

Mid-sized organizations will be able to better navigate current – and future – economic and global challenges, remain resilient, do more with less, and stay competitive with a modern content services solution.

Content Services Modernization for Mid-Sized Organizations

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Introduction

Despite challenging economic headwinds, the underlying and long-term IT demand remains solid, with cloud and digital transformation still driving businesses to prioritize technology investments. When asked how current disruptions will affect spending plans in 2023 compared to 2022, 80% of decision makers indicated that IT spending in 2023 will be the same or higher than originally planned (n = 1014; Source: IDC's *Future Enterprise Resiliency & Spending Survey - Wave 5*, June 2023).

Higher spending may seem counterintuitive in the current economic climate, but the savvy executive understands that continued investment in digital transformation initiatives enables the organization to do more with less while maintaining a competitive advantage. Therefore, in the short term, budget pressures are putting more emphasis on investments that lead to greater operational efficiency, increased employee productivity, and cost savings.

Content drives business, and the modernization of content services is an important component of any digital transformation initiative. In a recent IDC survey, we asked respondents who had recently invested

AT A GLANCE

Key Takeaways

- Today's mid-sized organization requires a modern content services solution that meets the current — and future — needs of digital business.
- **Flexible work is here to stay**, but 40% of mid-sized organizations say that **secure remote access to data, apps, and content** is one of the biggest challenges in supporting remote and flexible workers.
- Another big concern regarding flexible work models is **enabling teams to work together**, noted by 41% of respondents.
- Modern, cloud-enabled content services solutions address both challenges mentioned above.
- A key benefit is a **reduction in manual processes and increased employee productivity** (28% of respondents) as well as **increased employee satisfaction and engagement** (35% of respondents).
- However, less than one-third of the companies surveyed said that their current content services solution was working well.

(or were planning to invest) in content services their reason for doing so. More than one-third (39%) of companies in North America said that it was to improve the overall effectiveness and efficiency of business operations (Source: *IDC's State of Content Services Survey*, June 2023).

This IDC Analyst Brief explores the content-related challenges experienced by mid-sized companies today and the benefits of investing in and modernizing content services, including a shift to public cloud and Software as a Service (SaaS) deployment and deep integrations with business applications for increased efficiency. We will also touch on future opportunities, including the promise of generative AI.

Mid-Market Definitions

For the purposes of this IDC Analyst Brief, we are defining the mid-market segments as follows:

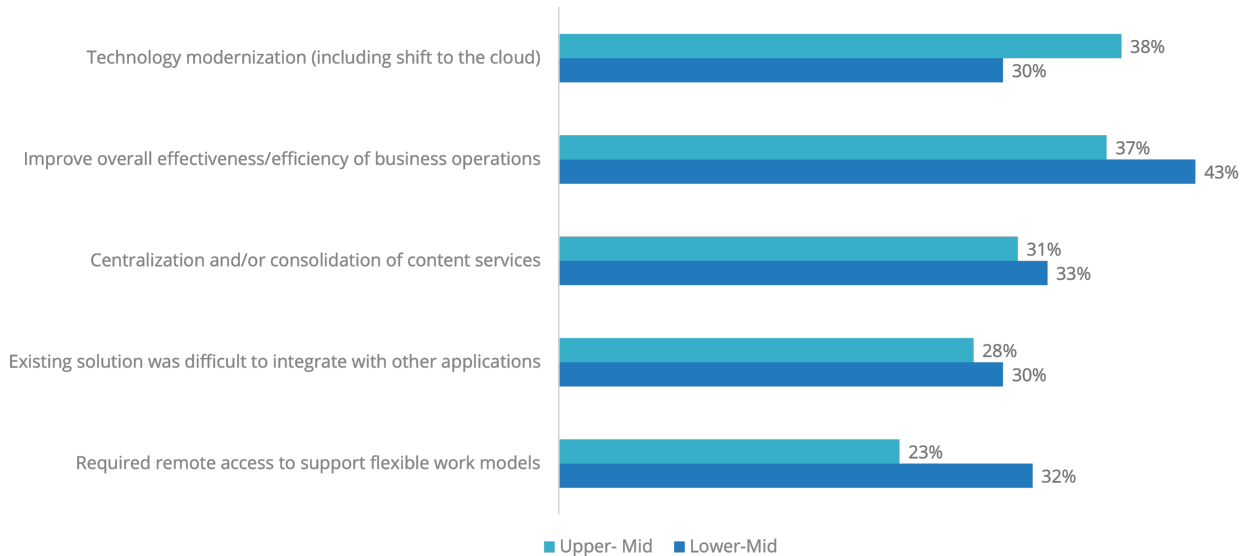
- Lower-mid market as companies with 100 to 999 employees
- Upper-mid market as companies with 1,000 to 4,999 employees

