



# Everest Group PEAK Matrix<sup>®</sup> for Intelligent Document Processing (IDP) Technology Vendors 2020

Focus on ABBYY  
April 2020



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# Background of the research

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Everest Group defines Intelligent Document Processing (IDP) as any software product or solution that captures data from documents (e.g., email, text, PDF, and scanned documents), categorizes, and extracts relevant data for further processing using AI technologies such as computer vision, OCR, Natural Language Processing (NLP), and machine/deep learning. These solutions are typically non-invasive and can be integrated with internal applications, systems, and other automation platforms.

IDP products find a wide variety of use cases from different business functions and verticals. Adoption of IDP solutions can not only help enterprises achieve cost savings, but also improve their workforce productivity and employee & customer experience. These products are also rapidly evolving in the sophistication of their capabilities, features, and functionalities.

In this study, we assess IDP software products in the market that leverage AI/cognitive capabilities and are available for independent licensing. They are offered as either platforms that allow enterprises to deploy as out-of-the-box solutions using pre-built modules, or custom solutions to the buyers with the intent of classifying and extracting data from documents.

## In this study, we analyze the IDP technology landscape across various dimensions

- Everest Group's PEAK Matrix® evaluation, a comparative assessment of 18 leading IDP technology vendors
- Overview of IDP software products
- Competitive landscape of the IDP technology vendor market
- Everest Group's remarks on key strengths and areas of improvement for each IDP technology vendor
- IDP product capability trends and predictions

## Scope of this research

- **Products:** Intelligent Document Processing (IDP)
- **Geography:** Global
- **Technology vendors:** 18 leading IDP technology vendors

# Introduction and scope

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Everest Group recently released its report titled “[Intelligent Document Processing \(IDP\) – Technology Vendor Landscape with Products PEAK Matrix® Assessment 2020](#)”. The report provides a detailed view of the IDP technology vendor landscape and a thorough assessment of the various IDP technology solutions across several key dimensions.

As a part of this report, Everest Group presented a comparative assessment of 18 leading IDP technology vendors and updated its classification of the vendors on the Everest Group IDP Products PEAK Matrix® into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of vendors based on their market impact and vision & capability.

Based on the analysis, **ABBYY emerged as a Leader**. This document focuses on ABBYY IDP experience and capabilities and includes:

- ABBYY’s position on the Everest Group IDP Products PEAK Matrix 2020
- Detailed profile of ABBYY

Buyers can use the PEAK Matrix to identify and evaluate different IDP technology vendors. It helps them understand technology vendors’ relative strengths and improvement areas. However, it is also important to note that while the PEAK Matrix is a useful starting point, the results from the assessment may not be directly prescriptive for each buyer. Buyers will have to consider their unique situation and requirements and match them against technology vendor capability for an ideal fit.

# IDP Products PEAK Matrix® characteristics

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## Leaders:

ABBYY, AntWorks, Automation Anywhere, Kofax, OpenText, and WorkFusion

- Leaders have been pioneers in educating the market on the utility and benefits of IDP solutions. They are further investing in R&D to expand their capabilities such as processing handwritten documents, documents in regional languages, and applications to process images on mobile
- The majority of Leaders are expanding their offerings in the IDP landscape by launching new products and platforms, acquiring firms or solutions, and further developing the product for cloud deployments. Their focus is on providing an end-to-end intelligent automation solution to customers

## Major Contenders:

BIS, Datamatics, EdgeVerve, Ephesoft, HCL Technologies, Hyperscience, Infrd, Parascript, and Rossum

- The majority of Major Contenders are investing in expanding their partner ecosystem by forging partnerships with vendors of complementary technologies such as RPA and BPM, opening new offices to increase their delivery footprint. Some of them have already raised a few rounds of funding from investors
- They are focusing on developing competencies for faster acquisition of customers through an aggressive GTM strategy and offering more out-of-the-box solutions for common industry use cases with higher accuracy

