

Magic Quadrant for Enterprise Information Archiving

10 November 2014 ID:G00262936

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VIEW SUMMARY

Enterprise information archiving offers IT managers in organizations solutions for compliance and e-discovery, while reducing primary storage costs. Gartner evaluates vendors offering products and services that provide archiving for email, social media, files and other content types.

Market Definition/Description

Enterprise information archiving (EIA) incorporates products and solutions for archiving user content (such as email, files, IM and SharePoint documents) and other data types (such as structured data, websites and social media content). These products provide features such as data reduction across content types, retention management, content indexing and at least basic tools for e-discovery. Due to the complexity associated with managing multiple data types within an archive, EIA can more broadly encompass capabilities like federated archive repository management, and common policy management for migration, retention and discovery across multiple repositories.

Placement on the Magic Quadrant is based on Gartner's view of a vendor's performance against the criteria noted in this research. Gartner's view regarding vendor placement on the Magic Quadrant is heavily influenced by surveys completed by the vendors and more than 1,000 inquiries and one-on-one conversations at Gartner conferences conducted during the past 12 months with our clients on the topic of EIA. In addition, the Magic Quadrant methodology includes the solicitation of references from each vendor; for this Magic Quadrant, Gartner conducted over 135 reference checks from a set of customers provided by each vendor.

It is important to remember that the Magic Quadrant does not just rate a product's quality, capabilities and features. The product is an important part of the rating, but the vendor's ability to acquire and support customers is equally important, as is its ability to grow product and service revenue. A vendor that offers a strong, technically elegant product, but is unable or unwilling to invest in marketing and sales to generate revenue and growth, will find itself unable to invest sufficiently in future development. In addition, a vendor's ability to understand market dynamics and adjust product road maps accordingly (such as offering support for cloud archiving) is important in a mature market like EIA, and establishing leadership, vision and credibility will propel some vendors to the front of the pack.

Magic Quadrant

Figure 1. Magic Quadrant for Enterprise Information Archiving



Source: Gartner (November 2014)

Vendor Strengths and Cautions

Actiance

Actiance, based in Redwood City, California, has historically focused on sales of its Vantage and Socialite products to archive instant messages and enterprise and public social media. The Vantage product implementations are split between on-premises and SaaS, and support includes Microsoft Office 365, Lync IM and voice, Exchange, and SharePoint; IBM Connections and Sametime; Jive; salesforce.com Salesforce Chatter; Bloomberg; Thomson Reuters; and other enterprise social applications. Offered as a

SaaS offering, Socialite manages capture and compliance for Facebook, LinkedIn, Twitter, Google+ and YouTube. Alcatraz, also a SaaS solution, was introduced in 2014 to bring all sources together into a common repository for all Actiance-captured data, including Exchange and Domino email archiving. Actiance products are mainly sold direct and through large partners, with two-thirds of its revenue generated from the financial services sector. The vendor plans to add video and file sync and share capture in the future. The largest email customer using Vantage is currently archiving 10,000 mailboxes, and 200,000 users for IM and enterprise social media.

Strengths

- The Actiance brand is widely recognized in financial services and other regulated industries for its ability to successfully provide compliance for enterprise and public social media and instant message content.
- The level of capture of unified communications, enterprise and public social media has been cited by customers as meeting strict compliance needs.
- Alcatraz provides a common repository and new discovery point user interface for all conversations and contextual metadata and messages captured by various Actiance products.

Cautions

- The Vantage administrative interface is dated and nonintuitive.
- The vendor's sales and onboarding processes can be confusing and inconsistent.
- Currently, the Actiance archive is not frequently used for end-user access.

Artec IT Solutions

Artec IT Solutions is based in Germany, with sales equally distributed around the world. The bulk of its archiving revenue is derived through the EMA and VSTOR appliances. The archived data from these appliances rely on the customers' own NAS or SAN accessible storage. Artec also offers a managed archiving service with its appliances. Exchange, Domino, Gmail and other email platforms are supported. It also captures Microsoft Lync, print stream, voice data and optical character recognition (OCR) for paper documents. The vendor has over 100 customers using its platform for file archiving. Artec offers global search across different archiving repositories, without the need for the data to be replicated. The vendor's road map includes improvements for indexing, database management and upgrades. EMA and VSTOR are sold through channel partners. Artec's largest email customer has 65,000 mailboxes.

Strengths

- The Artec appliances have a straightforward, simple and quick-to-learn Web user interface.
- The vendor offers the ability to capture print stream, voice data and paper documents through OCR.
- For a small organization, Artec has strong sales in all regions of the world, including North America, South America, Asia and EMEA.

Cautions

- At scale, Artec appliances can require additional indexing and database administration, including direct assistance from Artec support.
- EMA and VSTOR are currently appropriate for basic archiving and e-discovery needs, but not for complex, highly litigious or regulated organizations.
- Customer support and time to resolution are concerns.

Barracuda Networks

Barracuda Networks, a Campbell, California-based public firm, recently acquired C2C, which, in addition to Barracuda's pre-existing Message Archiver appliances, adds more archiving options to the vendor's portfolio. Message Archiver is an on-premises appliance scalable to 48TB and 18,000 users per appliance. Exchange, Office 365, Domino and Gmail are supported. Barracuda also has a few installations archiving files and IM. The vendor offers an Instant Replacement program, which provides customers with next-day replacement of defective hardware and a new replacement appliance every four years. Message Archiver is sold exclusively through the reseller channel, and the largest implementation is 19,000 mailboxes. The C2C acquisition adds Windows file archiving, PST management, Exchange and Office 365 integration, the ability to manage and hold data in place, and enhanced e-discovery capabilities to the portfolio. C2C's largest installation is 70,000 mailboxes. For the time being, Barracuda plans to sell both product lines, and, over time, will integrate features such as improved case management and cloud offerings where it makes sense.

Strengths

- The Barracuda Message Archiver is simple to install and easy to manage.
- C2C ArchiveOne offers strong PST management capabilities, including ingestion into the archive.
- The combination of Barracuda's ease of use and cloud capabilities and C2C's information management and various content support provides a promising future for the vendor's archive portfolio.

Cautions

- Although hybrid cloud solutions are available, neither Barracuda nor C2C has delivered a full SaaS solution.
- Although the functionality is complementary, the feature sets and go-to-market strategies for Barracuda and C2C are quite different. It will take the vendor time to develop a comprehensive road map and sales strategy.
- Up to this point, most of Barracuda and C2C's customers have been small to midsize organizations; therefore, prospective customers should request a proof of concept (POC) if implementing in a large-scale environment.

Bloomberg

Bloomberg, headquartered in New York City, has provided its cloud-based Bloomberg Vault product since 2010. Positioned as an information governance and e-discovery solution, Vault supports archiving of Exchange and Domino email, as well as Windows and Unix/Linux file shares and social media. Bloomberg is heavily invested in financial services, and provides email supervision as well as domain expertise. In addition, it provides solutions to address trade reconstruction, including combining structured and unstructured data, as well as compliance with the Dodd-Frank Act, Markets in Financial Instruments Directive (MiFID) 2 and other financial regulations compliance, which includes support for voice records. In an effort to leverage Bloomberg's global footprint, Local Vault (data stored by sovereignty) was introduced in 2013. Vault is sold by a specialist overlay group as well as a wider company sales force. Bloomberg's largest implementation of email archiving supports 11,000 mailboxes. In 2014, the vendor introduced file archiving and analytics to provide transparency into dark data, with a few customers already in production environments (the largest being 5,000 users with 25TB of data). The vendor's road map includes file archiving support for SharePoint, Box and salesforce.com.

Strengths

- Bloomberg brings deep expertise in financial services, and is geared toward regulatory compliance, e-discovery and audit scenarios.
- The vendor's utilization of counterparty data and unique swap identifier (USI) make it an advanced provider for Dodd-Frank Act adherence.
- Bloomberg's customers rate the vendor highly for support, training and technical expertise.

