

Magic Quadrant for Social Software

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The social software market continues to be fueled by increasing interest from buyers looking for social interaction support as well as from vendors looking to establish a foothold in a growing market.

WHAT YOU NEED TO KNOW

Growth, volatility, innovation and immaturity characterize the current state of the social software market. It is evolving in response to the demand for a coherent way to support information creation and sharing, team communication and coordination, and communities and informal social interaction. Buyers are looking for flexible environments where participants can find and interact with one another, and create, organize and share information. The promise is one of improved “connectedness” as well as the capture and dissemination of informal knowledge by capitalizing on community involvement. The idea is to delegate to the community what the community can do more quickly and effectively. Established vendors are enhancing their products with improved support for social interactions. Several smaller vendors have experienced growth so far in 2008 and are gaining some traction within enterprises. A large number of small new vendors (including open-source products) are also competing for enterprise attention. Even though most vendors are still far from delivering mature, complete and dependable social software suites, each could be a good choice for a particular set of requirements and context. Differences in product strengths and questions around long-term viability make it more important to be clear about requirements and payback timescales.

MAGIC QUADRANT

Market Overview

The social software market is evolving in response to the demand for a coherent way to support information creation and sharing, team communication and coordination, and communities and informal social interactions.

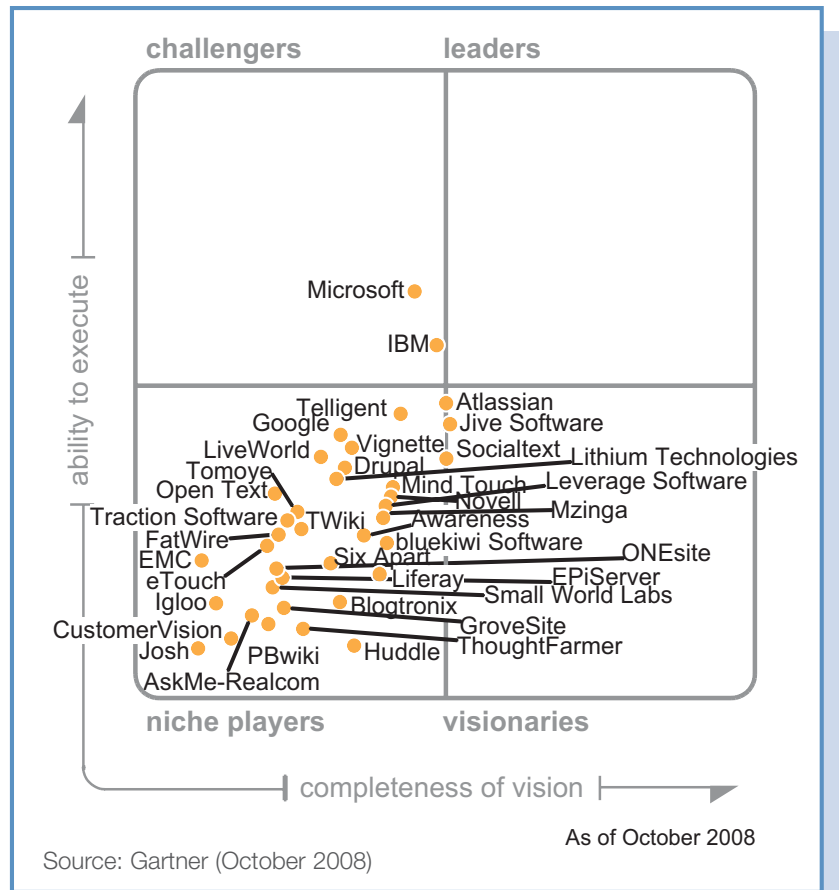
Buyers are looking for flexible environments where participants can find and interact with one another, and create, organize and share information. The promise is one of improved “connectedness” as well as the capture and dissemination of informal knowledge. One of the major goals is to capitalize on community involvement to drive higher leverage and productivity. The idea is to delegate to the community what the community can do more quickly and effectively. The promise is one of improved “connectedness” among participants as well as the capture of informal knowledge. This is particularly relevant in improving business processes that rely on access to people or in sharing best practices, in accelerating innovation, in driving change and in exploiting external networks.

Awareness of social software is high because of the popularity of related consumer social software and Web 2.0 services. We are seeing pent-up demand from workers who use these technologies on the consumer Internet and enthusiasm from some business managers who expect these tools to help them boost the connectedness and performance of their workers. But we are also seeing significant skepticism and reluctance to go ahead with social software deployments from those responsible for security, compliance, enterprise architecture and risk management in general.

The movement from point tools to integrated suites has brought relief but also high expectations. We are beginning to see some disillusionment with the realization that, even with a suite, much work must be done to deliver an effective social software solution. The size of user investments in collaboration support for social interaction is generally small and enterprisewide deployments are still rare. Most deployments tend to be relatively small with initial software costs for internal deployments within the \$30,000 to \$70,000 range, supporting just a few hundred or thousand users. This indicates that a majority of those engaged with social software are in the exploratory phase. Enterprises seem prepared to spend more for social software deployed to engage external communities (such as for raising brand awareness or customer support), with deals worth \$100,000 to \$200,000, although this usually includes hosting and/or community support services. Although there is plenty of opportunity for market expansion, we expect that the traction enjoyed by smaller vendors will begin to erode as enterprises demand better support, as established vendors begin to offer “good enough” capabilities, and as early adopters are joined by more conservative buyers. And these are the deployments the enterprise can “see.” We also know there are free (usually advertising supported) and open-source products being used that are not being tracked – or that are perhaps being ignored.

We are still seeing steady demand for traditional teaming and document sharing support, but social software support is what continues to drive new demand. Much of the activity on the supply side has centered on improving capabilities that encourage social interaction, natural group formation and emergent collaboration. Options available for business use are expanding rapidly as innovative newcomers enter the market and mainstream vendors begin to deliver social software suites. Social software support is becoming one of the most important areas of differentiation between established vendors playing catch-up and newcomers

Figure 1. Magic Quadrant for Social Software



that have managed to attract early adopters with products that provide exactly these capabilities.

In general, functional boundaries in different products are constantly broadening, meaning that there are very few “pure” products. Most offer a blend of different capabilities, and we expect that successful products will continue to assimilate new functionality – such as:

- User social tags.
- Social bookmarks.
- Social network analysis.
- Social network visualization.
- Content feeds.
- People search (expertise location).
- Content rating.

