

EXCERPT

Innovative Information Access Companies Under \$100 Million to Watch

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IN THIS EXCERPT

This IDC Excerpt is taken from IDC Industry Developments and Models, "Innovative Information Access Companies Under \$100 Million to Watch" (IDC #220450, October 2009), by Henry Morris, Dan Vesset, Susan Feldman and Melissa Webster. It includes the sections IDC Opinion, In This Study, Situation Overview, Vendor Profile: Carefx, Future Outlook, and Essential Guidance.

IDC OPINION

The ability to harness information in the enterprise will be a key differentiator for organizations in the next five years. For that reason, IDC notes that applications that access, manage, and analyze all types of information can constitute a significant competitive advantage and are, therefore, being adopted quickly. New technologies are eliminating boundaries between content and data to enable pervasive access to all relevant information. Contributing to this innovation is a group of small companies with the vision and technology to have an impact on the IT marketplace. IDC invited search, business intelligence, and content management companies with less than \$100 million in revenue in 2008 to enter our Innovation Awards contest. These companies exemplify trends that, as IDC has noted, are driving change in information access and management strategies. The trends include:

- User interfaces requiring little or no training and incorporating Web 2.0 and social networking capabilities will become differentiators in information access and analysis.
- Unified management of and access to all information types — both data and content — across applications and repositories will become a requirement.
- Intelligent process automation software that automates repeatable, operational decisions within business process sets in response to events where analytics drives the workflow is yet another trend.

IN THIS STUDY

IDC recognizes a group of companies with annual revenue under \$100 million that deliver innovative solutions to meet information access needs. The companies are profiled in this study and cited as "innovative information access companies under \$100 million to watch."

SITUATION OVERVIEW

Innovation for broader, more comprehensive, and more pervasive access to information is occurring at a rapid pace. IDC cited key drivers of this change in its 2009 predictions for information access (see Worldwide Information Access, Analysis, and Management Software 2009 Top 10 Predictions, IDC #215811, December 2008).

These include:

- Innovations in the user interface that incorporate Web 2.0 concepts
- Unified access and management to all types of information
- Intelligent process automation

To focus attention on the innovations in information access, IDC solicited entries from vendors of less than \$100 million that exemplify the above key trends that are driving change in information access markets today. Information access encompasses markets for business intelligence, data warehousing, data integration, search and discovery, and content management (including enterprise content management, Web content management [WCM], records management, and digital asset management) software.

The entries were evaluated by a team of IDC analysts who specialize in the information access technologies cited above. The consideration and analysis of companies for this document consisted of two rounds:

- The first round was completed by a group panel consisting of key analysts covering software information access.
- In the second phase, the narrowed list was reviewed by key IDC research executives.

Nine companies were cited for their innovative approaches to information access, including Carefx. For the full list, please see IDC Industry Developments and Models, "Innovative Information Access Companies Under \$100 Million to Watch" (IDC #20450, October 2009).

Vendor Profile: Carefx

With public attention focused on quality of care, the ability to present information that draws on a patient's encounters with multiple practitioners is more important than ever. The relevant information is spread across a variety of systems; given the legacy in healthcare of distinct systems for each clinical and administrative function, data integration and application interoperability are requirements. Moreover, the government is mandating that organizations must demonstrate meaningful use of electronic medical records to qualify for stimulus money. That use depends on

architectures and solutions that facilitate unified access to healthcare data stored and maintained in a variety of formats and data types by heterogeneous applications.

Carefx, founded in 2002, is a company providing innovative solutions for unified access and management to clinical content and data. Its Fusionfx Solution Suite provides a set of applications and tools to connect to data sources and applications, integrate the information related to a patient's episodes of care, and present the unified information via a graphical, role-based portal. The information includes textual information (as in a physician's notes), images, and numeric data. The strategy of connecting to diverse data sets pertaining to a patient, rather than moving the information, makes sense in an environment where data complexity, security, and real-time access must be addressed. As such, the Fusionfx platform is a layer above existing healthcare IT investments rather than as a replacement for these systems. Given the priority and challenges for accessing content and data in healthcare, Carefx is worthy of note as an innovative company in information access.

FUTURE OUTLOOK

In IDC's Worldwide Information Access, Analysis, and Management Software 2009 Top 10 Predictions (IDC #215811, December 2008), our information access software team predicted the following:

- Information access, analysis, and management tools will become the new centerpiece for software integration; use of ERP as an integrator of information will decline.
- The demand for more modular software as well as appliances combining software and hardware will increase.
- Newly minted executives, managers, and operational staff who have been exposed to better, more integrated information access, analysis, and management tools will expect to use them to increase the performance and competitiveness of their organizations.
- Adoption of predictive analytics to improve decision-making processes related to a variety of business processes will increase.
- Licensing models as we know them will change drastically due to the economic downturn, vendors will face pricing pressure as they compete for scarce buyers, and alternative licensing methods will attract organizations incapable of justifying large capital expenditures. And open source software adoption will increase as part of this trend.
- Corporate events such as spin-offs, executive turnover, and large staff reductions will trigger the need for investment in new information access, analysis, and management capabilities to automate knowledge processes with reduced staff.
- Management of all information types, both data and content, across applications and repositories will become a requirement, spurred by the need for strict regulatory

compliance; better, more intelligent business performance and risk monitoring and decision making; and increased litigation.

- Global commerce and government investment will spur demand for translation, localization, and globalization software.
- Technology vendor consolidation will continue as large IT vendors aspiring to provide a complete information access, analysis, and management platform acquire smaller, specialized technology companies; private, small vendors will be attractive to vendors with cash to spare and a need to add new functionality quickly.
- User interfaces will become differentiators in information access and analysis, breathing new life into software interaction design; end users expect interfaces that require little to no training with more Web 2.0 capabilities.

It is clear that these trends are already well under way, even though a recession has slowed growth in software markets overall. In fact, the relatively quick growth IDC observes in many information access markets attests to the need for these advances. IDC expects these trends to accelerate as these secondary effects of the recession encourage customers to invest because:

- Smaller workforces faced with increasing workloads will require more knowledge work automation.
- Increased litigation as a fallout from the financial meltdown of 2008–2009 will promote investment in eDiscovery applications.

ESSENTIAL GUIDANCE

Canny businesses will realize that they can't afford to ignore the competitive advantages that accrue from: better decision intelligence, quick notification of customer opinions, or unifying access to all their organization's business information. In detail:

- **Better decision intelligence:** Business intelligence has focused on the delivery of integrated data via reports or cubes. This is at best "decision support," (i.e., providing information that is requested by decision makers). A focus on the decisions themselves throughout the decision cycle (evaluation of alternatives, capture of decisions, monitoring results) represents an emerging and significant opportunity.
- **Quick notification of customer opinions:** Traditional survey methods to determine customer opinions can be informative, but the techniques are time-consuming and the results can be out of date by the time they are processed. Ongoing monitoring of customer interactions requires the ability to handle a variety of data types including text with the ability to quantify and aggregate to note trends.
- **Unifying access to all business information:** New techniques of indexing and referencing information in a way that reaches across data and text are opening up opportunities within specialized domains (such as healthcare), specific functions (such as customer management), and applications (such as eDiscovery).

Opportunities abound for vendors that are able to provide tools and applications that cut across traditionally separate technology domains to meet these needs.

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