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Now Tech: AI-Based Text Analytics Platforms, Q2 2018

Forrester's Overview Of 34 Text Analytics Platforms

by Boris Evelson
April 4, 2018

Why Read This Report

You can use AI-based text analytics platforms to improve customer acquisition, service, and retention; manage governance and risk; and gain efficiencies with RPA. But to access these benefits, you'll first have to choose a platform from a diverse set of vendors — vendors that vary by size, functionality, geography, and vertical market focus. Application development and delivery (AD&D) pros working on text analytics initiatives should use Forrester's Now Tech report to understand the value they can expect from an AI-based text analytics platform provider and select vendors based on size and functionality.

Key Takeaways

Improve Business Insights With AI-Based Text Analytics
Your enterprise's strategic, tactical, and operational insights are not complete without information hidden in unstructured data. Use it to round out your operational, financial, and risk management insights.

Select Vendors Based On Size And Functionality
Source data connectors and domain-specific ontologies also dictate differentiation. Demand vendor proof for these out-of-the-box components.

Ask Key Questions Before Diving Into A Text Analytics Initiative
Text analytics technology is just one part of the people, process, data, and technology equation. Ask key questions to define all of the components before choosing a platform.

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Improve Business Insights With AI-Based Text Analytics

In the age of the customer, insights-driven enterprises compete on complete and timely information about customer behaviors, tastes, preferences, and allegiances. Customer insights, however, are not complete without using text analytics to leverage all the unstructured data available to enterprise decision makers, such as from voice-of-the-customer (VoC) communications, emails, or social media. And it's not just customer insights — all enterprise processes, including governance, risk, and compliance (GRC) and supply chain, rely not only on structured transactional data but on petabytes of unstructured and semistructured data stored in documents, reports, and websites. Forrester defines AI-based text analytics as:

> *AI- and rules-based analytics technology that mines semistructured and unstructured text data sources and extracts structured information, such as keywords, concepts, entities, topics, sentiment, emotion, and intent, to analyze the findings for correlations, trends, outliers, patterns, and anomalies.*

Enterprises invest in text analytics to:

› **Improve customer acquisition, service, and retention.** VoC applications — such as surveys, social media, and contact center platforms — contain a gold mine of data. Enterprises can leverage text contained in these applications for operational purposes (such as responding to customer complaints in real time) and strategic analysis (such as campaign, offer, or product planning).

› **Manage governance, risk management, and compliance processes.** Organizations also use text analytics to categorize (by customer or project, for example) and classify (by what Forrester calls "data toxicity") documents by applying different governance guidelines (security, confidentiality) depending on the categorization and classification results.[1] In turn, these different document treatments help organizations manage risk and compliance.

› **Gain efficiencies with robotic process automation (RPA).** In an emerging use case, enterprises can now use the text analytics capabilities of RPA tools to automate manual processes. Examples include automating data entry from paper, fax or email invoices, purchase orders, or insurance claims into systems of record.

Select Vendors Based On Size And Functionality

Forrester has segmented the market by annual revenue into large established players (more than $100 million in annual revenue), midsize players ($14 million to $100 million in revenue), and smaller players (less than $14 million in revenue) (see Figure 1).[2] Also, selected vendors must go to market as a general-purpose text analytics platform or claim relatively equal significant capabilities in both customer-facing and non-customer-facing use cases.[3] We did not include vendors that we estimated to have less than $3 million in annual revenue.