Cautions

- Bloomberg's customer base is largely composed of installations of less than 5,000 seats.
- Improvements in its supervision offering, ranging from more retention management options to more discretion for markup and searches, are warranted.
- While Bloomberg is a global company, the Vault offering has shown limited geographic uptake, with most deployments being North America-based, with no Local Vault implementations to date.

CommVault

CommVault, a publicly traded firm based in Oceanport, New Jersey, is primarily known for its Simpana product, used as a backup platform with few archiving-only customers. Simpana archives Exchange, Office 365 and Domino email; Windows, Unix, Linux and Mac file shares; and SharePoint. CommVault partners for social media and IM content. CommVault recently repackaged the Simpana platform to offer solution modules that address specific customer use cases as an entry point into the Simpana platform, including an Email Archiving Solution Set, with new pricing options. Archive and backup data is collected at the same time through CommVault OnePass. All data is stored in ContentStore, a single virtual repository of data that can be centrally managed and searched. Content-based retention rules can be applied through the Reference Copy feature. Rich e-discovery is included with Simpana. Eighty-seven percent of CommVault's revenue is generated through the partner channel. Among other verticals, CommVault continues to build out its healthcare support, including plans to deliver vendor-neutral archive (VNA) support in the future. Simpana is currently an on-premises solution (although it is heavily used by management service providers [MSPs]), but the vendor plans to deliver a branded SaaS offering as part of its road map. CommVault's largest implementation of email archiving is 80,000 mailboxes, and its largest file archiving customer is currently licensed for 24PB.

Strengths

- Simpana is an organically grown system that was designed to deliver one common platform for various content types and use cases, including unique features such as OnePass, ContentStore and Reference Copy.
- Solid back-end features (such as dynamic tiering, reporting jobs, deduplication and automation of granular policies) create a scalable and reliable solution.
- Simpana's advancements in vertical support for healthcare compliance and needs make it an attractive choice for those organizations.

Cautions

- CommVault archiving is mainly used for files. Email archiving is not used as much as file archiving, and the vendor's sales team sometimes struggles to get the compliance message across for communications data archiving.
- Simpana licensing can be confusing, especially in cases where both backup and archiving are purchased.
- The Simpana console is complex and, in some cases, overbuilt, as there are many different ways to do the same task, which can be confusing.

EMC

EMC is based in Hopkinton, Massachusetts. SourceOne is the main product in EMC's EIA portfolio. SourceOne supports archive for email (Exchange, Domino and other messaging applications, via SMTP; Windows, Unix, CIFS and NFS on network-attached storage [NAS] devices) and SharePoint, and has complementary products (SourceOne Discovery Manager and EMC Kazeon eDiscovery) for e-discovery. EMC also offers support for structured data archiving and application retirement with EMC InfoArchive. Cloud Tiering Appliance and DiskXtender work in conjunction with SourceOne for File Systems for multitier migration. SourceOne now also supports Office 365. EMC leverages its large marketing/sales force, as well as a large pool of value-added resellers (VARs) for go-to-market. SourceOne is often jointly sold with EMC's data protection products, such as bundled with Data Domain. The vendor continues to develop SourceOne within its data backup and recovery product group. As of September 2014, EMC has a pilot program to offer a fully hosted SourceOne solution available in VMware vCloud with an on-premises footprint required. EMC also offers this with a one-way encryption key held by the customer, which requires a virtual machine at the customer's site. Data for the hosted solution is captured via a journaling feed or SMTP gateway, with user access through Outlook Web App (OWA) or a Web interface. EMC's largest implementation supports 255,000 mailboxes and 250TB of file content.

Strengths

- EMC SourceOne is developed, sold and supported within the vendor's Data Protection and Availability Division, enabling joint sales and additional leverage of other EMC products.
- EMC SourceOne is available worldwide via a broad set of partners who are provided with comprehensive training.
- SourceOne is localized into multiple languages.

Cautions

- File archiving from EMC requires the use of three products: DiskXtender provides file stubbing, SourceOne provides policies and full-text indexing, and Cloud Tiering Appliance provides the aggregation of back-end storage.
- The EMC SourceOne Email Supervisor search speed is slow and resource-intensive.
- SourceOne Discovery Manager and Kazeon eDiscovery are two separate e-discovery products offered by EMC, and they do not share much synergy or integration.

Global Relay

Global Relay, headquartered in Vancouver, British Columbia, Canada, with offices in New York, Chicago, London and Singapore, provides a SaaS-based solution with a strong focus on financial services, targeting global banks, broker-dealers, investment advisor supervision, Sarbanes-Oxley Act, Health Insurance Portability and Accountability Act (HIPAA) compliance, and other related use cases. Global Relay is listed as the named archiving vendor in Financial Industry Regulatory Authority's (FINRA's) Compliance Resource Provider Program. Global Relay's portfolio delivers archiving for Exchange, Office 365, Domino and Gmail; GroupWise and other messaging applications via SMTP; Bloomberg, Thomson Reuters, Salesforce Chatter, Yammer, Lync and other IM platforms; and business and social media and mobile content. The vendor has invested heavily in compliance supervision and provides e-discovery natively without a separate module. Global Relay sells its products through a 70/30 mix of direct and channel sales, and has been making inroads into other verticals, including public sector and telecommunications. Global Relay's largest production customer archives for 80,000 users. The vendor recently developed a portal architecture containing a series of applications to enhance communications and collaboration among users, putting an emphasis on the active archive use case. Looking ahead, Global Relay plans continued investment in advanced supervision and e-discovery.

Strengths

- Global Relay's knowledge of and support for financial industries is among the best, and it has demonstrated the ability to successfully support some of the largest global institutions.
- The vendor's advanced supervision capabilities are highly rated and, like most of its portfolio, developed internally.
- Global Relay has ambitious plans and is attempting to redefine archiving by offering a greater emphasis on productivity with its portal applications.

Cautions

- Global Relay does not provide file archiving.
- Clients have indicated that they would prefer to be able to do routine e-discovery searches on their own, without having to invoke Global Relay's services.
- The original Outlook folder structure is not replicated to the archive, and end users have to manually create folder structure in archive if desired.

Google

Google is headquartered in Mountain View, California. Google Apps Vault, introduced in 2012, is the vendor's offering for compliance and archiving — eventually to be applied across all Google content. Vault supports Gmail, Google Talk and Hangouts chats, and can search across Google Drive and Google Docs content, although archiving for Google Drive and Google Docs content will not be supported until 2015. Google plans on supporting only content stored in Google systems, which includes more than 25 standard file types (native Google Docs, Microsoft Office files, PDFs, etc.). In addition to Gmail, Vault has the ability to archive messages via SMTP connections and can also accept Exchange journals when customers have a mixed email environment. Vault has added unlimited mailbox search and the ability to place individual email on litigation hold. Vault is sold as part of Google Drive for Work, and the add-on Vault option is sold direct via the Google sales force. Vault's largest customer currently has more than 350,000 mailboxes.

Strengths

- Vault is part of the native Google experience, including search, and content is managed in place, instead of being held in a separate repository.
- As part of the Google Apps platform, the Vault interface is localized into more than 70 languages.
- Google continues to add features to Vault and support for additional Google content.

Cautions

- Vault only supports content stored in Google systems and cannot interface with third-party data sources (except some legacy Exchange data from Postini).
- Support for Google Drive and Google Docs is via search capabilities, and archiving of this content is a future road map item.
- Highly regulated or litigious organizations should be cautious about Vault's immature e-discovery capabilities, such as advanced workflows and lack of export types, and also the lack of true supervision capabilities, such as random sampling.

GWAVA

GWAVA is based in Montreal, Canada, and is most well-known for its GWAVA for Novell GroupWise management products. However, more than 50% of GWAVA Retain's email archiving revenue is now generated from Exchange archiving. GWAVA is one of the few vendors that offers native Gmail archiving support, and not through SMTP. It introduced Bushnell this year as an underlying technology that allows Retain to search and take action on outside data sources and to conduct e-discovery activities across any connected dataset. The vendor recently entered an OEM partnership in which Retain is rebranded and sold by BlackBerry as the BlackBerry Audit and Archiving Service. The recently announced CellTrust partnership enables compliant capture of SMS data from iOS and Android devices. Retain is sold 70% through VARs. GWAVA is releasing connectors for LinkedIn, AIM, Yahoo Messenger, Google Hangouts, Yammer and native Lync archiving in the near future. Retain is offered as an on-premises, SaaS or hybrid solution, with the largest customer archiving 33,000 mailboxes.

