

IDC MarketScape: Worldwide Automated Document Generation and Customer Communication Management 2024 Vendor Assessment

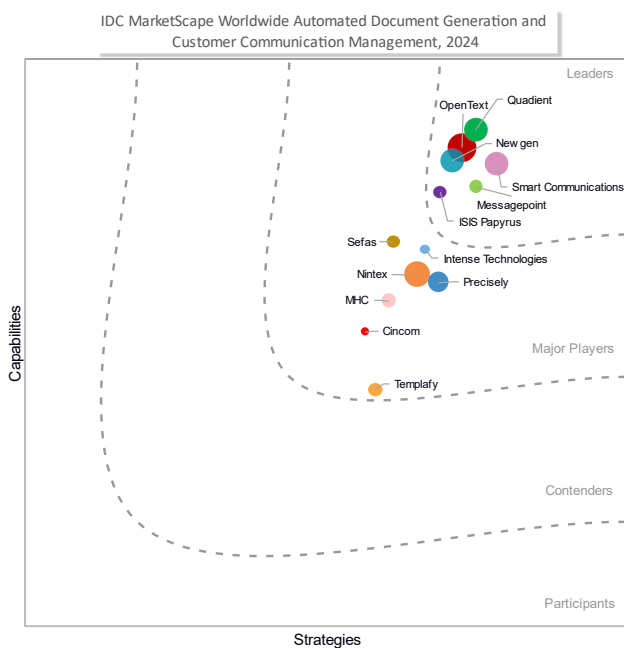
Marci Maddox

THIS EXCERPT FEATURES OPENTEXT AS A LEADER

IDC MARKETScape FIGURE

FIGURE 1

IDC MarketScape Worldwide Automated Document Generation and Customer Communication Management Vendor Assessment



Source: IDC, 2024

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

ABOUT THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Automated Document Generation and Customer Communication Management 2024 Vendor Assessment (Doc # US52111324).

IDC OPINION

Automated Generation of Documents

Historically, the role of customer communication management (CCM) applications was of an automated document generation (ADG) tool to automate and reduce costs associated with generating printed (and eventually digital) documents, such as statements or notices. While this is still the case, there is an additional use of document generation from within business applications, such as Salesforce for contracts and sales interactions, industry applications such as healthcare, and business groups such as human resources for employee communications. In IDC's September 2024 *Intelligent Forms and Digital Customer Communications Survey*, functional departments that saw an increase in technology-generated customer communications in the past 18 months included sales (47%), marketing (42%), and product management (31%). Vendors have advanced document generation to include personalization elements by pre-populating communication workflows with data-driven rules or the newer AI and generative AI (GenAI) capabilities.

Personalized Document Generation

Organizations must handle various communication formats and types. IDC's September 2024 *Intelligent Forms and Digital Customer Communications Survey* found the top 4 channels for customer communications were via email (55%), website (50%), online forms (36%), text messages (33%), and interactive chat (32%). The goal to provide a fluid and frictionless engagement with the customer requires every interaction to connect across multiple data sources, people, systems, and processes at each stage of the journey. Few customer-oriented organizations have achieved this cohesion level, as business departments and teams often have different priorities. In addition, many regulated organizations continue to use ADG/CCM applications for traditional print output as they transition to a digital version for their clients. According to IDC's 2024 *Intelligent Forms and Digital Customer Communications Survey*, ADG/CCM applications can address the top customer complaints regarding communications, including reducing the repeated requests made to customers for the same information (37%), making chatbots more helpful (34%), guaranteeing communication responses (27%), and personalizing communications (27%) that deliver more engaging, right-sized communications to the customer's preferred device and channel. In addition, ADG/CCM

vendors must address digital accessibility according to the rules, regulations, and guidelines associated with print and digital communications.

The growing demand for on-demand documents, dynamic communications, and real-time interactions has led ADG/CCM vendors to modernize their architecture and shift to the cloud. These vendors are introducing innovative technologies, such as AI/GenAI, ML, natural language processing (NLP), and conversational interfaces (e.g., Siri, Alexa, or Cortana), to support new business groups and their communication requirements in expanded use cases such as product recommendations or real-time responses with sales and service teams. Organizations should consider transitioning from automated document generation to multichannel, personalized documents and communications to encourage higher engagement with customers, clients, partners, and employees.

Empowering Employees to Improve Communication Experiences

Another characteristic of the ADG/CCM market is the business initiative that can measure the platform or application. The first focus is on customer satisfaction. IDC's September 2024 *Intelligent Forms and Digital Customer Communications Survey* found that improving customer engagement and satisfaction was the number 1 business goal of organizations' ADG/CCM strategy. In the survey, 33% of respondents look to automation or GenAI to optimize and reduce costs for their communications, and 30% want to allow customers to more easily complete self-service tasks. The demand for personalized and tailored documents and communications to an individual's preferred channel is central to a positive customer experience (CX). CIOs and CMOs are eager to measure the success of the CX initiatives they sponsor, using standard CX metrics (e.g., CSAT, NPS) against similar competitors in the market. Moreover, they are beginning to measure how well the company delivers on customers' expected outcomes and track customer effort in traversing the outcome-based journey.