FIGURE 1 Now Tech Market Presence Segments: AI-Based Text Analytics Platforms, Q2 2018

NOW TECH

AI-Based Text Analytics Platforms

Q2 2018

LARGE >$100M annual revenue

IBM
Medallia
Micro Focus
Qualtrics

MIDSIZE $14M to $100M

Angoss	**MaritzCX**
Attivio	**M-Files**
Cambridge Semantics	**NetBase**
Clarabridge	**Newgen Software**
Digital Reasoning	**OpenText**
Expert System	**RavenPack**
ForeSee	**SAS**
InfoNgen	**Sysomos**

SMALL <$14M

ABBYY	Linguamatics
Affinio	MeaningCloud
Ascribe	Megaputer
Converseon	Northern Light
Cyxtera	RapidMiner
inQuba	Stratifyd
Lexalytics	SynerScope

Forrester interviewed key text analytics vendors, examined our database of relevant client interactions (inquiries, advisories, and consulting), and consulted with internal and external subject matter experts in our search for the most important text analytics technologies. We identified the following three segments, each with varying capabilities (see Figure 2):

› **General-purpose text analytics platforms.** Platforms in this category address a broad set of text analytics use cases. They include functionality to ingest, integrate, cleanse, mine, enrich, and analyze text from most popular unstructured and semistructured data sources and data types.[4] Forrester expects that enterprises that are ready to start managing and deriving insights from unstructured data holistically — from all types of data sources and for all use cases — will adopt these platforms.

› **Text analytics platforms that primarily support customer-facing use cases.** While tools in this category can support most text analytics use cases, these vendors typically focus on VoC, customer feedback management (CFM), social listening, brand management, and others customer-facing applications for marketers and customer experience (CX) pros.[5] These applications require out-of-the-box connectivity to relevant data sources (such as survey platforms or social media platforms), have to scale to rapidly stream millions of short text messages, and must be able to correct grammar and spelling (as few people do grammar or spell checks when they post messages on social media).

› **Text analytics platforms that primarily support non-customer-facing use cases.** Tools in this category can support all major text analytics use cases, but they mainly specialize in document classification (e.g., by customer or by topic) and categorization (e.g., by risk for security and compliance purposes), eDiscovery, and other back-office use cases. These applications require integration with enterprise content management (ECM) repositories and require complex algorithms that can find correlations and discrepancies between different parts of a document.[6]

FIGURE 2 Now Tech Functionality Segments: AI-Based Text Analytics Platforms, Q2 2018

	General-purpose text analytics platforms	Customer-facing text analytics platforms	Non-customer-facing text analytics platforms
Customer-facing apps	▪▪◼	▪▪▪	▪▪◼
Non-customer-facing apps	▪▪◼	▪▪◼	▪▪▪
Semantic/cognitive search	▪▪▪	▪▪◼	▪▪▪
Competitive intelligence/brand awareness	▪▪◼	▪▪▪	▪▪◼
Rules-based	▪▪▪	▪▪▪	▪▪◼
Machine learning	▪▪◼	▪▪◼	▪▪▪
Integrated advanced analytics (predictive, prescriptive, actionable)	▪▪◼	▪▪▪	▪▪▪
Integration with leading business intelligence (BI) tools	▪▪◼	▪▪▪	▪▪◼
Business-domain-specific ontologies	▪▪◼	▪▪▪	▪▪◼

▪▪▪ High segment functionality   ▪▪◼ Moderate segment functionality   ▪◼◼ Low segment functionality

Align Individual Vendor Solutions To Your Organizational Needs

The following tables provide an overview of vendors with details on functionality category, geography, and domain-specific ontologies offered (see Figure 3, see Figure 4, and see Figure 5).

FIGURE 3 Now Tech Large Vendors: AI-Based Text Analytics Platforms, Q2 2018

LARGE >$100M annual revenue

	Primary functionality segments	Geographic presence	Sample domain-specific ontologies	Representative customers
IBM	General-purpose text analytics platforms	NA: 60% EMEA: 20% APAC: 10% LATAM: 10%	Manufacturing; healthcare; automotive	Accrete.AI, Akershus University Hospital, H&R Block, Max Kelsen
Medallia	Customer-facing text analytics platforms	NA: 66% EMEA: 23% APAC: 7% LATAM: 4%	Retail and wholesale; business services; media, entertainment, and leisure; utilities and telecom; finance and insurance	CA Technologies, Liberty Global, Sage, Sunrise Communications
Micro Focus	General-purpose text analytics platforms	NA: 51% EMEA: 37% APAC: 12%	Manufacturing; media, entertainment, and leisure; finance and insurance; public sector	Capax Discovery, Ministry of the Interior of Spain, Quest Diagnostics, Von Ardenne, Xian Panorama
Qualtrics	Customer-facing text analytics platforms	NA: 80% EMEA: 15% APAC: 5%	Vendor does not provide out-of-the-box functionality	Allianz, Fandango, MasterCard, MGM Resorts