Strengths

- The Bushnell technology allows for easy search and e-discovery from within Retain across multiple outside data sources not held within the archive repository.
- Retain's administrative and compliance interface is easy to use for both administrators and compliance personnel.
- GWAVA's ability to handle almost any messaging data type allows for a centralized messaging data compliance experience.

Cautions

- End-user access to email is not as user-friendly as some competitors' products.
- Retain has limited integration with Microsoft Active Directory.
- GWAVA only delivers messaging data archiving capabilities and does not archive files.

HP

HP, based in Palo Alto, California, provides the HP Consolidated Archive (HPCA) for on-premises archiving, and HP Digital Safe for the cloud. The portfolio supports a wide range of archiving use cases, including support for Exchange, Domino, Gmail, heterogeneous file systems, SharePoint, IM, voice, video and social media content. In addition, HP provides structured data archiving through HP Structured Data Manager. The vendor sells its products through a large direct sales force and VAR channel, with 80% of revenue generated by direct sales. In 2014, HP continues to streamline its go-to-market operations, creating a single information management and governance sales force, and simplifying its support and pricing policies in an effort to reduce complexity. In addition, there has been an emphasis on creating data centers globally to support cloud archiving and address data residency requirements internationally. The HP products are priced on a per-user basis for on-premises archiving, and on a subscription basis (price per user, per month) for the cloud. The largest production customer has 120,000 mailboxes archived. On the vendor's road map are plans to provide greater data analytics around big data and content reuse, and improved visualization support for current supervision and e-discovery use cases.

Strengths

- HP is used in very large-scale environments and in many of the most stringent enterprise compliance and governance use cases.
- HP has strong support for multiple geographies, with data centers around the globe.
- HP DSmile is viewed favorably for ease of use by clients for end-user access to archived data, including email, files, IM and other content.

Cautions

- HP's administrative interface can be complex and nonintuitive.
- Customer support shows improvement, but remains a concern for some customers.
- The complexity of the environment and product integration may result in lengthy deployment times.

IBM

IBM is headquartered in Armonk, New York. IBM Content Collector (ICC), optionally supplemented by other solutions in its Information Lifecycle Governance (ILG) portfolio, is the cornerstone of the vendor's EIA solution. ICC is an on-premises solution with email archiving installations split equally between Domino and Exchange data, with additional support for other email applications via SMTP. In addition to email, ICC supports file systems, SharePoint and IBM Connections. IBM SmartCloud Archive Essentials is dedicated to the IBM SmartCloud Notes SaaS email market. IBM Navigator on Cloud will serve as a foundational layer for the vendor's future content management and archiving cloud offerings. IBM also enables enterprises to manage structured data through the Optim product line, and delivers SAP archiving via ICC for SAP. StoredIQ continues to be an integral piece of the ILG portfolio messaging, enabling content classification, and is also suitable for archiving purposes. IBM ICC is primarily sold direct via the IBM sales force. The vendor's largest customer has 50,000 mailboxes managed by ICC.

Strengths

- IBM's breadth and depth of the product set are especially suitable for organizations interested in broad information governance requirements. The ICC interface has become easier to use and the product is easier to deploy.
- The vendor offers a comprehensive solution across many data types for both unstructured and structured data.

Cautions

- IBM's ILG portfolio is extensive and may be complex for buyers with minimal use case needs.
- IBM's pricing is premium, and its archiving solutions are best-suited for enterprises with robust archiving objectives.
- A true SaaS solution for all messaging data is not available at this time.

MessageSolution

MessageSolution is a privately held company headquartered in Milpitas, California, in Silicon Valley. Its EIA offering is Enterprise Archiving and the Enterprise eDiscovery Suite. This platform provides archiving solutions for email (Exchange, GroupWise and Domino), file shares (Windows, Unix and Linux), SharePoint, most public IM applications (MSN, Google, Yahoo and Jabber), Lync, Sametime, SMS and texts. MessageSolution manages its own cross-platform email migration, in addition to file shares and public folder migration into SharePoint. In 2014, MessageSolution released a new product, MessageSolution Medical Image Archive, a VNA, which uniquely targets healthcare organizations to archive medical images. The MessageSolution offering is available on-premises, hosted or via MSPs. The MSP-hosted offering is a multitenant cloud service. The vendor has a global customer base, with wide adoption in China. It continues to refine its multilanguage support and is expanding its partner ecosystem. The largest product customer is currently archiving 60,000 mailboxes.

Strengths

- MessageSolution has recently added a unique medical image archive offering for healthcare organizations.

- The archiving products are easy to use and customer support is excellent.
- MessageSolution's global presence, including a large installed base in China, makes it an appropriate choice for Asian and multinational customers.

Cautions

- Customers have reported that MessageSolution's user interface is dated and needs to be refreshed.
- Alert reporting, such as when searches have been run or when an index has been completed, needs improvement.
- Customers requiring e-discovery capabilities should be aware that these features in MessageSolution's Enterprise eDiscovery Suite are largely unused.

Metalogix

Metalogix is headquartered in Washington, D.C. Metalogix Archive Manager supports many different content types, but is predominantly focused on Exchange, file shares, SharePoint and Office 365. Version 7 includes Exchange and Office 365 updates that allow universal access support to access archives anywhere via a Web-based portal and advanced case management rights and policies. Also included are journal propagation and the ability to directly archive from Office 365. In April 2013, Metalogix Email Migrator (now known separately as Metalogix Archive Migrator and Content Matrix Email Edition) was released. The two solutions migrate third-party email archives and live email to Archive Manager and Office 365. In November 2013, Metalogix launched a hybrid cloud version of Archive Manager in partnership with Amazon Web Services and uptake has been good. Metalogix plans to deliver enhanced cloud integration, better mobile access and improved scalability in the near future. It continues to be a North American- and European-focused company, with 87% of revenue generated from these regions. Indirect sales account for 54% of revenue. The largest customer in production has 55,000 mailboxes.

Strengths

- Metalogix is a content expert when it comes to Exchange and SharePoint, especially for management and administration.
- The universal access feature in version 7 allows end users to interact with archived data from almost any mobile device or platform.
- File archiving remains a highlight, as customers continue to archive upward of 200TBs easily.

Cautions

- A lack of non-Exchange-centered mail options limits appeal to non-Microsoft email archiving needs.
- Metalogix traditionally has not offered or partnered for social media, although a new partnership was just recently entered, but there are no production customers yet.
- End-user mobile access performance is in need of improvement.

Microsoft

Since the inception of archiving capabilities starting with Exchange 2010, Microsoft has continued to improve archiving and retention management, focusing first on Office 365 and Exchange Online, and then adding features to Exchange 2013. Microsoft's strategy is to deliver management of data in place by either creating a litigation or in-place hold. SharePoint is the central point for discovery capabilities and management of archiving and retention. Mailboxes and folders can be managed by either administrative policies or users. eDiscovery Center permits users to search across Exchange, SharePoint,

Lync, OneDrive and Microsoft file shares. The vendor is primarily channel-focused, with the largest Office 365 implementation that is using the litigation hold features at 200,000 mailboxes. In the future, administrators will be able to select multiple users at one time for litigation hold. The vendor also plans to offer a self-service PST import tool and sensitive data search capabilities for SharePoint, with Exchange to follow. Microsoft is also exploring the retention of non-Microsoft content in the archive.

Strengths

- Microsoft provides the ability to manage and access data in the native repository, utilizing in-place hold, and the usage of familiar Microsoft management tools.
- With millions of Office 365 mailboxes with the rights to utilize archiving and retention tools at no additional charge, and unlimited archive mailboxes, Microsoft is an attractive low-cost alternative to third-party archives.
- The vendor has dramatically increased investment in and focus on its archiving and e-discovery offerings.