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- Reputation management.
- Alerting.

Some are more focused on internal users, with an emphasis on integration with existing infrastructure, business applications and other enterprise requirements (such as auditability and compliance). Others place more emphasis on extranets with support for secure information transfer between organizations. And some target branded external customer communities with good support for very large-scale deployments, consumer engagement and management of untrusted content (such as sophisticated moderation services or better support for rich media). This last distinction between products that focus almost exclusively on external communities (such as Josh, Leverage Software, Lithium Technologies, LiveWorld and ONEsite) is perhaps the most significant for anyone trying to segment this crowded market even further.

The opportunities for innovation, the specific needs of different user populations and the increasing acceptance of alternative sourcing options (for example, open-source software and software as a service [SaaS]) will ensure that this remains a vibrant and competitive market for some time. But any market expansion is followed by an inevitable consolidation, and there are signs that it is already under way even as the overall market continues to expand. There have been several acquisitions so far in 2008 – Novell acquired SiteScape, ONEsite acquired Social Platform and Mzinga acquired Prospero. In the current economic climate, smaller venture capital backed vendors requiring follow-up financing or projecting rapid customer takeup are more likely to face difficulties. What should be kept in mind, however, is that volatility and risk is not only associated with smaller vendors but also with larger vendors; perhaps content or portal vendors, whose main focus is not collaboration support but who nevertheless have seen a short-term opportunity and are rightly looking to take advantage of it.

We are also witnessing the evolution of social software from general suites of technologies to solution-based offerings around horizontal collaboration opportunities such as idea engines, crowdsourcing, prediction markets and answer marketplaces. Vendors that specialize in these horizontal solutions are not covered in this Magic Quadrant. Additionally, many packaged application vendors, both horizontally and vertically oriented, are introducing social software capabilities into their products and product road maps. These vendors are also not included in this Magic Quadrant, but enterprises should consider their packaged application requirements for social capabilities and factor them into their overall strategy for social solutions and community participation.

Notable Absences

Some of the vendors that came close to being included in this market assessment and may be still be of interest to readers of this report include:

- **Cisco's** WebEx offering's primary use is for real-time communications and Web conferencing. It is more aligned with Cisco's unified communications portfolio, which places it outside the scope of this Magic Quadrant. WebOffice has some social software elements, but not enough functionality or market penetration to justify inclusion. Cisco's WebEx Connect offering was launched after the cutoff for inclusion in this
- **Oracle's** Beehive offering combines messaging, team collaboration and social interaction. However, as it was released in September 2008, it didn't meet the installed base threshold. It will be considered for inclusion in future versions of this report. Also, during 2008 Oracle acquired BEA Systems, which was featured in our 2007 assessment. However, BEA AquaLogic Interaction Collaboration (rebranded Oracle WebCenter Collaboration) is only available as a part of the Oracle WebCenter Suite for new customers and not as an independent offering purchased primarily for collaboration and social interaction, and therefore it has not been included.
- **Sun** announced the Sun/Liferay initiative in May 2008 around a common portal codebase which will likely contribute to Sun's ability to deliver collaboration and social software offerings in the future.

Several other interesting vendors were considered but were not included because of their limited market presence so far, or because of gaps in their product functionality. However, they provide valuable functionality and are likely to be considered in future updates of this Magic Quadrant. They include **BrainKeeper, CrowdFactory, CollectiveX, GroupSwim, HiveLive, Hyperknowledge, KnowledgeTree, Limehouse Software, Near-Time, SelectMinds and Intridea.**

Market Definition/Description

We view this market as consisting of products that focus on team collaboration, communities and social interaction. The buyers in this market are looking for persistent virtual environments, in which participants can create, organize and share information, as well as interact with each other. They are deployed internally among employees or contractors as well as externally for partners, customers, prospects or other stakeholders. The business uses of these products vary in terms of degree of formality and openness – from team information sharing and project coordination among a small, homogeneous group within an enterprise; to sharing best practices within a business unit; to encouraging socialization and knowledge transfer among employees or even external participants in a partner or customer network.

In general terms, products that compete in this market, help users to:

- Find out about each other.
- Form teams, communities or informal groups.
- Work together on the same work objects.
- Discuss and comment on their work.
- Organize work from their perspective.
- Identify relevant work.
- Discover other people with common interests.
- Learn from others' expertise.

Some specific uses of products in this market include:

- Sharing team information and coordinating project-related activities by adding permanence and structure to ad hoc communications.

- Empowering communities of experts and interested parties (bonding people by specific interests, capturing best practices, disseminating lead-user innovation and providing an informal support network).
- Facilitating social interaction by helping people to establish and strengthen personal relationships, develop trust and, in the end, to reduce friction and accelerate the business processes that people are engaged in.
- Accessing relevant knowledge and expertise that can be used to formulate a plan of action when decisions need to be made.

We adjusted the name of this market from “Team Collaboration and Social Software” to just “Social Software” in order to:

- Simplify it, as social interaction support implies team collaboration support.
- To recognize the provision of social interaction support as one of the most important sources of differentiation among the products from established and new vendors.
- To take into account the addition of blogs and wikis in the minimum functionality for inclusion (see below).

The products available in this market are generally deployed internally and managed by IT departments or service partners, although an increasing number of vendors make their products available via SaaS and, in some cases, as managed appliances.

Inclusion and Exclusion Criteria

Inclusion in this Magic Quadrant is based on an assessment of the market presence and functional capabilities of any product that is generally available in this market as follows:

- It is a product that is packaged, marketed and sold independently (that is, not offered as part of a bigger suite or offering).
- The primary use of the product as advertised in marketing material and as demonstrated in actual use is for supporting general collaboration and social interaction; its use is not limited to a specific industry or business process (such as project management, learning or training).
- There are at least 50,000 users (seats) in total in production, and at least three named customers, each with 1,000 or more users (seats).
- It is a product with the following minimum functionality:
 - **User management:** ability to create, modify or retire user accounts.
 - **User profiles:** information about each user can be accessed by other users.
 - **Roles and access control:** support for multiple roles (for example, editor, facilitator, community manager or moderator) with associated access controls.
 - **Configurable group, project, team or community areas:** end users with the right permissions can create themed areas for a group, project, team or community.
 - **Document sharing:** ability to upload, store, organize and share documents.
 - **Discussion forums:** support for a persistent environment to post questions and answers or to have general discussions.
 - **Blogs:** end user instant publishing functionality that displays entries in reverse chronological order and permits comments from others.

