

September 14, 2011

# The Forrester Wave™: Document Output For Customer Communications Management, Q3 2011

by Craig Le Clair  
for Business Process Professionals



September 14, 2011

## The Forrester Wave™: Document Output For Customer Communications Management, Q3 2011

Vendors Target Interactive Use Cases And Corporate Solutions

by **Craig Le Clair**

with Connie Moore and Emily Fowler-Cornfeld

### EXECUTIVE SUMMARY

In Forrester's 36-criteria evaluation of document output for customer communications management (DOCCM) vendors, we found improved product capabilities to support structured, interactive, and on-demand segments of customer communications. Within these segments, Hewlett-Packard leads the pack with a much-improved interactive capability and continued strength for structured and batch applications. Adobe is set apart by its breadth of DOCCM-related technologies that support an overall customer experience platform. Thunderhead achieves Leader status through excellent interactive capabilities, multichannel support, and integration strength. EMC Document Sciences achieves Leader status due to innovative leverage of leading authoring and distribution tools combined with excellent batch and structured support. Pitney Bowes enters the Leader circle through acquisition and planned integration of analytics software to guide customers across channels — a potential game-changer for DOCCM. And new to the Forrester wave, GMC achieves Leader status with strong overall product flexibility and strength for creative apps. Expect more innovation as this market space hits its stride.

### TABLE OF CONTENTS

- 2 **Why Document Output For Customer Communications Matters**
- 6 **DOCCM Providers Worth Watching**
- 9 **DOCCM Evaluation Overview**
- 12 **Evaluation Analysis**
- 15 **Vendor Profiles**
- 19 **Supplemental Material**

### NOTES & RESOURCES

Forrester conducted vendor evaluations in the spring of 2011 and interviewed 12 vendors and dozens of user companies, including Adobe Systems, Aia Software, Elixir Technologies, EMC Document Sciences, GMC Software Technology, Hewlett-Packard, Isis Software, Newgen Software, OpenText, Pitney Bowes, Thunderhead, and Xpertdoc.

#### **Related Research Documents**

["The State Of The Document Processing Services Industry 2011"](#)

March 22, 2011

["Empower Customers And iWorkers With On-Demand Customer Communications"](#)

September 2, 2010

["The Forrester Wave™: Document Output For Customer Communications Management, Q2 2009"](#)

June 25, 2009

## WHY DOCUMENT OUTPUT FOR CUSTOMER COMMUNICATIONS MATTERS

Business process professionals, looking to help line-of-business (LOB) process owners improve the customer experience, now realize the potential of document output for customer communications management (DOCCM). But business process professionals have trouble telling DOCCM suppliers apart. All claim to be easy-to-use, enterprise-capable, and multi-channel ready and to have great business-side control and support for all use cases. This evaluation sorts through the ambiguity and makes a clear call on the market leaders. But before we dive into the technology or our most recent analysis, let's look at what has changed since our 2009 Forrester Wave evaluation.<sup>1</sup>

### DOCCM Emerges As A Broad Market Segment

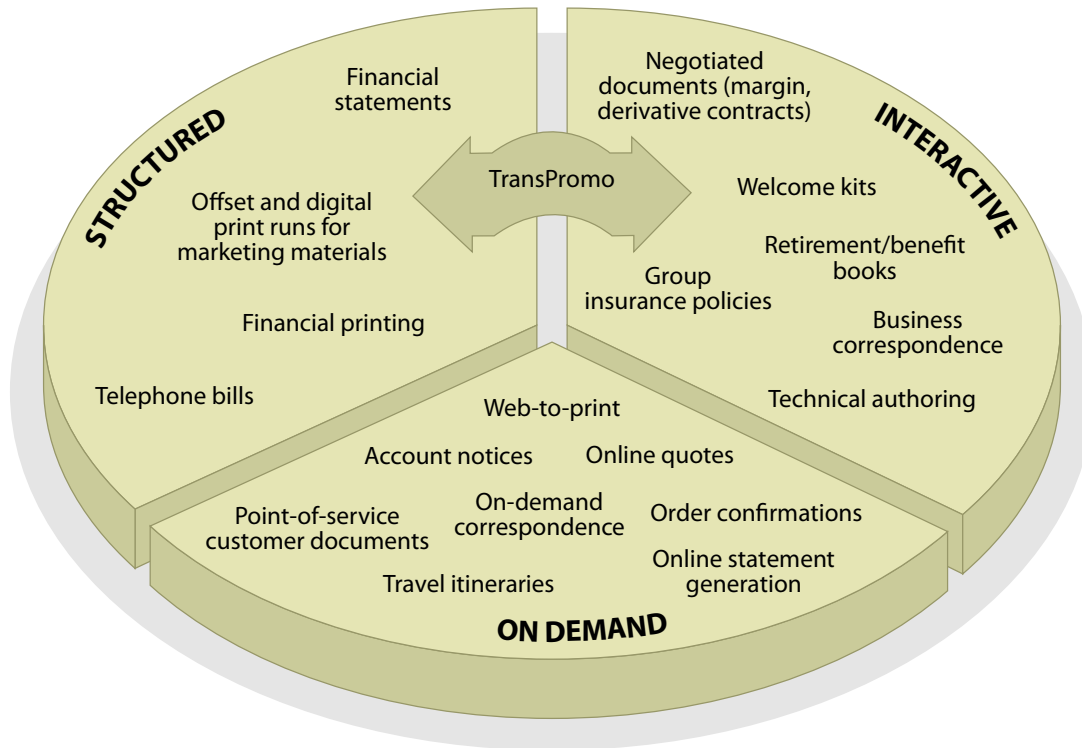
Forrester defines DOCCM as:

*Software used to compose, format, personalize, and distribute content to support physical and electronic customer communications and improve the customer experience.*

DOCCM software supports content types such as letterhead, invoices, correspondence, marketing materials, policies, statements, and welcome kits. Dividing these communications use cases into structured, interactive, and on-demand processes can help business process pros get a better handle on their diverse application needs (see Figure 1).<sup>2</sup> Customer communications can be divided into:

- **Structured output that runs in batches, and often in large volumes.** Structured output is scheduled, consistently formatted, and sent as part of a service relationship (much like phone bills and brokerage statements); it also includes batch digital or offset print runs. For these apps, high-volume batch capabilities with print stream controls are critical. Templates are few and seldom changed, with emphasis on merging variable data from transaction systems.
- **Interactive output that marries custom content or data with preset structure.** Unlike the structured area, interactive output requires the human touch, matching smaller amounts of variable data — often entered by internal staff — with potentially thousands of forms or templates. Business-side control of templates and document structures and document fragments is a strongly desired feature as well as multichannel output. Examples include customer correspondence and negotiated documents like group insurance policies or derivative and margin contracts.
- **On-demand output that gets triggered by multichannel requests.** Events from the Web, fax, phone, email, transactional systems, or enterprise applications drive on-demand output, and on-demand events may also be initiated by a human being via a keystroke, as in call center correspondence.

**Figure 1** DOCCM Categories And Applications



58126

Source: Forrester Research, Inc.