Cautions

- Search capabilities are still limited for discovery, with 10,000 mailboxes and two concurrent search limitations. Another limitation for discovery is the inability to tag search results. Search also lacks suffix/postfix wild-card support.
- Microsoft has not integrated full supervision capabilities, and this, coupled with limited e-discovery capabilities, may not meet the needs of highly regulated or litigious organizations.
- Users do not have access to archive mailboxes offline.

Mimecast

Mimecast, a London-based vendor, continues to invest in its SaaS-based Unified Email Management (UEM) platform by adding scalability and new features. Mimecast supports Exchange, Office 365, Lync and file shares. Primarily Microsoft-focused, UEM provides true email continuity if the primary Exchange servers fail or Office 365 goes offline — allowing users to continue to work in a native-looking Outlook environment until the primary system is restored, at which time all new email and changes are synchronized. Mimecast "scrapes" the native Exchange data in order to replicate the folder structure of the native mailbox, and adds nonjournalled items (such as calendar items and contacts). The vendor offers a seven-second-search SLA for archived data. Large File Send and Closed Circuit Messaging are integrated with Exchange to enable the sending of large attachments and secured messages. Mimecast plans to introduce APIs to make its archived data accessible to enterprise file synchronization and sharing (EFSS) applications, starting with Microsoft OneDrive. Also in the works is support for SharePoint Online. Sixty percent of Mimecast's revenue is generated through the channel, with the other 40% of revenue generated directly from Mimecast. The vendor's largest archiving customer is currently archiving 69,000 mailboxes.

Strengths

- Mimecast UEM provides a complete email support system, including email archiving, email continuity, replicated folders in archive, spam filtering and advanced threat protection.
- The breadth and depth of Mimecast's policy engine enables simple-to-complex classifications.
- The vendor has solid e-discovery, case management and legal hold capabilities.

Cautions

- Mimecast support for archiving files is still new and has yet to be proven, including the value provided for the price.
- The administrative interface is inconsistent due to ad hoc additions over time, and is not always intuitive.
- The search interface could be more intuitive.

OpenText

Based in Ontario, Canada, OpenText provides a portfolio of products for Exchange and Lotus Notes email archiving, as well as support for Windows file shares, Microsoft SharePoint and SAP. In 2014, OpenText has decoupled its archiving offerings from its Enterprise Content Management (ECM) offering, allowing it to address stand-alone market opportunities. OpenText partners with Actiance to support archiving for IM, SMS and social media content, and partners with Recommind for e-discovery. OpenText offers file analysis and provides an integration framework with a set of adapters for various repositories, such as SharePoint, Documentum and IBM FileNet, to enable indexing, reporting and migration of content from those sources, in addition to file shares. OpenText's pricing is on a modular and per-seat basis, and its archiving offerings are sold 60% through direct sales and 40% through its partner channel. The vendor's largest email archiving customer is archiving 220,000 mailboxes. Moving forward, OpenText's road map includes stronger integration and support for Office 365 and Google (Mail, Talk and Drive), in addition to expanded support for SAP archiving.

Strengths

- OpenText can now address archiving as a stand-alone use case, which makes it more attractive to enterprises that are not existing clients.
- OpenText's retention and records management are strong points for customers looking at using them in conjunction with archiving.
- Integration with Microsoft, including end-user access to Microsoft Exchange and SharePoint, is a popular feature.

Cautions

- OpenText's license and subscriptions costs are perceived as expensive.
- Broader e-discovery support for archiving is not available; instead, OpenText partners with Recommind for broader e-discovery use cases, such as collection, preservation, early case assessment, predictive coding and review.
- Better reporting on data in the archive is needed.

Proofpoint

Proofpoint is headquartered in Sunnyvale, California. Exchange, Office 365 (including a unique solution for encryption), Zimbra, file shares, SharePoint, Lync, Bloomberg messaging, Chatter and Yammer are among the supported content that Proofpoint archives. Archiving is offered as SaaS, although an on-premises physical or virtual appliance is required, which enables the vendor's unique DoubleBlind Key Architecture, with the customer retaining the encryption keys. Full-folder synchronization is offered as part of the email archiving solution, with email continuity as an add-on feature. Proofpoint information governance tools allow for rich classification and tagging of data, including data held outside of the archive. In support of a number of U.S. government customers, Proofpoint's data centers are certified as Federal Information Security Management Act (FISMA)-compliant (see Note 1). Proofpoint provides a comprehensive array of e-discovery features for archived data, in addition to partnering with Nuix, Zapproved, Catalyst and Discovia. Proofpoint leverages its success in the security market to offer integrated threat protection, compliance, archiving and governance solutions. Proofpoint recently

acquired Nexgate to enhance its social media compliance offerings. Improved review/supervision capabilities and additional support for business social media are road map items. The vendor targets large enterprises, but also offers Proofpoint Essentials for small or midsize businesses. Proofpoint sells primarily through a direct model and OEM contracts, such as Swisscom and Microsoft. The largest Proofpoint email archiving implementation is 127,000 mailboxes.

Strengths

- Integration of compliance, information governance, threat protection and archiving provides enterprise customers with a holistic data management solution.
- Proofpoint offers a guaranteed SLA for search time results.
- The vendor has a proven track record as a scalable SaaS-based archiving solution.

Cautions

- Supervision continues to be a work in progress, with preapproved content libraries, conversation-aware lexicon detection, automatic bulk mail detection and overall per-user selection limits being road map items.
- Proofpoint's DoubleBlind Key Architecture requires an on-site physical or virtual appliance for archiving on-premises messaging applications, which may not be attractive to organizations looking for a pure hosted archive solution with no on-premises components.
- Proofpoint needs to offer enhanced integration options via API or load file options for case management, as searches currently need to be dumped to a PST and then uploaded into the system.

Smarsh

Smarsh, headquartered in Portland, Oregon, offers a SaaS-based archiving solution with a clear financial services focus. It supports a broad range of applications, including Exchange, Office 365, Domino and Gmail, and a broad range of IM, including Lync, Bloomberg, Reuters and IBM Sametime. In addition, Smarsh continues to build out its portfolio for business and public social media, including Salesforce Chatter, Yammer, Jive, Facebook and Twitter, in addition to mobile and Web content. Smarsh Archiving Platform both simplifies and unifies archived content types with a consistent e-discovery and supervision workflow. Archiving Platform Cases helps fortify the e-discovery story by introducing unique workflows and allowing for export in universal formats for external sharing. Open APIs for social media and more extensive SharePoint archiving are helping to strengthen Smarsh's position for these content types. New enterprise search technology, based on Apache Solr/Lucene, is resonating well with customers. Smarsh continues to operate and expand data centers on both the U.S. East Coast and West Coast. Ninety-five percent of its customers are U.S.-based and 85% come from the financial services vertical. A U.K.-based office opened in 2Q14 with direct sales and support, further enhancing the international support currently offered via the OMX partnership. Future enhancements will include native support for file sync and share (Box, DropBox, etc.) and mobile support native to Apple iPhone. Smarsh's largest email archiving deployment is 15,000 mailboxes.

Strengths

- Smarsh continues to enhance deliverables to its primary target audience of financial services clients by adding more business and public social media connectors.
- Smarsh Archiving Platform represents a unique, unified offering for both supervision and e-discovery purposes that streamlines both processes.
- Open APIs for social media further enhance a strong offering, and customers view the Web-archiving capabilities positively.

Cautions

- Large enterprises should employ a POC to ensure that Smarsh can meet its needs, as typical users of Smarsh are small or midsize businesses.
- The vendor's pricing can be confusing and can add up quickly if many different content types are chosen to be archived.
- The administrative console could be more intuitive and user-friendly.

