

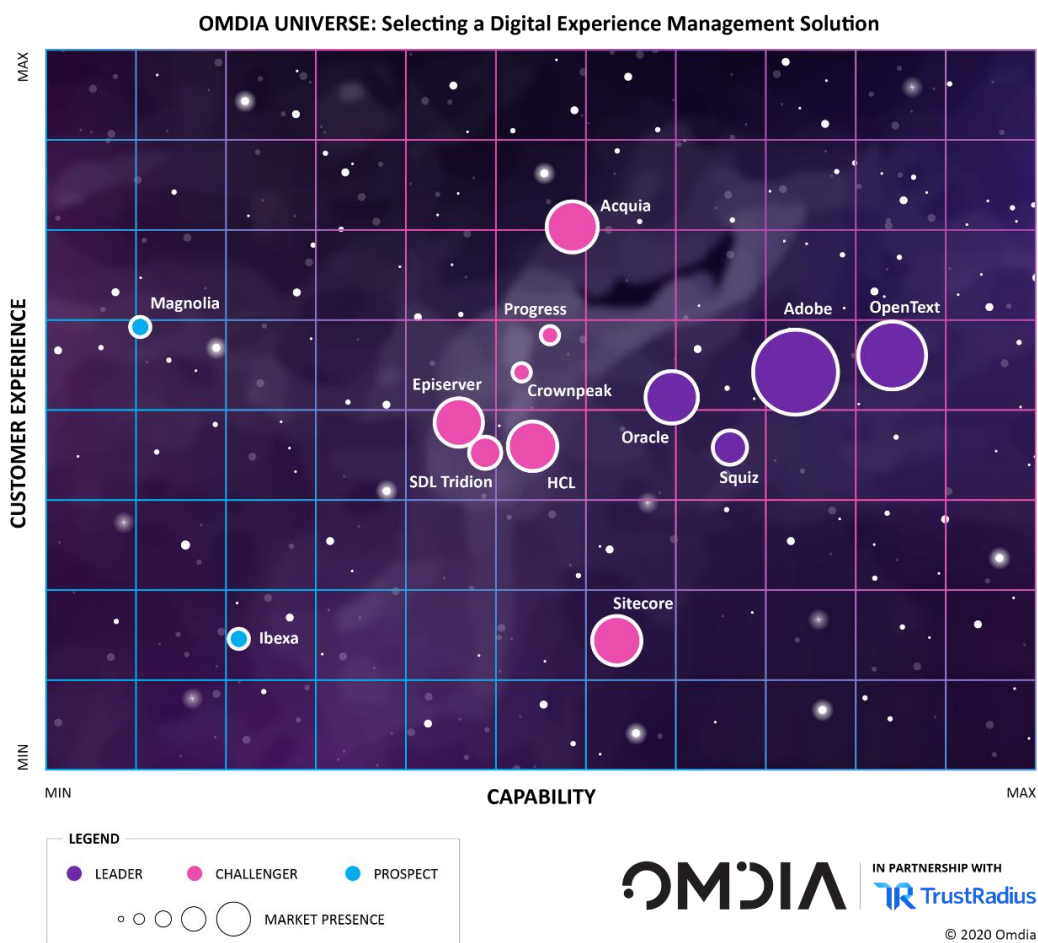
Selecting a Digital Experience Management Solution, 2020–21

Summary

Catalyst

COVID-19 is a defining moment in the technology space: it has highlighted the importance of digital transformation, particularly in the digital experience management (DXM) space. This Omdia Universe will help the CMO, CIO, and business managers select the DXM platform that provides the capabilities they require and that helps to achieve digital transformation strategies.

