



2020-2021

**Worldwide Capture Software Vendor
Market Matrix Report**

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Infosource Software

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BACKGROUND

Introduction

Infosource Software is the leading firm for Capture Software market analysis and consulting with more than 20 years of experience in this field.

Capture Software includes solutions and services used to process business inputs. Capture Software understands and extracts meaningful, accurate, and usable information. It acquires, classifies, and converts unstructured and semi-structured information into enhanced usable data for use in business transactions, analytics, records management, discovery, and compliance applications.

Historically business inputs have been primarily received as paper documents which needed to be digitized and converted into usable, validated data, ideally with minimal human involvement. Business inputs have increasingly shifted from paper inputs to a variety of digital sources arriving via a broad range of communication channels including email, fax, smart devices, and social media. Inputs can include not only documents and other text-based sources, but also voice, photos, videos, and IoT channels. All inputs are interpreted to understand the content, and where and why it is needed. Data is extracted, validated, and augmented to create the required information for a business process to drive a transaction, comply with records management requirements or facilitate customer communications.

This Capture Market Matrix analysis offers a strategic assessment of vendors focused on Capture and is the only independent analysis of the major vendors engaged in the Capture Market in 2020-21. The report assesses Capture vendors' relative strength in Strategic Excellence and Execution Excellence.

Competitive assessment is an essential element of strategic planning. This report is indispensable reading for benchmarking key vendors in the Capture market. This assessment provides decision makers in the Capture ecosystem with a profile of their competitions, partners, or suppliers in the context of rapidly changing market conditions.



Methodology

Capture Market Matrix Rating Criteria

This matrix is based on a plot of Strategic Excellence for the vertical axis and Execution Excellence for the horizontal axis. The following are descriptions of Strategic Excellence and Execution Excellence:

Strategic Excellence – Strategy (Vision) reflects the company’s strategic direction expressed in their roadmap and planned market participation (desired state). Strategic Vision articulates management’s plans for the future and is rated against evolving Capture 2.0 market trends. Capture 2.0 solutions consist of a series of “containerized” standardized cloud services that use AI and advanced classification; they help classify any incoming information, understand which processes it involves, and then extract relevant data, validate it, and tag it. Such a system can drive workflows and business intelligence by extracting and/or generating relevant metadata and transactional data from omni-channel inputs. This software is critical for efficient and timely business process automation, compliance, business intelligence and analytics. While usable with structured data, it is most valuable when applied to unstructured and semi-structured incoming information from multiple sources via multiple channels.

Major assessment factors in strategic plans to participate in the fast growing and evolving Capture 2.0 services market include

1. Overall strategy and vision
2. Ability to handle omni-channel inputs – documents (electronic & paper), voice, image/picture, video, etc.
3. Containerized, standardized cloud services architecture
4. Breadth of intelligent capture technology including but not limited to AI classification, machine learning, barcode, OCR, OMR, NLP, voice to text, sentiment analysis, voice biometrics, video understanding, translation, object recognition, semantic understanding with associated business rules
5. RPA strategy
6. Ease of use with an emphasis on packaging services for ease of consumption by partners, developers, and end-users, including low- and no-code capabilities



Execution Excellence (Capabilities & Competencies) reflects the demonstrated market execution including the product offering, sales and marketing presence and success demonstrated across a broad range of segments, including geographical, vertical, and horizontal markets.

Major assessment factors for execution excellence include

1. Current offerings (product/solution portfolio) and user base
2. Ability to leverage technical core competencies
3. Skill at partnering with other companies to execute a shared strategic vision
4. “Go to Market” strength—plan for delivering product & services (including marketing, pricing, and distribution)
5. Demonstrated ability to execute geographically
6. Demonstrated ability to in vertical applications

Vendor heritage

Twenty leading Capture Software vendors are included in this analysis. While they all play key roles in the Capture market, the vendors in the 2020-2021 matrix come from different backgrounds. This results in different approaches and varying strengths and weaknesses. We have defined four different backgrounds for vendors:

- Vendors with a heritage or major participation in the ECM and/or BPM market consider Capture primarily as a front-end to their content management or process oriented platforms. These include IBM, OpenText, Hyland, Appian, Digitech, and Newgen.
- Vendors with a pureplay focus on Capture offer capabilities that are typically integrated with third-party ECM, BPM, or line of business applications. This is the largest segment in our assessment. Offerings vary from a broader market approach (ABBYY, KnowledgeLake) to a more targeted market approach (Parascript, Insiders) to an emphasis on end-to-end capture process automation in a focused market (Esker).
- Cloud platform providers entering the Capture market to offer AI services for Capture 2.0 solutions (Google & Microsoft).



- RPA vendors entering the Capture market as they look to expand their capabilities to be able to ingest unstructured data into their process automation applications. While a number of traditional Capture vendors have absorbed or integrated with RPA vendors, Automation Anywhere is the only pure play RPA company covered in this report due to its major presence in Capture.