- **Wikis:** group authoring of collections of pages with support for “click-to-edit,” change tracking and internal linking.

There have been some adjustments in the inclusion criteria when compared with those in our 2007 market assessment:

- Increased the number of users using a production release from 5,000 to 50,000.
- Added a condition that use is not limited to a specific industry or business process.
- Added blogs and wikis to the functionality requirements.

As a result of these changes, some of the vendors in last year’s assessment are not included here. However, despite raising the threshold for inclusion we do include a larger number of vendors. This is because of new products coming onto the market, and because we have taken a closer look at products already in the market (see relevant section below for details).

Please note that the above is the minimum functionality required for inclusion. The products will be evaluated on the minimum as well as on additional optional functionality. Also, note that although we look for evidence of market presence in order to exclude some of the very small vendors, we deliberately do not have an explicit test for minimum revenue. This has meant that the Magic Quadrant includes products from less-established vendors, from vendors experimenting with new pricing models, and open-source products. This helps to reflect some of the innovation and alternative sourcing options available in this market. However, although the size, revenue and profitability of the vendors was taken into account when assessing their ability to execute, you should be aware that some of the vendors here represent more risk than those in Magic Quadrants with a high revenue threshold.

Added

AskMe-Realcom
 Blogtronix
 Drupal
 EPiServer
 eTouch
 FatWire
 Google
 Igloo
 Huddle
 Josh
 LiveWorld
 Lithium Technologies
 Mzinga
 Liferay
 Novell
 ONEsite
 PBwiki
 Small World Labs
 ThoughtFarmer
 Tomoye

Dropped

BEA Systems was acquired by Oracle.

Communispace was excluded because of a minimum functionality requirement (wiki support).

Table 1. Ability to Execute Evaluation Criteria

Evaluation Criteria	Weighting
Product/Service	high
Overall Viability (Business Unit, Financial, Strategy, Organization)	high
Sales Execution/Pricing	standard
Market Responsiveness and Track Record	standard
Marketing Execution	standard
Customer Experience	high
Operations	standard
Source: Gartner	

Suite Two was excluded because of a minimum market presence requirement (50,000 users in total in production; and at least three named customers, each with 1,000 or more users).

SiteScape was acquired by Novell.

Social Platform was acquired by ONEsite.

Outstart was excluded because the primary use of its offering is for a specific activity (learning) and because of a minimum functionality requirement (configurable group, project, team or community areas).

Ramius' Community Zero was excluded because of a minimum functionality requirement (blog support), while the newer Sixent Enterprise offering did not meet the minimum market presence requirement at the time of the evaluation.

Evaluation Criteria

Ability to Execute

Product/Service: The overall vendor product/service functionality rating is developed by evaluating specific functionality that is already available and, in particular, the extent to which the product goes beyond the baseline functionality required for inclusion. Some of the functionality we are looking for includes social network analysis, wiki spreadsheets, social tagging, social bookmarking, social search, general analytics, expertise location, group formation based on common interests, content/people ratings, alerting mechanism and people/content recommendations. Also, as part of the overall score, we took into account the maturity of the product (the number of versions released and how long it has been available), and any evidence of large-scale deployments.

Overall Viability (Business Unit, Financial, Strategy, Organization): Key aspects of this criterion are the vendor's financial health, including funding, who is investing in and backing their activities, profitability, overall size of the collaboration and social software business (in particular, dedicated employee

numbers), and the degree to which the organization is committed to this part of its business.

Sales Execution/Pricing: This describes the vendor's ability to sell to large organizations, its price transparency and straightforward sales process, consistent revenue growth over the last 12 to 24 months, and the opportunity to convert existing customers to products with new or additional capabilities.

Market Responsiveness and Track Record: This refers to a vendor's ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. Specifically, we look at evidence of this in the history of the product (acquisitions, development and updates, for example) and in actions and comments of the product management team.

Marketing Execution: We looked for evidence of mind share, thought leadership and brand recognition, and for any specific marketing initiatives (white papers, events, microsites) that may have helped to promote them. One particularly effective approach is for senior executives to be active participants in ongoing online conversations via their blogs or comments. We also took into account the size of the marketing organization.

Customer Experience: We looked for customer feedback from vendor-supplied references, Gartner inquiries and other customer-facing interactions, such as Gartner conferences. Customer experiences are rated based on the vendor's ability to help customers achieve positive business value, as well as sustained user adoption, and quality implementation and ongoing support. We also took into account the percentage of users still under maintenance, the mix of customers (large as well as smaller organizations), overall customer numbers, and evidence of outstanding customer successes.

Operations: Factors include the quality of the organizational structure – skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis. We also looked at technology and service partners, training and certification programs, research and development resources, the presence of any independent activities adding value to the core product (for example, open-source add-on modules), the size of the support organization and the presence of active customer communities for peer support, for input into R&D.

Completeness of Vision

Market Understanding: The vendor needs to demonstrate a strategic understanding of collaboration and social software opportunities, such as an understanding of the business value of social interaction support, the complementarity of related capabilities (content, portal, communications services), an urgency to pre-integrate them, a tolerance and acknowledgement of other existing but related technologies from other vendors, and an overall vision of the space that focuses more on supporting people-centric activities and less on a formal process-centric view of collaboration.

Marketing Strategy: The degree to which the vendor's marketing approach aligns with (and/or leverages) emerging trends and the overall direction of the market. In particular, we looked at the "use cases" promoted in the vendors' marketing messages, their online activities and any programs for educating and priming the market

Table 2. Completeness of Vision Evaluation Criteria

Evaluation Criteria	Weighting
Market Understanding	high
Marketing Strategy	standard
Sales Strategy	standard
Offering (Product) Strategy	standard
Business Model	low
Vertical/Industry Strategy	low
Innovation	high
Geographic Strategy	standard
Source: Gartner	

around social interaction support (for example, “try before you buy,” open-source versions and hosted versions).

Sales Strategy: We looked at the level of channel activity, and any strategy for converting large numbers of early adopters to high-end or broader deployments.