Figure 1: The Omdia Universe for digital experience management



Source: Omdia

Omdia view

Many enterprises that had not commenced digital transformation, had been unable to adapt to changing circumstances, and were still using legacy systems have already ceased trading because they were unable to compete with more agile competitors. Enterprises that have been able to adapt to the changing circumstances, find new ways of interacting with customers and employees, and create engaging experiences in an accelerated manner are those that are in the strongest position to survive the pandemic. However, it is not too late to take action. Implementing one of the new breed of DXM platforms that can be deployed in a headless or traditional format no longer means having to rip and replace an entire portfolio: existing applications such as analytics and digital asset management (DAM) can easily be integrated. Furthermore, choosing one of the software-as-a-service (SaaS) cloud-based options can lead to greatly reduced implementation times and costs.

If there is one good thing that has come out of the COVID-19 pandemic, it is that it has reinforced the importance of being able to communicate with customers through new and emerging channels as face-to-face interactions have become more difficult. This is an important driver for implementation of the new breed of DXM platforms that can be implemented to run in a headless scenario. This means that the platform contains the content repository and management capabilities, and the applications that consume the content are separated and integrate with the platform for delivery to multiple channels such as websites, digital signage and other advertising channels, IoT devices, and digital assistants. Another important driver for the new headless DXM platforms is the desire for simpler implementations.

A major criticism of the old style of web content management (WCM) platforms was the complexity of the deployment process, which typically required extensive professional services that could often add 100% to the overall cost of the software and licenses. With the platforms being much lighter in terms of capabilities, and enterprises able to adopt a best-of-breed approach rather than a rip-and-replace one, the typical cost of professional services is now a lower percentage of the overall cost. In addition, adopting a cloud version of the software can further reduce cost and complexity. However, the success of cloud adoption differs between vendors. Some DXM vendors only offer a SaaS option, and they have been highly successful, having gained large well-known enterprises and brands as customers. Other vendors from the on-premises heritage have struggled with cloud adoption among their customers, and the most they have been able to achieve to date is private cloud and hybrid adoptions. However, the need to accelerate implementation times for DXM platforms might result in greater adoption of SaaS-based implementations.

Key messages

- Implementing an up-to-date headless-enabled DXM platform is a vital element of a digital transformation initiative, but DXM platforms must also operate in a traditional coupled way.
- A cloud-native platform is a must in a COVID-19 world where enterprises need to be agile and able to adapt speedily to changing circumstances.

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- Implementing a platform with extensive capabilities that cover a wide range of technologies is not the right approach for all enterprises. Consider a solution that provides fewer capabilities and complementary technologies if existing investments can be leveraged.
 - Artificial intelligence (AI) and machine learning (ML) are now embedded throughout DXM platforms, and Omdia expects to see a great deal of innovation in this area in the next few years.
 - There is a surprisingly large number of vendors in the DXM space, despite the fact that there have been several acquisitions and mergers over the past few years.
 - Adobe, OpenText, Oracle, and Squiz are all *leaders* in this report because of their comprehensive DXM capabilities and innovative approach.
 - There are a large number of *challengers* in this report, and if they deliver on their roadmaps, they will be well positioned to move to a leadership position in future Omdia Universes.
 - Although Ibexa and Magnolia are *prospects*, the fact that they have fewer features will appeal to enterprises that do not want to pay for features they will never require and that also desire less complex solutions.

Analyzing the digital experience management universe

How to use this report

Omdia is a proud advocate of the business benefits derived through technology, and digital experience management is at the forefront of realizing benefits to marketers across the globe. The Omdia Universe report is not intended to advocate an individual vendor but rather to guide and inform the selection process to ensure all relevant options are considered and evaluated in an efficient manner. By using in-depth reviews on TrustRadius to derive insights about the customer experience, together with the analyst's knowledge of the market, the report findings gravitate toward the customer's perspective and likely requirements, characteristically those of a medium-large multinational enterprise (5,000 plus employees). Typically, deployments are considered across the financial services, TMT (technology, media, and telecoms), and government sectors, on a global basis.

