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Compass Guide to WCM, Q2 2018
Evaluation of BloomReach Experience

By: Tony White

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BloomReach Experience Product Evaluation

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ARS LOGICA POSITION

BloomReach Experience is an exceptionally open and flexible enterprise-tier, Java- and microservice-based platform. The product gets our top ranking for ease of administration, performs exceptionally well across the Compass Guide's business categories as a whole (ranked fourth overall), and rates among the market's best for flexibility (also ranked fourth). BloomReach's notable shortcomings are mostly growth-induced: overextension of internal resources and ongoing evolution of managing the partner network. The platform boasts comparatively short implementation times, robust APIs, strong market momentum, and a clear pathway from WCM to AI-powered DX.

NOTES & RESOURCES

Sources of Information
Some company and product information contained in this report was collected via Ars Logica's 172-item vendor questionnaire. Vendor responses were independently verified through customer interviews, implementation monitoring, product documentation, Ars Logica's knowledge base, and/or hands-on product testing.

Platforms Included
The Compass Guides include the platforms that Ars Logica considers to be the most significant in the WCM market. While scores on our business and technology scorecards vary widely, each platform evaluated will be a best-fit given the right use case, and may therefore prove worthy of shortlisting.

Customer Interviews
Ars Logica has interviewed users of every product covered in the Compass Guides, including BloomReach Experience v12.1.

Implementation Monitoring
Since the 1990s, Ars Logica founder Tony White has kept close tabs on ongoing WCM implementations. Some of this knowledge is represented in the Compass Guide reports.

No Vendor Influence
Ars Logica retains complete editorial control over the Compass Guides and receives no funding in their production.

BloomReach Vendor Overview

BloomReach is a Silicon Valley-based technology vendor offering a highly-competitive, Java-based WCM platform (on-premise scenarios) and predominantly microservice-based Platform-as-a-Service (PaaS), currently in its twelfth major release. BloomReach's product range currently includes CMS, DXP, AI-based personalization, and search (both site search and organic search optimization). As a whole, BloomReach particularly excels at tying the functionality of these four product types together into an open, flexible, AI-powered platform that almost uniquely supports large, data-driven, multi-channel implementations focused on fine-grained management of customer experiences. For many years prior to the acquisition by BloomReach, Hippo's thought leadership in evolving enterprise Java technology could be witnessed in its prominent place among those directing the Java Community Process (along with Adobe and Magnolia). Over the next 18-24 months, BloomReach will likely continue to focus its efforts on (1) completing the assimilation of Hippo and BloomReach as both product sets and companies -- "80 percent done" by internal accounts, (2) strengthening and streamlining the partner-management process, (3) extending its lead in AI among WCM and DXP vendors, and possibly (4) expanding geographic coverage into Asia-Pacific.

Company Profile

Year Founded: 2009 (Hippo, 1999)
Headquarters: Mountain View, CA
Employees (or FTE equivalents): 330
Geographies: North America, EMEA, India
Revenue: $50 million (estimated)
Product Types Offered: WCM, DXP,
        AI-based personalization, search
Commercial or Open Source: Both
Strategic Implementation Partners: Authentic,
        Capgemini, DigitasLBi, diva-e, Dynamit,
        Ordina, Osudio, PFS, Realise,
        SapientRazorfish, theFactor.e
Top Competitors: Adobe, Acquia, Sitecore
Key Vertical Industries: Retail, financial services,
        travel and hospitality, manufacturing

Product Profile

Product Name: BloomReach Experience
Version: 12.1
Next version release date: Q3 2018; continuous
        SaaS and PaaS release model
Market segment: Enterprise
Average Sales/Subscription Price: $150,000
Technology Platform: Java / microservices
Key Strengths: Excellent ease of administration;
        open, extensible platform; robust API set;
        comparatively short implementation times;
        strong momentum and strategic vision
Key Limitations: Limited geographic coverage out-
        side Europe and North America; rapid
        growth creating overstretched internal
        resources and strained partner
        management
Highest-Value Use Case: Enterprise digital-
        experience deployment

Vendor History & Product Evolution

In 2008, BloomReach founders came to believe that they could help businesses generate more revenue from content by matching content relevance to visitors' intentions. If they could assemble a wide range of web data and combine it with market-leading algorithms and machine learning technology, they could invent the "relevant web." This reasoning was the basis for BloomReach's debut product, Web Relevance Engine. From 2009 through early 2012, BloomReach operated in stealth mode, taking a little over three years to generate investment, develop the Web Relevance Engine, and acquire alpha/beta customers – who were essentially development partners in the creation of the product. These earliest customers allowed the vendor to "analyze billions of consumer interactions and make products more visible by surfacing relevant information to the customer to the right customer on any channel." In February 2012, BloomReach emerged from stealth mode and officially became a software vendor, describing itself as a manufacturer of "big data marketing applications to maximize online revenue by getting the most relevant products and services found on any platform." Put another way, "BloomReach's big data applications connect marketers and consumers by interpreting web content and predicting online demand and then automatically adapting web pages to present content that makes pages most relevant to the broadest range of demand." These descriptions still prove accurate in 2018.

