

Mumbai, July 14, 2006

## Content Management Software Market Growing: IDC



IDC's latest analysis of the content management software market of Asia/ Pacific excluding Japan (APEJ) region has predicted that the Indian market will grow at a 5 year CAGR of 21.2%, with the overall market growing at a 5-year CAGR of 14.0% before reaching \$245.3 million by the end of the decade.

The content management software market in APEJ is still a nascent one that accounts for a minimal slice of the total software market in the region. IDC claims that the market in India is poised for rapid growth and is the most promising market in the region.

Sharon Tan, Senior Analyst, IDC Asia/ Pacific commented about the Indian market, "Valued at more than \$10 million in 2005, IDC expects India's content management software market to rapidly grow at a 5 year CAGR of 21.2%. Explosive information growth, government initiatives and globalization are some of the drivers in India."

According to IDC, the overall APEJ market grew strongly by 25.1% to reach \$127.6 million in 2005 on the back of rapidly increasing demand for digitized information, rising competitiveness, compliance issues, and favorable exchange rates.

While all the country markets registered positive growth in 2005, the key contributors were Australia, Korea, India and the People's Republic of China. Australia and Korea are projected to remain the largest markets for content management software throughout the forecast period while strongest growth is still expected from India.

"The level of awareness and adoption of content management software varies across the collection of economies in the region. Much depends on the state of development, impacts of globalization, corporate governance efforts, and enforcement of regulations in a country," said Tan.

According to Tan, the key vendors in India's market include both global and local vendors. These are Interwoven, FileNet, Newgen Software and Microsoft respectively.

Currently, Interwoven has an existing installed base of close to a dozen Indian customers and some of

the successful implementations include General Electric, India Tea Board, and Asian Paints. Interwoven also has strong partners in India, including IBM, ITC Infotech, MindTree, Satyam, and Wipro.

In India, FileNet has about 600 certified engineers who undertake direct implementation. Companies like TCS, HCL, Satyam, Siemens, Bank of America, GE and HDFC are among its customers.

Organisations are looking at ECM to reduce costs and labour inputs. The content management also has to take into account regulatory compliance norms, for instance, in the financial arena.

"Enterprises that are early adopters include those that require meticulous record management procedures, or are more heavily regulated (e.g., banks and healthcare), as well as those industries that are more information intensive in nature, such as the legal practices. IDC research indicates that e-forms, work flows, records management, document imaging, email management, and Web content management are features that are gaining enormous traction in terms of investment consideration in this region," added Tan.