Market definition

Omdia has defined DXM as being the technologies and tools required to create engaging and highly personalized customer experiences across multiple channels and devices. The capabilities required to achieve this include a web content or core repository to house and manage the content, analytics, DAM, online forms, developer tools, portals and social capabilities, cloud capabilities, and integration capabilities:

- **Web content.** This category includes the repository to store and manage content as well as core features such as development tools to create websites; capabilities for creating, editing, reviewing, and publishing content; and features to ensure website accessibility and compliance. Although the web content platform is still largely used to create and manage websites, the repository can be used in a totally headless fashion as a content repository only, and a third-party WCM system can be deployed to build and manage websites.
- **Analytics.** Metrics collected about interactions between visitors and enterprises are covered in this category, and include the ability to track everything from individual customer journeys across multiple devices and channels to the effectiveness of individual pages and items of content on a website.

- **Digital asset management.** Capabilities provided to manage digital assets such as images, video, and audio files are included in this category. It includes management of the entire lifecycle of assets from import to retirement or archival.
- **Online forms.** This category covers the important area of developing online forms, the ease with which they can be completed, and capabilities provided for processing them.
- **Capabilities for developers.** The provision of low-code and no-code tools, components and widgets, and horizontal and vertical applications that are provided for developers to create applications that interact with content is covered by this category.
- **Portals and social capabilities.** This category includes portal, community, and social site capabilities and the social features they include. It also covers the ability to run marketing campaigns on social media sites.
- **Cloud capabilities.** The various options for cloud deployment are covered in this category including the various cloud options available; which public clouds are supported; how the services are licensed and priced; the ease, cost, and speed of migrating content to the cloud; and cloud security.
- **Integration capabilities.** The methods by which the DXM can integrate with other applications are detailed in this category, including the availability of prebuilt connectors to common third-party applications including analytics, DAM, enterprise resource planning (ERP), customer relationship management (CRM), marketing automation, and e-commerce solutions.

Market dynamics

The importance of DXM is reflected in the increasing number of vendors that offer platforms, at a time when other technology areas are consolidating. HCL is a new entrant to the market, having acquired the DXM assets of IBM along with a number of other software products. Salesforce is another new entrant, having developed a DXM platform to add to its portfolio of products, which will be of particular interest to enterprises that are already Salesforce customers. Its product is a little too new to be included in this Omdia Universe. There are also new startup vendors that have entered the marketplace, such as Strapi, which provides an open source DXM platform. This makes this market space extremely competitive, but at the same time, it also offers enterprises a great deal of choice. Enterprises considering a DXM solution therefore need to carefully consider the capabilities they require and match them to those provided by the vendors, because different approaches are offered. For example, some vendors include specialist DAM products, extensive built-in analytics, marketing automation, and e-commerce capabilities, while others are extremely light on additional capabilities, allowing enterprises to adopt a best-of-breed approach.

One important area to consider in a DXM solution is AI and ML, which vendors have been embedding throughout their DXM portfolios to improve the effectiveness of customer engagements and make it easier for administrators and marketers to create, import, and use content and digital assets. Use of AI and ML in DXM platforms and complementary products will increase in the coming

years, further enhancing the ability of marketers to deliver highly relevant personalized content. Vendors that have been innovative in the way in which they have used AI and ML have generally scored more highly in this report.

Another important factor is the ease with which integrations can be built between the DXM platform and the applications that need to consume the content. Some of these applications will be backend systems, while others will be enterprise-built applications that display the content via new channels. The number of prebuilt connectors to common ERP, CRM, marketing automation, and e-commerce applications is another factor that was taken into consideration in this report and affected the vendor rankings. Some vendors include marketing automation and e-commerce capabilities, either within their core platforms or as standalone applications within their portfolios, and while this trend is growing, this approach will not suit all enterprises. If these capabilities are built into the platform, it risks a return to overly complex platforms that are difficult to implement. If, however, they are optional and licensed separately, then enterprises have the choice of either using what are often lightweight capabilities or implementing a more extensive specialist solution. A few vendors have acquired standalone marketing automation and e-commerce solutions, but enterprises considering a DXM platform from one of these vendors should ensure that it also has connectors to third-party solutions if this is a requirement.