BloomReach products and feature-functionality have evolved over time as follows:

2012: **Web Relevance Engine** ("harnesses the power of big data, machine learning and large-scale systems science to match relevant products and services to consumers at scale"); **BloomSearch** ("discovers relevant content via natural search, driving traffic and revenue"); **BloomLift** ("dynamically routes online advertising to optimized landing pages for greater relevance"); and **BloomSocial** ("creates persistent discovery of consumer-curated experiences to drive increased social engagement and traffic from social sources") // **2013**: **Web Relevance Engine**, **Organic Search** (renaming of BloomSearch – "matches consumer intent with content to get products found"); **BloomReach Mobile** ("cross-channel-optimized mobile search and discovery solution"); **BloomReach Paid Search** (based on BloomLift – "understands e-commerce content, queries and consumer behaviors, allowing paid-search managers to improve paid-search landing page experiences for every click"); **BloomReach SNAP** (late 2013 renaming of Mobile – Desktop version added) // **2014**: **BloomReach Platform** (renaming of Web Relevance Engine) supports four applications – **Organic Search**, **Paid Search**, **SNAP**, and **Compass** ("merchandising analytics that provide insight into how customers are navigating your site and buying products"). // **2016**: **Commerce Search** ("self-learning site search"), **Commerce Categories** ("personalized category pages"), **Commerce Organic Search** ("SEO at scale"), and **Compass** ("merchandising analytics"). **Hippo CMS** joined the lineup in October. // **2018**: Current product lineup – **BloomReach Experience**, **Personalization**, and **Organic**. To these, the "Platform" aspect of **BloomReach DXP** refers primarily to an architectural standard which unites the whole product range into one "open, intelligent" framework.

Profiling the Ideal Buyer

The ideal buyer of BloomReach Experience is a mid-sized to large enterprise with (1) technical require-ments in the more complex half of the spectrum; (2) WCM goals that extend into DX; and (3) integration initiatives that combine e-commerce, big data, AI-based personalization, and unification of the customer experience across touchpoints. Equally accurate profile: the mid-to-large enterprise looking to deliver AI-optimized customer experiences that cross the boundaries of web, mobile, and in-store, while generating insights from both internal and external data. The following descriptions may also help those who should consider BloomReach to identify themselves: (1) companies looking for short relative implementation times while rolling out phased WCM deployments as the first component of a DX strategy; (2) organiza-tions seeking a vendor with the clearest of WCM-to-DX pathways; (3) enterprises seeking alternatives to Adobe Experience Manager (AEM) with fewer barriers to entry, less vendor lock-in, and greater ease of administration.

- **Midsize to large companies with WCM goals that extend into DX**
  BloomReach Experience is a surprisingly open and flexible Java/microservice-based platform that provides a smooth path from WCM-only to full DX.

- **Enterprises looking to combine e-commerce, big data, and AI-based personalization into uni-fied customer experiences**
  BloomReach is arguably the market leader at bringing together the technology required to satisfy requirements in all four of these functional areas, as evidenced by BloomReach DXP for Commerce (BloomReach DXP for SAP Hybris certified in Q1 2018, e.g.).

- **Those seeking alternatives to AEM Sites with lower barriers to entry**
  The platform will sometimes provide a satisfactory, less resource-intensive alternative to AEM Sites in terms of licensing costs, implementation effort, and ongoing system administration.

BloomReach Will Not Be a Good Fit, If...

BloomReach will not be a good fit for small implementations, or even for larger ones whose end game is WCM. It is overkill for those looking to deploy basic websites, even in multi-tenant, multi-lingual, multi-geography scenarios. Buyers with preferences for PHP or .NET should also not consider the on-premise version of BloomReach, though the predominantly microservice-based PaaS offering may be of interest even to them. And for companies with no DX requirements on the horizon, other solutions may be more appropriate initially and less labor-intensive over time. The vendor also currently lacks real coverage in Asia-Pacific -- customers located exclusively in that region should look for other options.