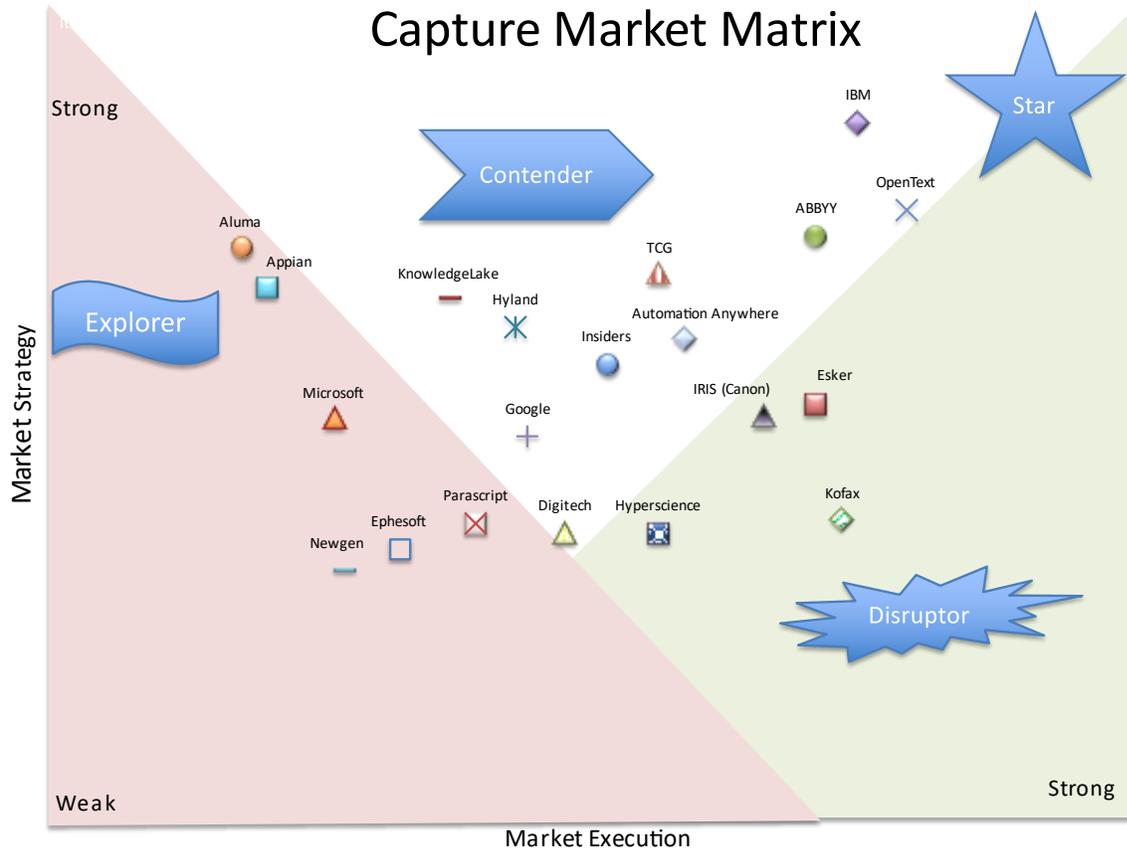
Companies were selected and analyzed based on their market participation today and their projected impact on the market in the future.

Descriptors

- **Star** - Market Leader
- **Contender** – Directionally good market strategy; should work on execution and refining their strategy to become a star
- **Disruptor** – Good market execution/presence; need to work on strategic imperatives to become a Star
- **Explorer** – Some Explorers find success, others do not; vendors in this category either need to focus their strategy on future market opportunities or establish more effective execution, or a combination of both



INFOSOURCE 2020-2021 CAPTURE SOFTWARE MARKET MATRIX



Categorization of Key Players

Market Stars (Leaders)

- ABBYY
- IBM
- OpenText

Top Contenders

- Automation Anywhere
- Insiders
- Hyland
- KnowledgeLake
- TCG

Disruptors

- Esker
- Hyperscience
- IRIS (Canon)
- Kofax



CAPTURE SOFTWARE VENDOR PROFILES

ABBYY

(www.abbyy.com)

Company Overview

ABBYY continues to transition from focusing primarily on OCR/ICR tools to solving higher end business process problems. This is evidenced by its FlexiCapture platform surpassing FineReader OCR as its major revenue generator. ABBYY also offers FlexiCapture as an SDK. FlexiCapture and the FineReader OCR/ICR engine are both available as cloud services. ABBYY also offer mobile capture tools.

ABBYY has recently introduced Vantage, a Capture 2.0 services platform for adding advanced capture to RPA and BPM environments. In addition, ABBYY acquired TimelinePI, a process intelligence ISV, whose application, when combined with Capture, discovers, and analyzes the intersection of processes and content. ABBYY markets this complete capability as Digital Intelligence.

ABBYY continues to grow its enterprise revenue, offsetting commoditization in the OCR SDK market. In 2019, ABBYY gained market share and was the fourth leading capture software vendor based on WW gross revenue.