Table 1: Vendor rankings in the digital experience management universe

Vendor	Product(s) evaluated
Leaders	
Adobe	Adobe Experience Manager
OpenText	OpenText Experience Platform, TeamSite
Oracle	Content CX
Squiz	Matrix, Funnelback
Challengers	
Acquia	Drupal, Drupal Cloud
Crownpeak	Digital Experience Platform
Episerver	Digital Experience Platform
HCL	DX 9.5
Progress	Sitefinity
SDL	Tridion
Sitecore	Experience Platform, Experience Manager, Sitecore AI
Prospects	
Ibexa	eZ Platform DXP
Magnolia	Magnolia DXP

Source: Omdia

Market leaders

OpenText is a market leader because of its comprehensive DXM capabilities and its headless and decoupled architecture, which allows it to be used alongside existing technologies. Its tight

integration with SAP makes it the platform of choice for many SAP customers. OpenText has strong capabilities across most of its TeamSite platform including analytics, developer capabilities, and DAM.

Oracle will appeal to enterprises that want a one-stop-shop approach to DXM, especially those that are existing Oracle customers, and this is the reason it is a leader. Oracle's approach to DXM in having a single repository for content and digital assets will be attractive to enterprises that want less complexity. Oracle's particular strength lies in its DAM, developer tools, and cloud capabilities.

Squiz is a leader because it provides a cost-effective open source platform with the ability to integrate with a wide range of applications. Its capabilities allow it to compete effectively with the largest of proprietary vendors. Web content, developer and integration, and cloud are all strong areas for Squiz.

Adobe is positioned as a leader because of the features that support collaboration with digital agencies and its extensive range of DXM products and capabilities. Its marketing automation and e-commerce solutions make it attractive to enterprises wanting a one-stop-shop approach. Adobe is particularly strong in the analytics, DAM, and cloud areas.

Market challengers

Acquia achieves its position as a market challenger because it provides extensive capabilities for developers, and it is also supported by a large community of Drupal developers that add capabilities that can be leveraged by Acquia Platform customers. Strong areas are analytics, cloud, and integration.

Crownpeak is a challenger because its solution was designed from the start to run in a SaaS environment as a cloud-only product, hosted on AWS. This relationship allows it to provide access to AWS technology features and functions such as AI/ML and analytics, which will appeal to enterprises that are committed to the cloud. Crownpeak also benefits from its Digital Quality Management (DQM) product that allows it to integrate many accessibility checking features. Areas of strength for Crownpeak are online forms, analytics, and cloud.

Episerver appears as a challenger because it provides verticalized solutions for manufacturing and distribution, commercial services and supplies, retail, healthcare providers and services, diversified financial services, and technology industries, which is a much larger number than most of its competitors. Enterprises in these verticals will be attracted by the number of solutions available. It has particularly strong capabilities in the areas of analytics, cloud, and web content.

HCL is a challenger because it provides flexible capabilities for B2B, B2C, and B2E scenarios, and it is particularly suited to enterprises that are deeply rooted in the on-premises paradigm. Its cloud-native platform provides support for Red Hat OpenShift, and AWS and Azure are also supported, providing a wide range of deployment options. Areas of strength for HCL DX are web content, portals and social features, and integration.

Progress is a challenger because of its wide range of tools to develop experiences, thanks to its long history as an application developer vendor. Marketers will find its Sitefinity product attractive because it helps them to build engaging experiences to help support the customer journey. Unsurprisingly, Sitefinity's strengths lie in integration, developer tools, and analytics.