Key Product Strengths

BloomReach Experience performs very well in several areas of importance to technologists and business users alike. The most striking is Ars Logica's first-place ranking in Ease of Administration. And while not at the pinnacle of the WCM market in terms of product complexity, BloomReach is not far from it. Its weighted average of 7.18 in the business categories and 7.38 in technical categories place it within 0.93 of the top overall business ranking (scores range from 4.61 to 8.11), and within 0.25 of the top technical ranking (scores range from 5.17 to 7.63). If implementation complexity exactly matched product complexity, the Ease of Administration score would be 6.95. BloomReach's 8.0 means that, on an ongoing basis, required resource intensity is the lowest of the 16 platforms included in the Compass Guides.

The product's open system architecture also deserves special attention among prospective customers, as it is co-ranked fourth for flexibility among all platforms evaluated, which translates into smooth integration with other enterprise applications and speedy implementation times relative to competitive Java-based platforms, given similar customer requirements. This no doubt contributes to the significant BloomReach-for-Adobe replacement pattern Ars Logica has noticed in recent partner interviews.

Strong market momentum was already present before Hippo's acquisition by BloomReach – the former having gained tremendous marketshare since the last Compass Guide on Hippo CMS – but the combination now adds a clear path from WCM-only to full-scale, AI-powered DX. This partially explains

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FIGURE 1 Key Product Strengths and Limitations

Below are several key product strengths and limitations that potential buyers should keep in mind when assembling vendor shortlists.

KEY STRENGTHS	KEY LIMITATIONS
Industry-leading ease of administration (ranked first among all platforms evaluated)	Lack of geographic coverage outside Europe and North America
Open, extensible architecture (co-ranked fourth for flexibility among all platforms evaluated)	Rapid company growth has caused resources to become overstretched
Robust set of APIs	Difficulty of managing service providers effectively due to growth of the network
Among the shortest implementation times in the market, given similar customer requirements	BloomReach Experience no longer a good value for web-only implementations
Strong market momentum and strategic vision (co-ranked fourth among all platforms evaluated)	
Clear pathway from WCM-only to AI-powered DX	

Source: Ars Logica, Inc.

Sources of information: product testing, product updates, customer interviews, vendor questionnaire

BloomReach's position among the top few vendors in the Market Momentum & Strategic Vision category (co-ranked fourth).

Finally, what might not be obvious in Figure 2 is that BloomReach's strong performance of 7.0 to 7.5 in all four business categories – while not in the top few in any single category aside from Momentum & Strategic Vision – results in an overall ranking of fourth among all platforms evaluated. Ars Logica's consulting engagements reveal that strong overall performance in the business categories is more often what customers are looking for, rather than a top ranking in one or two areas. For organizations looking for a Java/microservice-based WCM or DX platform with an open system architecture and strong performance in all areas of critical importance to business users, we recommend shortlisting BloomReach. This is especially true for those seeking to leverage big data in e-commerce initiatives.

Key Product Limitations

Before the acquisition by BloomReach, Hippo demonstrated a lack of geographic coverage outside of Europe and North America. This is less the case post-acquisition, but BloomReach partner experience with WCM still follows the Hippo pattern. Ars Logica recommends that prospective customers in other parts of the world identify potential implementation partners (including BloomReach Professional Services, which actively supports customers outside the vendor's core geographies) as part of the technology selection process when considering BloomReach Experience purchases.

As mentioned previously, BloomReach Experience provides a robust API set – and within the Development Tools category, this is a major consideration for developers. That said, for other criteria in this category, we find the offering acceptable, but not on par with BloomReach's top competitors (see Page 4).

Next, the company's rapid growth, both during the Hippo era and post-acquisition, has caused a number of internal issues. First, BloomReach employees have become overstretched across the board. No doubt that corporate morale is high, but most BloomReachers are giving the proverbial 110%. The executive team acknowledges this reality, to wit the 2017-2018 addition of 87 employees and 35 open positions.

Not surprisingly, rapid growth has also resulted in a dramatic expansion of the partner network. While many of the partners are first-rate, their increased number and diversity of expertise has made channel management difficult for BloomReach. The vendor will need 18-24 months to streamline the partner management process. Prospective customers should take extra care to vet potential service providers.

Last, BloomReach Experience is not a good value for customers with web-only implementations. This "weakness" is good news for all – for BloomReach because its products have evolved in sophistication, and for web-only prospects because they stand to save considerable sums with simpler WCM offerings.