## Aspirants:

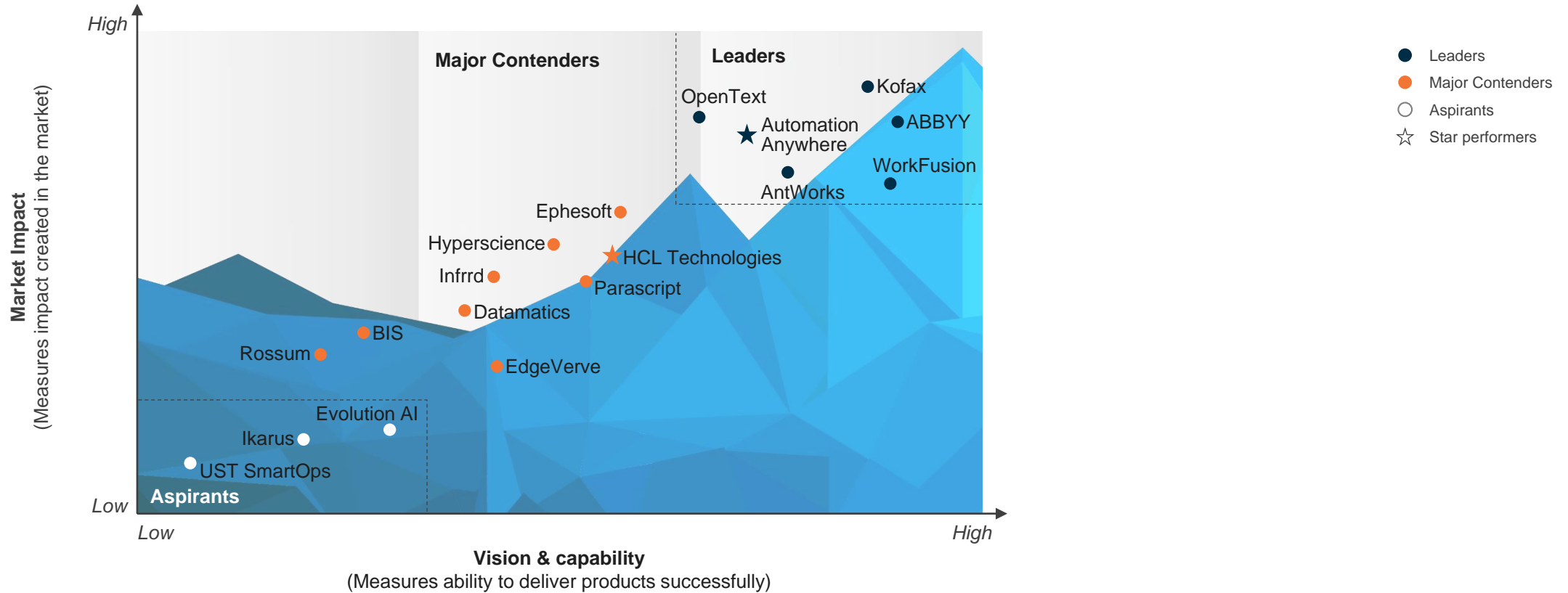
Evolution AI, Ikarus, and UST SmartOps

- Most of the Aspirants have clients concentrated in a specific region or industry. They are investing in R&D to develop features to enhance their IDP algorithms for better accuracy and simplifying the training of the model
- They are working on developing connectors and forging partnerships with leading RPA and BPM vendors for smoother integration with complementary technologies. At the same time, they are also expanding their headcount in product development, support services, and sales and marketing teams

# Everest Group PEAK Matrix®

## Intelligent Document Processing (IDP) Products PEAK Matrix® Assessment 2020 | ABBYY positioned as Leader

Everest Group Intelligent Document Processing (IDP) Products PEAK Matrix® Assessment 2020



# ABBYY | IDP product profile (page 1 of 6)

## Overview

### Company overview

ABBYY, a multinational software company, was founded by David Yang in 1989. It provides a digital intelligence platform to drive digital transformation in enterprises. It specializes in intelligent document capture and Optical Character Recognition (OCR). ABBYY is the developer of ABBYY FineReader, an OCR software application, and also provides high-volume OCR conversion with other software tools. ABBYY FlexiCapture and ABBYY Vantage are its IDP products, and ABBYY Timeline is a process intelligence solution that ABBYY added when it acquired TimelinePI in 2019.