SDL is a challenger thanks to its language translation products and services that will appeal to multinational brands with multiple language translation requirements. Flexible deployment options will benefit enterprises needing to update legacy systems speedily, as will its BluePrinting® capability, which helps marketers to deploy experiences quicker. SDL Tridion's strengths lie in its web content, integration, and cloud capabilities.

Sitecore's combination of DXM, marketing automation, and e-commerce capabilities in a single solution make it a challenger. Its large range of capabilities that enable it to support the end-to-end lifecycle of content will make it an appealing proposition to marketers. Sitecore is particularly strong in analytics, integration, and web content.

Market prospects

Ibexa provides capabilities for B2B-focused enterprises, which makes it a prospect in this report. It does not have as many capabilities as some of its competitors, but this will appeal to enterprises that do not want to pay for capabilities that they will never use. Ibexa's strongest features are web content, portals and social capabilities, and integration.

Magnolia's best-of-breed approach, allowing enterprises to leverage existing technologies, makes the vendor a prospect. This is a deliberate strategy by Magnolia, and while it means that the product does not have as many capabilities or complementary applications as its competitors, it does provide a cost-effective solution that does not require enterprises to rip and replace existing investments. Many enterprises will find this approach appealing. Magnolia has strong web content, integration, and cloud capabilities.

Market outlook

Despite being a very mature technology area with few greenfield sites, the content management space, which includes DXM, is still growing at a forecast annual growth rate of 10.3% between 2018 and 2023, according to Omdia's *Software Market Forecast: Information Management, 2018–23*. The market is set to be worth \$20,357 million by the end of 2020, growing to \$27,119 million by 2023, proving that there is plenty of market share available for DXM vendors. Omdia's ICT Enterprise Insights 2019/20 survey shows that just under 26% of enterprises plan strategic investments in DXM. However, when asked for Omdia's ICT Enterprise Insights program for 2018/19 about the progress made in omnichannel customer engagement strategy as part of a digital transformation strategy, only 9% of survey respondents said that they believed they had completed the process, while 18.7% regarded themselves as well advanced. It is encouraging that only around 13% of respondents are yet to start the process, although worryingly, nearly 10% believe that digital transformation is not relevant to their enterprises.

Since these forecasts were created before the onset of COVID-19, it is likely that the number of enterprises that have yet to start their digital transformation journeys will rapidly decrease as enterprises either accelerate the pace of change or cease trading because they are unable to adapt. Digital transformation can no longer be treated as something for the future: enterprises must act now if they are to put themselves in the best possible position to survive COVID-19.

Cloud uptake in the DXM space has been lower than in some technology areas, and ICT Enterprise Insights found that fewer than 10% of enterprises said that adopting cloud services was the number one priority. Omdia expects this figure to increase as enterprises strive to gain competitive advantage from efficiencies gained by adopting the cloud. Again, COVID-19 is likely to have an impact on cloud adoption in the DXM space as enterprises seek faster and more cost-effective ways of implementing new platforms.

