

IDC MarketScape

IDC MarketScape: Worldwide eDiscovery SaaS Review Software 2019 Vendor Assessment

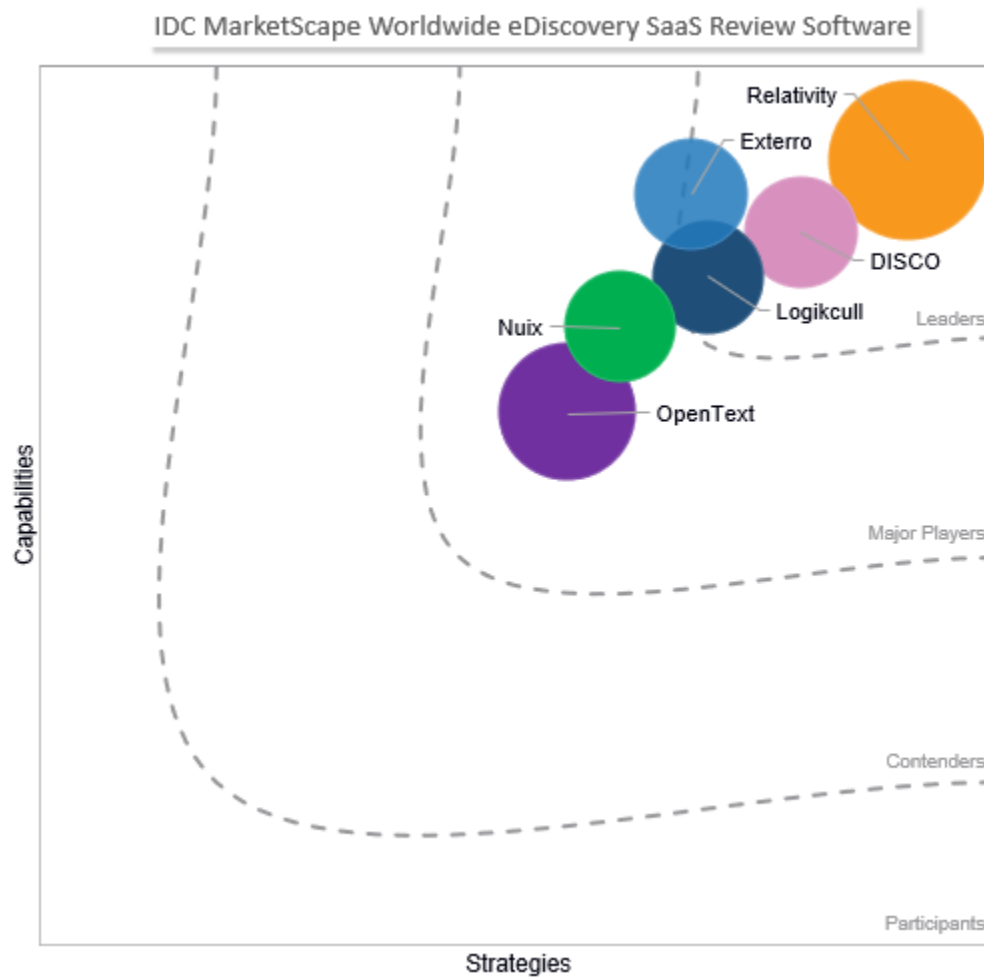
Ryan O'Leary

THIS IDC MARKETSCAPE EXCERPT FEATURES: RELATIVITY

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide eDiscovery SaaS Review Software Vendor Assessment



Source: IDC, 2019

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide eDiscovery SaaS Review Software 2019 Vendor Assessment (Doc # US44752919). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