Offering (Product) Strategy: This is the degree to which the vendor’s product road map reflects demand trends and opportunities to create demand in the market and fill current gaps or weaknesses. We also looked at interoperability with communication services (e-mail, instant messaging, presence, Web conferencing and Internet Protocol telephony), mobile support, the neutrality of infrastructure dependencies (operating system, directory and security), and the alignment with related products from the same or other vendors (specifically for content management, portal functionality and search).

Business Model: We looked at the levels of investment needed to achieve profitability and revenue growth, the balance of service and license revenue, evidence of success with repeatable revenue (subscription licensing, for example), and low-cost distribution, development and support (for example, using open-source licensing).

Vertical/Industry Strategy: The level of emphasis the vendor places on vertical solutions, and the vendor’s depth of vertical expertise.

Innovation: The degree to which the vendor is investing in R&D directed toward development of the tools, and the extent to which the vendor demonstrates “creative energy.” Examples include: a commitment to new browser-based client technologies (in particular, Ajax), browser-based rich authoring, Web native formats, and any work on microformats; adoption of not just a service-oriented architecture, but one with a strong Web-oriented architecture flavor; offline support; movement toward full access to internal data via representational state transfer (REST) interfaces

and XML data streams; social network analysis; participation metrics and analysis; activity tracking; and adaptive people and content recommendations.

Geographic Strategy: We examined the vendor’s strategy to direct resources, skills and offerings to meet the specific needs of regions outside the corporate headquarters’ location, directly or through partners, channels and subsidiaries, as appropriate for that geography and market.

Leaders

There are no Leaders in this Magic Quadrant. Although about half the vendors rated here are well established with widely used collaboration offerings, some are still trying to catch up, while others are struggling to remain relevant in a fast changing marketplace. The new offerings from established vendors are still relatively immature, suffer from functionality gaps, and are not as well integrated with related products or with those of other vendors. Smaller new vendors that have been getting some traction with products focusing on flexible collaboration and social interaction are still too small to be rated high enough in terms of execution to be placed in the Leaders quadrant.

Challengers

Vendors in the Challengers quadrant offer solutions that are poised to move into leadership but have not yet done so. They have strong products, and the market position and resources to become Leaders but may not have either the same functional breadth, marketing strategy or rate of innovation as those in the Visionaries quadrant. Challengers do have an established presence, credibility and viability, and once their products move beyond a good enough baseline they will likely leverage their existing customer base to leapfrog others into the Leaders quadrant at some point in the future.

Visionaries

Visionaries in the market demonstrate a strong understanding of current and future market trends and directions, such as the importance of a flexible and transparent collaboration environment, as well as the value of mutual reinforcement between tools that encourage user contribution and tools that encourage bottom-up group and structure formation. Their products and product road maps display a penchant for innovation, especially in terms of architecture and lightweight integration, while their marketing and R&D efforts are boosted by their alignment with the open-source “ecosystem.” The Visionaries in this market have not exhibited the scope of delivery of the Challengers, but have demonstrated vision across a range of capabilities.

Niche Players

Niche Players form the bulk of the vendors in this Magic Quadrant. They provide useful focused technology, understand the changing market dynamics and are working toward evolving their product capabilities. However, they are still held back by breadth of functionality, by product road map urgency, or by lack of an innovative growth strategy. Many of the smaller vendors may enjoy success relative to their size, but need to exploit the current 12 to 24 month window of opportunity to grow and establish their positions before their competitive differentiation begins to erode. As the social software market continues to mature, pockets of specialization can solidify. Therefore, a viable alternative strategy for

a minority of smaller vendors is to focus on some niche markets, such as customer communities or enterprise alumni social networks. These vendors are unlikely to break out of the Niche Players quadrant, even though they may continue to have a long-term viable business. For some of the larger established vendors, collaboration support is peripheral to their core product and service portfolio, and their efforts are more focused on servicing the specialist needs of their core market (for example, document-centric collaboration for content management vendors).

Vendor Strengths and Cautions

AskMe-Realcom

Strengths

- AskMe-Realcom has a knowledge management orientation, with a track record in high-end deployments and very strong social networking, expertise location and search capabilities.
- The company has a solid presence in the U.S. market but its strongest presence is in Japan.

Cautions

- The impact of the June 2008 merger between AskMe and Realcom on the company's direction and product evolution will take time to work through.
- Though it is strong in social networking, it offers limited support for team collaboration via document/content creation and sharing.

Atlassian

Strengths

- Atlassian is growing fast with a rapidly evolving product. Its recent capabilities include integration with Microsoft Office SharePoint Server and Office.
- Although, wiki-centric, it offers a broad range of social capabilities and strength in user experience (but with a weakness in social networking analysis).
- It has a straightforward sales process that relies more on transparency and Web distribution than on a traditional sales force along with low server-based pricing and a "try-before-buy" option.
- It uses open-source components as part of the core product and the runtime environment, and makes the source code available for inspection.
- Its Java-based infrastructure supports several runtime engines and databases.

Cautions

- The company's size (currently 190 employees) and reach can limit its ability to handle growth and meet the demands of large global organizations.
- Third-party modules (for example, EditGrid or online spreadsheets), although welcome, add to cost and complexity.

Awareness

Strengths

- Awareness combines strength in external-facing, "branded Web 2.0 communities" with some experience in sizable internal deployments.

- It is one of the few vendors able to support customers with strategy as well as community management services.
- We had positive customer feedback on the accompanying services for setting up and running communities (from which Awareness derives about 30% of its revenue).
- The company offers near-complete functionality with just a few gaps in structured collaboration support and social network analysis.

Cautions

- Despite doubling to 50 employees during the last year, Awareness is still a relatively small organization.
- Its weakness is in supporting structured collaboration (for example, document offering and sharing, tasks and projects).
- Hosted-only availability will limit the product's appeal.

blueKiwi Software

Strengths

- blueKiwi Software gained early traction with large European organizations, with a product focusing on information sharing and employee networking.
- It offers comprehensive functionality, ease of use and multiple deployment options (SaaS and on-premises deployment), with strong participation and social networking analytics.
- The company has a geographic advantage in Europe.

Cautions

- Despite some growth in 2008, blueKiwi is a small company with about 30 employees, limited resources and no activity outside Europe.
- The product is weak in supporting structured collaboration.
- It lacks enterprisewide deployments.