Symantec

Symantec offers three distinct archive solutions, with Enterprise Vault for on-premises deployments, Enterprise Vault.cloud, as a SaaS offering and AdvisorMail for Enterprise Vault.cloud clients requiring write once, read many (WORM) storage. Enterprise Vault and Enterprise Vault.cloud support archiving Exchange, Domino and other mail applications via SMTP, and IM. Enterprise Vault.cloud provides cloud file archiving for Box, SharePoint and Salesforce Chatter, although not for on-premises file systems, while Enterprise Vault supports archiving files from various sources in addition to Windows file shares. Archiving for Linux/Unix file shares is supported through partners. Social media content is supported via partners. With over 31,000 customers, Symantec is the market share leader in EIA today. From an information governance perspective, Symantec offers supervision capabilities via Compliance Accelerator with Enterprise Vault or via cloud-based AdvisorMail for clients requiring WORM storage. Symantec offers Discovery Accelerator for entry-level e-discovery management in the Enterprise Vault environment and Discovery.cloud in the Enterprise Vault.cloud environment. Customers requiring advanced e-discovery capabilities may license Symantec eDiscovery Platform powered by Clearwell, which can collect from both Enterprise Vault and Enterprise Vault.cloud. Symantec plans on delivering support for Office 365 for Enterprise Vault without needing an on-premises Exchange footprint. Also planned is a totally redesigned Enterprise Vault Discovery.cloud for e-discovery needs. Symantec's largest mailbox archiving customer is archiving 350,000 mailboxes, and its largest journaling-only customer is capturing content from over 1 million mailboxes. Its largest cloud customer is archiving 130,000 mailboxes.

Strengths

- Symantec has a long track record as a scalable archiving solution.
- The vendor offers a large ecosystem of Symantec Technology Enabled Partners (STEP) solutions that extends archiving and e-discovery to nonnative information sources.
- The vendor's pricing and licensing is fair and transparent.

Cautions

- Customers have indicated a lack of insight on product futures and road maps, and support complaints have escalated in the past year.
- Customers have expressed dissatisfaction with Discovery Accelerator and its performance.
- Customers should be concerned with how Enterprise Vault and other information management products will fit within the new Symantec Information Management business, and the amount of corporate attention they will receive.

ZL Technologies

ZL Technologies is a privately held company, based in San Jose, California. ZL Unified Archive is typically deployed by large enterprises, and supports integrated archiving, supervision, records management, analytics and e-discovery as part of the same platform. Archiving functionality is available for Exchange, Office 365, Domino, Gmail, heterogeneous file systems, SharePoint, IM, social media and Web pages. The product is organically developed, and doesn't rely on third-party solutions or technical partnerships.

ZL provides a scalable solution, and files and other content can be indexed and managed in-place, with or without requiring a copy to be sent to the archive. In the next slated release, the vendor will continue to focus on expanding analytics capabilities for all archived data. About 40% of ZL Technologies' customers are in financial services, and it provides compliance supervision to support that vertical's required workflows. ZL Unified Archive is available both direct from the vendor and through channel partners, and a number of large, specialty cloud providers (including RenewData, SunGard Financial Systems and Viewpointe) utilize ZL as the technology powering their cloud archiving services. Seventy percent of ZL Technologies' revenue is from North American channels, and 22% is generated from Asia, with a strong presence in Japan. The vendor's largest email archiving implementation supports over 200,000 mailboxes.

Strengths

- ZL Technologies provides a scalable platform for large data environments, including unstructured and structured data.
- The product does well in very large environments. One environment is managing 11 billion documents, including support for rapid search.
- ZL Technologies has excellent support, with all levels of the organization willingly being involved in addressing customer issues.

Cautions

- Deployment and management can be complex. Training and project management are two areas in need of improvement.
- Given the relative complexity and cost of the solution, the product may not be appropriate for small organizations with simple archiving needs.
- ZL Technologies is vocal about its technology vision, but it is sometimes difficult to get a clear picture of its short-term product road map.

Vendors Added and 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's appearance 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. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

Added

Actiance, Artec IT Solutions and GWAVA are new to the EIA Magic Quadrant for 2014.

Dropped

ArcMail, dataglobal, SilverSky and Sonian were dropped from the Magic Quadrant this year because they did not meet the revenue criteria. C2C was dropped from the Magic Quadrant due to its acquisition by Barracuda Networks in September 2014.

Inclusion and Exclusion Criteria

To be included in the 2014 EIA Magic Quadrant, a vendor must:

- Be the developer of the product and not just a reseller or VAR.
- Support a growing base of customers, including at least 10 enterprise customers (5,000 users or more) that are using the software in a production environment for email archiving, *and* at least three of those additionally using the product for file archiving or other content archiving.
- Have a presence in at least two geographies worldwide and be industry-independent.
- Provide its solution either as an on-premises software product, a SaaS offering or some combination.
- Achieve greater than \$10 million in new license or maintenance revenue annually for its archiving solution. (The vendor must state in writing that this minimal threshold is met.)

Although it is not an inclusion criterion, vendors are strongly encouraged to brief Gartner on their product. We will also request at least five references to support the criteria; three of these references should be using the product for both email and other content archiving.

Evaluation Criteria

Ability to Execute

- **Product:** An evaluation of the features and functions of the vendor's EIA solution.
 - The product must support integrated email and one other archiving content type, such as file archiving.
 - Integration must support the following:
 - Data reduction across multiple content types (e.g., deduplication, single-instance storage)
 - Common management across content types, for supported features (e.g., policy management, user definition, retention management, e-discovery features)
 - Full-text indexing and search for all content types
 - The road map should support plans for continued integration of multiple content types.
 - Higher ratings are assessed for support for SharePoint, IM, text messages, video/audio, social media content and structured data (applications and databases). That is, support for these content types is optional, but considered favorably.
 - Higher ratings are assigned to solutions with strong archive architectures, policy-based archiving and mailbox management features (email), quality of user experience, and e-discovery and retention management capabilities
- **Overall Viability:** Viability includes an assessment of the vendor's overall financial health, the financial and practical success of the EIA business unit, and the likelihood of the individual business unit continuing to invest in an EIA solution.
- **Sales Execution/Pricing:** This criterion assesses the vendor's capabilities in all sales activities and the structure that supports them. This includes pricing and negotiation, presales support, and the overall effectiveness of the sales channel.
- **Market Responsiveness and Track Record:** This includes the ability to respond, change direction and be flexible as market dynamics vary. This criterion also considers the vendor's history of responsiveness.
- **Marketing Execution:** This criterion assesses the effectiveness of the vendor's marketing programs, and its ability to create awareness and mind share in the market. It assesses whether the messaging is clear, whether the vendor provided references that used the unique features of the product in its target environment, and whether the promotion of the product on the company's website is effective.
- **Customer Experience:** This criterion assesses the quality of the customer experience based on reference calls and Gartner client teleconferences (inquiries).
- **Operations:** This includes the ability of the organization to meet its goals and commitments in an efficient manner. Past performance is weighted heavily.

Table 1. Ability to Execute Evaluation Criteria

Evaluation Criteria	Weighting
Product or Service	High
Overall Viability	High
Sales Execution/Pricing	High
Market Responsiveness/Record	Medium
Marketing Execution	Medium
Customer Experience	High
Operations	Low

Source: Gartner (November 2014)

Completeness of Vision

- **Market Understanding:** This criterion assesses the ability of the vendor to understand buyers' needs and translate those needs into the appropriate features in their EIA product. The ability to anticipate market trends (for example, the requirement to archive other content and to provide strong e-discovery support), and to quickly adapt via new features or partnerships and/or acquisitions is also considered.
- **Marketing Strategy:** This criterion includes whether the vendor has a clear set of messages that position the product and differentiates it from competitors, consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.
- **Sales Strategy:** This includes the vendor's strategy for selling to its target audience, including an analysis of the appropriate mix of direct and indirect sales channels.
- **Business Model:** This criterion assesses the soundness and logic of a vendor's underlying business proposition.
- **Offering (Product) Strategy:** This is an evaluation of the vendor's strategic product direction, including an analysis of its road map.
- **Vertical/Industry Strategy:** This criterion evaluates the vendor's strategy for meeting the specific needs of individual vertical markets and market segments (for example, financial-industry-regulated employee supervision, or state and local government information retention and disclosure requirements).
- **Innovation:** This criterion includes an assessment of product leadership and the ability to deliver archiving features and functions that distinguish the vendor from its competitors.
- **Geographic Strategy:** This assesses the vendor's strategy for penetrating geographies outside its home or native market.