Company Strengths

- Wide set of proven Capture products/technologies
- Wide geographic footprint with very strong presence in Eastern Europe
- Strong partner channel
- Develops most of its own technology
- Strong technology including OCR, augmented by AI and ML capabilities

Company Challenges

- Addressing a new set of users and use cases with Vantage product
- Core strength in capture tools is facing competition from newer AI and machine learning algorithms being applied to Capture
- No unconstrained handwriting/print recognition
- Lack of voice, photo, or video recognition technologies
- Limited BPM capability (e.g., procure-to-pay)



- Will come under pressure as RPA companies develop their own capture capabilities

Future Direction

ABBYY continues to implement its strategy to offer Capture 2.0 and complementary services. This includes the process intelligence technology it acquired with Timeline, which represents a key pillar in its go-forward strategy. ABBYY will continue to integrate its technology with RPA platforms, as well as focus on a select set of verticals and applications, while utilizing partners to address the rest. We expect ABBYY to expand its direct sales to large multi-national companies while continuing with a combination of direct and channel sales to address additional markets.

At some point ABBYY may feel pressure to develop or acquire its own RPA. We expect ABBYY to continue down the path of leveraging its technology in the development of containerized solutions with low-code capabilities, while partnering with non-core technology companies where necessary and acquiring where the need is core.

Aluma

(<https://aluma.io>)

Company Overview

Aluma is a start-up in the Capture market with the Aluma brand; however, its management team has extensive expertise reaching back to 2009 with Focal Point software and earlier with Neurascript. Aluma offers a Capture 2.0 document process automation platform. The Aluma platform features containerized services for automating tasks like classification, extraction, and redaction. It combines machine learning with more traditional Capture technologies like OCR and can provide real-time services.

Aluma is looking for partners to incorporate its technology into their solutions. It is currently targeting MFP vendors, line of business ISVs, and service bureaus. Aluma has a flexible pricing model that features low entry costs and incorporates pay-per-use, as well as the functionality being utilized.

Company Strengths

- Good base of core technology; not dependent on third parties for AI and character recognition related technologies



- Capture 2.0 design (microservices deployed as Docker containers using Kubernetes orchestration) accessible as multi-tenant cloud services or via private hosting
- Experienced in Capture market

Company Challenges

- Small company with limited brand recognition (multiple name changes) and customer base
- Currently offers core functions only rather than a full suite of capture technology (e.g., validation)
- Limited geographic reach - sales presence currently only in UK and US

Future Direction

Should broaden capabilities into areas like validation rather than leaving this to partners. They need to execute on partnership opportunities in the MFP space, which will establish a relevant user base (albeit with limited brand recognition for Aluma). Aluma needs to find other partners beyond the MFP market, e.g., the CX market. Should look to take on funding for growth soon to avoid missing a window of opportunity for market execution.

Appian

(www.appian.com)

Company Overview

Appian is a US-based publicly listed (NASDAQ) company that has positioned itself as a low-code automation cloud platform vendor for workflow/process orchestration, API integration, decision rules, case management, intelligent document processing (IDP) and RPA. Appian has traditionally been best known for its BPM technology. It has a customer base of more than 500 enterprises utilizing its platform that it is rolling out IDP to. In 2019, Appian reported \$260 million in revenue with most new sales coming from cloud cloud service offerings.

Appian introduced IDP, a Capture 2.0 platform, in 2019. IDP leverages Google AI Services in a low-code environment, featuring a guided wizard for configuring and training a model, setting thresholds, and deploying the capability. Appian has a large channel of systems integration partners. In 2020, Appian acquired Novayre Solutions SL, developer of the Jidoka RPA platform.



Company Strengths

- Process expertise
- Capture is logical expansion of BPM presence
- Established cloud platform
- Low-code, no-code focus
- Significant strategic alliances, including major consulting firms

Company Challenges

- New to the Capture market with limited current Capture install base
- Need to continue to alleviate dependency on Google for Capture 2.0 technology
- Lack of records management capabilities
- Will face challenges on multiple fronts, including established Capture vendors, RPA players, and ECM vendors

Future Direction

Expect Appian to continue to build out its Capture capabilities and market them as an integral piece of low-code solutions in multiple vertical markets. Appian started with Google AI services, but we expect them to leverage their open platform structure to call on other Capture services in the future. Appian will address its lack of Records Management capabilities through partnerships or identified connections. As a relative newcomer to the Capture market, Appian will continue to focus its sales and marketing resources on creating branding and market awareness in 2021. We also look for Appian to continue to expand its geographic coverage.

Automation Anywhere

(www.automationanywhere.com)

Company Overview

Automation Anywhere is one of the big three players in the RPA market and has an aggressive Capture 2.0 strategy. IQ Bot is its web-based, AI-powered document processing application that offers document pre-processing, auto-classification, data extraction, validation and routing. It comes integrated as part of Automation Anywhere's Enterprise A2019 cloud-native platform, and can be deployed on premises, in the cloud, or in a hybrid fashion.



IQ Bot is based on a microservices-oriented architecture, enabling users to pay only for the services they need. Users can leverage a variety of pre-integrated OCR engines to address multiple global languages. IQ Bot has a library of more than 100 use cases that are pre-trained and available out of the box, designed to reduce customer set up time. Developers and partners can develop and catalog their own IQ Bot solutions utilizing Python scripts to improve their extraction capabilities and create customized solutions.

Automation Anywhere is utilizing its global footprint and partner channel to introduce IQ Bot into its customer base with an aim of making Capture 2.0 an integral part of its Digital Workforce.