Benefits of Content Services Modernization

As noted previously, we asked respondents who had recently invested in content services (in the past year) or who were planning to invest in the next 12 to 18 months their reason for doing so. In addition to improving the overall effectiveness and efficiency of business operations, respondents cited a number of other reasons for their investment, including technology modernization (together with a shift to the cloud) and the need for better integration with other business applications (see **Figure 1**).

Figure 1: Reasons for Investing in Content Services

Q: You indicated that your organization has recently invested or plans to invest in content services applications. What are the primary reasons for doing so?



Source: *State of Content Services Survey*, IDC, June 2023

Less than one-third of the mid-market companies that responded to this survey said that their current content services solution was working well. Although 47% of lower-mid and 43% of upper-mid said it is “satisfactory,” 22% of lower-mid and 27% of upper-mid stated that it needs improvement.

The mid-market companies that we surveyed experienced a number of benefits from deploying content services, in addition to greater operational efficiency and cost savings:

- 45% of lower-mid and 32% of upper-mid companies cited improved business decision making.
- For upper-mid companies, the top benefit was risk mitigation through increased visibility, auditability, and accountability; 27% of lower-mid and 28% of upper-mid companies cited reduced compliance and business risk.
- Both groups mentioned a reduction in manual processes and increased employee productivity (28% of lower-mid and 28% of upper-mid). Other important factors that would favorably impact employee productivity are increased automation through the improved integration of disparate applications and easy collaboration with other employees and external stakeholders.
- Stakeholder satisfaction was also a notable benefit, including:
 - Increased employee satisfaction and engagement (35% of lower-mid and 38% of upper-mid)
 - Increased partner and supplier engagement (39% of lower-mid and 31% of upper-mid)
 - Increased customer satisfaction and engagement (41% of lower-mid and 26% of upper-mid)

Considerations for Content Services Modernization

Flexible Work

Flexible work models are here to stay. In recent global research, 18% of employees in organizations with 500–999 employees are primarily remote (i.e., they work from home three or more days a week), and 19% of upper-mid employees are primarily remote (Source: *Source: IDC's Future Enterprise Resiliency & Spending Survey - Wave 5*, June 2023). In addition, 18% of employees in organizations with 500–999 employees and 19% of upper-mid employees are considered hybrid/flexible (i.e., they work from home, the office, or any other location, depending on business needs).

These employees require secure device- and location-agnostic access to company resources, including content. However, to ensure productivity and engagement, access must provide a comparable experience, whether onsite or remote. Additionally, employee workspaces and solutions should maintain context across locations.

About 42% of companies with 500–999 employees and 40% of upper-mid organizations say that secure remote access to data, applications, and content is one of the biggest challenges in supporting remote and flexible workers (Source: *IDC's WW Future of Work (FoW) Survey*, April 2023). Another significant challenge is collaboration; 44% of companies with 500–999 employees and 41% of upper-mid organizations say that enabling teams to work effectively together is one of the biggest concerns regarding flexible work models. Modern, cloud-enabled content services solutions address both challenges.

Case Study

When the pandemic hit, a regional insurance firm whose employee base consisted of hundreds of remote field agents found that it could no longer meet with clients face-to-face. The firm recognized that it needed a solution that allowed for the secure upload and transfer of documents between customers and agents and between various departments within the organization.

Adopting the new document-sharing platform saved the business during this time and allowed the insurance firm to take advantage of new opportunities that the technology created. *“This was a godsend for us when we needed it to be, and it has continued to be,”* stated the firm’s president. *“It’s something that we’ve fully integrated into our business. It’s part of what we do. I know a lot of people we compete with are still using email to transfer information because they’re not set up with something like this. Now we market to that data security piece of it because that has become so important.”* (Source: *IDC PeerScope: Lessons Learned from Implementing Cloud-Based Content Services Technologies and Content-Centric Workflows in the Future of Work*, IDC, October 2022.)

Integration

Small and mid-sized businesses are also concerned about integration with their current technology stack when making technology purchasing decisions (Source: *2023 Worldwide Buyer Behavior Snapshot*, April 2023). Almost one-quarter (22%) of lower-mid companies said that the top factor influencing the purchase of software was that the solution integrated well into their existing environment and worked well with other technologies that they already had. This was also a top factor for acquiring cloud services (21% of lower-mid companies). Smaller organizations have smaller (or no) IT departments, and these departments frequently don’t have the time or skill sets required for the custom development required for some integrations.