### Interactive Statements Take Center Stage

Enterprises today require flexible interactive solutions that empower business users, support multichannel output, personalize content, and provide rapid return on investment (ROI).<sup>3</sup> Consistent with growth in that market, enterprises need interactive capabilities and — in particular — to support how information workers interact with the application at runtime to augment, personalize, and select appropriate channels. Our review of the market found that:

- **Interactive documents make a lot of sense.** And why are we surprised? Many use cases benefit when a worker can retrieve a document, enter data, or make selections that will alter and personalize the output. And few companies operate effectively in this way today. As a dramatic example, one credit card company took 162 days to make a change to a letter with three different groups involved. Not a sustainable business process with consumers expecting real-time communications. Driven by this need and market opportunity, providers significantly improved user interaction with documents.

- **There's more multichannel output — “I think the web people are in building G.”** Enterprises strive to address multichannel needs with: 1) advanced capabilities that allow dynamic generation of content and clean separation between templates and the channel, and 2) a clear multichannel strategy. Enterprises must be consistent with visuals (such as logos, images, and other brand elements) and content (such as the degree of personalization, language, and contact information). The difference today — versus 2009 — is the rapid shift from enterprise-led multichannel initiatives driven by cost reduction to the absolute demands of consumers to get information the way they want it. In short, today, customer service is driving multichannel applications. This email sent to an insurance company captures the service angle well:

“You almost had me; the price was right, it was \$20 cheaper than my current plan, the customer service was bang on, and my agent was polite, knowledgeable, and got back to me exactly when he said he would. The only thing that kept me from buying is you don't offer paperless. I work all over the country, and I don't want my mail piling up; even worse I don't need the paper when I can manage everything online, including printing my insurance card. Please let me know as soon as you have a paperless option and you'll have a customer for life.”

- **On-demand output is poised to take off.** Movement to on-demand output comprises the third major market force — after interactive statements and multichannel support. The Great Recession has forced both business-to-business (B2B) and business-to-consumer (B2C) organizations to maximize every customer interaction and move to the less expensive web channel.<sup>4</sup> Rich Internet application (RIA) support, strong integration capabilities, and architectures that support real-time and straight-through communications are important technology drivers. “Our web version gives us more flexibility in how we produce customer communications,” said a business process consultant for a European financial services firm.
- **Firms are moving structured applications to on-demand and e-transactions.** Enterprises are migrating to on-demand applications because structured output types (statements and bills) prove expensive, pose environmental challenges, and allow limited personalization. Some firms pick off structured apps to move to lower-cost e-transactions.<sup>5</sup>

### Product Development Environments Challenge Enterprise Selections And Stakeholders

DOCCM solutions require authoring and development tools for at least four different roles, which makes comparison and evaluation challenging. An IT console, which is programmer-oriented, allows data models and integration points to be developed. A statement and template layout, which is targeted for technical staff (nonprogrammers), is more specialized in document output requirements. For these two areas, all products had scripting languages to support development. A third area is focused on less technical and business-side changes, and a fourth allows a presentation or UI to be created to support internal worker interaction with a document. And some providers have merged

different products to meet today's structured, interactive, and on-demand needs, so these environments get multiplied. As a result, no solution is as unified or as intuitive as we would like due to the number of supported roles, diversity of use cases, and history of the vendor. Mostly we see:

- **Less than unified environments that mix design and runtime capabilities.** Some products are more packaged than others and present the business process professional with a tradeoff between packaging and flexibility. Adobe Systems and EMC Document Sciences, for example, use de facto standard authoring tools like Adobe InDesign and MS Word that offer familiarity and deep features. Pitney Bowes, while integrated at data and other points, separates a batch product from the interactive. Isis Papyrus Software and Newgen offer very strong flexibility but are the least packaged of the products. Aia Software and Xpertdoc Technologies are better packaged but have a more limited scope of applications. Thunderhead, Hewlett-Packard, and GMC Software Technology have the stronger packaging but can still improve the separation of functions for diverse technical, business, and user roles.
- **Applications that target short textual documents.** Customer correspondence, which equates to relatively short textual documents, remains a core communication supported by DOCCM and target for many of the providers, particularly Thunderhead, Aia Software, Xpertdoc Technologies, EMC Document Sciences, and Newgen. Many enterprises still rely on Microsoft Word templates with custom macros and mail merge to compose and generate correspondence. DOCCM squarely addresses this output and improves on traditional tools by enabling easier conversion and reuse for web, print, and email.<sup>6</sup>

### Products Strive For Business-Side Control But Are Developing Slowly For Interactive Apps

Most 2011 products have only modest separation between IT-oriented consoles and those used by the business user. Most allow configuration or exposure of features based on an enterprise's needs. Today, initial document design is performed by IT, whereas a variety of page and statement layout tools are provided by vendors. Once the interactive output template is designed, diverse authors will alter text in document fragments, select preconfigured data associations, or modify a template. Over time, we expect line-of-business (LOB) staff members to take on more design and update responsibility — but today it's still IT's game. We did find:

- **Noble efforts to empower the business to move DOCCM out of IT infrastructure.** Today's DOCCM products still require IT intervention to make key changes to templates, business rules, and authoring workflow, as well as to insert content into print streams. Enterprises want to move DOCCM out of IT infrastructure and control and into the business process because reliance on more costly IT resources can affect significant ROI.<sup>7</sup> Also, companies want highly skilled IT development resources to concentrate on connecting core systems and maintaining infrastructure. But surveyed companies have expressed concerns with enabling business users to make changes to the DOCCM system.

## Starting Points To Kick-Start Interactive Apps Are Becoming More Configurable

Interactive content can benefit from a tailored front end that prompts the author and pulls in the correct form, product information, marketing message, or compliance language based on the author's responses. Examples of this include new-hire packages, account-opening kits, and benefit books. Enterprises benefit when they can tailor vendor-developed business rules, workflow, collaboration, and forms to their specific requirements. Forrester's evaluation found that providers have the capability to tailor front ends in a design-for-people approach, but, as a group, they lack a wide and available set of packaged capabilities.<sup>8</sup> We found:

- **Greatly improved template management with scalable controls.** Companies can use thousands of templates for negotiated documents such as contracts and insurance policies, account notices and correspondence, marketing collateral, and proposals. Enterprises must update, version, and track templates and individual fragments — a painful process. Today, different departments in many enterprises manage templates and fragments, store them in different environments, and use an average of six separate point solutions to manage them.<sup>9</sup> Interactive DOCCM products reviewed in this evaluation will make template management easier. All solutions, for example, support form fragments that can be assembled into document templates.<sup>10</sup>
- **Authoring approaches that work for the user.** EMC Document Sciences, Aia Software, and Xpertdoc employ industry authoring environments from Microsoft or Adobe. For authoring and user changes, they provide plug-ins for these environments. Vendors with proprietary authoring argue that their technology drives greater performance and avoids issues with version upgrades in Word. Most providers, including Hewlett-Packard, Thunderhead, and OpenText StreamServe, allow conversion from third-party tools such as Word or InDesign to their platform via plug-ins or conversion scripts.<sup>11</sup> What works best for you depends on your organization's comfort with the de facto standard tools.
- **Problems with bulk email.** A host of applications require sending a blast of emails, and these need to be personalized. Providers that specialize in email campaigns have their own tools so that they can develop the template and manage both the personalization and the fulfillment.<sup>12</sup> But what if some portion of the communication must be sent via the print channel with templates, personalization, and configuration already completed? Most vendors in the DOCCM have not addressed how you get DOCCM personalized emails to the email specialist to capitalize on their bulk tool.<sup>13</sup>

## DOCCM PROVIDERS WORTH WATCHING

Vendors included in the Forrester Wave have a strong market presence and the ability to meet a broad set of DOCCM needs. A number of vendors are not included in the evaluation due to limited space or varying approaches to customer communications that may be narrower.