#### Key leaders:

- Ulf Persson, Chief Executive Officer
- Anthony Macciola, Chief Innovation Officer
- Konstantin Anisimovich, Chief Technology Officer

**Headquarters:** Milpitas, California, the United States

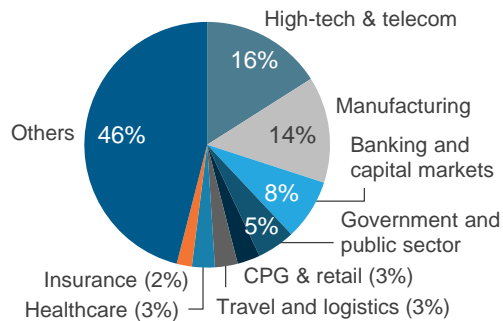
**Key clients:** Merck/MSD, DHL, and PwC

**Website:** [www.abbyy.com](http://www.abbyy.com)

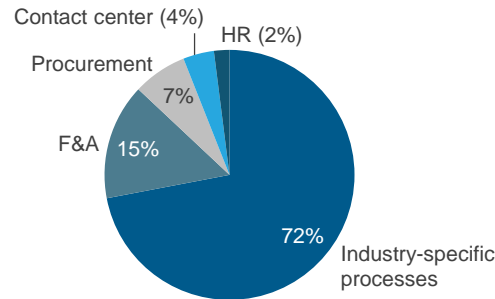
### Market adoption and capability overview

Description	2019 (as on September 30, 2019)	YOY growth
IDP clients	7,200	18%
IDP FTEs	1,186	0%
IDP-specific partners/resellers	632	94%
Key partners/resellers	Addis Technologies, Konica Minolta, PwC, Deloitte, and Ashling Partners	
Key technology partners	UiPath, Blue Prism, Pegasystems, and Laserfiche	

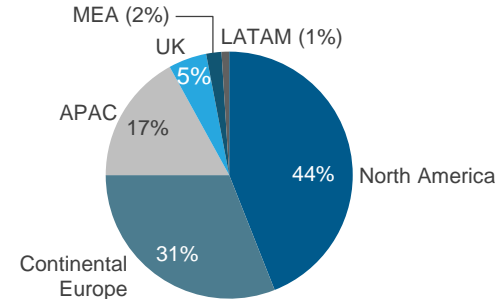
### Split of IDP revenue by buyer industry



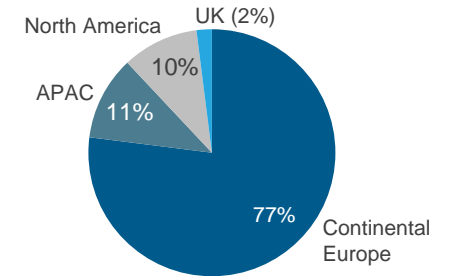
### Split of IDP revenue by process area



### Split of IDP revenue by buyer geography



### Split of IDP FTEs by geography



Note: Operational and product/offering-related information as on September 2019, collected as part of the study / based on Everest Group estimates

Source: Everest Group (2020)