Case Study

A regional health care provider wanted to transition its patient charts to a single electronic health record (EHR) technology. A centralized repository improves efficiency and patient outcomes by providing the patient, internal providers, and out-of-network partners with better access to health records, including documents and imaging. The healthcare company had an existing content management partner for its contracts, invoicing, and patient records, and they wanted to maintain that relationship.

Post-migration, the healthcare system points to their content management partner’s integrations with the third party EHR software as imperative to the project’s success. They now have the ability to retrieve archived patient data from legacy systems within their document workflow, which is key to diagnoses and decision making. The healthcare company is now using more of their partner’s advanced content management features that are healthcare-specific and integrate directly into the EHR software.

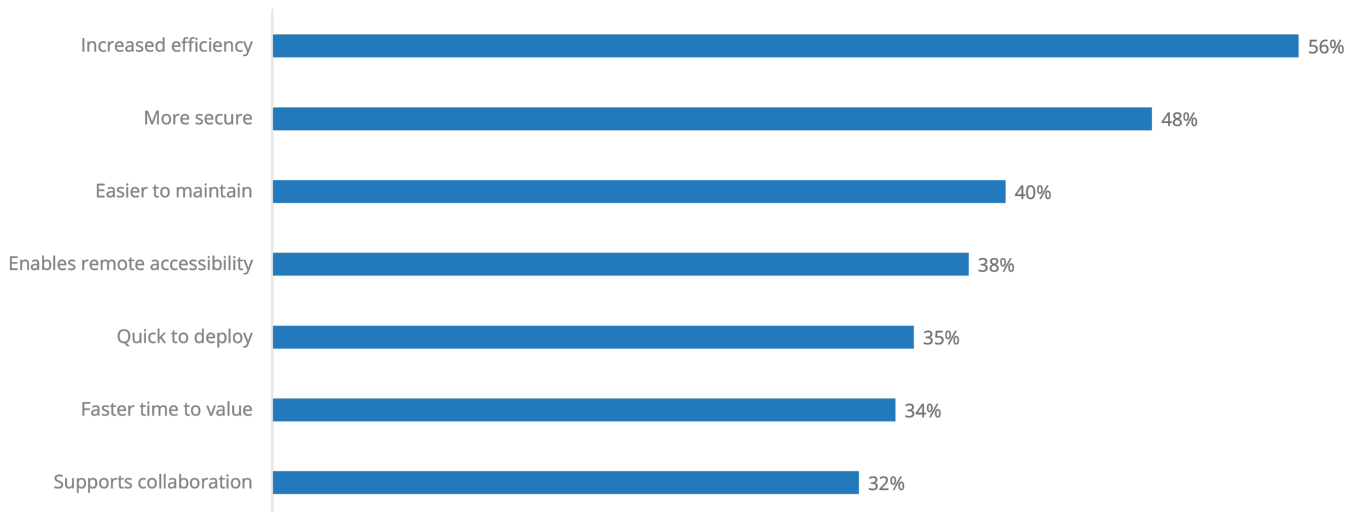
Cloud/SaaS

Today, only one-third (33%) of content services workloads are SaaS applications (Source: *MaturityScape: Content-Centric Workflow in the United States*, IDC, November 2022). Clearly, this presents a modernization opportunity for companies of all sizes. As noted previously, 30% of lower-mid and 38% of upper-mid companies cited technology modernization (including a shift to the cloud) as the impetus for investing in content services.

In a 2022 survey, respondents noted the benefits of a shift to the cloud for content services, including increased efficiency and security, easier maintenance (and less stress on IT resources) and remote access for a flexible workforce (see **Figure 2**).

Figure 2: Benefits of a Shift to the Cloud

Q: What do you see as the biggest benefits of a shift to the cloud?