Company Strengths

- Brand recognition and marketing
- Rapidly increasing customer base
- Document processing fully integrated with RPA routing capabilities
- Strong focus on ease of use with pre-packaged use cases across industries and business functions
- Strong channel, including strategic partnerships with large advisory firms

Company Challenges

- Forms processing capabilities not as mature when compared to those offered by long-standing Capture vendors
- Scalability of Capture platform still needs to be proven
- Company is under pressure to meet high growth expectations
- Must adjust to changing landscape of RPA market

Future Direction

We expect Automation Anywhere to continue to build out horizontal and vertical solutions and flesh out its Capture 2.0 platform with more capabilities. They will continue to extend IQ Bot deeper into their RPA user base. If they intend to market IQ Bot as a full Capture solution, more resources will need to be devoted to development. We expect Automation Anywhere to seek more alliances with large technology vendors. Finally, we expect them to expand deeper into the mid-market.



Digitech

(www.digitechsystems.com)

Company Overview

Digitech Systems is a pioneer in the Capture and cloud services markets, having introduced its first Capture application, PaperFlow, in 1997 and ImageSilo, its cloud ECM service, in 1999. After managing its own data centers for 19 years, Digitech moved its cloud services to AWS in 2018.

Digitech offers a full-featured ECM suite with each element developed to be cloud native, including critical cloud architecture such as multi-tenancy and unlimited scalability. These elements can also be implemented on-premises depending on user preference.

Its PaperVision Capture is well regarded among service bureaus, who especially like its pricing, which does not include click charges. In 2015, Digitech introduced PaperVision Forms Magic, which utilizes the company's patented artificial intelligence (AI) algorithms for auto-classification of documents and data extraction.

Company Strengths

- Digitech leverages its strength with service bureaus to offer a flexible, scalable application covering a wide breadth of vertical markets which it can then leverage into its ECM capability
- Strong customer support with a live human answering calls in an average of less than nine seconds, and resolution of cases on the same day more than 80% of the time
- Long standing cloud expertise: PaperVision Capture was designed as a multi-tenant, cloud-capable product

Company Challenges

- Though PaperVision Capture was developed to be cloud-ready, it is not offered as a service today, due to a lack of demand by Digitech customers
- Relies on reseller channel for detailed understanding of customer operations and needs
- Limited geographic reach, mostly in North America

Future Direction

Digitech will continue to evolve its PaperVision Capture product and, as demand develops, offer it alongside the ImageSilo cloud ECM service.



Additionally, Digitech has plans to introduce a new Capture 2.0 solution that is cloud-native and microservices-based.

Ephesoft

(<https://ephesoft.com/>)

Company Overview

Founded in 2010, Ephesoft embraced open source and Web-based technology from the outset. The company was founded by former Kofax executives and has always focused on higher-volume advanced data capture. Transact is its legacy platform and features a browser-based interface but is mostly installed on-premises.

In 2017, Ephesoft received \$15M in venture funding. At the time, it was developing technology for mining large document archives, which has since been discontinued. In 2020, the ISV introduced its Semantik AI-based capture platform. Semantik is designed as a cloud native, multi-tenant service. Initially, it is being targeted for invoice processing. Ephesoft is enabling integrations to workflow, ERP, and other cloud services, as well as making an API available. The long-term plan is to merge Transact and Semantik into single cloud platform.

Transact has traditionally been sold through a reseller channel. It has been successful in mortgage and invoice processing but is implemented in other areas like digital mailroom and customer onboarding. Ephesoft recently launched a direct sales initiative to target larger enterprise customers and is building its presence in the digital marketplace of Microsoft.

Company Strengths

- Experience in high volume back office batch capture
- Experience in invoice processing and mortgage applications
- Some strong channel relationships
- Subscription based business model



Company Challenges

- Late to the game with Capture services architecture
- Semantik platform does not use standardized containers
- Lacks clear RPA strategy
- Struggle to position themselves in increasingly crowded and commoditized cloud space
- Lack omni-channel strategy
- As it moves into direct sales, Ephesoft must avoid competing with its channel

Company Future Direction

We expect Ephesoft will move forward with both cloud and on-prem systems, including a hybrid model, focusing on a subscription-driven revenue model. It will continue to support its existing customers and channel, while also looking for new partnerships to drive revenue in new areas. Higher-end partnerships could be leveraged to drive further outside investment in the company. Ephesoft will build out its new application-focused, solutions approach, offering tools for integration to enable quick deployment in line of business applications.

More direct sales focused on large customers will increase support needs but will help in understanding vertical applications.

Esker

(www.esker.com)

Company Overview

In the early 2000s, from a fax server foundation, Esker entered the Capture space with the introduction of cloud-based invoice processing. Esker has grown its products to procure-to-pay (P2P) and order-to-cash (OTC). It now offers Capture 2.0 type services, including accepting multi-channel document inputs and applying classification, data extraction, routing, three-way match, automated posting, contract management, and archiving.

Esker is publicly traded in France, reporting more than \$100M in revenue in 2019, over 90% of which is subscription-based. In 2020, Esker launched a cash application offering. It is leveraging Google Cloud AI to expand into the



Japanese market. Esker continues to invest in R&D on AI-driven classification, capture, and document process automation.