FIGURE 4 Now Tech Midsize Vendors: AI-Based Text Analytics Platforms, Q2 2018

MIDSIZE $14M to $100M

	Primary functionality segments	Geographic presence	Sample domain-specific ontologies	Representative customers
Angoss	General-purpose text analytics platforms	NA: 80% EMEA: 15% APAC: 5%	Vendor does not provide out-of-the-box functionality	Vendor did not disclose
Attivio	General-purpose text analytics platforms	NA: 75% EMEA: 20% APAC: 5%	Finance and insurance; life sciences	Cisco Systems, Fidelity, PerkinElmer, Sikorsky, State Street
Cambridge Semantics	General-purpose text analytics platforms	NA: 80%; EMEA: 5%; APAC: 5%; LATAM: 5%*	Healthcare, pharmaceuticals, life sciences	BMS, Credit-Suise, Lilly, US Air Force
Clarabridge	Customer-facing text analytics platforms	NA: 80% EMEA: 20%	All major industries	eBay, HCSC, United Airlines, Verizon, Whirlpool
Digital Reasoning	General-purpose text analytics platforms	NA: 70% EMEA: 20% APAC: 10%	Finance, healthcare, government/intelligence services	Goldman Sachs, HCA Healthcare, Point72, Thorn, UBS
Expert System	General-purpose text analytics platforms	NA: 30% EMEA: 70%	Retail and wholesale; media, entertainment, and leisure; utilities and telecom; finance and insurance; public sector	Intesa Sanpaolo, Lloyd's of London, Sanofi, Wolters Kluwer, Zurich Insurance Group
ForeSee	General-purpose text analytics platforms	NA: 90% EMEA: 10%	Retail and wholesale; utilities and telecom; finance and insurance; public sector	Anthem Insurance, Argos, Cole Haan, Quicken Loans, Vera Bradley
InfoNgen	General-purpose text analytics platforms	NA: 80% EMEA: 20%	Manufacturing; business services; finance and insurance; utilities; legal; pharmaceuticals; automotive	Elsevier, Thomson Reuters, Verisk, Wolters Kluwer

*The vendor did not provide the information for this cell; this is Forrester's estimate.

FIGURE 4 Now Tech Midsize Vendors: AI-Based Text Analytics Platforms, Q2 2018 (Cont.)

MIDSIZE $14M to $100M

	Primary functionality segments	Geographic presence	Sample domain-specific ontologies	Representative customers
MaritzCX	General-purpose text analytics platforms	NA: 85% EMEA: 10% APAC: 5%	Manufacturing; retail and wholesale; business services; media, entertainment, and leisure; utilities and telecom; finance and insurance; public sector	Aegon, General Motors, Quantas, REI, USPS
M-Files	Non-customer-facing text analytics platforms	NA: 29% EMEA: 65% APAC: 6%	Manufacturing; retail and wholesale; business services; media, entertainment, and leisure; utilities and telecom; finance and insurance; public sector	NBCUniversal, Rovio Entertainment, SAS
NetBase	Customer-facing text analytics platforms	NA: 65% EMEA: 25% APAC: 10%	Retail and wholesale; business services; media, entertainment, and leisure; utilities and telecom; finance and insurance	Arby's, Coca-Cola, iHeartMedia, T-Mobile, YUM! Brands
Newgen Software	Non-customer-facing text analytics platforms	NA: 27% EMEA: 27% APAC: 46%	Business services; finance and insurance; public sector; healthcare	Vendor did not disclose

FIGURE 4 Now Tech Midsize Vendors: AI-Based Text Analytics Platforms, Q2 2018 (Cont.)