The support for empowering employees with easy-to-use tools to create documents and communications without reliance on IT or specialized teams is increasing. ADG/CCM applications tailor the user experience to generate documents and communications within the context of a task, use case, or business value stream. For example, ADG/CCM vendors have invested in the salesperson's experience, making it easy to generate documents on demand directly from within Salesforce. Some ADG/CCM vendors bring subject matter expertise to their offering, such as honing the insurance agent experience to automatically generate quotes and correspondence at scale. Other ADG/CCM vendors are bringing the creative marketer into the fold with interactive forms and communications in the context of a campaign.

Organizations seeking to unify the communications stack with business applications should consider a communication platform that provides packaged integrations, open standards, and regulatory compliance. Some vendors have invested in templates, processes, and content to support industry or vertical solutions, such as healthcare solutions, regulated business processes, and case management. Payment processing and identity authentication solutions require additional development, as does automating secure digital document delivery from data that custom or enterprise applications supply.

IDC MARKETScape VENDOR INCLUSION CRITERIA

Automated document generation and customer communication management applications accommodate various data inputs, including the integration of adjacent technologies to facilitate dynamic communication composition and delivery. ADG/CCM can generate multiple outputs (e.g., documents, communications, messages, and interactive tasks) to a range of delivery channels (e.g., print, email, SMS, voice, digital wallet, and IoT) in multiple formats (e.g., HTML, XML, PDF, AFP, WEBM, and MP4) to any audience or recipient (e.g., customers, citizens, partners, suppliers, chatbots, and machines). More advanced ADG/CCM solutions will take input from digital signals (e.g., IoT devices or video analysis) or connected data to achieve its goal, whether to send a simple SMS notification or generate a more complex guided experience.

This IDC MarketScape focused on the core capabilities of authoring, processing, delivering, and reporting. Point solutions focusing on a specific industry (e.g., insurance) or business roles (e.g., sales and marketing) tend to have fewer features and capabilities than a broader ADG/CCM platform. Industry or role-based applications have a focused road map and specialization of features that accommodate their users' needs, which require less customization than a more generalized ADG/CCM system. End users prefer these specialized applications for ease of use and level of value received.

A critical requirement in this research is for vendors to meet established inclusion criteria, including core capabilities for automated document generation and customer communication management. The inclusion criteria for vendors of the IDC MarketScape on automated document generation and customer communications management are:

- Minimum of 100 active customers (corporate or government entities)
- Active customers using the ADG/CCM solution for at least 12 months
- Market presence and momentum based on IDC inquiry and positive revenue growth

- Revenue generation of at least \$20 million (or equivalent conversion from other currencies) globally in annual software revenue (license or subscription revenue excluding professional services) in calendar year 2023 from a commercially supported business packaged offering
- Targets and scales to meet the needs of organizations supporting more than 500 employees, with approximately 50% of customers in this range
- Capabilities to create and distribute communications with support for the following:
 - Support interactive, batch, and programmatic methods of ingestion and delivery of documents, files, templates, content, and data elements to multiple channels
 - Provide task or workflow features enabling ad hoc collaboration, review/approval, and roles-based or rules-driven variant delivery
 - Support a business user interface to create, edit, and add variables, send communications, or initiate interactive experiences in multiple delivery formats and languages
 - Support the inclusion of personalized data/content natively or from an external system with dynamic delivery preferences
 - Provide granular role-based permissions, security, and data privacy controls
 - Support modern API standards and popular programming tools

ADVICE FOR TECHNOLOGY BUYERS

Buyers should proactively consider an expansive set of use cases across automated document generation and customer-facing functions to fully leverage the value an ADG/CCM application can provide. Once in place, every communication should be aware of and potentially connected to every other communication through the data collected and shared throughout the customer journey. In large organizations, it will be a multiyear effort to connect teams, systems, and data for a cohesive communication process. Despite the level of change, planning should start immediately to outline a communication strategy focusing on the CX or risk of falling behind customer expectations and its implications for customer loyalty, lifetime value, and profit margins for the business.

ADG/CCM technology is still evolving in terms of advanced functionalities to address evolving CX requirements and the inclusion of innovation accelerators such as AI/GenAI and cloud deployments with microservice architectures. Legacy investments and fit-for-purpose customer-facing applications that generate outbound customer emails may force many organizations to avoid investing in an ADG/CCM solution, even though they may offer a better and more comprehensive set of capabilities to meet various

communication needs across business roles. ADG/CCM cloud-based solutions can get business users up and running quickly, streamline operations, update processes, and deliver more effective communication streams.