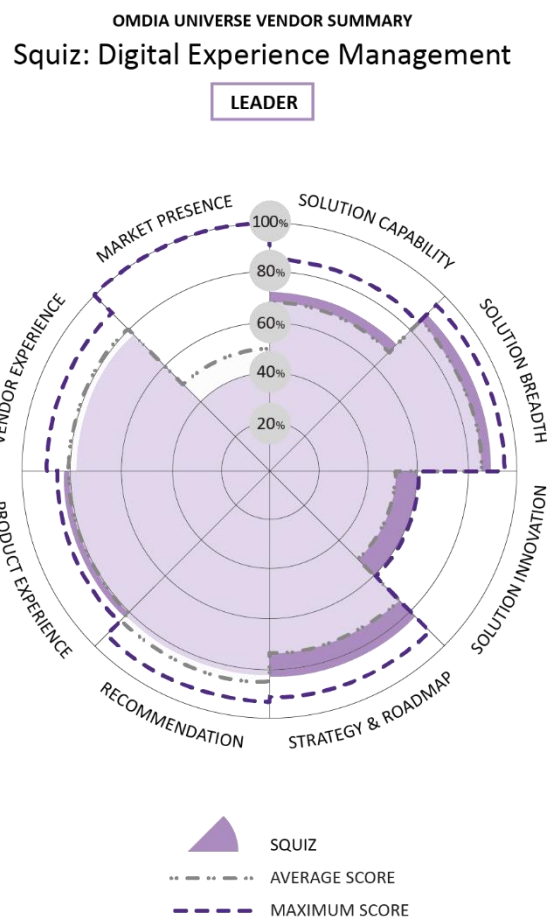
Vendor analysis

Squiz (Omdia recommendation: Leader)

Squiz should appear on your short list if you are looking for a cost-effective open source platform and need to integrate with a range of applications

Squiz has consistently proved over the years that open source vendors can compete effectively with the largest of proprietary vendors. It has always been an innovator in terms of the capabilities it offers, and the addition of the Funnelback search engine in 2009 has enabled it to extend its web analytics capabilities to content analytics, something many of its competitors do not offer. As part of its suite, Squiz offers an integration platform as a service (iPaaS), which supports personalization features and customer self-service. The iPaaS solution manages integrations with third-party applications such as CRM and ERP, allowing enterprises to concentrate on creating compelling customer experiences. It also allows enterprises to adopt a best-of-breed approach to DXM, allowing them to integrate with their adjacent technology of choice such as optimization, analytics, marketing automation, and collaboration. Squiz is not unique in this—every vendor offers headless options—but what is different from many of its competitors is the ease with which these prebuilt integrations can be selected and used.

Figure 14: Omdia Universe ratings: Squiz



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Source: Omdia

Strengths

Web content, developer and integration, and cloud are strong areas for Squiz. Squiz Matrix enables the management and setup of development, staging, and production environments that reflect the various stages of the software deployment lifecycle. Workflows can be created to facilitate the publication of content and git integration handles the versioning of content. The Squiz marketplace (marketplace.squiz.net) provides a range of prebuilt horizontal- and vertical-specific solutions. To ensure accessibility, the Squiz development teams maintain the open source HTML CodeSniffer tool, which automates WCAG 2.1 Level A, AA, AAA, and Section 508 accessibility guidelines. CodeSniffer is built into the WYSIWYG editor and preview interface and is available out of the box. AI and ML are used to deliver the most relevant content to users, and they are utilized in a number of areas. In search engine optimization, the search autotuner optimizes the ranking relevancy to each customer's content. It is also used to form the basis of a recommendation engine, which uses search behavior as training data to drive recommended content. An ML content classifier can be trained on customer content to automatically classify different types of content. A set of pretrained NLP entity

extractor models automatically identify the names of people, places, and organizations in unstructured content.

Squiz Matrix includes a number of developer-focused tools including git integration to enable local development, code branching, and publishing. Squiz Workplace is a prebuilt horizontal digital workplace application that supports the creation and editing of organizational knowledge including wikis, articles, and news. Citizen Portal is a vertical application that provides a solution for local government. A large number of native developer-level connectors are available including GitLab, GitHub, Bitbucket, SAML, AWS Lambda, AWS S2 and S3, DocuSign, Google translate, LDAP, and REST API.

Squiz DXP is cloud agnostic, which enables it to be deployed on any third-party cloud, on-premises, or in the Squiz Experience Cloud. The Squiz Experience Cloud is a fully integrated and managed solution for all of its digital experience products. Customers enter into a single agreement with Squiz for DXP services, deployment, and maintenance. Customers are able to control how and where their data is stored and processed for data sovereignty and compliance purposes. There are two cloud options, with single-tenant PaaS running on the Squiz managed private cloud or multitenant SaaS running on AWS public cloud. Squiz provides digital consulting, creative, and solution development professional services. It also works with partner agencies and can provide different engagement models depending on the customer preference. Matrix has an open source license with an annual fee, which increases based on the number of cloud CPUs needed. Funnelback is licensed per indexed URL, Connect is licensed per integration flow, and Datastore is licensed per number of API blueprints.