MIDSIZE $14M to $100M

	Primary functionality segments	Geographic presence	Sample domain-specific ontologies	Representative customers
OpenText	General-purpose text analytics platforms	NA: 59% EMEA: 32% APAC: 9%	Manufacturing; retail and wholesale; business services; media, entertainment, and leisure; utilities and telecom; finance and insurance; public sector	Gallo, Karlsruhe Institute of Technology (KIT), News International, ProQuest, Westpac
RavenPack	General-purpose text analytics platforms	NA: 80% EMEA: 15% APAC: 5%	Business services; finance and insurance	Vendor did not disclose
SAS	General-purpose text analytics platforms	NA: 49% EMEA: 33% APAC: 18%	Vendor does not provide out-of-the-box functionality	Citibank, Devon Energy, North Carolina State University, Swisscom, Unitedhealth Group
Sysomos	Customer-facing text analytics platforms	NA: 80% EMEA: 15% APAC: 5%	Retail and wholesale; media, entertainment, and leisure; finance and insurance; healthcare	Vendor did not disclose

FIGURE 5 Now Tech Small Vendors: AI-Based Text Analytics Platforms, Q2 2018

SMALL <$14M

	Primary functionality segments	Geographic presence	Sample domain-specific ontologies	Representative customers
ABBYY	Non-customer-facing text analytics platforms	NA: 100%	Legal and compliance	Apttus
Affinio	Customer-facing text analytics platforms	NA: 55% EMEA: 40% APAC: 5%	Retail and wholesale; media, entertainment, and leisure; utilities and telecom; finance and insurance; CPG	BBC Worldwide, Danone; Lionsgate, Paramount Pictures, Sony Music, Unilever
Ascribe	Customer-facing text analytics platforms	NA: 50% EMEA: 30% APAC: 20%	Market research; manufacturing; retail; business services; media, entertainment, and leisure; utilities and telecom; finance and insurance; public sector; pharmaceuticals	Disney, Ipsos, Kantar, Nielsen, P&G
Converseon	Customer-facing text analytics platforms	NA: 60% EMEA: 30% APAC: 10%	Manufacturing; retail and wholesale; business services; media, entertainment, and leisure; utilities and telecom; finance and insurance; pharmaceuticals	IBM, Uber, Walmart
Cyxtera	General-purpose text analytics platforms	NA: 95% EMEA: 5%	Vendor does not provide out-of-the-box functionality	Deloitte, EY, KPMG, PwC
inQuba	General-purpose text analytics platforms	NA: 10% EMEA: 60% APAC: 30%	Retail and wholesale; media, entertainment, and leisure; utilities and telecom; finance and insurance	British Airways, Edcon, MultiChoice, Virgin Mobile, VitalityLife

FIGURE 5 Now Tech Small Vendors: AI-Based Text Analytics Platforms, Q2 2018 (Cont.)

SMALL <$14M

	Primary functionality segments	Geographic presence	Sample domain-specific ontologies	Representative customers
Lexalytics	General-purpose text analytics platforms	NA: 80% EMEA: 10% APAC: 10%	Pharmaceuticals; life sciences; airlines; food service; hospitality; eCommerce; retail and wholesale	Biogen, Domino's, Hootsuite, HP Inc., McKinsey & Company, Microsoft
Linguamatics	General-purpose text analytics platforms	NA: 70% EMEA: 30%	Pharmaceuticals; biotech; public sector; healthcare	AstraZeneca, Kaiser Permanente, Mercy, Pfizer, US Food and Drug Administration
MeaningCloud	General-purpose text analytics platforms	NA: 70% EMEA: 20% APAC: 5% LATAM: 5%	Retail and wholesale; media, entertainment, and leisure; finance and insurance; healthcare	ICUC Social, Le Parisien, Pfizer, Telefónica, World Bank
Megaputer	General-purpose text analytics platforms	NA: 87% EMEA: 8% APAC: 5%	Manufacturing; retail and wholesale; business services; finance and insurance; healthcare; pharmaceuticals	BNY Mellon, Canon, Eli Lilly, HP Inc., Merck
Northern Light	General-purpose text analytics platforms	NA: 75% EMEA: 25%	Information technology; pharmaceuticals; healthcare; market research; business strategy; company names; compliance	HP Inc.
RapidMiner	General-purpose text analytics platforms	NA: 45% EMEA: 45% APAC: 10%	Vendor does not provide out-of-the-box functionality	BMW, General Electric, Samsung, Sanofi, Siemens