## Capabilities

### Product overview

#### FlexiCapture

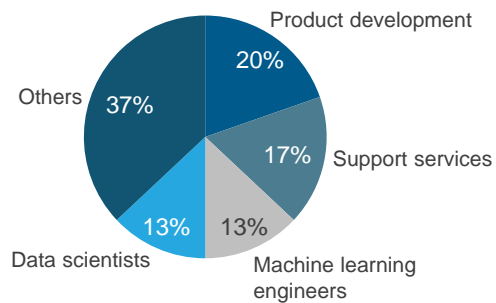
- ABBYY FlexiCapture is an intelligent document processing platform built for the needs of complex digital enterprises. It allows users to train the system to determine the position of simple fields and recurring groups on a page of a structured or semi-structured document. It is available in the cloud, on-premise, or as a Software Development Kit (SDK)
  - FlexiCapture cloud makes document-driven processes secure and infrastructure-free by providing the ability to process documents in the cloud using automatic classification, data extraction, learning, and verification
  - FlexiCapture SDK enables software developers to create applications that extract meaning from documents. It is the development tool for system integrators, developers, and service providers who want to integrate data capture capabilities into their solutions

Version number: FlexiCapture Version 12 R3

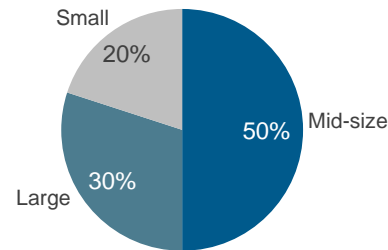
### Non-exhaustive list of recent investments and announcements

- **2019:** Acquired TimelinePI, a process intelligence software company, to deliver digital intelligence for enterprise processes
- **2019:** Introduced Mobile Web Capture, an SDK, to enable end-to-end point and capture mobile experience
- **2019:** Launched Vantage, the enterprise platform to provide human-like cognitive skills to intelligent automation platforms
- **2018:** Acquired ATAPY software, a software outsourcing vendor specializing in contract programming in the fields of OCR, document management, and data capture

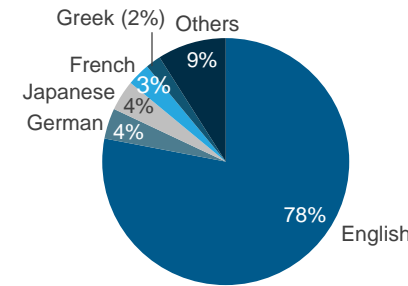
Split of IDP FTEs by function<sup>1</sup>



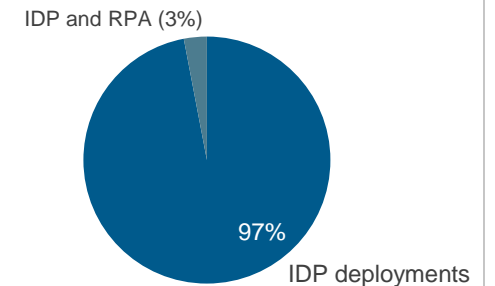
Split of IDP client mix by buyer-size<sup>2</sup>



Split of IDP client mix by language



Split of IDP clients by engagement channels



<sup>1</sup> Includes FTEs in product development, support services (product support, implementation, etc.), and sales & marketing; excludes FTEs in corporate functions such as HR and IT

<sup>2</sup> Buyer size is defined as large (>US\$5 billion in revenue), mid-size (US\$1-US\$5 billion in revenue), and small (<US\$1 billion in revenue)

Note: Operational and product/offering-related information as on September 2019, collected as part of the study / based on Everest Group estimates

Source: Everest Group (2020)

## Capabilities

■ Available    
 ■ In the roadmap    
 ■ Available via partner    
 ■ Not available

