cloud and in others because of security concerns of moving sensitive content off-premises. Other vendors, such as Hyland, are investing heavily in the cloud and have a high cloud take-up among their customers. There are vendors that have their own cloud services using their own data centers, and this group includes IBM, OpenText, and Oracle. Finally, there are platforms that were created in the cloud, and Box is one such vendor. Although some customers will invariably remain 100% on-premises, there are indications that cloud is continuing to gain traction in the content management space. Omdia data shows that 35.6% of enterprises have deployed content management technologies as SaaS, with only 13.4% still using on-premises systems.

Figure 2: Vendor rankings in the Content Services Platforms Universe

Vendor	Product(s) evaluated
Leaders	
Hyland	Alfresco Digital Business Platform, Nuxeo Platform, OnBase, Perceptive Content, Hyland RPA
IBM	IBM Cloud Pak for Business Automation 22.0.1; IBM Cloud Pak for Business Automation as a Service (SaaS); IBM Content Services—multi-tenant SaaS on AWS (launched October 28, 2022); IBM Watson Discovery—available as SaaS offering and in Watson Discovery on Cloud Pak for Data 4.5; IBM App Connect—available as SaaS offering and also in App Connect 12.0 and Cloud Pak for Integration 2022.2
Micro Focus	Content Manager 10.1, File Analysis Suite 3.4, Structured Data Manager 7.6.5, File Reporter 4.0, File Dynamics is v6.5 Control Point, IDOL 13
OpenText	Documentum Platform 22.4, Documentum D2 22.4, Documentum xCP 22.4, Documentum Advanced Workflow 22.4, Records Manager, Retention Policy Services, Trusted Content Services, Documentum Reports, Extended ECM Documentum for SAP, Extended ECM Documentum for Salesforce, Content Connect, Magellan, InfoArchive, Brava!, AppWorks, Intelligent Capture
Oracle	Oracle Content Management, Oracle Integration Cloud, Oracle Visual Builder
Challengers	
Box	Box Drive, Box Relay, Box Shield, Box Governance, Box KeySafe
Microsoft	SharePoint, Microsoft 365, SharePoint Syntex, Microsoft PowerApps and Power Automate, Azure Cognitive Services, and Microsoft Search

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Source: Omdia

Market leaders

Hyland is a leader due to its extensive features in all technology areas, although not all of these may be available in a single platform. Because it has several platforms, the capabilities of each are targeted at specific customer types, meaning that it has a platform that will suit the vast majority of vertical industries and company sizes. Hyland is particularly strong in the areas of search, document management, and its content services platforms. It is an ideal solution for enterprises that have processes that are ripe for automation using RPA, or prefer a modern, open-source platform.

IBM is a leader because it scored highly in all technology areas, including content services platforms, document management and collaboration, and search. It benefits from its Watson portfolio of products, some of which can be used with its content services platform. It will suit the requirements of enterprises that are looking for a platform with a broad portfolio of products.

Micro Focus has moved from being a Challenger in the last Omdia Content Services Platform Universe to a leader in this report. This is because it has expanded its capabilities enabling it to score highly across all technology areas, including document management and collaboration, search, and artificial intelligence and machine learning (AI/ML). It is suitable for enterprises in heavily regulated industries that require a content services platform that provides secure content management and governance.

OpenText is a leader due to its high scores in all technology areas. Three of its strongest areas are its content services platform, document management and collaboration, and search capabilities. OpenText Documentum is suited to enterprises in many vertical industries, but is particularly suited to energy, life sciences, and healthcare, where it has produced industry-specific solutions. It will also appeal to enterprises that want a platform with extensive capabilities and tight integration with SAP, Salesforce, and Microsoft.

Oracle is a leader due to its extensive capabilities across all technology areas. It is particularly strong in the areas of content services platform, cloud, and development tools and integration. Oracle is particularly suited to enterprises that have already invested in Oracle technologies or wish to become Oracle-centric. With its own cloud and the Oracle Cloud@customer option, the solution will also appeal to enterprises that want to self-provision and manage their own software instance in a cloud environment.

Market challengers

Box is a Challenger as it has fewer capabilities than the leaders, although it addresses slightly different requirements. It is strong in the areas of content services platform, development tools and integration, and cloud, and also has extensive document management and collaboration capabilities which will appeal to enterprises that have a strong focus on collaboration and sharing content outside the enterprise. Having been built for the cloud, it is also ideal for enterprises that favor a cloud solution.

Microsoft is a challenger as it is missing a few capabilities that we would expect to see in a content services platform such as capture. However, Microsoft benefits from a huge ecosystem of partners who provide complementary applications that extend the capabilities of the platform. Although SharePoint and Microsoft 365 are widely deployed, they tend to be used as content services platforms at the departmental level or in midsized organizations, which makes them an ideal solution for these types of organizations.

Market prospects

There were no vendors in this category in this report.