Company Strengths

- Strong focus on OTC and P2P
- Healthy financially
- Long-standing expertise in cloud, leveraging Azure infrastructure, using Kubernetes to deploy some components, such as AI
- Proven end-to-end process automation
- Continue to expand services in focused areas
- Joint venture with Quadient provides entry into mail solutions market

Company Challenges

- Solution is not packaged using charts formats, so applications are not portable to Kubernetes architectures
- Vast majority of business comes in Western Europe and U.S.
- Limited brand recognition outside of P2P and O2C markets
- As Esker moves up the value chain, based on its AP and AR automation, it will come into competition with established fintech service providers

Future Direction

Esker will continue to expand its OTC and P2P services into broader financial capabilities. We further expect them to look for more partnerships to expand their presence and move into treasury. They could also leverage their technology base to expand into additional verticals and the financial supply chain. We expect Esker to continue to sign OEM deals and continue to expand its geographic footprint in APAC and LATAM.

Google

(<https://cloud.google.com/document-ai>)

Company Overview

Google offers a number of cloud services to partners. Its Capture 2.0 offering is named Cloud Vision. This includes a Document AI API, which incorporates OCR, natural language, and forms parser technology. Google also offers a service specifically for invoice parsing.



Google's CloudVision OCR leverages deep-learning neural network algorithms to perform text, character, and image recognition in over 200 languages. Its NLP capability utilizes deep learning to derive information from unstructured documents. Google also offers voice recognition capabilities and translation services.

Google has created service offerings specifically targeting procure-to-pay and mortgage processing applications. It counts on partners to turn its services into product offerings. It lists Appian, Automation Anywhere, Iron Mountain, UiPath and Accenture as Document AI partners.

Company Strengths

- Brand recognition
- AI and machine learning capabilities as a foundation
- Global presence
- Cloud platform
- Standardized containerized cloud services

Company Challenges

- Cloud-only offering limits market reach
- Not widely recognized as Capture 2.0 vendor
- Limited business application expertise and focus
- Competing with other large platform vendors like Microsoft and Amazon for Capture 2.0 business

Future Direction

We expect Google to continue expanding its influence in the Capture market as it builds out its partner ecosystem in traditional Capture applications. Google will likely grow its multi-channel capabilities and expand into adjacent opportunities like the CEM market. It will leverage its size and brand recognition to form partnerships with both small and large organizations. Google will also continue to evolve from general purpose to more application-oriented offerings.



Hyland

(www.hyland.com)

Company Overview

With close to 16,000 customers and a large reseller channel complemented by a vertically focused direct sales team, Hyland is the leader in mid-market ECM. Hyland has a long history in Capture, as part of its OnBase product and through acquisitions of AnyDoc and Brainware, which were done to advance its intelligent capture capabilities.

Hyland recently launched Hyland Experience Capture (HxC), a cloud-native scanning, classification, and data extraction tool that includes OCR and machine learning capabilities. HxC features a Capture 2.0 architecture and there are plans to integrate the Brainware capabilities in the future. In the meantime, Hyland continues to advance the Brainware on-premises application.

The recently announced Hyland RPA, formerly Another Monday, includes features like process analysis and bot management. Hyland closed the acquisition of German RPA ISV Another Monday in August 2020.

Strengths

- Vertical market focus in the US
- Particularly strong in healthcare
- Extensive reseller channel
- Strong in mid-market
- Have launched a Capture 2.0 platform

Challenges

- Limited international footprint
- Have not fully leveraged acquisitions
- Traditional ECM reseller market is under pressure and evolving
- Will face challenges from traditional RPA and BPM vendors who are adding Capture



Future Direction

Hyland's company-wide cloud strategy will drive the roll-out of its Capture 2.0 services. Hyland needs to expand the capabilities of HxC and establish more partnerships to leverage other containerized cloud services. Hyland is well positioned to capitalize on increasing process automation opportunities but will have to continue to evolve its channel to fully realize its potential. Its recent acquisition of Alfresco should provide Hyland with an additional ECM customer base to market its Capture products to.

Hyperscience



(<https://hyperscience.com>)

Company Overview

Hyperscience is a well-funded start-up that has had success in large organizations in the financial services, insurance, healthcare, BPO, and public sector markets. Hyperscience markets an AI + human-in-the-loop (HITL) document processing system with features like customizable accuracy controls and strong reporting. Hyperscience markets this platform as part of a larger initiative promoting "software-defined management," which is designed to remove unnecessary human management overhead.

Hyperscience differentiates itself by its AI technology, human-in-the-loop integration, and ability to read handwriting and handprint fields. Since being founded in 2014, it has raised \$190 million in investment capital.

Company Strengths

- Expertise in AI-based automation using proprietary technology
- Well-defined platform incorporating ML, human-in-the-loop capabilities, and process analytics
- Has raised \$190M in funding
- Showing strong growth
- Handwriting recognition

Company Challenges

- No announced cloud services strategy
- Limited brand awareness
- No clear multi-channel approach



- Limited geographic coverage
- No technology partners (except for RPA), limited to own technical capabilities

Future Direction

Hyperscience will continue to invest into GTM and geographic expansion and work to establish a leading position in chosen verticals, i.e., financial services, insurance, BPO, healthcare, and government. We expect Hyperscience to build out a containerized cloud offering that will enable it to increase its reach, be more scalable, and expand its technical capabilities.