## Mainstream DOCCM Vendors Acquired And Refocused

Mainstream DOCCM providers have been in and out of Forrester evaluations and continue to grow their businesses and provide good value to clients. Some of these, such as Oracle Skywire Software, FIS/Metavante, and Sefas Innovation, have been acquired and absorbed into larger companies and directed toward that core business. Nevertheless, they offer significant experience and value for many DOCCM applications. These include:

- **Oracle — for insurance but with broad DOCCM potential.** Oracle/Skywire has strong capabilities across all three segments and complements and differentiates Oracle's application portfolio. Oracle has shown commitment to Documaker, although the acquisition may have been due to Skywire's insurance assets.<sup>14</sup> Skywire fits nicely in Oracle's portfolio, and Oracle has a strong road map to integrate and support this product. A new version has been reviewed by Forrester and has new and strong interactive features but was not ready for this evaluation.
- **FIS — Metavante continues to leverage installed base and banking expertise.** Metavante was acquired by FIS, the combined company going by the name FIS.<sup>15</sup> This acquisition provides a strong solution in the structured segment due to its print-stream manipulation and data input capabilities.<sup>16</sup> The CSF Designer suite has more than 200 licensed customers, many in banking and utilities. Forrester reviewed the Designer Intuition interactive product, a web-based front end built on Microsoft Silverlight, a strong solution for correspondence management, loan origination, and quotes and proposals. The product has strong potential in FIS core service bureau and on-premises DOCCM solutions in general. Like Oracle's new product, it was not ready for the formal Forrester Wave evaluation.
- **Sefas Innovation delivers strong capabilities across segments via thin client.** Sefas offers a complete web-based solution for all three segments, and it has the potential to be a strong enterprise solution for post composition, output management, and production management criteria. Major North American customers, including some of the largest financial companies and Fortune 500 firms, have embraced it to produce complex, high-volume, and mission-critical transactional documents. Sefas also has significant presence in Europe, with accounts such as France Telecom and the French social security system. The French postal service acquired a 51% stake in Sefas because its software provides the key backbone to meet expanding document processing services and is a core component of the Docapost e-presentation solution.

## More Specialized Interactive DOCCM Providers Have A Lot To Offer

Opportunities abound for interactive DOCCM providers to focus on high-value solutions that require specialized expertise or features. These include technical publications, marketing materials, high-value research reports, and contract documents. For example, Bottomline Technologies has DOCCM capabilities for direct marketing. Cedar Document Technologies provides SaaS solutions based on HP Exstream for structured and interactive use cases. Traditional correspondence

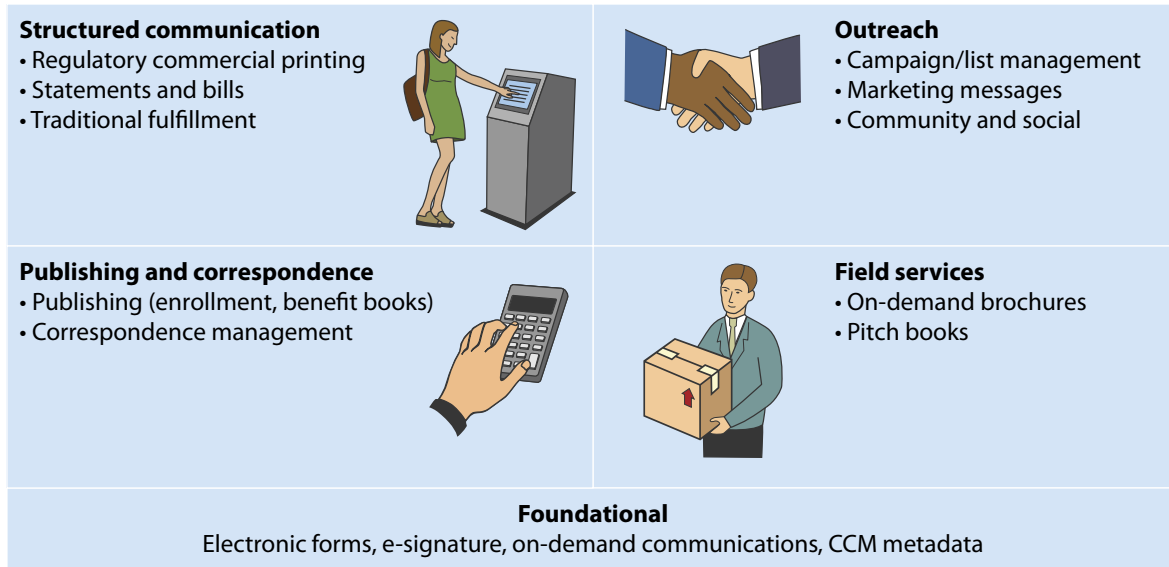
solutions such as Top Down Systems' Client Letter and technical authoring tools such as Parametric Technology Arbortext and JustSystems XMetaL also provide targeted DOCCM capabilities. But several providers are rapidly carving out niches and include:

- **Assentis Technologies — for the investment management industry.** Assentis provides individualized solutions for the areas of interactive, on-demand, transactional printing, post-processing, and print-file conversion. Assentis provides solutions vertically, with the majority of customers in the investment management industry.
- **QuarkXPress for dynamic publishing.** QuarkXPress, building on its desktop publishing success, provides an XML and DITA-based solution for highly formatted publications such as equity research reports for financial services. Integration with charting, investment tools, embedded video, and social media and real-time conversion to the iPad or Reader distinguish the product. For example, embedded autotags in published content take a customer back to a company website to extend the customer experience across channels.
- **Exari for “negotiated agreements.”** Exari targets business and legal professionals and emphasizes “speed-to-contract,” which results in faster revenue recognition, improved productivity, and much less risk. Complex, high-risk contracts such as derivatives agreements are a target for Exari.
- **Xerox XMPie for direct marketing — with links to Xerox enterprise marketing capabilities.** XMPie gets high marks for all things marketing related to output and has been an innovator in this area for more than a decade. As part of Xerox, it offers solutions to Xerox partners and a growing force in the recently formed Xerox Communications and Marketing Services offering.<sup>17</sup>
- **Cincom Systems hones in on interactive output.** Originating in the database and manufacturing world, Cincom offered the market's first interactive web front end. Today, Cincom targets markets for all output types, including insurance, state government, and financial services. The majority of Cincom Eloquence customers produce interactive communications such as claims, letters, and explanations of benefits — a Cincom strength.

### DOCCM Vendors Represent A Mix Of Strength And Focus

The DOCCM product landscape includes enterprise-level solutions that can potentially support all three DOCCM segments and offer full “corporate solutions,” while others provide strong support for one or two of the three segments (see Figure 2).<sup>18</sup>

**Figure 2** DPS Typical Shared Services View



58126

Source: Forrester Research, Inc.