Table 2. Completeness of Vision Evaluation Criteria

Evaluation Criteria	Weighting
Market Understanding	High
Marketing Strategy	Medium
Sales Strategy	High
Offering (Product) Strategy	High
Business Model	Low
Vertical/Industry Strategy	Medium

Table 2. Completeness of Vision Evaluation Criteria

Evaluation Criteria	Weighting
Innovation	High
Geographic Strategy	Medium

Source: Gartner (November 2014)

Quadrant Descriptions

Leaders

Leaders have the highest combined measures of Ability to Execute and Completeness of Vision. They may have the most comprehensive and scalable products. They have a proven track record of financial performance and an established market presence. In terms of vision, they are perceived as thought leaders, with well-articulated plans for ease of use, product breadth and how to address scalability. For vendors to have long-term success, they must plan to address the expanded market requirements for EIA, including support for multiple content types, support for the cloud, solid relevant e-discovery functionality and a seamless user experience. Leaders not only must deliver to current market requirements, which continue to change, but also need to anticipate and begin to deliver on future requirements. A cornerstone for Leaders is the ability to articulate how these requirements will be addressed as part of their vision for expanded archive management. As a group, Leaders are considered as part of new purchase proposals, and have high success rates in winning new business. There are six Leaders in this Magic Quadrant: CommVault, Global Relay, HP, Proofpoint, Symantec and ZL Technologies.

Challengers

Challengers can execute today, but have a limited or an evolving vision. They have capable products and can perform well for many enterprises. These vendors have the financial and market resources and capabilities to become Leaders, but may have elected to focus more heavily on one vertical industry or one EIA use case. The Challengers in this Magic Quadrant include Bloomberg, EMC, Microsoft, Mimecast and Smarsh.

Visionaries

Visionaries are forward-thinking, but their execution has not propelled them into a leadership position. These vendors are differentiated by product innovation, but they have not achieved the sales and marketing success required to give them the high visibility of Leaders. In the case of this Magic Quadrant, they may be hampered by their product integration or technical support execution. Visionaries in this Magic Quadrant are IBM and MessageSolution.

Niche Players

Niche Players are narrowly focused on an application, a market or a product mix, or they offer broad capabilities without the relative success of their competitors in other quadrants. Niche Players may focus on a segment of the market and do it well, or they may simply have modest horizons and lower overall capabilities, compared with competitors. Others are simply too new to the market or have fallen behind, and, although they're worth watching, they have not yet developed complete functionality or the ability to execute. Niche Players in this Magic Quadrant include Actiance, Artec IT Solutions, Barracuda Networks, Google, GWAVA, Metalogix and OpenText.

Context

This Magic Quadrant profiles vendors that offer, at a minimum, integrated email and some other content archiving utilized predominantly for information governance and e-discovery, with storage capacity management as a secondary benefit. Archiving of other content types, including structured application data, is discussed, but is not required for inclusion in this research. This research does *not* include the following:

- Pure hierarchical storage management (HSM) products
- Products designed to address storage growth via archiving, HSM or storage virtualization in very large-scale file environments
- Vertically focused archiving solutions that are tightly integrated with specific applications (for example, vendor-neutral archives within the healthcare vertical)

Market Overview

The overall archiving market was \$1.76 billion in 2013 and is expected to grow at an 11.4% compound annual growth rate (CAGR) through 2019. EIA is emerging as a commonly used technology underpinning for higher-level use cases supporting compliance, information governance, e-discovery and historical preservation of data. Originating as a technology solution targeted specifically at email applications, the EIA market has expanded to include broad support for multiple content types. Basic functionality (including the ability to define retention policies, support advanced e-discovery search, provide transparent access to data and export data for legal review) has become standard, and we see vendors differentiating their solutions based on a number of other emerging trends, including:

- Broader information governance concerns (regulatory compliance, business-focused retention and deletion of data, and managing aging data based on a clear understanding of its value) are beginning to surpass e-discovery as the primary driver for deploying EIA.
- Organizations are looking to archive and manage multiple content types, including (but not limited to) email, files, collaboration applications (such as SharePoint), IM, social media and Web page content.
- Archiving as a service (aka cloud archiving) has rapidly surpassed on-premises archiving as the preferred deployment model for most organizations. Gartner sees 60% to 70% of new or replacement email archiving implementations as being cloud-based.
- Aging on-premises archiving platforms are being replaced by more modern solutions, and migration from one archive to another, although difficult, is becoming commonplace.
- Storage capacity management, although less of a driver for EIA than information governance, is still a concern for many organizations.

Mergers and Acquisitions

- In September 2014, Barracuda Networks acquired C2C.
- In October 2014, SilverSky entered into an agreement to be acquired by BAE Systems.

Vendors to Watch

Note that there are numerous vendors that offer archiving products specifically for messaging applications. The following list includes selected vendors that provide, or have plans to provide, support for integrated email and other content archiving:

- **ArcMail:** ArcMail Defender is available as a physical appliance scalable to 32TB, as a virtual appliance or as a SaaS offering. A wide array of email, social media, business social media, IM and, soon, file sync and share applications are supported. ArcMail provides a new appliance free of charge after three years of uninterrupted maintenance when the customer signs a new three-year maintenance deal. The vendor has good penetration in the educational and public-sector markets. ArcMail did not meet the minimum revenue requirement to be in this EIA Magic Quadrant.
- **Daegis (AXS-One):** Daegis offers AXS-One Central Archive for email, IM, files, social media, reports, SharePoint and SAP data. The product is part of a broader records management and e-discovery portfolio. It has a long history in the EIA market and is particularly strong in its support for Lotus Notes/Domino. Daegis did not meet the minimum archiving revenue requirements for this Magic Quadrant.
- **dataglobal:** A Germany-based information governance vendor, dataglobal provides a wide variety of archiving content support, including dg mail (Exchange, Notes), dg file, dg office (SharePoint and Office docs), and, for structured data, dg erp. Also offered is dg connect (an API for application data archiving), dg classification for file analysis and policy management, and dg search and dg hyparchive for user access and e-discovery. All data is stored in a common repository with common services, such as retention management, legal hold and search. The vendor has partnerships with Dell, T-Systems and Microsoft. It did not meet the increased minimum EIA revenue threshold for its archiving product to be a named vendor in this Magic Quadrant.
- **Dell:** Dell offers email archiving via Dell Archive Manager (acquired through the Quest Software merger in 2012), and with EMS Email Archive and eDiscovery. Archive Manager is an on-premises product, while EMS is a SaaS solution. Dell archiving solutions are rich in policy management features. EMS provides a mobile interface with full-folder synchronization if activated for user access, whereas mobile access is done through a Web interface for Archive Manager. The products' revenues are generated two-thirds direct and one-third through Dell's channel partners. At the time of this evaluation, Dell's archiving products were limited to email and did not meet the requirement for multiple-content-type support to be in this EIA Magic Quadrant.
- **SilverSky:** SilverSky is most noted for its hosted Exchange email solution and offers email archiving as part of its Email Protection Suite (EPS). Also included in EPS is email security, data loss prevention, email continuity and email encryption. Lync and Google Talk archived messages are stored in the email archive. SilverSky provides vertical solutions for financial services and healthcare. It has a partnership with IBM. SilverSky did not meet the minimum archiving revenue requirement to be in this EIA Magic Quadrant. (Note: At the time this research was published, BAE Systems had announced the pending acquisition of SilverSky.)
- **Sonian:** Sonian offers archiving as a hosted cloud service, primarily white-labeled through partners. In 2014, the vendor started working more closely with major partners on go-to-market initiatives, and actively engaging in sales operations on their behalf. Sonian offers a wide range of email archiving for major messaging platforms (including Exchange, Notes and POP3 servers), and supports full-text indexing of more than 500 email attachment types. Sonian also offers Lync IM directly and through select partners. Sonian did not meet the minimum archiving revenue requirements for this Magic Quadrant.