Limitations

There are no particular technology areas where Squiz is weak, but it does lack capabilities in some areas. For example, Squiz does not provide any social monitoring capabilities itself, relying on integration with the broad range of social tools that are available in the marketplace. Squiz does not use AI/ML to specifically enhance the DAM features. Autotagging is becoming a common feature in DAM and is a capability that Squiz should consider.

In its online forms capabilities, Squiz does not make use of AI/ML in its out-of-the-box features, but Matrix forms can be integrated with AI platforms such as AWS AI. Matrix Forms does not include any native e-signature capability, and again, integration with third-party products is enabled, including a native connector for DocuSign. There are also no outbound social marketing features, which are handled by integration with solutions such as Hootsuite, Hubspot, and Buffer.

Opportunities

Enterprises struggling to cope with the COVID-19 pandemic need agility, reduced time to value, and the ability to deliver engaging experiences through a multitude of channels. Squiz believes it can deliver this through the provision of its DXP, which enables the efficient delivery, automation, and optimization of online digital services.

Squiz's open architecture philosophy means that customers are free to deploy the entire platform or a single component. This approach provides additional opportunities for enterprises that wish to deploy a best-of-breed approach. It also allows organizations to leverage existing technologies when they implement Squiz's DXM platform.

Threats

A threat for Squiz is the Drupal platform, and Acquia in particular, especially in Squiz's native Australia. Both products are open source, but Drupal has always been more of a development tool. However, Acquia has added capabilities to make it easier for marketers to use, which poses a danger to Squiz. Squiz has always been at the forefront of technology innovation, and it must continue to innovate and develop the Squiz DXM platform to ensure that it can continue to compete against Acquia and Drupal.

Squiz does not enjoy the high profile of many of its competitors. The majority of its offices are in Australia, and it only has two offices in the US. Many of its competitors that are not US headquartered have, nevertheless, built a large customer base in the US, which has helped to raise their market profile. Squiz needs to work hard to ensure that it is considered when organizations are selecting a DXM platform.

Methodology

Omdia Universe

The process of writing a Universe is time consuming:

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

Omdia ratings

- **Market Leader.** This category represents the leading solutions that Omdia believes are worthy of a place on most technology selection short lists. The vendor has established a commanding market position with a product that is widely accepted as best of breed.
- **Market Challenger.** The vendors in this category have a good market positioning and are selling and marketing the product well. The products offer competitive functionality and good price-performance proposition and should be considered as part of the technology selection.
- **Market Prospect.** The solutions in this category provide the core functionality needed but either lack some advanced features or suffer from a low customer satisfaction rating.

The scoring for the Universe is performed by independent analysts against a common maturity model, and the average score for each subcategory and dimension is calculated. The overall position is based on the weighted average score, where each subcategory in a dimension is allocated a significance weighting based on the analyst’s assessment of its relative significance in the selection criteria.

Inclusion criteria

The criteria for inclusion of a vendor solution in the *Omdia Universe: Selecting a Digital Experience Management Solution 2020–21* are as follows:

- The solution can be used as a headless solution.
- The solution provides integration capabilities to a wide range of applications.
- The vendor has adopted a cloud-first architecture that allows the solution to be easily migrated to the cloud.
- The solution has a significant level of recognition among enterprises, covers a range of verticals, and has a presence in multiple geographies.

Appendix

Further reading

Reviews of [Digital Experience Platforms](#) and [Content Management Systems](#) on TrustRadius.

Fundamentals of Digital Experience Management 2020, INT002-000301 (September 2020)

Software Market Forecast: Information Management, 2018–23, EDM002-000002 (June 2019)

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Omdia consulting

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