## DOCCM EVALUATION OVERVIEW

To assess the state of the document output for customer communications market and see how the vendors stack up against each other, Forrester evaluated the strengths and weaknesses of top DOCCM vendors.

### Evaluation Criteria Divided Into Three Categories

After examining past research, user-need assessments, and vendor and expert interviews, we developed a comprehensive set of evaluation criteria. We evaluated vendors against 36 criteria, which we grouped into three high-level buckets:

- **Current offering.** Forrester reviewed functionality across structured, interactive, and on-demand segments for authoring, post-composition, output management support, production and content management, integration, and application development environment.
- **Strategy.** We reviewed the vendors' planned enhancements across the output segments as well as partnership approaches, corporate strategy, target markets, and costs.
- **Market presence.** We looked at installed base, revenue growth, services, number of employees, and technology partners. We estimated numbers where vendors would not disclose actual figures.

### Evaluated Vendors Required Balanced And Innovative Products

Forrester included 12 vendors in the assessment: Adobe Systems, Aia Software, Elixir Technologies, EMC Document Sciences, GMC Software Technology, Hewlett-Packard, Isis Papyrus Software, Newgen, OpenText Software, Pitney Bowes, Thunderhead, and Xpertdoc Technologies. For inclusion in this evaluation, the enterprise DOCCM software solution must (see Figure 3):

- **Support all three document output segments.** Interactive, on-demand, and structured segments each have unique requirements. To be included in this research, providers needed to have released products for all three categories.
- **Have innovative solutions or significant market share.** We considered vendors on dimensions of revenue, employees, and the size of their networks in terms of customers, partners, and installed base. Furthermore, we included providers that were innovators in developing new approaches to meeting DOCCM needs.
- **Generate strong customer interest.** Through Forrester inquiries, consulting, media requests, and ongoing conversations with players in the market, we developed an understanding of demand for the vendors and solutions included in this evaluation.

**Figure 3** Evaluated Vendors: Vendor Information And Selection Criteria

<b>Vendor</b>	<b>Product evaluated</b>	<b>Product version evaluated</b>	<b>Version release date</b>
Adobe Systems	Adobe LiveCycle Enterprise Suite	ES 2.5	October, 2010
Aia Software	ITP CCM Platform (CCM Interactive, CCM OnDemand, CCM Enterprise)	4	November, 2010
Elixir Technologies	Tango	1.03 Build 2011	March, 2011
EMC Document Sciences	xPression	Version 4.1	May, 2011
GMC Software Technology	GMC Communication Suite	Version 7.0	December, 2010
Hewlett-Packard	HP Exstream	HP Exstream Design and Production 8.0.202	February, 2011
Isis Papyrus Software	Papyrus Platform for Business Communication and Process	V7	October, 2009
Newgen Software Technologies	Newgen O2MS	Newgen O2MS 3.x	April, 2010
OpenText StreamServe	Persuasion	Service Pack 5	December, 2010
Pitney Bowes	Pitney Bowes EngageOne Communication Suite: DOC1; EngageOne Interactive; e-Messaging; EngageOne Liason; EngageOne Vault	5.6; 2.0; 1.3; 1.0; 2.4 respectively	Sept 2010, except e-Billing — April 2011
Thunderhead	Thunderhead NOW	v5.0.20	February, 2011
Xpertdoc Technologies	Xpertdoc Solution for Document Output	2	Fall 2010

**Vendor selection criteria**

Vendor must support interactive, on-demand, and structured document output segments.

Vendor must have an innovative solution for DOCCM.

Vendor must have generated strong interest from Forrester clients through inquiry.

Source: Forrester Research, Inc.

## EVALUATION ANALYSIS

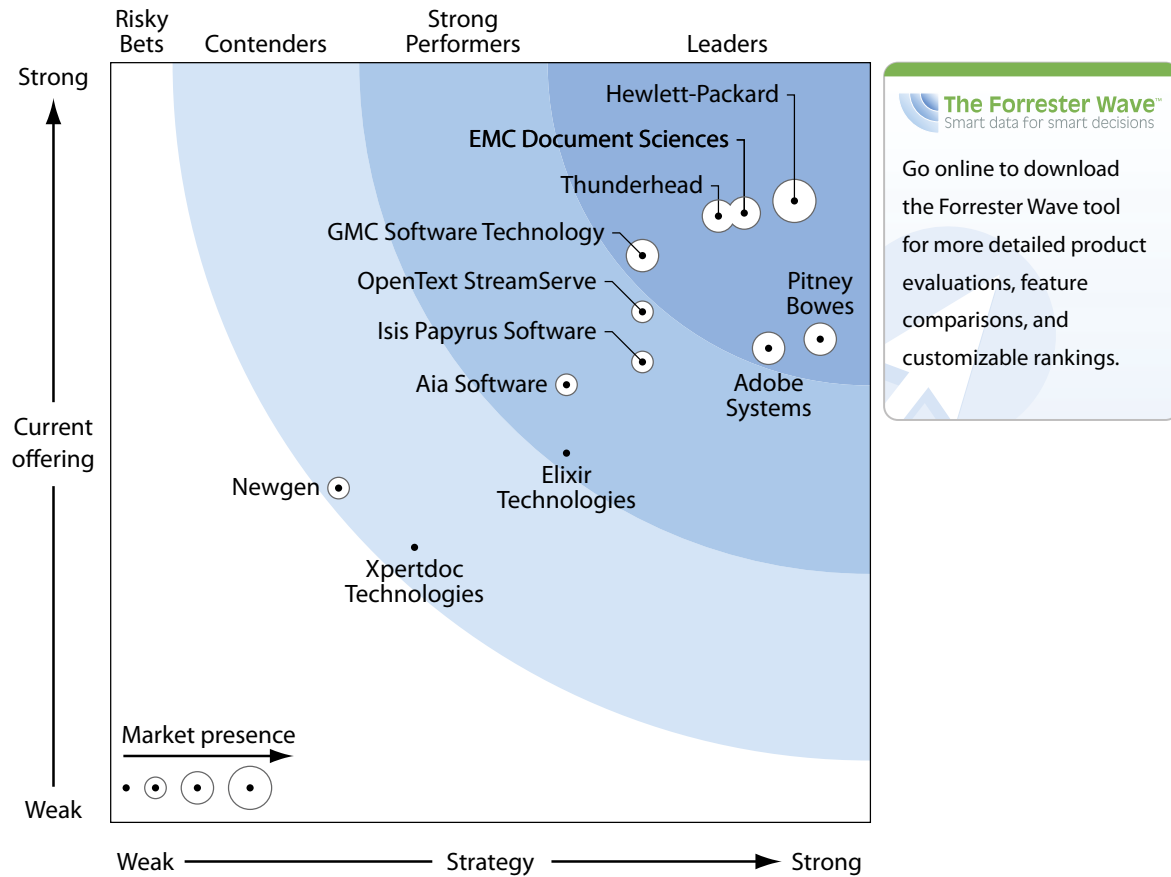
During the next five years, there will be powerful and transformational DOCCM platforms built on advanced authoring, workflow, business rules, analytics, and integration with enterprise marketing platforms. These will emerge as true enterprise solutions and fulfill requirements across all DOCCM segments. Enterprises that maintain point solutions without adopting enterprise solutions will struggle to meet emerging customer experience expectations. Our evaluation uncovered a market in which (see Figure 4):