For buyers with a cloud-first strategy, ADG/CCM cloud applications will provide a solid ROI with the benefits of cloud elasticity and scaled performance that align with smaller and more frequent interaction touch points, such as SMS texts and the personalized video's heavier, more immersive nature. The vendor or its designated partner should provide the services and support to get you up and running quickly and continue to monitor your progress to success. Training and continuous education should be available as guided tutorials, hands-on training, and in-app new feature help. Key metrics that measure success in the cloud include direct business revenue (e.g., the ability to send payment requests with click-to-pay options), cost efficiencies in moving to digital communications, and adding new distribution channels.

Organizations should ask the following questions:

- What type of template and communication authoring design environment is supported? Is it a visual desktop, web browser, mobile interface, or headless as embedded into another application?
- Does the application include a library of industry-tailored templates, content types, and workflows to streamline the communication authoring and delivery activities?
- How does the application handle multichannel delivery output across print, email, social, IoT, and third-party applications?
- Does the system ensure delivery with prioritized failover options based on customer preference and reports to audit success?
- Does the application include content approval workflows with integrations to third-party applications, such as progressive journey mapping or digital wallets?
- What level of volume throughput (e.g., API calls, emails, or messages per hour) is benchmarked for ad hoc on-demand and interactive output?
- How many reports and dashboards the system provides, and how easy is it to add new ones?
- Does the vendor provide a dedicated customer success resource to help with the software's design, configuration, implementation, and use?
- Does the vendor provide a dedicated cloud services team to manage and secure the application in the cloud?
- What is the vendor's preferred cloud deployment type: public cloud software-as-a-service (SaaS), private cloud, hybrid, multitenant, or single tenant?

- How flexible is the pricing model to add more users, capacity, or new capabilities?
- Which region-specific certifications does the vendor have for data, application, and cloud security?
- Are business agreements in place to support customer data privacy and regulatory requirements important to my industry?
- How well does the solution integrate with internal and external systems via packaged connectors (Salesforce, Guidewire, Marketo, and Shopify)?
- What type of APIs (REST API or GraphQL) does the solution support for custom integration development?
- Does the system support responsive design, personalized microsites, or native mobile applications?
- What is the guaranteed system uptime in the vendor's service-level agreement, allowing for minimal scheduled downtime?
- What is the release cadence and communication plan for new product updates?
- What is the vendor innovation strategy for the next three to five years? Will there be support for AI, conversational interfaces, personalized video, chatbots, NLP, or headless communications?

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While IDC evaluates every vendor against the criteria outlined in the Appendix, the description summarizes each vendor's strengths and challenges.

OpenText

OpenText is positioned in the Leader's category in this 2024 IDC MarketScape for worldwide automated document generation and customer communication management vendor assessment.

OpenText is a public company established in 1991 and is headquartered in Waterloo, Ontario, Canada. OpenText offers a customer communications product named OpenText Communications (formerly known as OpenText Exstream).

Quick facts about OpenText include:

- **Employee count:** 20,000+
- **Customer count:** 10,000+

- **Key industry areas:** Insurance, financial services, healthcare, utilities, and service bureaus
- **Market presence:** Major presence in North America, followed by EMEA and APAC
- **Ideal organization size:** Upper midmarket and enterprise
- **Cloud type:** SaaS, private, managed, and on premises

Strengths

- OpenText's cloud-based composition engine offers a new user-friendly interactive web client with persona-based roles, full CPaaS messaging services, and a flexible API integration framework. This allows business users to efficiently orchestrate communications without relying heavily on IT resources.
- The persona-driven design environment ensures consistent branding in the templates and communications. OpenText seamlessly integrates with adjacent modules for personalized journeys and interactive customer engagement.
- OpenText has a vast global footprint, user groups, and partner network, including strategic alliances with technology providers in various countries. Its high-performance composition engine optimizes document generation across all output types and channels.

Challenges

- The transition to OpenText's cloud-native CCM solution necessitates addressing feature parity limitations, particularly for edge cases and older print streams, which can be regenerated in the cloud from the legacy design UX format.
- Customers contacted for this evaluation noted that OpenText has room for improvement regarding product cost. Understanding which components of the feature-rich platform are necessary is a major factor.

Consider OpenText When

Upper midmarket or enterprise companies consider OpenText if they are seeking a broad set of capabilities to handle high-volume communications.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents market share of each individual vendor within the specific market segment being assessed.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each vendor within the specific market segment. For this IDC MarketScape, vendor size was determined by IDC's 2023 Software Tracker and validated by each vendor on their company revenue. For details regarding the vendors and size of the CCM market, see IDC's *Worldwide Customer Communications Management Software Market Shares, 2022: Economy Impedes Communications Modernization* (IDC #US51128923, August 2023).