Source: US — IT QuickPoll — Content Services Survey, IDC, January 2022

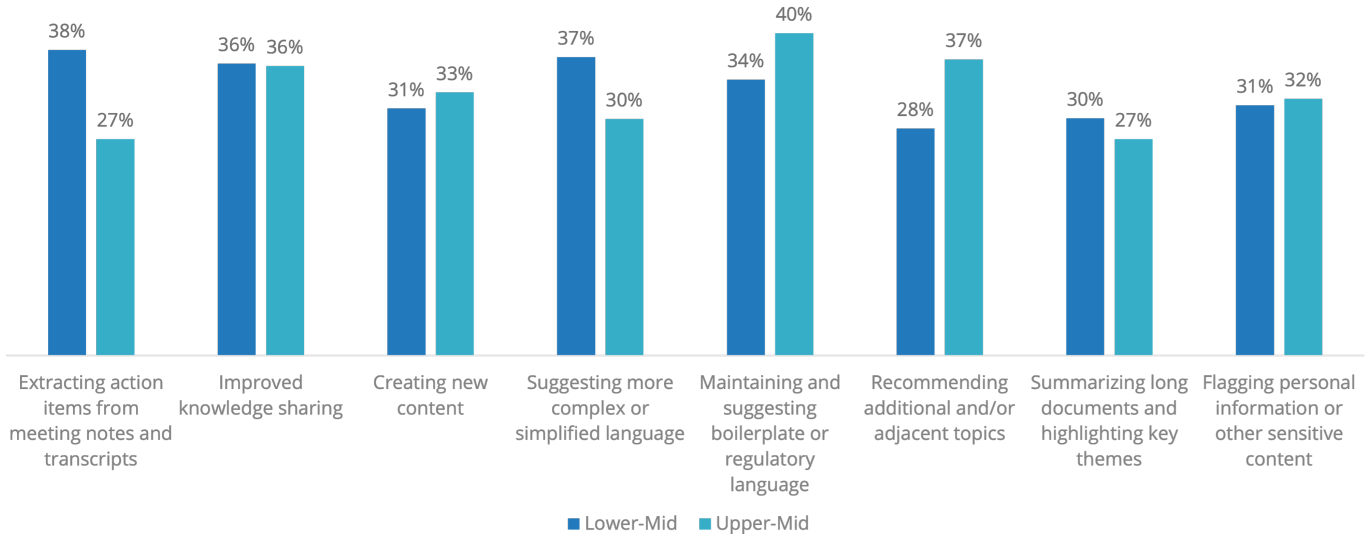
The Promise of Generative AI (GenAI)

IDC defines *generative AI* as a branch of computer science that involves algorithms that enable computers to create new content using previously created content, such as text, audio, video, images and code. An example is ChatGPT. Three-quarters (74%) of lower-mid and 67% of upper-mid companies say that it is somewhat or very likely that they will seek out solutions that incorporate generative AI for content-centric workflows and use cases in the next 12 months (Source: *State of Content Services Survey*, IDC, June 2023).

Generative AI has the potential to significantly change the way organizations create, share and manage content, offering increased efficiencies and improved user experiences. Some of the most promising use cases for generative AI are extracting and summarizing information, enhancing knowledge sharing, and improving or generating the content itself (see **Figure 3**, next page).

Figure 3: Most Promising Generative AI Content-Centric Use Cases

Q: What do you think are the most promising use cases for Generative AI?



Source: *State of Content Services Survey*, IDC, June 2023

Conclusion

Today's mid-sized organization requires a modern content services solution that meets the current — and future — needs of digital business. This means a modern, cloud-enabled application that improves the overall effectiveness and efficiency of business operations. Specifically, the solution must:

- Integrate well with an organization's current technology stack, including its line of business applications
- Support a flexible workforce with a location- and device-agnostic feature that enables collaboration
- Be easy and simple to deploy, configure, manage, and use
- Speed up time to value

Mid-sized organizations will be able to better navigate current — and future — economic and global challenges, remain resilient, do more with less, and stay competitive with a modern, integrated SaaS content services solution.

About the Analyst



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Holly Muscolino is the Group Vice President, Content Strategies and the Future of Work, responsible for research related to innovation and transformation in content solutions, including intelligent document processing, esignature, imaging and printing and other content workflow services. Ms. Muscolino's core coverage also includes work transformation, technology, and digital skills research and the role of technology in driving the future of work.

MESSAGE FROM THE SPONSOR

The current economic climate demands that mid-sized organizations find ways to balance growth objectives with limited resources. By eliminating the need for manual data entry, application switching and endless searching for information, your teams can spend more time focusing on high-value work that impacts business outcomes. With a secure and scalable end-to-end SaaS solution, you can:

- Overcome resource limitations and do more with less
- Retain the best talent by empowering employees with information where and when it's needed
- Accelerate digital transformation to enhance business processes and prepare to meet future needs

Are you ready to think outside the box? Power superhuman teams with smarter information.



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