- **HP, EMC, Thunderhead, Pitney Bowes, Adobe, and GMC lead the pack.** HP, EMC, Thunderhead, and Pitney Bowes were 2009 Leaders and maintained their overall positions in 2011, once again confirming the full commitment by their corporate senior executives to DOCCM. GMC is the lone new entrant to the DOCCM evaluation Leaders segment. All scores hit within a few decimal points of each other, but below the surface the companies are quite different. HP, EMC, and Pitney Bowes extended from structured use case support to enhance interactive capabilities, while GMC developed from the creative and marketing DOCCM support to broader DOCCM use cases. Thunderhead continued to penetrate and enhance interactive and on-demand capabilities while Adobe moved from a Strong Performer to a Leader by embedding DOCCM into an overall customer experience platform that leverages LiveCycle components well.
- **OpenText, Isis, Aia, and Elixir achieve Strong Performer status.** OpenText, Isis, Aia, and Elixir take their well-earned positions among the Strong Performers. StreamServe is already benefiting from the OpenText acquisition and continues to provide the strongest alternative for utilities and ERP integration and in particular, SAP. Aia has improved capabilities in a number of areas and now has the strongest overall leverage of SharePoint, particularly with Microsoft Dynamics integration. And Elixir has taken a bold SaaS direction and may pave the way for others to follow. Isis continues with a broad vision for DOCCM supporting ECM, CRM, analytics, event processing, and BPM and views CCM as a component of broader dynamic case management apps.
- **Xpertdoc and Newgen offer unique alternatives as Contenders.** Newgen and Xpertdoc offer great value at price points that will appeal to many enterprises. Newgen has a strong focus on interactive apps in financial services, particularly in retail banking, and may be half the price of competing solutions with well-leveraged offshore labor. Xpertdoc is an interactive product built around the Microsoft environment with an MS Word plug-in as the primary capability for interactive use cases.

We encourage readers to use this evaluation of the DOCCM market as a starting point only; they should view detailed product evaluations and adapt the criteria weightings to fit their individual needs through the Forrester Wave Excel-based vendor comparison tool. Because many clients have made existing investments in part of DOCCM, and the noted differences in different segments of

the DOCCM market, Forrester blended criteria across three use case segments: 1) structured output; 2) interactive output; and 3) on-demand output. As a result, enterprises should use the custom Forrester Wave features of our model to emphasize the use case area of interest — where the goal may not be complete enterprise coverage.

**Figure 4** Forrester Wave™: Document Output For Customer Communications Management, Q3 '11



Source: Forrester Research, Inc.

**Figure 4** Forrester Wave™: Document Output For Customer Communications Management, Q3 '11  
(Cont.)

	Forrester's Weighting	Adobe Systems	Aia Software	Elixir Technologies	EMC Document Sciences	GMC Software Technology	Hewlett-Packard
<b>CURRENT OFFERING</b>	50%	3.12	2.88	2.43	4.01	3.73	4.09
Authoring and document design	25%	2.40	1.80	2.40	4.20	4.40	4.40
Business empowerment	22%	3.00	4.34	3.00	4.34	5.00	3.66
Multichannel support	17%	3.80	3.00	1.80	3.80	3.00	4.40
Breadth of use case and application support	18%	3.75	2.35	1.25	3.85	3.50	5.00
Content, reporting, and SaaS delivery	13%	3.00	3.00	3.00	4.00	3.00	3.00
Software-as-a-service	5%	3.00	3.00	5.00	3.00	0.00	3.00
<b>STRATEGY</b>	50%	4.33	3.00	3.00	4.17	3.50	4.50
Product strategy	50%	5.00	3.00	3.00	4.00	4.00	4.00
Corporate strategy	50%	3.66	3.00	3.00	4.34	3.00	5.00
Cost	0%	0.00	0.00	0.00	0.00	0.00	0.00
<b>MARKET PRESENCE</b>	0%	3.26	2.11	2.00	3.31	3.65	4.21
Installed base	20%	3.80	2.25	1.35	3.20	4.25	4.35
Revenue	20%	4.00	1.00	1.00	3.00	3.00	5.00
Revenue growth	20%	4.00	2.00	2.00	3.00	4.00	3.00
Services	20%	2.01	3.32	3.65	3.34	4.00	3.68
Employees	20%	2.50	2.00	2.00	4.00	3.00	5.00

All scores are based on a scale of 0 (weak) to 5 (strong).

Source: Forrester Research, Inc.

**Figure 4** Forrester Wave™: Document Output For Customer Communications Management, Q3 '11 (Cont.)

	Forrester's Weighting	ISIS Papyrus Software	Newgen	OpenText StreamServe	Pitney Bowes	Thunderhead	Xpertdoc Technologies
<b>CURRENT OFFERING</b>	50%	3.03	2.20	3.36	3.18	3.99	1.81
Authoring and document design	25%	2.40	1.80	3.00	3.00	3.80	1.80
Business empowerment	22%	3.66	2.32	3.66	3.00	5.00	3.66
Multichannel support	17%	3.00	2.40	3.00	3.00	4.60	1.00
Breadth of use case and application support	18%	3.20	1.60	3.45	4.00	3.45	1.40
Content, reporting, and SaaS delivery	13%	3.00	3.00	4.00	3.00	3.00	1.00
Software-as-a-service	5%	3.00	3.00	3.00	3.00	3.00	0.00
<b>STRATEGY</b>	50%	3.50	1.50	3.50	4.67	4.00	2.00
Product strategy	50%	4.00	2.00	4.00	5.00	5.00	3.00
Corporate strategy	50%	3.00	1.00	3.00	4.34	3.00	1.00
Cost	0%	0.00	0.00	0.00	0.00	0.00	0.00
<b>MARKET PRESENCE</b>	0%	2.15	2.20	2.97	3.21	3.14	1.46
Installed base	20%	2.10	1.35	3.00	3.35	3.35	1.00
Revenue	20%	2.00	2.00	2.00	4.00	3.00	1.00
Revenue growth	20%	2.00	2.00	3.00	3.00	3.00	1.00
Services	20%	2.67	3.67	3.33	2.68	3.33	3.31
Employees	20%	2.00	2.00	3.50	3.00	3.00	1.00

All scores are based on a scale of 0 (weak) to 5 (strong).

Source: Forrester Research, Inc.