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

ADG/CCM applications that assist in generating personalized documents and improving CX allow organizations to economically generate customized communications with timely, accurate, and relevant information tailored to the customer's preferences and delivered in multiple output formats to improve customer engagement. The nature of ADG/CCM applications is to accommodate various data inputs, including the integration

of adjacent technologies to facilitate dynamic communication composition and delivery. ADG/CCM applications can generate multiple outputs (e.g., guided forms, communications, messages, and interactive tasks) to various delivery channels (e.g., print, email, SMS, voice, digital wallet, and IoT) in multiple formats (e.g., HTML, XML, PDF, AFP, WEBM, and MP4) tailored to any audience or recipient (e.g., customers, citizens, partners, suppliers, chatbots, and machines). More advanced ADG/CCM solutions will take input from digital signals (e.g., IoT devices or video analysis) or connected data to achieve its goal, whether to send a simple SMS notification or generate a more complex guided experience. In detail:

- **Batch communications:** Structured transactional output is typically scheduled for large-volume processing and delivered primarily via print channels or digitally via PDF in email. Generally, these static-formatted communications are run in scheduled batches to send service notices to customers, such as invoices, statements, or compliance-related documents (terms and conditions).
- **Interactive communications:** These communications often have ad hoc digital requests requiring human interaction to generate correspondence. Output includes custom content with a preset structure that leverages templates, preselected or reusable content for personalized output via multiple channels (web, mobile, email, SMS, and chat) with bidirectional capabilities to enable interaction such as drill-down charts, responsive data collection, or dynamic rendering of variable elements. Some examples include welcome kits or delivery tracking notices.
- **On-demand communications:** These communications are automatically and dynamically generated upon request (on demand) from the customer, chatbot, or other application to deliver unscheduled communications based on variable data fields, templates, or conditional logic to present the user or application with individualized communication. These communications can be batched for distribution but are not typically scheduled or preset. Some examples include online quotes or receipt requests.
- **Multitenant SaaS applications:** These applications are based on a service composition and delivery model consisting of a utility computing environment. Unrelated customers share a common application and infrastructure resource in these applications that an independent software vendor or a third-party service provider manages.
- **Platform as a service (PaaS):** These solutions are designed and offered as private cloud-ready solutions. The customer typically owns and manages IT assets and is dedicated to a single customer. Whether designed for public or private cloud, all PaaS, at a minimum, must conform to IDC's eight basic cloud characteristics: solution packaged; shared/standard services; elastic resource

scaling; self-service; elastic, term-based pricing (no perpetual license); ubiquitous (authorized) network access; standard user interface technologies; and published service interface/API.

- **Single-tenant managed hosted or private cloud software:** This type of software can work in a public or private cloud, where each instance is dedicated to the customer for an extended duration. Services are restricted to a single or extended enterprise, with restrictions on access and resource dedication, and are defined/controlled by the enterprise (e.g., vendor or partner-dedicated cloud).

LEARN MORE

Related Research

- *IDC's Intelligent Forms and Digital Customer Communications Survey, 2024* (IDC #US52564224, September 2024)
- *The Value of an Experience-Orchestrated Business* (IDC #US51914624, March 2024)
- *Generative AI in Customer Experience Business Applications* (IDC #US49905123, December 2023)
- *Worldwide Customer Communications Management Software Forecast, 2023–2027: Interactive Experiences See Slower Adoption* (IDC #US51126323, August 2023)
- *Worldwide Customer Communications Management Software Market Shares, 2022: Economy Impedes Communications Modernization* (IDC #US51128923, August 2023)
- *Automated Document Generation and Customer Communications Trends, 2023* (IDC #US50723023, May 2023)

Synopsis

This IDC study assesses 13 cloud-based customer communications management application vendors that emphasize the automated generation of documents and communications for multichannel delivery. This assessment discusses the shift of document generation to a more personalized form of communication outside of traditional regulated requirements. The evaluation is based on a rigorous framework that assesses vendors relative to the criteria and the market. The study highlights the factors expected to be the most influential for buyers seeking an automated document generation solution and a connected customer communication strategy accommodated by a short list of the vendors that are best suited for their industry, company size, and technology environment.

"Leveraging automated document generation to deliver multichannel personalized communications is key to enhancing customer engagement and satisfaction," says Marci Maddox, research vice president, Digital Experience Strategies. "Organizations should consider adopting ADG/CCM solutions to address customer complaints about personalized communications, unify communication processes, support diverse autogenerated business documents, and empower employees with easy-to-use tools for document generation and correspondence delivery."

ABOUT IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology, IT benchmarking and sourcing, and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly owned subsidiary of International Data Group (IDG, Inc.).

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