Capability & offerings				
Input formats supported	E-mails	SMS text	XLS files	Images
	Scanned documents (free-flowing text)	PDF documents (free-flowing text)	Handwritten documents	Bar code
	Identity documents	Signatures	HTML files	
Software learning	Ability to train the OCR	Ability to train the software using past data	Ability to train the software using human-in-the-loop	Pre-trained basic models
	Availability of packaged out-of-the-box solutions	Automatic identification of the best training model	Queue management	Automatic generation of training data batch for manual review
Functionality	Proprietary/in-house OCR	Ability to classify documents into different document types	Auto-completion feature while entering information manually	Ability to classify sections/pages within document before extraction
	Define/edit processes using drag-and-drop features in the GUI	Highlight errors and exceptions (in review GUI)	Ability to add business validation rules	Display confidence level for classification
	Display confidence level for extraction	Configure confidence level or accuracy threshold for data extraction by enterprise user	Ability to process documents and images from mobile devices	Image/document pre-processing
	Sentiment analysis from text			
Complementary capabilities	Availability of native RPA capability	Availability of BPM/workflow capability	NLP capabilities	Availability of APIs
Monitoring and improvement	Availability of analytics and reporting tools	Tracking of batch-level STP rates	Tracking of field-level accuracy	Human workforce performance analytics
	Process-level SLA monitoring	Ability of tool to continuously monitor its own performance	Ability to build custom reports	



Capabilities











Available      In the roadmap      Not available

Capability & offerings						
<b>Hosting options</b>	Server/on-premise	Private cloud	Public cloud	Desktop/laptop	Hosting services via partners/resellers	
<b>Product training and support</b>	By vendor	By partners/resellers	Online training courses	Classroom training	Maintenance provided by vendor	
<b>Documentation</b>	PDF manual		Embedded help tool		User community	
<b>Commercial model</b>	Perpetual licensing	Subscription licensing	Fixed-capacity based	Usage-based (per document)	Usage-based (per page)	Usage-based (per process)
<b>Key areas of enhancements in the latest product releases (as on September 2019)</b>	<ul style="list-style-type: none"> <li>Not available</li> </ul>					

# ABBYY | IDP product profile (page 5 of 6)

## Everest Group assessment – Leader

Measure of capability:  High  Low

Market impact				Vision & capability					
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Product capability	Monitoring and improvement	Implementation and support	Commercial model	Overall
									











### Strengths

- ABBYY aims to deliver a low code, content-centric solution for intelligent document processing for organizations globally. Its proprietary OCR engine is well-recognized in the industry as a leading OCR technology solution. ABBYY launched Vantage, a lightweight IDP solution, in 2019
- ABBYY is an early mover in developing integration of IDP with complementary technologies such as RPA and process mining, developing strategic partnerships with leading RPA technology vendors and acquiring North American process mining vendor, TimelinePI in 2019
- It has a large clientele of global consultancy firms, and enterprises in BFSI, manufacturing, and hi-tech & telecom verticals, with a strong presence in North America and Continental Europe
- ABBYY's key IDP product, FlexiCapture has pre-trained models available out-of-the-box for classification and extraction of data from invoices, contracts, lease agreements, purchase orders, and IDs
- FlexiCapture has a setup module that allows users to define and modify the logic used to classify and extract semi-structured documents. It allows business users to define, add, and modify fields to be extracted, and configure and manage validation rules
- FlexiCapture classification function is capable of taking in large batches of documents of varying lengths and complexities, breaking them into discrete document types and classifying them

### Areas of improvement

- Presently, ABBYY FlexiCapture does not have out-of-the-box pre-trained use cases for documents such as insurance claims, healthcare forms, and trade documents. Expanding the portfolio of pre-trained use cases can help more customers adopt the solution effortlessly
- FlexiCapture witnessed a much lower growth than the overall IDP market in its YOY revenue numbers in 2019, indicating the need for a more aggressive GTM strategy
- ABBYY's client portfolio for FlexiCapture is slightly skewed toward mid-sized enterprises (revenue between US\$1 billion and US\$5 billion) with relatively lower presence in the small-size enterprise segment
- There is scope for improvement in the processing of handwritten documents as the average accuracy levels in handwritten documents is relatively low

Measure of capability:  High  Low

Market impact				Vision & capability					
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Product capability	Monitoring and improvement	Implementation and support	Commercial model	Overall
									