## VENDOR PROFILES

Although the Forrester Wave graphic may seem to indicate little differentiation among the leading vendors, in reality that's not the case. The offerings are quite diverse, each with its own unique set of strengths and weaknesses. For example, traditional structured output providers have proven support for high-volume batch production and have a strong foothold to meet the largest enterprise demands for structured applications, such as utilities, telecom, and brokerage statements that require complex pre- and post-processing. Others have deeper capabilities for interactive apps that are also batch processed, lack intelligent print streams, and may require the same volume and complexity.<sup>19</sup>

### Well-Balanced Leaders Drive The Market

The Leaders are particularly well-balanced across all use case areas and have strong market presence and excellent strategies to meet emerging DOCCM needs. The Leaders are:

- **HP Exstream leads with great overall balance.** HP leads the pack with top numbers across needed capabilities as well as continued strength for high-volume applications and a growing customer installed base. HP Exstream is still a “heavy” product, often with more capability than the customer can deploy. Yet for high-volume batch applications that require bulletproof control, HP Exstream will be the choice for many enterprises. HP’s printing unit, known as IPG, also adds surrounding coverage that proves valuable.<sup>20</sup> HP Exstream’s first interactive apps, reviewed in our 2009 Wave, were small correspondence efforts that were not well reviewed by references. The 8.0 version comes with a live app library and now tackles more complex apps like quotes and proposals. Multichannel support improved from handling email as a post process to applying channel-specific properties during design time. Basically, the interactive product is now on par with top interactive providers.
- **EMC Document Sciences leads with a strong overall platform.** EMC Document Sciences xPression is well-positioned for a complete DOCCM enterprise platform, with an open architecture based on Java and web services. The EMC product has four primary application development tools. The result is an application development environment less unified than other products but offering great flexibility and a set of de facto and popular environments that users and administrators like. It has excellent on-demand credentials and a strong multichannel strategy combined with a services architecture well-suited to real-time and straight-through content generation. The xPression platform will continue to emphasize third-party tools like Adobe InDesign or Microsoft Word for interactive DOCCM functions that require more sophisticated design elements or ease of use for business users. However, real differentiation over time will come from its laser focus on multichannel and on-demand apps that leverage a strong services architecture.
- **Thunderhead drills in on interactive use cases.** With an emphasis on financial services, Thunderhead emphasizes business user control, productivity, content component management, compliance, time-to-market, and its XML support.<sup>21</sup> Thunderhead has a modern multilayer architecture, with XML/SOA support and multichannel communication supported by out-of-the-box web interfaces supported by strong documentation. Integration with IBM BPM and ECM products is a plus cited by references. It’s well-positioned to transition structured apps to interactive and on-demand channels but can benefit from stronger packaging for post-processing support. The XML core avoids conversion to a proprietary format and maintains a broader set of information for downstream multichannel management, including email, fax, print, SMS, and HTML.
- **Pitney Bowes now has the complete CCM strategy.** Pitney Bowes now has all the tools for emerging multichannel communications. Portrait Software, acquired in 2011, uses predictive analytics to guide customers across email, to contact center, print, and websites, and represents the true brains of customer communications. When tied to execution strength of the EngageOne Communication Suite, this becomes a game changer for DOCCM. The

traditional Pitney Bowes' structured DOCCM offering excels due to output management software that improves printer efficiency and unique data sets that improve address quality, as well as "location intelligence" that improves marketing campaigns. In addition, Pitney Bowes continues to emphasize e-delivery with the launch of the Volly digital delivery service, a digital mail communications platform for consumers.<sup>22</sup> Pitney Bowes has improved the overall design and authoring environment from last review but still depends on the Designer as the main design environment for batch and on-demand applications, while EngageOne is the primary environment for interactive. The product road map shows continued unification with emphasis on ease of use.

- **Adobe is set apart by the breadth of DOCCM-related technologies.** Adobe's extensive product portfolio and customer experience platform direction guarantee a bright future for the DOCCM components. Portfolio components range from rich Internet application tools to LiveCycle components such as digital rights management. Solution accelerators for correspondence management and interactive statements are best-in-class for support of agents and field-facing personnel struggling today with legacy customer communications. Adding DOCCM to the document exchange service platform to leverage the recently acquired EchoSign e-signature capability will provide a best-in-class SaaS DOCCM solution.<sup>23</sup> Adobe will benefit with more solutions experience and tightening of its distribution approach that today has a wide range of integrators with varying DOCCM experience. Additional unification will further tighten this product. Looking forward, interactive statements that support customer turnaround data entry combined with mobile support — that may be app-based as opposed to document-based — will set Adobe apart.
- **GMC extends capabilities from marketing beachhead.** Marketing campaigns still dominate GMC's overall customer base, but GMC is now being viewed for interactive support across all use cases and has become a short-listed vendor in the mainstream market. GMC began business life turbo-charging high-speed printers manufactured by Cells and Océ. But the first commercial success was composition and workflow to support four-color direct mail printing for exploding loyalty programs. GMC's strong spot remains in creative applications and support of desktop publishing (DTP) functionality. PDF capabilities, for example, distinguish GMC from others, as they support PDF controls such as adding variables and keeping color information intact. Support is strong for mainstream interactive applications that support short textual documents like correspondence and will only improve with extension to a broader set of use cases.

### Strong Performers Offer Extensive Capabilities With A Bit More Focus

Strong Performers offer great alternatives in more focused areas such as integration with SharePoint, interactive use case, or integration with packaged applications. These are:

- **OpenText StreamServe beefs up ECM and multichannel credentials.** OpenText bought StreamServe to solidify its SAP ECM partnership. StreamServe started SAP work in 1999 and now has more than 350 installations. But OpenText also wanted to close gaps in its multichannel vision, and StreamServe helps. OpenText's strong product management will combine these DOCCM assets with strong mobile, WCM, and DAM OT solutions. In addition, StreamServe excels at integrating DOCCM into structured and enterprise apps but had gaps in workflow and BPM, that OpenText can fill with best-in-class BPM and ECM solutions. Energy, utility, and supply chain segments will remain the core strength, but expect a growing presence in financial services. Its partnership with Adobe has garnered approximately 40 new customers. The partnership integrates StreamServe Persuasion with Adobe LiveCycle Designer ES and repackages it as LiveCycle Production Print ES and has helped enhance StreamServe's North American presence.<sup>24</sup>
- **Isis Papyrus leverages unique adaptive development platform for flexibility.** Isis scored well as a Strong Performer across all use case segments with a well-balanced product with many enterprise class solutions. Isis Papyrus has the broadest set of DOCCM components, supporting ECM, CRM, analytics, event processing, and BPM, and views CCM as a component of a broader dynamic case management.<sup>25</sup> As such, the Papyrus System is a full application life-cycle platform and framework but has fewer out-of-the-box tools to create documents; nonetheless, it allows a wide range of functions to be built. CCM customers will leverage Isis-provided primitives and best practices to expose different aspects of the product. From a CCM perspective, Isis has very advanced BPM functionality. Rules are "natural language" with a simple "scripting language." A consolidated and common data model across CRM, ECM, DCM, and CCM in a core repository is provided as a starting point. Despite coming early to market with many capabilities, Isis' exposure to North America remains limited. But customers are committed to the Isis vision and feel passionate about this vendor.
- **Aia Software drives communications as a business process.** Aia Software launched in the Netherlands in 1988 and got a foothold in the local Benelux and wider European markets; it continues to extend its global reach through partnerships and regional networks. Aia's Intelligent Text Processing (ITP) Document Platform integrates with SAP, but the vendor has focused its road map on tapping CRM systems to improve multichannel content and personalized communications. A particular strength is the ability to extract and synchronize metadata with the corporate CRM system to establish the customer communication profile. References cited the strong overall support, cost-effectiveness, and responsiveness of Aia. In the Forrester field of providers, Aia has the strongest overall leverage of SharePoint and the Microsoft Dynamics packaged app environment.
- **Elixir's Tango targets emerging SaaS DOCCM applications.** Tango is the first DOCCM SaaS offering appearing in a Forrester Wave. Elixir started 26 years ago in the DOCCM space with a PC-based product for Xerox to merge data with forms. There are still thousands of Elixir form

apps in production, and they have implemented transition support for these clients. But today's focus is 100% on SaaS-based interactive applications like correspondence management and in particular, outside the firewall mobile applications such as management of membership cards for health insurance. JPBPM and Alfresco are used to complement the SaaS model and provide a strong BPM/ECM layer to liberate content for all channels.