Opportunities

Although a recession can be a difficult time for organizations, it can also provide an opportunity for vendors if they are flexible in the way in which they engage with customers that may be struggling during the worst of the recession. A recession is actually a good time to implement new systems as employees are not quite as busy as they would be during more prosperous times. There is more time to put together the strategy project plan and talk to employees about their requirements from a new system to ensure that the implementation is optimized. Vendors should consider adding more

out-of-the-box capabilities, such as prebuilt applications for common tasks to enable enterprises to get up and running more quickly, and reduce the requirement for professional services.

Another opportunity comes from RPA, with those vendors that already have the technology in their portfolios at an advantage. Building solutions to automate mundane, repetitive tasks such as document capture will help enterprises that are struggling to reduce costs do more with less. Vendors that do not already have RPA in their portfolios should consider adding it, as there are many content-centric tasks that are still being undertaken manually that are ripe for automation.

Threats

While a recession can provide an opportunity to modernize legacy systems, it will also deter many enterprises from investing in technology as budgets are squeezed. It is important that vendors encourage reluctant enterprises to continue with digital transformation initiatives as this will enable them to optimize and rationalize their content management operations and has the added bonus of becoming more sustainable by reducing paper usage.

Another threat comes from the number of content services platform vendors competing in a tough market. There are different vendor types, with the first type comprising smaller specialist companies that just offer content services platforms and related products that mostly originated as electronic document management and records (EDRM) vendors; these include Objective. Multiple product vendors also largely originated in the EDRM space, but then evolved into enterprise content management (ECM) due to the large number of content management applications they provided. Hyland, IBM, OpenText, and Oracle are in this group. Box started life as an EFSS vendor. Microsoft SharePoint and Microsoft 365 are the products that all other content services platforms integrate with and compete against when Microsoft customers grow their content services platform requirements. In addition, vendors also compete with in-house built content management systems, as well as legacy systems. Vendors need to persuade enterprises of the benefits of migrating to a modern content services platform.

Market outlook

The content services platform market will continue to thrive. The next year or two will be tough, with a global recession beginning to impact the market. According to Omdia IT Enterprise Insights, the biggest business challenge for enterprises in 2023 is increasing revenue/budget growth, with increasing operational efficiency a close second. Both will be at least partially achieved through automation in the content services area. However, while modernizing legacy applications is a top priority for more than 17% of respondents, only 8.7% believe intelligent automation and AI—which are important elements of modernization—to be a priority. This is a worrying statistic as it indicates that there is a danger that some enterprises implementing content services platforms may not optimize their systems fully and therefore fail to achieve maximum value by not taking full advantage of all features, such as the ability to build automation into in-house created solutions.

IT Enterprise Insights also shows that almost a quarter of enterprises are well-advanced with their digital transformation initiatives. However, vendors may struggle to persuade enterprises to commit to implementing content services platforms among those enterprises that have not done so already, as only 22.6% of respondents plan major investments in document management, which is a major component of a content services platform. Interestingly, more than 24.5% plan major investments in records management, and for these enterprises that have not implemented a content services platform, deploying a platform from a content services platform vendor that has a full-featured records management solution would prove to be more cost-effective than implementing separate products.

Vendor analysis

Hyland (Omdia recommendation: Leader)

Hyland should appear on your shortlist if you have multiple, mundane manual processes that are ideal for automation using RPA, and/or you prefer a cloud-native, fully-featured open-source content services platform with strong AI capabilities

Overview

Hyland is a vendor that has grown hugely in recent years through acquisition, and it currently has four distinct content services platforms within its portfolio, comprising OnBase Perceptive Content, Nuxeo, and the open-source platform Alfresco. Each of these platforms provides slightly different capabilities, addressing the requirements of a different set of customers. Hyland has arranged its portfolio so enterprises can implement their platform of choice on-premises or in the Hyland Cloud (a managed, hosted offering). In the future, a common set of content services will be delivered through the Hyland Experience Platform. Services include Hyland Experience Capture, a web-based document scanning, classification, and data extraction tool that provides intelligent capture facilities. Hyland has added RPA and blockchain to its portfolio in the past couple of years. While it is easy to see how RPA will benefit enterprises in helping them to automate mundane, repetitive tasks, it is more difficult to see how blockchain will be used in the content management space as a whole, and Hyland is definitely ahead of the curve in this respect. In terms of market size, Hyland is one of the larger vendors in terms of content services revenues.

Figure 3: Omdia Universe ratings—Hyland



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Source: Omdia

Strengths

Hyland scored highly across most technology areas in this Omdia Universe. Some of its strongest areas are search, document management, and its content services platforms.

In document management and collaboration, users can operate seamlessly within their Microsoft Office and Google Workspace environments. Users can store and manage Microsoft Office documents directly within Word, Excel, and PowerPoint. Hyland functions are integrated directly into Office applications to allow documents to be saved, imported, retrieved, and edited. Users can also access Hyland user options, troubleshoot messages, and request profile diagrams directly from the file menu of these Office applications. Documents can be saved as revisions with or without

revision comments attached, and users are able to view previous versions of documents. Folder structures can be defined with many levels, and documents assigned to a folder will inherit the keyword structure of the folder. Documents can be organized in folders according to enterprise preferences. Comprehensive content lifecycle management and governance are provided from the creation or capture of an item of content to its final destruction or archive. Capabilities include document classification and retention rules, which are applied at capture, and time and event-based automated retention policies, including transfer, declassification, archival, and disposition. Legal holds can be applied, and exception management is available.