Vendor/Product Report Cards

The features, functions, and technical underpinnings of WCM products vary considerably, as do the customer requirements they are intended to satisfy. For this reason, the only reliable way to assure the best product fit for a particular client is to spend anywhere from several weeks to several months assessing the client's specific needs and analyzing product capabilities line by line. Still, Ars Logica is frequently asked to rate products in categories such as those in Figures 2 and 3. In using these ratings, please take care to weight each category in accordance with its importance to your needs. While the average scores across these categories might be the same for two products, proper weighting will likely cause the scores to diverge -- often significantly.

**FIGURE 2**   BloomReach Experience Report Card for the Business User

Figure 2 shows Ars Logica's rating of BloomReach Experience in four categories of critical importance to business users. Refer to Page 11 for an explanation of the evaluation criteria.
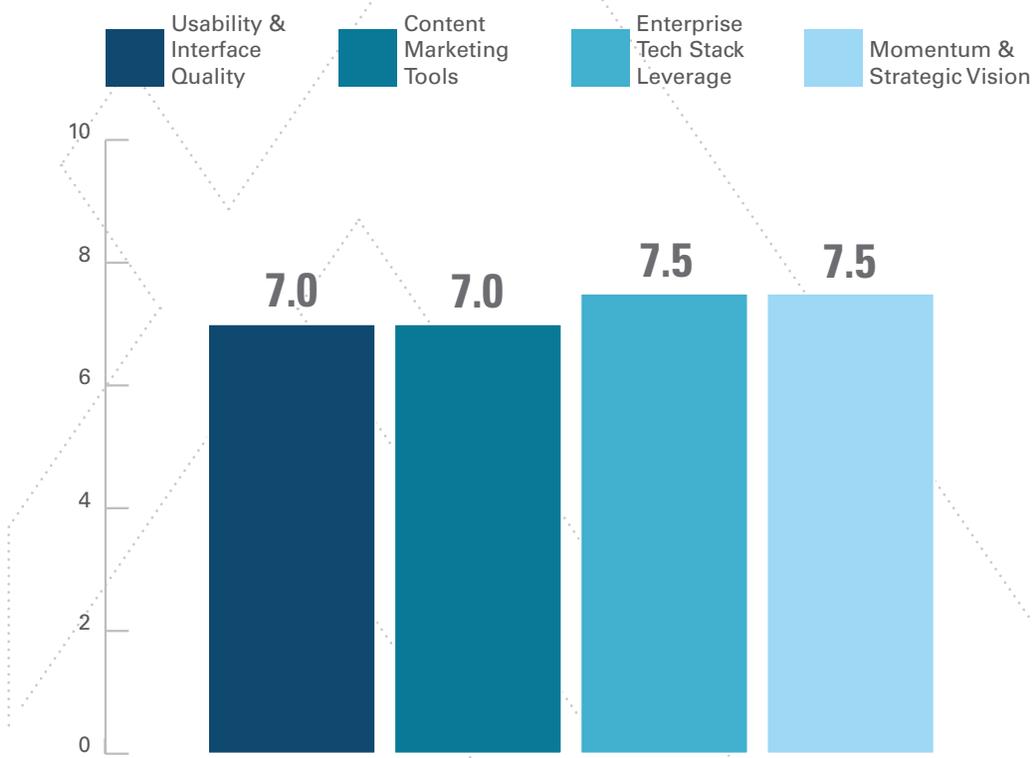
Sources of information: product testing, product updates, customer interviews, vendor questionnaire