### Contenders Offer Price And Services Alternatives

Contenders include two companies that will be a good fit for enterprises looking to solve specific DOCCM problems either through a SharePoint-oriented interactive app or using offshore assets to drive process transformation. These include:

- **Xpertdoc, which takes aim at the SharePoint environment.** Xpertdoc may have fewer than 20 employees but has built an easy-to-deploy and easy-to-use DOCCM solution with one of the stronger integrations with Microsoft Dynamics. It's an interactive product built around the Microsoft environment with an MS Word plug-in as the primary capability for interactive use cases. The firm does not provide ECM or BPM but does a nice job of leveraging the client's deployment of these solutions. It essentially takes what the client has today and turns it into a DOCCM app — and does it effortlessly. One client created 500 templates in six weeks with a half-day of training. Today Xpertdoc primarily focuses on life, health, and annuity insurance, legal, and government. And the price point may surprise you.
- **Newgen, which has strong integration with ECM and BPM.** Newgen has a strong focus on interactive apps in financial services, particularly in retail banking. Offshore labor is leveraged to build the initial DOCCM solution where it's turned over to the client. While not as productized as others in the field, Newgen has been cited as providing flexible and cost-effective solutions that combine their proprietary ECM, BPM, and CCM components. In some bids they are half the price of competing solutions.

## SUPPLEMENTAL MATERIAL

### Online Resource

The online version of Figure 4 is an Excel-based vendor comparison tool that provides detailed product evaluations and customizable rankings.

### Data Sources Used In This Forrester Wave

Forrester used a combination of data sources to assess the strengths and weaknesses of each solution:

- **Vendor surveys.** Forrester surveyed vendors on their capabilities as they relate to the evaluation criteria. Once we analyzed the completed vendor surveys, we conducted vendor calls where necessary to gather details of vendor qualifications.

- **Product demos.** We asked vendors to conduct demonstrations of their product's functionality. We used findings from these product demos to validate details of each vendor's product capabilities.
- **Customer reference calls.** To validate product and vendor qualifications, Forrester also conducted reference calls with several of each vendor's current customers.

### The Forrester Wave Methodology

We conduct primary research to develop a list of vendors that meet our criteria to be evaluated in this market. From that initial pool of vendors, we then narrow our final list. We choose these vendors based on: 1) product fit; 2) customer success; and 3) Forrester client demand. We eliminate vendors that have limited customer references and products that don't fit the scope of our evaluation.

After examining past research, user need assessments, and vendor and expert interviews, we develop the initial evaluation criteria. To evaluate the vendors and their products against our set of criteria, we gather details of product qualifications through a combination of questionnaires, demos, and discussions with client references. We send evaluations to the vendors for their review, and we adjust the evaluations to provide the most accurate view of vendor offerings and strategies.

We set default weightings to reflect our analysis of the needs of large user companies — and/or other scenarios as outlined in the Forrester Wave document — and then score the vendors based on a clearly defined scale. These default weightings are intended only as a starting point, and we encourage readers to adapt the weightings to fit their individual needs through the Excel-based tool. The final scores generate the graphical depiction of the market based on current offering, strategy, and market presence. Forrester intends to update vendor evaluations regularly as product capabilities and vendor strategies evolve.

### ENDNOTES

- <sup>1</sup> This report is an update of the document output for customer communications management Forrester Wave conducted in 2009. See the June 25, 2009, "[The Forrester Wave™: Document Output For Customer Communications Management, Q2 2009](#)" report.
- <sup>2</sup> For years, DOCCM has been pegged as a back-office operation that produces customer statements and bills. Now, customer experience demands will thrust DOCCM into a major software category supporting the growing and diverse content that enterprises must assemble and deliver to customers. See the October 24, 2007, "[Give DOM Its Due](#)" report.
- <sup>3</sup> By evaluating the ROI of correspondence management, organizations can prove a return within a year by optimizing content production, consolidating vendors and systems, and reducing paper usage. This helps enterprises realize that investing in DOCCM makes sense despite poor economic conditions. See the February 13, 2009, "[The ROI Of Correspondence Management](#)" report.

- <sup>4</sup> While treating each interaction as a distinct transaction with associated rules and procedures previously proved sufficient, leading organizations now view the breadth of channels as parts of a larger continuum. As a result, the distinction between customer service as an activity delivered through a call center and eService, or delivered through self-service, email, and chat, is disappearing. Integration between channels, common underlying workflows and business rules, and seamless transitions between contact media will become the rule, rather than the exception. See the January 18, 2007, "[Trends 2007: eService Is Customer Service](#)" report.
- <sup>5</sup> In hard economic times, enterprises will increasingly focus on e-transactions. See the December 17, 2008, "[In Good Times And Bad, Document-Centric Web Transactions Lower Costs And Improve Experience](#)" report.
- <sup>6</sup> Applications designed to support specific business processes now include word processing capabilities that look just like Microsoft Word, eliminating the need for IT organizations to provision and integrate separate tools. Oracle, Pitney Bowes Business Insight, Metavante, and HP all offer document output for customer communications management solutions that use Word-like authoring environments to compose content. Not only do these applications look and feel similar to Microsoft Word, but their capabilities are also much more powerful according to their vendors. See the December 22, 2008, "[Breaking Up Is Hard To Do: The Microsoft Word Love Story](#)" report.
- <sup>7</sup> Reducing IT support costs leads to major costs savings, particularly by transitioning IT ownership of templates to the business. See the February 13, 2009, "[The ROI Of Correspondence Management](#)" report.
- <sup>8</sup> Forrester's concept of "Design For People" emphasizes the close alignment of the technology that business people use with the collection of business processes they participate in and the individual's work assignments, work style, and preferences. See the June 27, 2008, "[Develop Your 'Design For People' Game Plan](#)" report.
- <sup>9</sup> A Forrester survey of 25 enterprises found that the average number of DOCCM solutions per company was more than six. See the October 24, 2007, "[Give DOM Its Due](#)" report.
- <sup>10</sup> Fragments or component parts of templates are useful when updating large numbers of form templates. An enterprise, for example, might update a logo used on hundreds of forms, or a financial services firm may need to comply with a new regulation that affects a section on hundreds of different forms. Form fragments or components should be stored in a content repository. When a fragment or component is updated, the templates that reference it are automatically updated as well.
- <sup>11</sup> For example, Exstream Designer has an XML interface called Exstream Exchange Format (DXF) based on XSL:FO to allow designs from Microsoft Word or desktop publishing tools to be imported into the Exstream authoring environment. This approach amounts to a plug-in to QuarkXPress and Adobe InDesign, to bridge from those tools into Designer, and enables use of third-party tools for appropriate purposes.
- <sup>12</sup> Hosted services for marketing output makes sense for many. For example providers include NEPS, Tele Tek Software, and Nimblefish Technologies (a publishing platform and service company) bought by Bowne & Co.
- <sup>13</sup> One company uses Aia ITP to communicate with its customers by means of both printed letters and emailed messages. In this solution, the email isn't just a replacement of the envelope containing a PDF version of the letter as an attachment. Instead, the message itself contains the personalized and nicely formatted message. Due to the bulky amount of emails sent by this company, it is using an external email service provider. Aia has provided the ITP setup with a means to deliver the emails through this service provider.