### Strengths

- FlexiCapture’s UI, which is available in 13 languages, allows users to view the confidence level of classification/extraction of data and make corrections in the validation screen
- FlexiCapture also enables enterprises to deal with unstructured documents such as contracts, loans, and emails through its in-built NLP capabilities
- It offers an out-of-the-box analytics dashboard for monitoring and reporting where users can track critical metrics such as process-level SLAs, batch-level STP rates, and manual worker performance. Its administration and monitoring console also has a built-in custom report generation module
- It provides flexibility in deployment of the product with options to deploy on-premise, desktop, and cloud. Vantage is presently available only on-premise and is scheduled to be made available on cloud during the course of 2020
- ABBYY offers various training options for users including online courses and classroom trainings, targeted at different user groups, in addition to providing professional implementation services for its clients
- It has a flexible pricing model, providing options of perpetual or subscription-based licensing. Clients have the option to pay for a fixed-capacity or a usage-based license
- Clients have expressed high overall satisfaction with FlexiCapture, appreciating the OCR and cognitive features of the product, and integration with complementary technologies such as RPA

### Areas of improvement

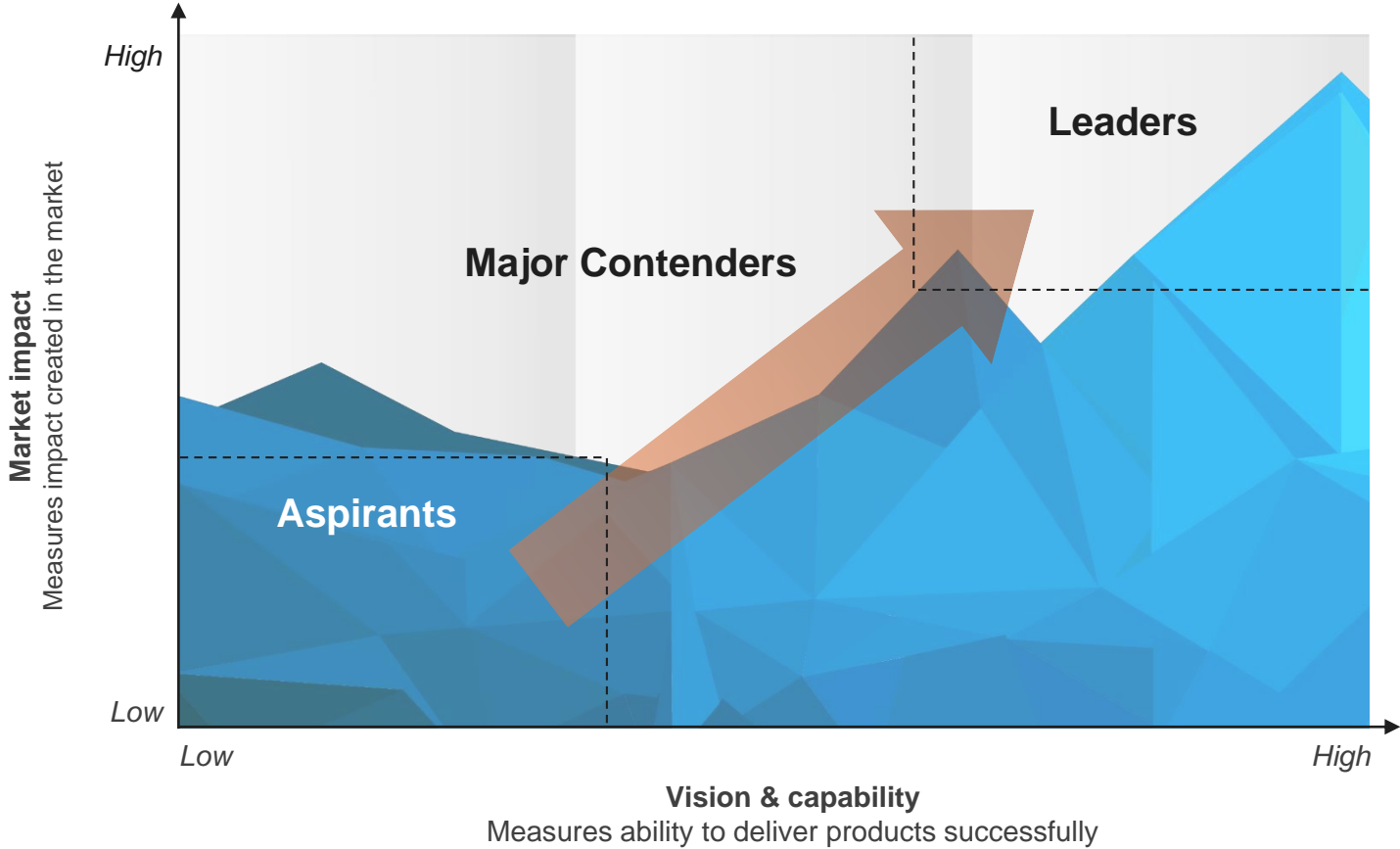
- While ABBYY has a strong ecosystem of partnerships with leading RPA vendors, it can also look to partner with third-party desktop process mining vendors in order to offer greater flexibility to clients
- Clients have expressed concerns over the compatibility and transition of different versions of the software. They expect better visibility on the feature upgrades made to the software and a smoother transition between versions
- Clients expect better customer support and end-user training from ABBYY for their FlexiCapture product, especially in the initial stages of setting up the software