(www.ibm.com/cloud/cloud-pak-for-automation)

Company Overview

IBM is a worldwide technology leader that offers Capture 2.0 as a key component of its CloudPak for Automation platform. CloudPak for Automation includes Capture, content services, workflow automation, decisions management, and task automation with robotic process automation (RPA). These services are scalable and configurable utilizing pre-integrated automation technologies and low-code tools. They are built on a common analytics layer that gives insights into operational data and productivity.

IBM originally entered the Capture market with a simple scanning element built around its FileNet platform then supplemented that with more advanced Capture capabilities through the acquisition of Datacap. Datacap is still available as an on-prem or cloud-based multi-channel Capture platform that can be integrated with IBM's AI-based Content Analyzer SaaS offering. IBM recently introduced the deep-learning driven Automation Document Processing as part of its CloudPak for Automation and has internally developed mobile capture as well.

IBM fully embraces Capture 2.0, as shown through its wide breadth of containerized services that extend far beyond documents. These include Watson for data discovery, a language translator, natural language processing, speech-to-text technology, insights into personality based on social media posts, a tone analyzer (sentiment analysis) and visual recognition.

Company Strengths

- Broad technology offering including ECM solution and AI capabilities



- Very strong brand
- Huge install base to leverage
- Global GTM reach
- Corporate cloud strategy
- Capture 2.0 vision and execution
- Hybrid software capabilities

Company Challenges

- Gaining mindshare for Capture 2.0 solutions within internal sales force
- Establishing Capture 2.0 as an integral part of solutions and conveying the value
- Google, Microsoft, and Amazon offer more accessible Capture 2.0 cloud capabilities

Company Future Direction

We expect IBM to continue to transition to more Capture Services, accessible to the front office. This will involve building out low-code capabilities and leveraging Watson AI. We also expect IBM to expand beyond documents into voice and video capture, as well as continue to expand its mobile capabilities. IBM has voice recognition capabilities that can help it take the lead in more tightly integrating the ECM and CEM spaces. IBM has a tremendous install base of legacy Datacap and FileNet customers that it can transition to Capture 2.0 applications.

Insiders

(www.insiders-technologies.de)

Company Overview

Insiders Technologies was founded over 20 years ago as a spin-off from the German Research Center for Artificial Intelligence (DFKI) in Kaiserslautern. The company has a customer base of over 2,800 customers, most of them located in DACH countries. Insiders provides applications for mailroom, medical documents, invoice processing and order processing with their Input Management offering. It OEMs through ELO (mid-market) and others. Key vertical markets are insurance (direct) and financial services, utilities, and manufacturing (through service bureaus).



Company Strengths

- Capture market leader in Germany with focus on the insurance market, particularly health insurance
- Strong technology company
- Capture 2.0 capabilities
- Capabilities in SMS and social media

Company Challenges

- Limited coverage outside German speaking markets
- Solutions are based on German workflows involving forms

Future Direction

We expect Insiders to launch containerized cloud services and leverage them to establish end-to-end solutions for target applications. They have an opportunity to expand their geographic coverage beyond central Europe, which requires them to broaden their channel network. We also expect Insiders to look to explore other verticals and the Customer Experience market.

IRIS



(<https://irisdatacapture.com>)

Company Overview

Founded in 1986, the Belgium-based ISV is a pioneer in OCR and mobile scanning technologies. In the 2000s, IRIS acquired Germany-based Docutec, which expanded its advanced capture technology. IRIS has two major business elements: Products and Technologies, which focuses on OEM, channel and retail sales, and a direct system integration business in France and Benelux. In 2012, Canon Europe acquired IRIS.

IRIS Products and Technologies goes to market through a number of channels, including OEM, retail, systems integrators, and Canon. IRIS recently introduced a new Capture 2.0 cloud services platform, including AI-driven classification and extraction.

Company Strengths

- Established base of Capture users
- Long-term expertise in the Capture market
- Wide breadth of offerings



- Internally developed OCR technology
- Strong OEM relationships

Company Challenges

- Limited vertical/application and channel focus beyond AP and mailroom
- Confusion over consumer and corporate offers on various websites
- Fragmented structure of Canon makes joint multinational sales difficult
- Ramping up new cloud services platform will require resources

Future Direction

IRIS is launching a Capture 2.0 cloud Capture services platform. We expect them to leverage this to establish additional vertical application offerings, as well as expand into multi-channel Capture. We consider it critical for their future success to establish a clear strategic direction and GTM strategy with Canon.

KnowledgeLake

(www.knowledgelake.com)

Company Overview

KnowledgeLake is a long-time leader in image-enabling SharePoint applications, and has re-invented itself over the past couple years as a cloud Capture services specialist for Microsoft environments. Through the acquisition of an RPA vendor in 2019, KnowledgeLake added RPA capabilities to its cloud services portfolio.

KnowledgeLake delivers an end-to-end, cloud-native document processing offering. It is designed to enable customers to capture, process, and manage content through a single platform. The company markets a cloud Capture services platform that can utilize machine learning for document separation, auto-classification, and data extraction. Routing of documents and data to third-party systems can be achieved without coding through RPA.