Blogtronix

Strengths

- Blogtronix offers a much-improved product with broad collaboration and social interaction support including integrated blogs, wikis, documents and business social networking, along with tags, Really Simple Syndication (RSS) and search.
- It is quick to install and use, with multiple deployment options.

Cautions

- Third-party modules are required for enhanced capabilities (for example, EditGrid for spreadsheets and version control).
- The company's small size, small partner network and limited enterprise deployments limit its ability to execute.

CustomerVision

Strengths

- CustomerVision has enjoyed some success, with customers deploying CustomerVision BizWiki for training and learning, as well as for general information sharing.
- It has a good mix of customers using the product both for internal and external collaboration, and has earned very positive feedback on customer service and support.

- The product is available as a hosted service or on-premises installation and can be deployed without significant IT involvement.

Cautions

- CustomerVision has limited market presence, is very small in size (18 employees) and has a limited “ecosystem.”
- It has limited R&D capacity with little progress in functionality and architecture in 2008 (for example, limited integration capabilities beyond linking and widget support).

Drupal

Strengths

- Drupal offers a popular and extensive open-source platform with large high-profile deployments, a very active developer community, a good track record of community support, and a growing ecosystem of service providers.
- Also available is Acquia Drupal, the commercially supported version of Drupal from Acquia (a commercial organization headed by the founder of the Drupal open-source project).
- Its strong underlying content-centric, community and Web application foundation is being rapidly extended with hundreds of modules, including many for collaboration and social interaction support.

Cautions

- Module quality is variable, and the use of modules beyond the core distribution requires careful evaluation and ongoing support provisions.
- The breadth of the platform functionality is an advantage when Drupal is deployed on its own, but it also contributes to deployment complexity.
- Acquia is a small and new organization with an unproven ability to execute.

eTouch

Strengths

- eTouch offers a Java-based, wiki-centric product that has additional general functionality.
- It has earned positive feedback with respect to usability and vendor responsiveness.
- Recent product architecture updates have included clustering for scalability, REST interfaces and an XML content repository.
- It has reasonable CPU-based pricing.

Cautions

- eTouch is a small company (15 employees) with limited ability to execute.
- It also has limited experience with enterprisewide deployments (but can leverage large service capacity from its sister organization if needed).
- Its product needs to evolve to stay competitive.

EMC

Strengths

- EMC's Documentum eRoom is one of the earliest and most successful enterprise collaboration environments – both for internal workgroups as well as for extranet deployments.
- It has seen good traction for document-centric structured collaboration use cases, such as client engagements, proposal development, new product development, product life cycle management and issues management.
- The eRoom product will eventually be superseded by CenterStage (which is in beta testing), and will include broad native support for social networking and informal collaboration.
- EMC has a global presence and services capability.

Cautions

- EMC has a document- and process-centric view of collaboration, with little support for informal communities in its current eRoom product.
- CenterStage will not be backward compatible with eRoom, and migrations will require professional services support.

EPiServer

Strengths

- EPiServer Community 3.1 has strengths in supporting large external communities primarily for marketing and branding; approximately 20% of deployments are internal.
- The company has a large and active partner network in Europe (sales are 100% via a partner network) and, in particular, in Nordic countries.

Cautions

- The company has almost no presence outside Europe.
- Important functionality (for example, wiki support) is only available by installing a complementary content management product, which adds to cost and complexity for customers.

FatWire

Strengths

- FatWire is best known for its Web content management product, but the company also offers TeamUp 2.5 (which became available after the October 2007 acquisition of Infostoria), which can be used with or without other FatWire products.
- TeamUp has reasonable baseline collaboration functionality, and strength in managing rich content with built-in document asset management (DAM) and transcoding modules with flexible application programming interfaces (APIs) for mashups, as well as additional content integration capabilities (including SharePoint and Documentum connectors).

Cautions

- Although TeamUp is being deployed independently, its primary short-term appeal will be among existing FatWire customers and creative marketing teams or media agencies dealing with rich media content.

- The company's commitment to collaboration and social interaction support will take time to establish.

Google

Strengths

- Google has a strong brand and a very large consumer base.
- Google Apps is offered free to individuals, which creates demand for enterprise versions (in Google Apps Premier Edition).
- It is strong in online document authoring and sharing, with growing additional support for site authoring, discussion and messaging.
- It has an exemplary Web-oriented architecture.
- It also has plentiful R&D resources, a track record of fast-paced innovation, and a flexible delivery model.

Cautions

- Google's all-inclusive pricing for e-mail and collaboration support ties its success with collaboration and social interaction products to the company's overall success in the more-mature e-mail market.
- Weaknesses in social interaction support and group information organization, moderation and expertise location will need to be addressed before the product is suitable beyond content authoring and sharing.
- The SaaS-only model will limit the appeal for some organizations.

GroveSite

Strengths

- GroveSite has found a niche in easily customizable workspaces that blend wiki-style text information with more structured file and data exchange.
- It has a growing user base consisting mainly of organizations that use GroveSite to collaborate around projects with their vendors, clients and other stakeholders.
- The customer-focused organization has received very positive feedback from customers.
- It supports innovative "data tables" for creating online Web-native databases for structured data and makes it easy for an organization to manage user accounts in multiple sites for different business units.

Cautions

- Functionality is good enough for target use cases, but despite recent enhancements in document handling, discussion support and project reporting there are still gaps in tagging, bookmarking, alerting and content aggregation.
- The hosted-only delivery model may prove a problem if there is a desire to expand beyond the current target market.
- The architectural flexibility with Web services and REST support is still under development.
- The company's small size (15 employees) limits its ability to execute.

Huddle

Strengths

- Huddle 3.2 is not only a SaaS collaboration offering, but also a network that meshes internal and external-facing deployments in a controlled way.
- The free limited version encourages viral growth, especially among smaller organizations.
- It is strong in document sharing and structured collaboration and deep, secure integration through Facebook applications and SharePoint.

Cautions

- It is weak in social networking (although plans to integrate with external social networks may help). It lacks tagging and bookmarks, and offers weak blogging, user-controlled information organization and very limited participation metrics.
- Huddle is a small U.K.-based company, with a limited ability to execute, and no large-scale deployments (beyond 2,000 users per site).