# Appendix

# Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision & capability



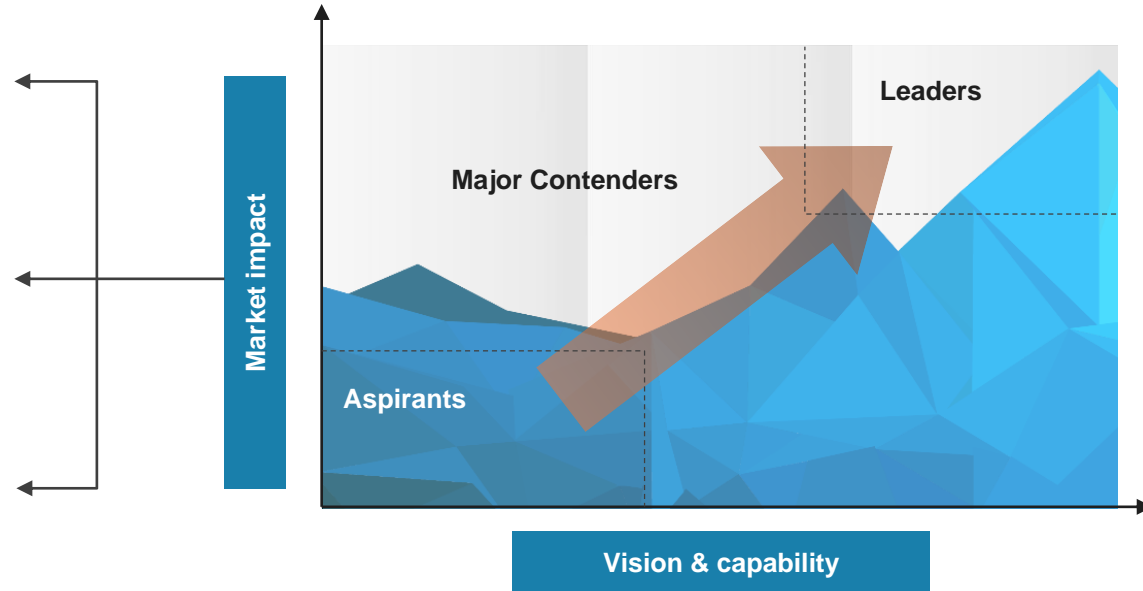
Everest Group PEAK Matrix



# Products PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

Market adoption
Number of clients, revenue base, and YOY growth
Portfolio mix
Diversity of client base across industries, geographies, environments, and enterprise size class
Value delivered
Value delivered to the client based on customer feedback and other measures