KnowledgeLake also markets technology to better enable transactional document management services within SharePoint and Azure. KnowledgeLake still has strong ties to Microsoft and is a preferred partner in Microsoft's Content Services Program. Additionally, it is aligned with Microsoft's co-sell program in several vertical markets. KnowledgeLake is going to market



through a reseller channel and looking to further expand beyond the Microsoft marketplace.

Company Strengths

- Long-standing partnership with Microsoft
- Understand content management for SharePoint, leveraging that into Azure
- Containerized cloud-native platform
- Flexible GTM concept with containerized services
- RPA capabilities are proprietary and not through third-party technology
- One of two Capture vendors in MS Content Services partnership program

Company Challenges

- Needs to expand international footprint
- Only offer document input options
- RPA capabilities are not market leading
- Legacy customer base may be reluctant to move to cloud services

Future Direction

We expect KnowledgeLake to further specialize on select verticals markets. It could potentially benefit from the success of MS's Cortex/Syntex initiative and will continue to thrive by filling in the holes in the MS offering set. KnowledgeLake has the opportunity to expand its geographic footprint by leveraging the Microsoft channel network.

Kofax



(www.kofax.com)

Company Overview

Kofax is the marketshare leader in the Capture space with a 16% global share in 2019. It has an install base of 25,000 customers, mostly in North America and Europe, along with a strong global reseller channel. Kofax TotalAgility is the company's flagship offering for intelligent automation, with intelligence and process orchestration being key capabilities. Kofax also has offerings for RPA, AI, e-signature, and customer communications software.



Through its Nuance acquisition, Kofax owns the Omnipage OCR and SDK technology, as well as market leading MFP Capture software. Kofax's primary cloud offering is the ReadSoft Online invoice processing service. Kofax has brought a wide breadth of its technologies together under its Intelligent Automation Platform for digital workflow transformation. While it has discussed plans to create a Capture 2.0 aligned cloud services offering, this has yet to materialize.

Company Strengths

- Strong market share position and brand recognition
- Wide breadth of capabilities around paper-oriented Capture processes
- Solid RPA capabilities
- Extensive core technology, including OCR capabilities and market leading image perfection capabilities
- Strong integration with MFPs and scanners

Company Challenges

- Limited cloud-based architecture
- Relationships with partner channel have eroded
- Limited omni-channel input
- Multiple ownership changes resulting in organizational disruption

Company Future Direction

Kofax needs Capture 2.0 capabilities to maintain its traditionally high customer-retention rates. They need to catch up with other players in the market who are offering cloud native platforms. Kofax remains a market leader with significant revenue and development resources that could be leveraged to modernize its architecture.



Microsoft

(www.microsoft.com/en-us/microsoft-365/enterprise/sharepoint-syntex-overview)

Company Overview

Microsoft has entered the Capture 2.0 space through a combination of services offered on its Azure cloud platform and leveraging its Project Cortex to create SharePoint Syntex, a new offering associated with its existing SharePoint content services platform. Residing in Azure and leveraged in SharePoint Syntex, Microsoft's Computer Vision services offer text and handwriting recognition. Microsoft also has a series of Azure Cognitive Services (ACS) that can analyze and extract metadata from images, audio, video, and more.

ACS includes Form Recognizer and Text Analytics, which are being leveraged in SharePoint Syntex, enabling customers to employ ACS to automate the classification of content and extraction of metadata. Microsoft also partners with multiple Capture vendors who provide output to SharePoint, both in the cloud (Microsoft 365 / Office 365) as well as on-premises.

Company Strengths

- Breadth of recognition and understanding technology
- Strong brand recognition and worldwide reach
- A great cloud platform in Azure
- A widely used content platform in SharePoint—having recently announced 200 million monthly active users
- Has integrated RPA technology into SharePoint and acquired RPA vendor Softomotive
- Strong channel

Company Challenges

- Does not fully recognize Capture 2.0 opportunity and has not incorporated multi-channel recognition into Capture offerings
- Lack of cloud containerization
- Little senior level management focus to drive Capture strategy
- Lack of integration with vertical platforms including Microsoft Dynamics
- Newer offerings are mostly cloud-only, limiting penetration



Company Future Direction

We expect Microsoft to continue to promote its Capture 2.0 technologies as part of its SharePoint content services platform. Microsoft will continue to advance the capabilities of Syntex, with the benefit of feedback from its large SharePoint user base. It will also continue to expand the Capture capabilities in SharePoint, including more deeply integrating the Softomotive RPA technology. There are also opportunities for Microsoft to leverage its technology in areas like image, video, and voice recognition to expand into multi-channel Capture. We also see opportunity for embedding Capture into the Teams collaboration platform.

Newgen

(<https://newgensoft.com>)

Company Overview

Based in New Dehli, Newgen is a publicly traded ECM-focused vendor. Offerings also include BPM and outbound customer communication components. Newgen offers OmniScan and OmniXtract capture. For its fiscal 2020, Newgen reported more than \$90M US. It generates over half its revenue in the financial services market, with revenue evenly distributed across the U.S., EMEA, and Asia, with a focus on emerging markets.