Financial Services Context

 10 November 2014

Analyst(s): Alan Dayley

Financial services firms are deploying EIA solutions for e-discovery, specifically to meet stringent regulatory requirements around supervision review of trades and communications. This research assists IT managers tasked with compliance needs to understand the tools and vendors in this space.

Market Differentiators

Among the most regulated of businesses, financial services firms are deploying enterprise information archiving (EIA) solutions to meet regulatory requirements mandating the archiving, monitoring and auditing of all electronic communications surrounding trades. These regulations, enacted by Congress and accompanying rules by the Securities and Exchange Commission (SEC) and overseen by Financial Industry Regulatory Authority (FINRA) regulators (in the U.S.), include, but are not limited to, Sarbanes-Oxley; Dodd-Frank; SEC Rules 17a-3, 17a-4, 204-2 and 206(4)-7; and FINRA Rules 3110 and 4511. Similar regulatory bodies, such as the Investment Industry Regulatory Organization of Canada (IIROC), the Financial Conduct Authority (FCA) in the U.K., the Securities and Futures Commission (SFC) in Hong Kong, and the European Security and Market Authority (ESMA) in the EU, all have similar regulations, making trade communications archiving and trade reconstruction global issues for the industry.

Helping financial services firms maintain compliance around trade communications and specialized archiving solutions (referred to hereafter as "compliance archiving solutions") offers two core areas of functionality that set these apart from more general, industry-agnostic archiving solutions:

- **Compliance capture and management.** Compliance capture is the ability of the archiving software to capture all electronic communications surrounding trades, including emails, IMs, texts, voice, and business and public social content. As a part of compliance capture, the software must also maintain these immutable messages in accordance with regulations. For example, compliance capture that catered to Dodd-Frank swap trade adherence would archive all pretrade and post-trade communication and execution data for a swap trade, and retain it for the life of the trade plus five years. Compliance management includes managing compliance tool features for control and access, such as setting policies for ethical walls or data allowed to flow through the compliance-monitored applications or to different roles.
- **Supervision review.** Supervision review is enabled by the archiving software to review all captured electronic communications for indicators of noncompliance. Supervision review includes capture of the data pretrade and post-trade, and also by random sampling that can be performed by an archiving or review tool that crawls emails and other communications, searching for keywords and phrases that could indicate insider trading or other illegal activity. All communications gathered are then posted to some form of repository, such as a file folder or review queue, for supervisors to audit. This latter capability is particularly critical for broker-dealer firms, because, as members of FINRA, these firms will find themselves facing regular FINRA audits.

While the market for compliance archiving and supervision review solutions has been around for more than 20 years, it became more well-established since the signing of Sarbanes-Oxley in 2002, and it continues to grow with new regulations such as Dodd-Frank.

Vendors in this space constitute a small group of companies that all serve the financial services market exceptionally well, with no one vendor winning a majority of the customers. Some of these vendors are organizations that were already in the business of electronic archiving and recognized trade communication compliance as a market of new opportunity. In addition, a number of vendors entered the business to specifically cater to financial services firms that needed to address these regulatory requirements.

Most recently, many of these vendors have shifted to providing their compliance archiving and supervision review solutions as a service, as part of an overall archiving SaaS model. This change comes for two reasons. First, the decision to deploy a communications archiving solution is driven by either the compliance or legal department of a financial services firm, not by IT. Moreover, this is not a core IT function and thus prime for moving outside the data center. Second, financial services firms, in general, are progressive when it comes to the cloud, with many firms readily adopting myriad cloud services, as long as those services adhere to necessary security protocols and other requirements.

Considerations for Technology and Service Selection

This financial services Magic Quadrant contextualization research complements "Magic Quadrant for Enterprise Information Archiving," published in November 2014. Gartner recommends that IT leaders who are responsible for helping financial services organizations maintain regulatory compliance for broker-dealer supervision and trade communications look for the following characteristics in their archiving vendors:

- **Vendor certifications and relationships with auditors and regulatory bodies.** Some vendors are specifically certified to help financial services firms maintain compliance and, as a part of that certification, have close ties with regulatory bodies such as FINRA.
- **Vendor SLAs.** Most vendors of compliance archiving as a service, in particular, offer guaranteed query times when making searches of captured communications on the cloud service. Organizations should also ask vendors about guarantees regarding information produced for e-discovery or audits.

IT leaders should also consider the following regarding the archiving solutions of those vendors:

- **Ability of solution to support specific regulations across content types.** IT leaders will need to select an archiving solution that meets the specific regulatory requirements of their type of business. Swap traders, for example, will need a system that specifically supports Dodd-Frank, which requires all pretrade and post-trade communications — as well as trades and execution data — to be kept for the life of the trade plus five years. Multinational firms should also be aware of any data sovereignty issues around where the data is stored.
- **Immutability and security of archiving software as a service.** In addition to choosing a solution that supports the particular regulatory requirements of their business, financial services firms must (should they choose an archiving solution as a service) choose a solution that adheres to specific regulations, such as SEC 17a-4 for write once, read many (WORM) compliance or a Statement on Standards for Attestation Engagements (SSAE) 16 audit as a cloud provider. The latter is another reason cloud providers are so attractive in this market for their mix of logical security, biometric access control, encryption and high availability.
- **Level of supervision and auditing automation.** Some archiving vendors claim to have supervision capabilities, but in reality are just offering a targeted search of the repository after the messages have been archived. Firms should match up their supervision requirements for regulated users with the tools or features available from the vendors, including: prereview, postreview, escalation workflow and random sampling; lexicon support for key words; capture of questionable email or IM conversation at time of send; and the ability of the supervision tools to learn as they go to reduce the number of false positives, with advanced reporting that demonstrates the level of supervisory work completed by the firm for review by the regulator.

Notable Vendors

Vendors included in this Magic Quadrant Perspective have customers that are successfully using their products and services. Selections are based on analyst opinion and references that validate IT provider claims; however, this is not an exhaustive list or analysis of vendors in this market. Use this perspective as a resource for evaluations, but explore the market further to gauge the ability of each vendor to address your unique business problems and technical concerns. Consider this research as part of your due diligence and in conjunction with discussions with Gartner analysts and other resources.

Actiance

Actiance has been an industry leader for IM compliance for over 10 years, and, more recently, for social media, and business social compliance archiving for financial institutions, and has also been an industry leader for compliance feature control. Actiance captures perhaps the broadest range of messaging data of all vendors, including support for Microsoft Exchange, Office 365, Lync IM and voice, and SharePoint; Cisco IM; Bloomberg; Thomson Reuters; IBM Connections; salesforce.com Salesforce Chatter; and LinkedIn. Actiance Vantage and Socialite capture the messaging data and insert it into the email archiving solution of choice for the organization, or the organization may choose to retain and write to compliance WORM storage directly through the application itself. In 2014, Actiance introduced Alcatraz, which both captures content (including Exchange, Office 365 and Domino email) and is a common repository and search interface for all Actiance-captured data. Actiance provides supervision review across unified communications, business, and public social and email.

Expanding its extensive base of captured compliance content, Actiance plans to add video and file sync and share application support in the future.

Financial services organizations should consider Actiance Vantage and Socialite for IM and public and social media compliance needs. Email archiving is a new product for Actiance in 2014. Alcatraz is still new enough that it should be thoroughly vetted before selecting it for a holistic archive.