- <sup>14</sup> Skywire Software had more than 2,400 customers worldwide, including 2,000 DOCCM installations. It also owned Whitehill Technologies, which is strong in group health and life, while DocuCorp offers strong property and casualty solutions. The combination gives Oracle a significant portion of insurance market share for DOCCM. Oracle Insurance has recently rolled out its Application Integration Architecture Insurance Foundation Pack, which delivers an insurance-specific business process model, insurance-specific Enterprise Business Objects (EBOs), and Enterprise Business Services (EBSes) to minimize integration cost and risk. Oracle will leverage Skywire's insurance assets, such as the Insbridge rating engine, and a suite of solutions for document management that will augment those already owned by Oracle and that, aimed at insurers, can also be leveraged in other industries.
- <sup>15</sup> Source: Maria Bruno-Britz, "FIS Finalizes Metavante Acquisition," Bank Systems & Technology, October 1, 2009 (<http://www.banktech.com/core-systems/220300673>).
- <sup>16</sup> Metavante created the Custom Statement Formatter (CSF-MVS), which was once the preeminent mainframe DOCCM solution and remains widely deployed today.
- <sup>17</sup> CMS is the umbrella term that includes three Xerox offerings: Cross Media Communications Services, a multichannel (interactive and passive media) solution; Document Supply Chain Management, which handles physical fulfillment from sourcing, order management, design, and warehouse logistics; and Enterprise Marketing Services (EMS), a unique offering in the industry that combines consultancy and analytics, customer data integration, creative services, and downstream production to develop and manage marketing campaigns. Most DPS marketing communications providers focus on physical production and don't offer a complete marketing solution like EMS. CMS solutions are delivered via Xerox global delivery centers where offerings such as Aprimo, Prinova, and XMPie are bundled as SaaS offerings to deliver CMS services.
- <sup>18</sup> Business process professionals continue to recommend that organizations outsource non-core and declining document-intensive processes. At the same time, acceptance of outsourced document processing services (DPS) continues to grow. As a result, DPS — a diverse set of offerings that comprise three distinct segments — is set to grow steadily in aggregate. Hosted repository services, document output services, and managed print services are repositioned service offerings that address the decline of paper through multichannel extensions, development of "corporate solutions," and support of more complete business processes. In addition, business process outsourcers and other players continue to add DPS to their portfolios. The conclusion? Turn to DPS providers as a strategic option for your document-intensive business processes. For more, see the March 22, 2011, "[The State Of The Document Processing Services Industry 2011](#)" report.
- <sup>19</sup> Forrester differentiates Leaders in the structured segment by their native ability to support specialized print applications like telecom, utilities, and brokerage statements that have the most stringent requirements for formatting and output. Some of the interactive and newer market entrants have made a strategic decision to pursue less specialized structured applications and may handle those applications well, even though rated lower than Leaders in that segment.

- <sup>20</sup> IPG helps solidify the Exstream solutions with on- and off-premises digital printing products, HP Output Server for on-demand delivery and secure printing, and Web Jetadmin for distributed output. HP Output Server has roots in infrastructure output management, derives from the Dazel product, and will be helpful in the on-demand segment. The document supply chain in manufacturing is a prime focus and a natural fit for HP, with modules that extend output features of ERP solutions. HP Output Server has also integrated applications for CRM and supply chain management solutions in telecommunications, financial services, and other industries.
- <sup>21</sup> Vendors take different approaches to XML for DOCCM. While all have XML support, this generally means being able to convert content to an XML format. Thunderhead uses XML templates with XML content maintained throughout the workflow. Vendors with less XML support point to performance issues with XML. Advantages identified by Thunderhead include the separation of content from presentment that creates efficiency for multichannel output. In some systems without XML, templates are channel-specific, creating many more templates to be maintained.
- <sup>22</sup> The Volly secure digital delivery service, announced in January 2011, is a cloud-based digital mail communications platform that allows consumers to receive, view, organize, and manage bills, statements, direct marketing, catalogs, coupons, and other content from multiple providers using a single application. This opt-in, consumer-focused consolidation service also includes online bill payment.
- <sup>23</sup> Adobe's Document Exchange Services Platform is a SaaS platform that builds on document exchange workspaces for store and share of documents. It started in November of 2010 with the SendNow service for sending and tracking a document, then added Forms Central to collect information on documents and Echo Sign for e-signature; security and DRM will be added but exist in LiveCycle today.
- <sup>24</sup> This partnership was announced on April 17, 2007. Adobe LiveCycle Designer ES produces XFA (an XML-based form and document templating language). For the partnership, StreamServe can accept XFA and tie it into its post-processing capabilities to meet higher volume needs.
- <sup>25</sup> For a description of dynamic case management, see the December 28, 2009, "[Dynamic Case Management — An Old Idea Catches New Fire](#)" report.

# FORRESTER®

Making Leaders Successful Every Day

## Headquarters

Forrester Research, Inc.  
60 Acorn Park Drive  
Cambridge, MA 02140 USA  
Tel: +1 617.613.6000  
Fax: +1 617.613.5000  
Email: [forrester@forrester.com](mailto:forrester@forrester.com)  
Nasdaq symbol: FORR  
[www.forrester.com](http://www.forrester.com)

## Research and Sales Offices

Forrester has research centers and sales offices in more than 27 cities internationally, including Amsterdam, Netherlands; Beijing, China; Cambridge, Mass.; Dallas, Texas; Dubai, United Arab Emirates; Frankfurt, Germany; London, UK; New Delhi, India; San Francisco, Calif.; Sydney, Australia; Tel Aviv, Israel; and Toronto, Canada.

For the location of the Forrester office nearest you, please visit: [www.forrester.com/locations](http://www.forrester.com/locations).

For information on hard-copy or electronic reprints, please contact Client Support at +1 866.367.7378, +1 617.613.5730, or [clientsupport@forrester.com](mailto:clientsupport@forrester.com).

We offer quantity discounts and special pricing for academic and nonprofit institutions.

Forrester Research, Inc. (Nasdaq: FORR) is an independent research company that provides pragmatic and forward-thinking advice to global leaders in business and technology. Forrester works with professionals in 19 key roles at major companies providing proprietary research, customer insight, consulting, events, and peer-to-peer executive programs. For more than 28 years, Forrester has been making IT, marketing, and technology industry leaders successful every day. For more information, visit [www.forrester.com](http://www.forrester.com).