Company Strengths

- Installed base in select verticals; particularly strong in banking
- Inhouse technology development
- High-end partnerships in developing markets
- Capabilities in ECM technology with supporting capabilities in BPM and CEM
- Multi-lingual capabilities

Company Challenges

- Focus is solely on document-centric business applications
- Limited Capture 2.0 omni-channel capabilities
- Limited cloud capabilities, not containerized
- Limited presence in key capture markets in Western Europe



Future Direction

We expect Newgen to continue to increase its vertical capabilities beyond the finance sector. Newgen will continue to expand its geographic reach in emerging geographies, as well as grow its presence in the established markets; the expansion of its global SI network is essential for this. For additional growth, it should look to expand beyond document-centric applications.

OpenText

(www.opentext.com)

Company Overview

With more than \$3 billion in annual revenue, OpenText is a leader in Enterprise Information Management, as well as Capture, where it ranked second in market share in 2019. OpenText recently brought together its two major legacy platforms (Captiva and Capture Center) as OpenText Intelligent Capture. In addition, it markets a set of cloud services under the Core Capture Brand. OpenText also has several OEM offerings, including OCR, an imaging toolkit, and scanner drivers. It is also a leader in the fax server market.

OpenText recently introduced auto-learning capabilities into its portfolio. Partners and end users can leverage the vendor's Magellan AI for advanced classification and extraction. OpenText sells directly and through higher-end resellers, including an OEM agreement with SAP for Capture and ECM.

Company Strengths

- Large company, well known in ECM with a strong user base
- Wide breadth of portfolio and technology
- Cloud-first company strategy
- Through acquisitions, it has started to expand coverage into verticals
- Expanding into security solutions through acquisition of Carbonite
- Provides SAP's ECM solution

Company Challenges

- Many of the company's capabilities are siloed, largely picked up in through acquisitions



- While OpenText has low-code offerings, it lacks no code options; Integration requires IT expertise
- Limited vertical application focused solutions
- RPA strategy is in early stages

Future Direction

OpenText is will continue to move forward with a Capture 2.0 strategy that includes the incorporation of machine learning and AI in its platform, as well as the introduction of standardized containerization for cloud Capture services. Magellan AI will be further integrated into its offerings, which will become more business-solutions oriented, while maintaining OpenText's ECM roots. We also expect to see OpenText expand into more point-of-impact solutions, i.e., CEM.

OpenText's size and global footprint enable it to compete successfully on the enterprise level. It will require all its resources to keep its legacy install base happy while transitioning toward more cloud services.

Parascript

(www.parascript.com)

Company Overview

Parascript is best known for its handwriting recognition, which is widely used in check capture applications. It also has a suite of form recognition technologies that is often utilized by BPOs.

Parascript's current focus is to go deep in specific application areas in coordination with systems integration and BPO partners. It is anticipating several announcements in this area in 2021.

Company Strengths

- Strong core of recognition and classification technology
- Handwriting experts
- Strong core group of OEM and BPO partners

Company Challenges

- Lack of Capture 2.0 strategy
- Focus on technology rather than solutions
- Limited demand generation, leave this largely to partners



- Need to expand beyond documents into multi-channel to broaden its target applications
- Check volume declining

Future Direction

Parascript has some strong recognition capabilities. We expect they will try to leverage they recognition technologies and expand into specialized vertical solutions jointly, with partners and BPOs. Implementing containerized capture services would further expand their potential for partnerships.

TCG

(<https://www.tcgprocess.com/>)

Company overview

Founded in 2006, TCG has established itself in Western Europe and South America, targeting high-volume production Capture opportunities and is currently spreading its marketing to other parts of the world. It offers a modular platform with a GUI process orchestrator to enable users and partners to configure complex (as well as simple) processes. TCG's flexible pricing is based on volume and functionality, enabling customers to scale.

TCG has no outside funding and has taken a steady approach to driving growth. Recent additions in Canada, Australia, and the US bring TCG up to nine subsidiaries. It has hired experienced Capture and process executives as regional managers and is looking to expand its footprint through building a reseller channel.

Company Strengths

- Flexibility associated with Capture 2.0 architecture
- Cloud native platform with strong process focus
- Library of process elements allow process savvy end customers to easily build workflows
- Unified platform and interface
- Modular process approach
- Executive team with strong expertise in high-end applications and large companies



Company Challenges

- No brand recognition outside Western Europe and South America
- Just ramping up sales and marketing
- Limited RPA capabilities, relies largely on partnerships with major RPA providers
- Smaller company competing for contracts with larger organizations

Future Direction

We expect TCG to evolve its cloud platform to offer standardized containerization with orchestration tools. TCG will continue to establish and expand a channel network to drive its further geographic expansion. We also look for TCG to pre-build vertical solution elements and/or utilize partnerships for this. A further opportunity for expansion exists in the customer experience market where TCG could consider partners in the contact center world who are looking to expand into omni-channel capture.

Conclusion

This Capture Vendor Market Matrix Report serves as an overview of the main competitive landscape in the Capture market. Infosource can engage in a much more detailed discussion of the landscape and our view of individual company strategies and ability to execute. We would be happy to discuss this report, market direction and how companies are responding as the Capture market continues to evolve and expand.