Bloomberg

Bloomberg provides the cloud-based compliance archiving solution Bloomberg Vault to over 800 financial firms. Bloomberg Vault provides communications supervision and compliance archiving along with capabilities to address trade reconstruction, combining structured and unstructured data and meeting compliance mandates, such as SEC, FINRA, Commodities Futures Trading Commission (CFTC), Dodd-Frank, Markets in Financial Instruments Directive (MiFID) 2 and other financial regulations. Bloomberg has concentrated product development on surveillance and trade reconstruction for Dodd-Frank and MiFID 2, which includes support for voice data, trade archiving and counterparty correlation. Bloomberg Vault supports archiving of Exchange and Domino email, IM, mobile, Bloomberg messaging, Reuters, files on Windows and Unix/Linux file shares, a variety of social media channels, and structured data sources primarily for trade archiving. With more than 120 global data center sites, Bloomberg Vault offers Local Vault, providing in-region data storage to meet data privacy demands in a particular jurisdiction. Bloomberg provides clients with record-keeping attestation letters for the SEC, FINRA and CFTC at no charge.

In 2014, Bloomberg introduced file archiving and analytics to provide transparency into dark data in file shares, and, in future work, the vendor plans to provide support for SharePoint and Box. Bloomberg launched an application for Salesforce Chatter compliance, which will be extended to support salesforce.com Salesforce Chatter in the future. Bloomberg Vault includes e-discovery search and supervision capabilities with real-time policy checking, more than 40 out-of-the-box complex policies and advanced policy definitions beyond keyword lists to reduce false positives.

Bloomberg targets its massive installed base of Bloomberg Professional service customers for archiving opportunities. Financial services firms needing to adhere to Dodd-Frank compliance should consider Bloomberg Vault as a viable option for meeting their compliance archiving, surveillance and trade reconstruction needs.

Global Relay

Global Relay provides a SaaS-based compliance archiving solution, has invested heavily in compliance supervision review and provides e-discovery natively in its solution without requiring a separate module. Named by FINRA as its exclusive "Compliance Resource Provider for message archiving" for its member firms, Global Relay financial sector customers include 50% of all FINRA member firms, many hedge funds and global banks, and 23 stock and commodity exchanges. Global Relay is also regularly audited by KPMG (for internal business, operational and security controls) and EY (for data center service organization controls [SOCs]). Global Relay's archiving portfolio delivers archiving for Exchange, Office 365, Domino, Gmail, GroupWise, Bloomberg, Thomson Reuters, Salesforce Chatter, Yammer, Lync and other IM platforms, social media and mobile content, and other messaging applications via SMTP.

Global Relay recently developed a portal architecture containing a series of applications to enhance communications and collaboration among users, putting an emphasis on the active archive use case. In the future, the vendor will continue to invest in advanced supervision and e-discovery. Global Relay is regularly reviewing opportunities to become a holistic messaging platform for financial services companies.

Financial services firms that want to use a vendor from FINRA's named Compliance Resource Provider program and that need data to be stored outside the U.S. for sovereignty issues should consider Global Relay. Also, any small to large enterprise should consider the vendor.

HP

HP provides two archiving solutions: the on-premises solution, HP Consolidated Archive, and its cloud-based HP Digital Safe. HP has a long history as a trusted vendor to large financial services customers. The vendor offers strong toolsets for supervision (HP Supervisor) and e-discovery, and is a trusted name among very large financial institutions. HP Consolidated Archive and HP Digital Safe support archiving for Exchange, Domino, Gmail, heterogeneous file systems, SharePoint, IM, voice, video and social media content. The largest production customer has 120,000 archived mailboxes.

In 2014, HP emphasized creating data centers globally to support cloud archiving and address international data residency requirements. The vendor has plans to provide greater data analytics and visualizations to support use cases such as supervision, e-discovery, big data analysis and content reuse.

HP caters to many large enterprises for archiving, including some of the largest financial services organizations. Any midsize to large financial services firm should consider HP for compliance archiving, including supervision and e-discovery.

Proofpoint

Proofpoint offers a SaaS-based compliance archiving solution together with an on-premises physical or virtual appliance, which enables industry-unique double-blind encryption, helping to ensure that all data is encrypted from the time it leaves the data center. In addition to archiving and security, the solution provides enhanced information governance features. It also offers email continuity with full-folder synchronization. Information governance tools included with the solution allow for rich classification and

tagging of data, including data held outside of the archive. The solution supports Exchange, Office 365, Zimbra, Windows file shares, SharePoint, Lync, Bloomberg messaging, Salesforce Chatter and Yammer.

Proofpoint's supervision tool, Proofpoint Enterprise Archive for SEC/FINRA Compliance, may not be as advanced as some other vendors. Proofpoint is planning on improving the supervision tool by including intelligent selection, improved workflow, better reporting and integration with CA Technologies' CA Data Loss Prevention (DLP) in the near future. In addition, the vendor plans to use its Information Security portfolio, together with its Enterprise Privacy suite, to assist organizations in remediating potential FINRA and SEC policy violations.

Financial services firms that desire an integrated security and compliance archiving solution, or any small to large firm, should consider Proofpoint.

Smarsh

The Smarsh Archiving Platform is a SaaS-based compliance archiving solution. It both simplifies and unifies archived content types via a consistent e-discovery and supervision workflow. The Archiving Platform supports a broad range of applications, including email, IM, social, mobile and Web content. Archiving Platform Cases, a capability of the solution, helps fortify e-discovery by introducing unique workflows and allowing for export in universal formats for external sharing. The solution also offers open APIs for social media and more extensive SharePoint archiving. Supervision capabilities in the tool are self-learning, enabling customer to use risk-based scoring of content and ultimately to flag fewer and fewer for audit review.

Smarsh maintains a clear focus on U.S.-based financial services firms, with 95% of customers based in the U.S. and 85% in financial services. Smarsh is currently working to offer native support for file sharing (Box, Dropbox, etc.) and enhanced mobile support options for the Apple iPhone.

Although typical engagements have been with small to midsize firms, most financial services organizations should consider Smarsh for its breadth and depth of supported content types.

Viewpointe

The Viewpointe private cloud-based offering OnPointe is appropriate for information governance in large organizations, namely in financial services. The OnPointe platform utilizes proven industry technologies from vendors such as IBM, NetApp and ZL Technologies to create a scalable offering for information life cycle management of data, with archiving and supervision as components. Viewpointe supports a variety of content, including Exchange, Lotus Notes, IBM Sametime, IM, Bloomberg, BlackBerry and social content. OnPointe provides a scalable infrastructure to manage archiving, content management, retention management, text analytics and e-discovery. In 2014, Viewpointe improved its scalability for onboarding large amounts of information and revitalized user interfaces to better manage governance-related roles in the organization and to improve end-user experience.

Due to the scale of the organizations that Viewpointe is targeting, key road map items are to integrate the management and accessibility of both structured and unstructured data, and to provide analytics tools to identify and deliver appropriate content to different roles at scale.

Large financial services institutions should consider OnPointe as a viable solution for archiving and overall information governance needs.

ZL Technologies

ZL Technologies provides on-premises, cloud, and hybrid options for its offering, the Unified Archive. Unified Archive supports integrated archiving, compliance supervision, records management, e-discovery and analytics as part of the same platform. Unified Archive scales linearly, and files and other content can be indexed and managed-in-place, with or without requiring a copy to be sent to the archive. Archiving functionality is available for Exchange, Office 365, Domino, Gmail, heterogeneous file systems, SharePoint, IM, social media and Web pages.

Looking forward, ZL Technologies plans to continue to expand analytics capabilities through its unified architecture, while managing numerous data types at scale.

Midsize to large financial services firms should consider Unified Archive to support their compliance archiving needs.



ADDITIONAL PERSPECTIVES

 **Industry:** [Financial Services](#)

STRATEGIC PLANNING ASSUMPTION

By 2019, 75% of organizations will treat archived data as an active and "nearline" data source, and not simply as a separate repository to be viewed or searched periodically, up from less than 10% today.

EVIDENCE

Survey of 135 vendor-supplied customer references.

NOTE 1 DEFINITION OF FISMA

The Federal Information Security Management Act of 2002 is a U.S. federal law that recognizes the importance of information security to the economic and national security interests of the U.S. (source: Wikipedia).

EVALUATION CRITERIA DEFINITIONS

Ability to Execute

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

Overall Viability: Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

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

Market Responsiveness/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 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 initiatives, 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, service-level agreements and so on.

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 to 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 website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products 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 sets 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 vertical markets.

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.

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