

TECH CHOICES



March 29, 2006

FatWire Software Leads With A Relentless Focus On Persuasive-Content-Centric Applications

The Forrester Wave™ Vendor Summary, Q1 2006

by **Kyle McNabb**

with Connie Moore and Eric Kim

EXECUTIVE SUMMARY

FatWire Software, a small pure-play Web content management (WCM) vendor, is a clear Leader in persuasive-content-centric apps, having provided thought leadership and a laser-like focus on content-centric apps for several years. As FatWire relentlessly pursued its vision of content-centric apps — before any other WCM vendor was thinking this way — its corporate strategy intentionally excluded a focus on transactional or business content. FatWire's resistance to going down an ECM suite path has allowed it to marshal limited resources on its core competency in Web content management for externally facing sites. As a result, FatWire continues to expand its persuasive content apps product portfolio, such as closed-loop marketing, customer self-service, channel partner enablement, and call center support. Enterprises with a focus on persuasive content initiatives will value FatWire's combination of comprehensive WCM capabilities, strong content delivery support, and strategic focus on persuasive content apps.

FATWIRE LEADS THE MARKET IN PERSUASIVE CONTENT INITIATIVES

FatWire Software markets its Web content management (WCM) solutions to enterprises in North America, Europe, and Asia. More than 500 organizations use FatWire to address their persuasive content needs. Forrester estimates this private company's annual revenue to be less than \$25 million, but its blue-chip base of loyal customers have stayed committed to the product despite multiple acquisitions. FatWire's WCM offering, Content Server, is highly competitive as a persuasive content platform, making the vendor a Leader in the Q1 2005 Forrester Wave™ evaluation of Web content management for external sites.¹

Forrester evaluated FatWire's current (as of February 28, 2006) offering and strategy for content-centric applications against 45 criteria (see Figure 1). Overall, the vendor's comprehensive WCM capabilities and excellent support for digital asset management, Web site reporting and analysis, and multichannel content delivery make FatWire, hands-down, a persuasive-content-centric app Leader. FatWire has pursued this market segment with a strategic focus and dedicated emphasis for years, and it has intentionally resisted targeting or moving into transactional and business content capabilities at a platform or application level.

Forrester estimates that FatWire achieved profitability in its most recent fiscal year, was cash-flow positive from operations for the past year, and maintains current assets in excess of six months' operating expenses. While susceptible to future economic downturns due to its exclusive focus on

WCM and persuasive content — areas that witnessed a downturn post-Internet-bubble and 9/11— FatWire offers differentiating persuasive content capabilities many enterprises will find compelling. This means that FatWire is an especially good fit for buyers that:

- **Are serious about improving customer experiences.** FatWire's strong WCM, digital asset management, and multichannel content delivery support will help enterprises address multichannel customer experience issues and limitations. Using all three capabilities, FatWire customers can deliver and guarantee consistent customer experiences across Web, email, call center, and wireless channels.

To deepen its credentials in persuasive content, FatWire has defined two specific persuasive content-centric solutions targeted at improving the customer experience within call centers and online channels: eService Accelerator and eMarketing Accelerator. The FatWire eService Accelerator supports the management and delivery of content needed by call center and customer service representatives; The eMarketing Accelerator provides multichannel campaign management and delivery, leveraging the FatWire's user segmentation and personalization capabilities.

FatWire also provides site and content reporting and analysis capabilities to help organizations understand the usage and effectiveness of their content in meeting customer objectives. And the vendor offers specific Accelerator solutions for travel and health industries that address those industry segments' specific persuasive content needs.

- **View persuasive content decisions separately from transactional and business.** Enterprises looking primarily for transactional and/or business content apps need to cross FatWire off their lists and keep looking for other vendors. FatWire is not an ECM, transactional content, or business content vendor and does not intend to become one. Enterprises with an eye toward sourcing a mix of transactional, business, and persuasive content solutions from a single vendor will also need to look past FatWire.

Only those enterprises that place a high priority on persuasive content, believe persuasive content decisions can and should be made separately from other ECM initiatives, and are looking to improve the customer experience should seriously pursue FatWire. Those that do want a persuasive content platform and content-centric apps will be impressed, particularly because FatWire makes it easier to develop content-centric apps than many other WCM vendors and excels at integrating with existing IT investments and leading portal offerings from BEA, IBM, and Sun Microsystems. FatWire also offers a content integration framework that can help leverage an enterprise's existing content.²

To see how FatWire Software stacks up against 12 other competitors, see the Forrester Wave™ evaluation of the content-centric applications market.³

Figure 1 FatWire Software Evaluation Overview

CURRENT OFFERING	
Breadth of enterprise content management capabilities	FatWire's ECM capabilities are limited to the vendor's comprehensive WCM and general-purpose DAM support.
Extended capabilities for content, context, and process management	FatWire's general-purpose reporting and analysis capabilities and multichannel delivery capabilities highlight the vendor's ability to apply context and process to content. FatWire's reporting and analysis support focuses on persuasive content needs including site analysis, content utilization analysis, and segmentation analysis. In addition, the vendor's multichannel delivery capabilities support the transformation and delivery of content to end users across multiple channels with support for campaign management and user segmentation. FatWire offers basic content integration support, basic workflow support, and HTML forms support.
Content-centric application readiness	FatWire focuses on persuasive content-centric applications. FatWire offers several predefined persuasive content-centric applications, branded as "Accelerator Applications." These applications focus on a particular vertical market or functional area, and include: <ul style="list-style-type: none"> • eHealth Accelerator for attracting and converting patients. • eTravel Accelerator that allows travel firms to convert "lookers into bookers." • eService Accelerator for allowing technology companies to service and retain customers through their call center and self-service sites. • eMarketing Accelerator for allowing consumer brand companies to attract and convert more customers.
Architecture	FatWire's J2EE-based Content Server supports the needs of most enterprise IT environments. FatWire's product offers extensive support for IT platforms, supports a comprehensive extensibility model and globalization requirements, and is localized into multiple languages.