IBM

Strengths

- IBM Lotus Connections offers near-complete functionality that includes social bookmarking/tagging, an innovative approach to activity-centered collaboration, blogs, people profiles and expertise location.
- IBM offers flexible deployment options as independent modules: as the Lotus Connections Suite; as part of a bundle that adds Quickr (primarily for content management) and Sametime (for communications); or as a set of services accessible via the Lotus Notes 8 client, Microsoft Office/Outlook or the WebSphere portal with which Lotus Connections is closely aligned.
- It has a Web-oriented architecture with granular Atom/RSS support and full REST APIs, and offers complementary analytics and social network visualization and exploration using IBM Atlas for Lotus Connections.
- Lotus Connections is capturing growing interest, sizable enterprisewide deployments and positive feedback (but primarily among existing IBM customers).
- IBM is perceived in the market as a dependable global vendor, and it is committed to the social software market as evidenced by the recent substantial investment in a Center for Social Computing (www.research.ibm.com/social/).

Cautions

- IBM's SaaS offering of Web-based productivity tools, meetings and social networking (Project Bluehouse, planned for release in January 2009, bluehouse.lotus.com) will fill an important gap in IBM's portfolio, but it is still in beta at the time of writing and it will take time to establish its credibility.
- Whether justified or not, perceptions of complexity and dependencies on other IBM products such as Domino, WebSphere or DB2 will make it more difficult for IBM to reach customers outside its existing customer base.

- IBM will deliver a wiki early in 2009 as an integrated service in Lotus Connections, which will provide a more complete solution without the need to use IBM Quickr or a third-party product for a complete solution.

Igloo

Strengths

- Igloo has a SaaS-only offering that supports basic document-centric collaboration and information sharing with basic social networking and analytic support.
- Its focus is on internal corporate social networks, but with experience in handling external membership networks.
- It has aggressive product update schedules.

Cautions

- Igloo is a small company that needs to attract a broader customer base beyond its handful of customers in Canada and the U.S.
- It has a limited track record as a commercial organization.

Jive Software

Strengths

- Jive Software's Clearspace combines broad support for structured collaboration with tasks, projects and limited workflow. Social interaction support is via rich profiles, tagging, blogs, wikis and social network analytics.
- It offers an innovative combination of on-premises deployment and a hosted service for extranet support.
- The company grew substantially in 2008 (more than doubling in size to 150 employees even after the recent cutbacks), and has enjoyed increased customer interest and positive customer feedback.
- It has a growing partner and channel ecosystem.
- It has a clear strategy for adding value to the enterprise's ability to build and capitalize on productive communities.
- It leverages several open-source components (for search, basic workflow, PDF rendering, XML processing and embedded database) and makes the source code available for inspection.

Cautions

- Although growing, Jive Software's size will inhibit its ability to establish a clear positioning as an enterprise vendor.
- It lacks support for more-advanced analytics, participation metrics and advanced authoring tools

Josh

Strengths

- Sweden-based JoshsthlM AB has carved a successful niche supporting large online communities for media companies.
- Its XCAP platform can be integrated deeply with an existing online presence.

Cautions

- The flexibility of its platform may be a disadvantage for those looking for a polished out-of-the-box experience.

- The company is very small (16 employees) and has limited exposure outside Europe.

Leverage Software

Strengths

- Leverage Software has market presence in customer, partner, developer, service, hospitality and other externally facing communities.
- It is one of a very small number of vendors offering social network analysis to identify "friends," and social search, in addition to a broad range of collaboration and social software capabilities including rich profiles, tagging, blogs, wikis, chat, polling, recommendation engines, and private and public groups.
- Its all-inclusive pricing based on active users limits the cost of initial investments.

Cautions

- Leverage has functional gaps in structured collaboration.
- Web services and REST APIs make SaaS-only delivery more accessible, but may not be enough for organizations which prefer on-premises deployments.
- Leverage is still a small organization (40 employees), with activities mainly in the U.S.

Liferay

Strengths

- Liferay Collaboration Suite combines team-oriented information sharing capabilities with informal content creation and organization through content management (including integration with Microsoft Office via Microsoft's published SharePoint protocols), blogs, wikis, discussions, activity tracking and tagging.
- It offers alignment with portal frameworks and other open-source components from third parties (for example, Alfresco, Intalio, Magnolia and Mule) for those who need it.
- The close partnership between Liferay and Sun will have a positive effect on the evolution of the platform and the social applications built on top of it.

Cautions

- The need to deploy the collaboration services via the Liferay portal adds to its complexity, although the Liferay Social Office preconfigured solution (expected in November 2008) will help to address this.
- Commitment from the vendor and the Liferay communities to the collaboration and social software market is still unproven.

Lithium Technologies

Strengths

- Lithium Technologies supports very large (millions of users) online customer communities through its hosted service.
- It offers very strong capabilities in real-time communication activity and participant reputation metrics, including anonymous benchmarking comparisons of activity between different customer communities.

- Its service capabilities for setting up successful communities and for moderation are substantial, and its support services are strong.

Cautions

- The company's focus is exclusively on external communities.
- It offers limited support for team collaboration via document/content creation and sharing, and no informal project support.

LiveWorld Strengths

- LiveWorld supports very large, hosted, private-label online customer communities.
- It has substantial service capabilities, including brand consulting, community management and sophisticated moderation technology, as well as services in 70 countries/languages, with 200 moderators.
- It has innovative technology for embedding branded communities in other social networks (for example, Facebook) or for creating contextually driven communities that span multiple existing customer-owned Web sites (LiveWorld LiveBar).

Cautions

- The company's focus is predominantly on external communities.
- It has limited authoring, document sharing or team collaboration support.

Microsoft Strengths

- With SharePoint, Microsoft offers a broad set of capabilities that combine structured collaboration with core social computing capabilities, including blogs, wikis, podcasting, persistent group chat, discussion groups, "people search" that uses social network analysis, and related rich content, portal and workflow capabilities on a platform that offers consistent management and administration.
- Microsoft has continued to see exceptional market penetration, momentum, sizable internal and external deployments, and satisfaction with Windows SharePoint Services (a component included in Windows server at no extra charge) and Microsoft Office SharePoint Server 2007 (MOSS 2007) during 2008.
- It offers integration with desktop office applications and related offerings such as Microsoft's productivity tools, leading e-mail server, unified communications suite, Web-based meetings and Live Services.
- It has a very strong technology partner network ready to exploit SharePoint's presence in business environments while adding value and filling functionality gaps.
- The possibility now exists for better support for social analytics (sentiment and intent analysis) through integration with the recently acquired Fast Search & Transfer.
- Microsoft's market presence as a dependable global vendor enables it to handle enterprise requirements.