The cloud computing revolution has finally reached the legal tech world. eDiscovery vendors must optimize their products to compete in this new cloud world. According to IDC's 2018 *Archiving and eDiscovery Survey*, 45.7% of ediscovery software is now deployed via software as a service (SaaS). IDC expects that percentage to continue to rise for the foreseeable future. Custodial data is now stored in the cloud, thus review software should be cloud-based as well. This IDC MarketScape covers major vendors participating in the worldwide ediscovery software market. This vendor evaluation is based on a comprehensive criterion expected to be most conducive to success in providing ediscovery review software via SaaS in both the short term and the long term. The evaluation criteria emphasize capabilities and strategies such as predictable pricing, cybersecurity, and ability to scale. IDC expects critical success factors for ediscovery vendors to be:

- Cloud-to-cloud data ingestion connectors that enable customers to ingest cloud-native data with the click of a button
- Cybersecurity that must be a point of emphasis considering the heavy fines and reputational damage associated with data breaches
- Transparent and even fixed pricing as consumer tolerance of hidden fees and exploding review costs wane
- Strong analytics and machine learning functions that analyze conversations as ediscovery moves away from document-centric views
- Embraces alternative use cases outside of traditional ediscovery workflows
- Vendor that must be able to scale quickly with no latency issues as ediscovery reviews often require periods of heavy use to meet deadlines

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

The vendor inclusion list for this IDC MarketScape is intended to include the most prominent ediscovery review software providers in the market. To be included in this IDC MarketScape, vendors had to meet two criteria:

- Vendor actively licenses/sells an ediscovery review software delivered via public cloud commonly referred to as SaaS.
- Vendor's revenue exceeded \$25 million for FY18.

ADVICE FOR TECHNOLOGY BUYERS

This study analyzed and rated vendors across a broad range of capability- and strategy-focused criteria. When considering the move to SaaS ediscovery review software, it is important to make sure that the company infrastructure that will be accessing and integrating with the SaaS application is also state of the art. A cloud-first digital transformation strategy can easily be hamstrung by old infrastructure. Buyers should also consider a solution that actively fosters integrations and a partner community. Open APIs allow SaaS ediscovery solutions to quickly and effectively provide greater functionality and cloud-to-cloud connections for data sources. Software vendors that support partner communities will enable their end users to be able to supplement with niche features that might not be economically feasible for the vendor to develop.

While the ediscovery market is nearing full maturity, many of the vendors still have their own flavor/personality. When evaluating and making a buying decision, it is important to mesh the vendor's culture with your own. Not every buyer needs a heavy-duty business application when a lightweight application will do everything you need.

Buyers should consider the reputation and security expertise of the vendor or provider that they choose. As early as the onboarding process, it becomes crucial to understand how proficiently the vendor guides the customer through the sales to the onboarding process and then throughout the customer life cycle. Buyers should evaluate reputation, longevity, and expertise that providers have in the space and then also evaluate how much support buyers will want from providers' team of experts once the solution is implemented. Further, the SLA is a critical piece of a successful relationship. Buyers should pay careful attention to the terms of the SLA and especially customer support available after normal business hours. eDiscovery reviews are often fire drills and seem to always require after-hours work, so choosing a 24 x 7 x 365 provider is essential.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

Relativity

Relativity is positioned in the Leaders category in the 2019 IDC MarketScape for worldwide ediscovery SaaS review software vendor assessment.

Relativity is a privately held company based out of Chicago, Illinois. Relativity is the market share leader in the overall ediscovery review software market (on-premises and SaaS) but a newer entrant into the SaaS game with RelativityOne. RelativityOne is built on Microsoft Azure and rearchitects the on-premises solution to take advantage of the benefits of public cloud. Relativity fosters a large user and partner community that helps drive fervent loyalty to its product as well as provides additional external R&D to improve the product.

Strengths

- **Enterprise-level performance:** RelativityOne provides deep analytics capabilities with enterprise-grade review software. RelativityOne can handle large case volumes and still provide the configurability and customization that an expert ediscovery practitioner would

want. Further, RelativityOne can spin up significant computing power within one workspace with no adverse effects to other users.