Source: Forrester Research, Inc.

Figure 1 FatWire Software Evaluation Overview (Cont.)


STRATEGY

Product strategy	FatWire's product strategy focuses its development activities on Content Server to enable its customers, partners, and FatWire to develop persuasive content-centric applications. In addition, FatWire develops predefined persuasive content-centric applications that solve specific vertical and functional business problems. Targeted usage scenarios are persuasive initiatives that: 1) attract consumers to a site and convert browsers to buyers through closed-loop marketing; 2) provide customer self-service before, during, and after the sale; 3) enable channel partners to access product information to be more effective; and 4) provide knowledge resources to contact center agents to decrease call times.
Whole solution strategy	FatWire works with consulting partners that have deep vertical and horizontal domain expertise to define the requirements, codevelop, market, sell, and implement persuasive content-centric applications.
Financial resources to support strategy	FatWire, a private company, was profitable and cash-flow positive in 2005. Forrester estimates that the vendor maintains current assets in excess of six months' operating expense.

MARKET PRESENCE


Company financials	FatWire's annual revenue is less than \$25 million.
Customer base in transactional content	FatWire does not have a customer base for transactional content.
Customer base in business content	A small segment of FatWire's customer base address business content needs — primarily intranet-related — with FatWire.
Customer base in persuasive content	The majority of FatWire's approximately 500 customers utilize Content Server to address persuasive content needs.
Geographic presence	The vendor has 12 offices outside of North America, including Australia (exclusive agents), China, France, Germany, Hong Kong, India, Italy, Japan, the Netherlands, Singapore, Spain, and the UK.

Source: Forrester Research, Inc.



The Forrester Wave™
Smart data for smart decisions

Go online to download additional in-depth data and scores for this vendor and other vendors included in this Forrester Wave evaluation.



SUPPLEMENTAL MATERIAL

Online Resource

The underlying spreadsheet for Figure 1 is available online. The spreadsheet includes more detailed data and scores for this vendor.

This detailed data and scores for this vendor are also available online through an Excel-based vendor comparison tool that provides detailed product evaluations and customizable rankings.

The Forrester Wave Methodology

We conduct primary research to develop a list of vendors that meet our criteria to be evaluated in this market. From that initial pool of vendors, we then narrow our final list. We choose these vendors based on: 1) product fit; 2) customer success; and 3) Forrester client demand. We eliminate vendors that have limited customer references and products that don't fit the scope of our evaluation.

After examining past research, user need assessments, and vendor and expert interviews, we develop the initial evaluation criteria. To evaluate the vendors and their products against our set of criteria, we gather details of product qualifications through a combination of lab evaluations, questionnaires, demos, and/or discussions with client references. We send evaluations to the vendors for their review, and we adjust the evaluations to provide the most accurate view of vendor offerings and strategies.

We set default weightings to reflect our analysis of the needs of large user companies — and/or other scenarios as outlined in the Forrester Wave document — and then score the vendors based on a clearly defined scale. These default weightings are intended only as a starting point, and readers are encouraged to adapt the weightings to fit their individual needs through the Excel-based tool. The final scores generate the graphical depiction of the market based on current offering, strategy, and market presence. Forrester intends to update vendor evaluations regularly as product capabilities and vendor strategies evolve.

ENDNOTES

- ¹ FatWire Content Server provides strong multisite management and delivery capabilities, including comprehensive personalization functionality for support of eBusiness initiatives. See the April 15, 2005, Tech Choices “[Web Content Management Scorecard Summary: FatWire Software](#).”
- ² Content integration, a critical component of enterprise content management, enables enterprises to access and leverage content in disparate, heterogeneous repositories without being forced to migrate or duplicate content to support different initiatives. See the March 26, 2004, Trends “[The Content Integration Imperative](#).”

³ Forrester evaluated nine leading enterprise content management (ECM) vendors and four best-of-breed ECM component vendors across 45 criteria and found that vendor offerings are as diverse as the transactional-, business-, and persuasive-content-centric needs they support. FileNet, IBM, and Hyland Software lead in transactional-content-centric apps. FileNet offers a strong foundation for transactional content differentiated by its excellent business process management (BPM). IBM follows close behind, and, thanks to its transactional content focus, Hyland Software leads. Hummingbird, Interwoven, and Open Text lead in business content apps; all three vendors have strong document management and team collaboration capabilities as well as demonstrable experience in business content solutions. Standout Web content management (WCM) and multichannel content delivery, coupled with a business strategy driven exclusively by content-centric apps for persuasive needs make FatWire the early Leader in the persuasive-content-centric category, followed closely by Interwoven and Tridion. Of all these vendors, Interwoven and FatWire have strategically embraced content-centric apps most aggressively by developing, acquiring, and marketing content-centric solutions. See the March 29, 2006, Tech Choices [“The Forrester Wave”: Content-Centric Applications, Q1 2006.](#)”