Cautions

- Given its breadth, MOSS may deter those who are looking to take advantage only of the collaboration and social networking capabilities, and those not fully committed to Microsoft infrastructure services.
- There are functional gaps including social tagging and bookmarking, social search and an improved wiki (although some of these are offered by Microsoft as open-source components through its Codeplex community).
- This strong partner network is a "double edged sword" as SharePoint may require a multivendor ecosystem to fulfill the needs of an organization with sophisticated social software needs.
- SharePoint's rich functionality can be hard to pull together into user-friendly environments without some technical assistance.
- More flexible deployment options are offered through the Business Productivity Online Suite (BPOS) SaaS program, but its credibility will take time to establish.

MindTouch Strengths

- MindTouch Deki is a relatively recent product, but its popularity is increasing rapidly, as indicated by repository activity and downloads (Sourceforge downloads alone exceeded 20,000 per month during 2008).
- It offers rich functionality, including a Windows desktop connector for drag-and-drop, document attachments with in-browser viewing, and integration with SugarCRM, salesforce.com, as well as with graphing and mind-map engines.
- It also offers migration from existing Mediawiki deployments.
- It has a flexible architecture with extensive REST APIs supporting XML/JSON/PHP for client and server-side integration, which make it possible to add wiki functionality to other applications, to add permalinks, to embed external widgets (from Google, Yahoo or Flickr, for example), or to mix external data with MindTouch content to create dashboards, dynamics reports or mashups.
- It has a growing partner and developer ecosystem including Novell and Microsoft, as well as large numbers of active external developers who are contributing to localization and other development efforts.

Cautions

- Despite doubling to 26 employees in 2008, MindTouch is still a small and young organization that has yet to prove its ability to serve enterprises.
- The core engine is built on Microsoft .NET but can be deployed on platforms other than Microsoft Windows using the open-source Mono implementation of .NET (developed by Novell).
- As of late 2008 the product is available with a dual license (open-source GPL or commercial) and users of the open-source version should be aware that certain connectors and converters are only available with the commercial license.

Mzinga

Strengths

- Mzinga has a strong presence, with millions of users in online customer communities in its social media suite (which is largely based on technology from its acquisition of Prospero in March 2008).
- It offers full service provider community services, strategic consulting and moderation services.
- It has complementary offerings in e-learning, talent development and customer support.

Cautions

- The company has little experience with internal employee collaboration beyond talent development and social learning.
- It has weak content/document authoring, informal project support and information organization.

Novell

Strengths

- Novell came into this market through the acquisition of SITEScape early in 2008. It leverages open-source components to fill product gaps as well as an open-source license (CPAL) to attract early users and developers.
- Novell Teaming combines structured collaboration with flexible support for communities and social interaction. It can be deployed with or without the complementary communications capabilities (Web conferencing, presence and telephony integration) available as a Novell Teaming + Conferencing bundle.

Cautions

- The launch of the open-source community site (www.kablinc.org) is a positive move, but has yet to achieve critical mass.
- Product visibility beyond the existing Novell customer base is limited.

ONEsite

Strengths

- ONEsite has an established presence in online customer communities with a hosted “white label” social software platform.
- It has experience both in launching and operating high-volume, engaging consumer communities for major brands – some with over 1 million members.
- It is one of the few products that supports social network analysis, social search and rich mobile functionality.

Cautions

- The product is more suited for external customer or consumer social networks than for internal collaboration support.
- Despite the Social platform acquisition, ONEsite is still a small organization with just over 50 employees.

Open Text

Strengths

- Open Text's Livelink ECM – Extended Collaboration solution includes good-enough functionality for community self-service, discussions, and basic blogs and wikis. It has a long track record in large enterprise deployments for structured collaboration that require task management, workflow, calendar integration and basic project management.
- Open Text's collaboration offering is aligned with a very broad range of related offerings for content and document management, real-time collaboration and, in particular, integration with Open Text Web content management capabilities (from the RedDot product line), which can be used to deliver Livelink content to external communities.
- Open Text has an enterprise focus with vertical differentiation, and a broad geographic presence.

Cautions

- Despite capability enhancements in Livelink ECM – Extended Collaboration and the RedDot product line, some gaps will remain (for example, rich profiles, social tagging, social analytics and mobile support) until the release of new social computing offerings currently in production.

PBwiki

Strengths

- As a SaaS offering, PBwiki is very easy to set up and use, with “instant gratification” appeal.
- Its free product (up to three users) is popular with individuals and groups, including business users.
- It offers flexible integration APIs with external services including single-sign on.
- It leverages open-source technology to reduce R&D and infrastructure costs.

Cautions

- PBwiki's business model – based on converting large numbers of customers using the free version to paid customers – is still unproven.
- It offers comprehensive but basic functionality.
- The company is small (30 employees).

Six Apart

Strengths

- Six Apart offers a popular, blog-centric social publishing platform with community features.
- It has general visibility and mind share, and many large enterprises already use Movable Type for corporate blogging and internal collaboration.
- It has a growing number of partners, including a reseller and consulting network with operations outside the United States.

- Six Apart is a social software innovator with a best-of-breed blogging product, is the developer of an open-source caching server used by high traffic Web sites such as Facebook and Wikipedia, and is originator of the OpenID authentication protocol and the MT API for offline blog authoring supported by many clients.

Cautions

- Six Apart's main focus is not the enterprise, where it has an unproven track record beyond blogging services and technology.
- Movable Type has user-friendly authoring capabilities but a weak content repository (the wiki support is via a revision history plugin, although MediaWiki can also be used instead).
- This Perl-based product may deter some who are not familiar with the language and platform.
- Carving up functionality into different editions and differentiating between the open-source and enterprise versions will impact acceptance and complicate the sales process.

Small World Labs

Strengths

- Small World Labs has a good track record, especially with external online communities.
- It offers attractive flat-fee pricing, with extras based on traffic.
- It is strong in analytics, including real-time participation and social network analysis.
- It offers community-building professional services.

Cautions

- The company's weaknesses are in content authoring, document sharing and internal project support.
- Although it is a growing organization, it is still small.