Hyland uses native technology in conjunction with third-party OCR and search engines such as Elasticsearch, OpenSearch, Apache SOLR, and dtSearch for its search capability. A unified interface is used for retrieving content and textual information stored in documents, and searches are conducted across structured and unstructured data. Document type, date, keyword, metadata, and full-text searches are available. The use of wildcards, exact phrase, stem, Soundex, fuzzy matching, Boolean, literals, negation, query templates, proximity, ranges, spans, term expansion, thesaurus, and near searches are all supported. Searches can also be conducted across external repositories, and Hyland supports content management interoperability services (CMIS), which makes it easier to find content in disparate systems. Results sets can be refined using a variety of criteria, including result score, document date, file type, document type, keyword values, metadata, plain text, ranges, and lists. Faceting filters can be defined on metadata fields, and the feature "moreLikeThis" is available in both Apache SOLR and Elasticsearch/OpenSearch engines. Indexing can be performed each time a change occurs, or it can be scheduled to take place at a predefined frequency, and document types can be configured to be excluded from indexing.

Hyland has many capabilities in its content services platforms, but because this report looks at the capabilities of the vendor rather than an individual product, not all the features may be available in all of the platforms, hence the reason they are targeted at different customer bases with a variety of requirements. Capabilities include capture, content management, governance, process automation, case management, collaboration, search, and analytics. Prebuilt integrations are provided to many enterprise and line-of-business applications, and REST and event-based APIs, as well as RPA, can be used to dynamically access content in external systems. In-place management is also supported with prebuilt capabilities for more than 60 leading business systems and content repositories, email systems, network drives, and CMIS-compliant repositories. Provisions also include records management that can be applied to external repositories. Storage options for cloud include standard storage such as S3 for live content, archival storage, and WORM storage. Enterprises can define where they store content, either by manually specifying through a workflow or action, or automatically by using metadata values. Viewers allow content to be viewed without the native application being present. The viewer tool also provides the ability to collaborate on documents in real-time, with all participants able to respond to comments and annotations immediately. A chat window is available for communication during the review process.

Limitations

An area where Hyland could improve its capabilities is if it were to provide prebuilt, customizable workflows that are provided out-of-the-box for common tasks. This would help enterprises to get up and running more quickly. Hyland does provide prebuilt workflows for its industry solutions, and not providing prebuilt workflows for horizontal tasks is a conscious decision taken by Hyland as it recognizes that no two businesses are alike and each has individual requirements. Additionally,

Hyland consultants will create custom-built workflows that are tailored to meet a customer's specific business needs. This service is provided as part of the regular deployment process using Hyland's workflow solution. However, providing a few workflows for common tasks that enterprises could adapt for their own requirements that would also act as examples would help enterprises that prefer not to use professional services to get up and running quicker.

While Hyland has a portfolio of feature-rich content services platforms that should suit the requirements of virtually all enterprises, there is a risk that some enterprises may be overwhelmed by this choice and may not select the option that best fits their requirements. Additionally, some may have a preconceived idea of the platform they would like, which may not be the optimum one. Hyland needs to ensure that its sales teams always assess the requirements of potential customers and steer them in the direction of the best platform for their needs.

Methodology

Omdia Universe

The process of writing a Universe is long and time-consuming; it involves the following:

- Omdia analysts perform an in-depth review of the market using Omdia's market forecasting data and Omdia's enterprise insights survey data.
- Omdia creates a matrix of capabilities, attributes, and features that it considers to be important now and in the next 12–18 months for the market.
- Vendors are interviewed and provide in-depth briefings on their current solutions and future plans.
- Analysts supplement these briefings with other information obtained from industry events and user conferences.
- The Universe is peer-reviewed by other Omdia analysts before being proofread by a team of dedicated editors.

Inclusion criteria

- The solution provides a platform for content services, where all of the core functionality can be accessed and managed through a single interface.
- As a minimum, the platform has to include a content repository, document management, and some collaboration tools, search, and integration capabilities.
- Each content services platform has to be capable of being deployed in the cloud and preferably be cloud-native.
- The products have a significant level of recognition among enterprises, cover a range of verticals, and have a presence in multiple geographies.
- The vendors must provide or include the ability to integrate with a wide range of content services.

Appendix

Further reading

Fundamentals of Content Services Platforms 2021 (January 2021)

Fundamentals of Intelligent Content Management and Automation (September 2021)

Author

Sue Clarke, Associate Senior Analyst, Enterprise IT

askananalyst@omdia.com

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CONTACT US

omdia.com

askananalyst@omdia.com