- **Security:** RelativityOne is independently ISO 27001 compliant, the global standard for managing information security risk. Relativity is also SOC II compliant. Further, Relativity has a comprehensive security program called Relativity Trust run by an in-house team of security experts who monitor and test the environment around the clock.
- **Global reach:** RelativityOne continues to position itself as the global and enterprise leader by having datacenters in more than seven regions including the United States, European Union, Asia, and South America. RelativityOne can combat any data sovereignty issue with its flexible datacenter arrangement.

Challenges

- **Pricing:** RelativityOne has more complex pricing than that of its competitors as RelativityOne prices are based on both data and users. RelativityOne should consider providing a flat fee option to realize downmarket potential.
- **User experience:** Many ediscovery players have moved toward a consumerized approach, but RelativityOne's UX is still very much a business application.

Consider Relativity When

Consider Relativity when you want an enterprise-level software. You are likely looking for an ediscovery review tool that has deep functionality throughout the EDRM and is from a company with deep experience in the industry. Relativity can be used effectively by beginners but continues to provide deep configurability for experts.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and

interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions, on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

IDC's ediscovery software market is a segment within the broader ediscovery and information governance research program. The market focuses on software and applications, which span the Electronic Discovery Reference Model (EDRM) including early case assessment applications, ediscovery review platforms, full spectrum ediscovery suites, and applications focused on individual EDRM components. These applications automate business process management (BPM) and data management activities during early case assessment, early data assessment (EDA), collection, review, analysis, and production. These applications primarily offer search, text analytics, and data mining functions and offer business process workflow automation, project management, document management, and decision support mechanisms. In most instances, these applications are offered as standalone full suites or complementary software products. In some cases, specific applications are offered solely as add-on modules that run atop propriety archiving or enterprise content management platforms. For the purpose of this IDC MarketScape, the review software must enable the processing, review, analysis, and production of the documents in conjunction with litigation or investigations. The software must also be deployed in the public cloud.

IDC believes that by incorporating references to the Electronic Discovery Reference Model, it will be better positioned to describe and delineate individual product functionality, address software products that are narrowly focused to achieve specific tasks, and demonstrate the effects of certain software products on the EDRM's information governance pillar. Further, when IDC mentions "technology-assisted review" or TAR, this is referring to what is also known as predictive coding. TAR 1.0 consists of loading seed sets into an algorithm to predict the relevance of the rest of the corpus of data. Whereas TAR 2.0 relies on continuous active learning to hone the predictive coding seed set as the reviewers update the document review pane.

LEARN MORE

Related Research

- *Worldwide eDiscovery Software Forecast, 2019-2023* (IDC #US45344219, July 2019)
- *Worldwide eDiscovery Services Revenue Forecast, 2019-2023* (IDC #US45068019, May 2019)
- *2019 Legal and Corporate Strategy Digital Transformation Survey* (IDC #US44776719, April 2019)
- *2018 U.S. Archiving and eDiscovery Survey: Analytics and AI* (IDC #US44405118, October 2018)
- *IDC's Worldwide Digital Transformation Use Case Taxonomy, 2018: Legal and Corporate Strategy* (IDC #US44258618, September 2018)
- *Legal Tech and eDiscovery: Who Makes the Buying Decisions?* (IDC #US44262818, September 2018)

- *Market Analysis Perspective: Worldwide eDiscovery, 2018* (IDC #US44257518, September 2018)
- *Worldwide eDiscovery Services Forecast, 2018-2022* (IDC #US43993618, June 2018)

Synopsis

This IDC study represents a vendor assessment of providers offering ediscovery review software delivered via SaaS/public cloud through the IDC MarketScape model. The assessment reviews both quantitative and qualitative characteristics that define current market demands and expected buyer needs for ediscovery review software. The evaluation is based on a comprehensive and rigorous framework that assesses how each vendor stacks up, and the framework highlights the key factors that are expected to be the most significant for achieving success in the ediscovery review software market over the short and long terms.

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About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

Global Headquarters

5 Speen Street
Framingham, MA 01701
USA
508.872.8200
Twitter: @IDC
idc-community.com
www.idc.com

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