Socialtext

Strengths

- Socialtext was one of the first commercial wiki organizations. It has a sizeable customer base and mind share, and there is evidence of large-scale deployments of the product.
- It has active customer communities and partnerships.
- It made a smooth transition to a new CEO in 2008, with a focus on growing the business.
- It offers innovative new capabilities, including a Twitter-like messaging module and a dashboard mechanism based on the Google patches APIs and a (still beta) wiki-based spreadsheet.
- The solution is based on a Web-oriented architecture with granular Atom/RSS support and full REST APIs.

Cautions

- Its primary audience is outside the IT department, which makes it easier to strike quick opportunistic deals but harder to close large enterprise deals.
- The differentiation between the open-source and the commercial version has hampered the growth of an active ecosystem around the open-source version.
- Unfamiliarity with the runtime environment (Perl) may deter some who prefer uniformity in their IT environments.

Telligent

Strengths

- Telligent has grown to 140 employees and received a \$20 million infusion in late 2008 to fund an expanded focus into internal enterprise deployments.
- It has revamped and extended its Community Server 2008 with complementary products that offer strong analytic capabilities.
- The company has had relative success with externally focused customer community sites offering features such as forums, blogs, feeds and tagging. It has particularly good moderation and filtering support for open communities.
- There is evidence of very large open community deployments.

Cautions

- Although very good in general community support, there are functional gaps in social network analysis, social search and support for more structured collaboration (such as tasks, simple workflow and projects).
- Important analytics functionality (Harvest Reporting Server) is included with enterprise editions but otherwise needs to be purchased separately if needed.

ThoughtFarmer

Strengths

- ThoughtFarmer focuses on internal deployments with comprehensive team collaboration and informal interaction functionality (including page creation via e-mail, mailing list integration, an organizational relationship browser, a faceted browsing and PDF generation from collections of wiki pages).
- Deployments are on-premises as well as hosted.

Cautions

- It is a small organization with a small client base and no evidence of large-scale deployments.

Tomoye

Strengths

- Tomoye has a lot of experience in collaboration and knowledge management, with many large and satisfied customers, especially in the defense sector.
- Its strength is in internal community support through rich profiles and participation metrics.
- It can augment SharePoint capabilities.
- It offers a formal customer education program for building successful communities, reinforced by active customer communities.

Cautions

- Advanced custom functionality (for example, social filtering and social network analysis) is available, but not productized (it is not part of a whole product).
- It has limited geographic and vertical-market diversification.

Traction Software

Strengths

- Traction Software's TeamPage 4 has innovative capabilities including a what you see is what you get (WYSIWYG) wiki editor with widget support, rich media support, the ability to generate complete PDF/Word documents (with tables of contents, cross references and appendixes) from collections of wiki pages, document as well as site-level versioning and moderation, content repurposing, tag-based content exploration with dynamic views, and twitter-like alerting.
- It is based on a Java platform with no third-party dependencies and leverages open-source components.
- It has partnerships with Fast Search & Transfer for search and content navigation and expertise location, and with QL2 Software for competitive intelligence (monitoring and reporting changes in Web sites, news feeds and databases).
- There is evidence of large-scale deployments and high customer satisfaction.
- It offers attractive unlimited user pricing options that encourage unmeasured corporatewide "visitor" usage.

Cautions

- Early successes with high-end customers resulted in some sophisticated high-end capabilities, but more needs to be done in terms of usability in order to broaden its appeal.
- There are functionality gaps in dynamic user profiles and social network analysis.
- Traction is still a very small organization (10 employees) that needs to grow faster if it is not to be left behind.

TWiki

Strengths

- The launch of TWiki.Net's Certified TWiki OnSite and TWiki OnDemand in 2008 will help increase the acceptance of TWiki in business environments beyond its current technical user base.
- TWiki is a popular open-source wiki-centric product reporting 10,000 downloads per month, several large-scale customer deployments, and an active developer and user community with a good track record in peer support.
- It has core wiki-centric functionality extended by a growing number of plugins (currently 250+) that include task management, calendar integration, online spreadsheets, charting, mail integration, and a general end-user mechanism to capture and display structured content (WikiForms). A proprietary module (TwikiConnect) with rich profiles, activity feeds, social networking and tagging is planned for release before 2009.

Cautions

- The governance issues between the TWiki.net commercial organization and the TWiki developer community, and the subsequent creation of a new splinter project (www.twikifork.org) in October 2008 will impact its ability to execute.

- Commercial support is available but limited. Until that evolves, users should supplement it with internal resources and ties to the TWiki community.
- The quality of the available plugins is variable. Users must conduct their own assessment of plugins beyond what will be available as part of the certified version.

Vignette

Strengths

- Vignette Collaboration provides a new focus on "user-generated content," with version 7.2 adding new functionality (such as ratings and tagging) as well as enhancements to existing blog, wiki and discussion capabilities.
- It is a relatively large organization with an enterprise focus, broad geographical presence and vertical differentiation.
- It offers innovative two-way integration with e-mail and mobile devices, and improved rich media capability through the acquisition of Vidavee in 2008 (a video Web services company with social search, social recommendations and analytics functionality).
- It is offered on a flexible Java-based architecture.

Cautions

- Collaboration has not been Vignette's main focus, although it is an important ingredient both in its outward facing Web Experience strategy and for supporting internal collaboration.
- There is a lack of visibility and mind share in this market and limited appeal outside its core customers, who use the product primarily to support content-centric activities and to get portal capabilities.
- The Java-based Ephox editor may limit the wiki appeal.

Vendors Added or Dropped

We review and adjust our inclusion criteria for Magic Quadrants and MarketScopes as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant or MarketScope may change over time. A vendor appearing in a Magic Quadrant or MarketScope one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. This may be a reflection of a change in the market and, therefore, changed evaluation criteria, or a change of focus by a vendor.

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor that compete in/serve the defined market. This includes current product/service capabilities, quality, feature sets and skills, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability (Business Unit, Financial, Strategy, Organization): Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood of the individual business unit to continue investing in the product, to continue offering the product and to advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all pre-sales activities and the structure that supports them. This includes deal management, pricing and negotiation, pre-sales support and the overall effectiveness of the sales channel.

Market Responsiveness and Track Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message in order to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional, thought leadership, word-of-mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups and service-level agreements.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the Web site, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling product that uses the appropriate network of direct and indirect sales, marketing, service and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature set as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including verticals.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.