FIGURE 5 Now Tech Small Vendors: AI-Based Text Analytics Platforms, Q2 2018 (Cont.)

SMALL <$14M

	Primary functionality segments	Geographic presence	Sample domain-specific ontologies	Representative customers
Stratifyd	Customer-facing text analytics platforms	NA: 70% EMEA: 15% APAC: 15%	Retail and wholesale; business services; media, entertainment, and leisure; utilities and telecom; finance and insurance; healthcare; pharmaceuticals	etsy, Kimberly-Clark, Lenovo, LivePerson
SynerScope	General-purpose text analytics platforms	NA: 5% EMEA: 95%	Utilities and telecom; finance and insurance; oil and gas	Vendor did not disclose

Recommendations

Ask Key Questions Before Diving Into A Text Analytics Initiative

As with any other enterprise software tool, driving adoption of text analytics requires alignment of people, process, data, and technology to maximize its value. Enterprise-grade text analytics platforms are not inexpensive — deals range from high five to low seven digits, and most deals fall into the low six-digits price range. To get the top return on their text analytics investments, AD&D pros in partnership with marketing, customer insight, CX, and GRC professionals should ask the following key questions: What specific business challenges or opportunities will the software help you solve? Do you need a general-purpose platform, a purpose-built application, or APIs? What are the text analytics implementation and deployment gotchas? What skills would you need to have internally or externally to make sure your project is successful? Read more on this topic in the Forrester report "Q&A: Six Questions To Ask Before Diving Into Text Analytics."[7]

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Supplemental Material

Market Presence Methodology

We defined market presence in Figure 1 based on product revenue.

To complete our review, Forrester requested information from vendors. If vendors did not share this information with us, we made estimates based on available secondary information. We've marked companies with an asterisk if we estimated revenues or information related to geography or industries. Forrester fact-checked this report with vendors before publishing.

Endnotes

1 See the Forrester report "Rethinking Data Discovery And Classification Strategies."

2 Text analytics is a highly fragmented market with over 70 vendors.

3 We did not include vendors who mostly provide text analytics APIs versus end-to-end platforms and solutions. Most modern text analytics platforms have open APIs and are introducing more microservices capabilities in each new release. Therefore, most of these tools can be used to embed text analytics capabilities into any applications. However, APIs from AWS Comprehend or Microsoft Azure Text Analytics are used exclusively for building custom and/ or embedded text analytics applications. For example, Lexalytics is a popular choice for embedding text analytics functionality into third-party products (like predictive analytics vendor Angoss and BI vendor GoodData).

4 See the Forrester report "Vendor Landscape: Big Data Text Analytics."

5 See the Forrester report "The Forrester Wave™: Customer Feedback Management Platforms, Q2 2017."

6 For example, page 2 of a rental agreement may say "microwave oven, refrigerator, . . . ," and an unsophisticated text-mining algorithm will tag this document for "microwave" and "refrigerator" as topics mentioned in the document. A more sophisticated algorithm will notice that the long list of appliances continues onto page 3 (with footers, headers, legal disclaimers, etc., in between) and ends with a sentence " . . . not included in the contract," and will tag the document with a topic like "items not included in the contract."

7 Additionally, CX pros should read the Q&A on text analytics for customer experience. See the Forrester report "Q&A: Seven Questions CX Pros Should Ask Before Diving Into Text Analytics."

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