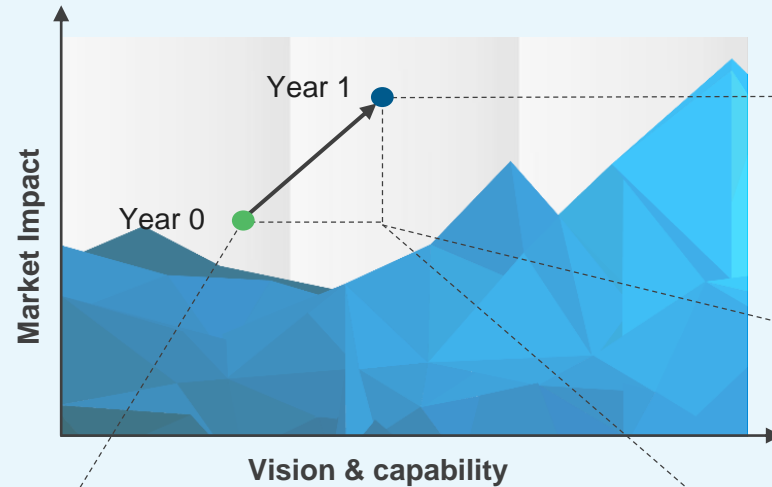
Measures ability to deliver products successfully. This is captured through five subdimensions

Vision and strategy	Product capability	Monitoring and improvement	Implementation and support	Commercial model
Vision for the client and itself; future roadmap and strategy	Software learning, product functionalities, flexibility, interoperability, and security and compliance	Performance tracking, operational analytics, and reporting tool	Hosting options, image quality requirements, training, maintenance, partnerships with resellers / system integrators, and partnerships with complementary technology vendors	Progressiveness, flexibility, and client adoption of available commercial models

# Everest Group confers the Star Performers title on providers that demonstrate the most improvement over time on the PEAK Matrix®

## Methodology

Everest Group selects Star Performers based on the relative YOY improvement on the PEAK Matrix



In order to assess advances on **market impact**, we evaluate each vendor's performance across a number of parameters including:

- Yearly YOY revenue growth
- # of new clients
- Improvement in portfolio mix
- Improvement in value delivered

In order to assess advances on **vision and capability**, we evaluate each vendor's performance across a number of parameters including:

- Innovation
- Increase in product scope and functionality
- Expansion of product associated consulting, training, support, and maintenance capabilities
- Technology-/domain-specific investments

We identify the vendors whose improvement ranks in the top quartile and award the Star Performer rating to those vendors with:

- The maximum number of top-quartile performance improvements across all of the above parameters AND
- At least one area of top-quartile improvement in performance in both market success and capability advancement

*The Star Performers title relates to YOY performance for a given vendor and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.*

## **Does the PEAK Matrix® assessment incorporate any subjective criteria?**

Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

## **Is being a “Major Contender” or “Aspirant” on the PEAK Matrix, an unfavorable outcome?**

No. The PEAK Matrix highlights and positions only the best-in-class service providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

## **What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?**

A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a “Leader”, “Major Contender,” or “Aspirant” title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

## **What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?**

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix providers” profiles

## **What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or “Star Performer” status ?**

- Providers/vendors can use their PEAK Matrix positioning or “Star Performer” rating in multiple ways including:
  - Issue a press release declaring their positioning. See [citation policies](#)
  - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
  - Quotes from Everest Group analysts could be disseminated to the media
  - Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

## **Does the PEAK Matrix evaluation criteria change over a period of time?**

PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises





## About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empower clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at [www.everestgrp.com](http://www.everestgrp.com).

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