FIGURE 3   BloomReach Experience Report Card for Technologists

Figure 3 shows Ars Logica's rating of BloomReach Experience in four categories of critical importance to technologists. Refer to Page 12 for an explanation of the evaluation criteria.
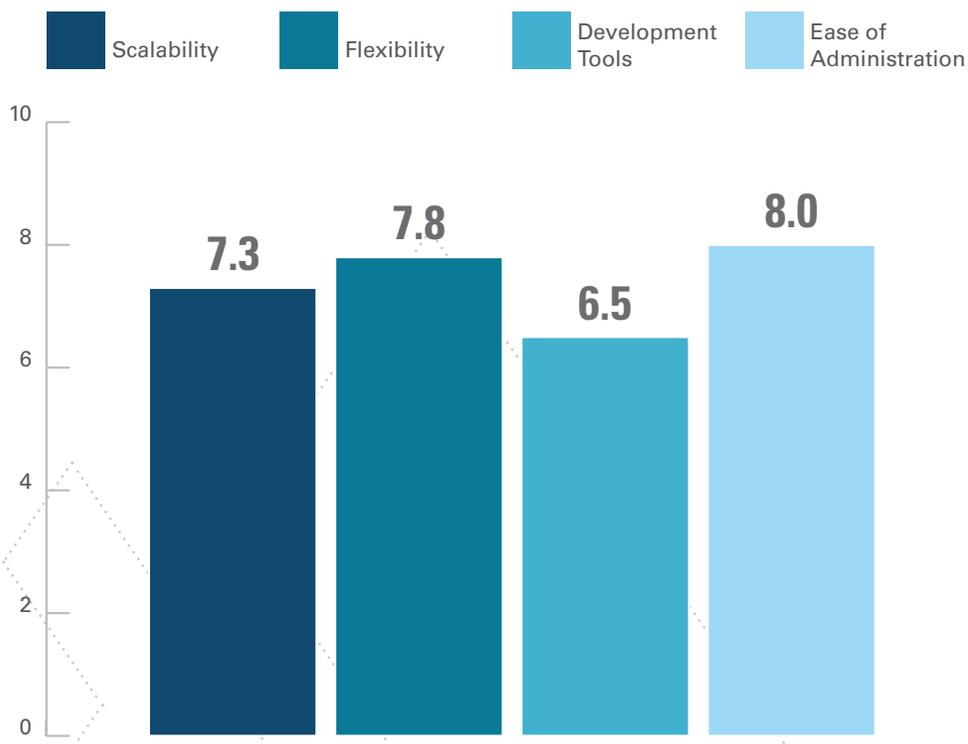
Sources of information: product testing, product updates, customer interviews, vendor questionnaire

Compass Guide to Web Content Management
BloomReach Experience Product Evaluation

Report Card Evaluation Criteria

In the process of analyzing WCM solutions, Ars Logica has established a set of evaluation criteria, which at the highest level can be separated into four categories for non-technical business users and four categories for technologists. Scores in these categories represent averages of a large number of detailed criteria, and are meant to be used as a means of quickly comparing products within the same market segment.

Criteria for Business Users

- **Usability & Interface Quality**
  Usability refers to the relative ease of learning and using a WCM application. For non-technical business users, factors contributing to high scores in this category include intuitive and consistent user interfaces, streamlined task completion (i.e. minimal number of steps to complete a task), integration with the desktop and between product modules, contextual editing capabilities, and documented high user adoption rates among a vendor's customers.

- **Content Marketing Tools**
  Marketers needs tools within WCM platforms to improve sales conversion rates, increase average transaction amounts, draw customers back to their websites, analyze online behavioral patterns, and deliver unique customer experiences. This category rates the presence and quality of such tools, including segmenting, targeting, testing, personalization, site optimization, and mobile support.

- **Enterprise Tech Stack Leverage**
  This category assesses a product's ability to integrate with and leverage the data and functionality of essential enterprise technology platforms such as CRM, ERP, marketing automation, e-commerce, portal, analytics, and social media management.

- **Momentum & Strategic Vision**
  This category represents a combination of a vendor's market momentum (current market share adjusted for accleration or deceleration over the past 24 months) and the completeness of its market strategy, which includes commitment to technology and implementation partners, meaningful evolution of WCM products, and support for marketing programs.

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Criteria for Technologists

- **Scalability**

  Scalability refers to the ability of a product to function well as system demands increase. Factors contributing to scalability are database size, query efficiency, bandwidth consumption, ease of system management, caching efficiency, load balancing, and mass content deployment capabilities.

- **Flexibility**

  Flexibility denotes a product's ability to integrate easily with existing enterprise infrastructure, including operating systems, Web servers, databases, directories, development tools, and other enterprise applications such as ERP, CRM, document management systems, search, portals, and so forth.

- **Development Tools**

  This category describes the quality of a product's integrated development environment (IDE), the technologies that the IDE incorporates, and overall ease of customized application development. Although this category refers primarily to development frameworks (Eclipse, e.g.), other ad hoc tools are also included, such as page templates, HTML/XML editors, WYSIWYG editors, PDF generators, and any other software that enables or eases the production, formatting and dissemination of content.

- **Ease of Administration**

  Some WCM products require significantly more work to administer (sometimes 5-10 times more) than others. This category rates the relative resource intensity required to keep the system running smoothly, where higher scores reflect less work. Roughly speaking, higher scores also indicate better coordination of application components due to more methodical system design.

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SERVICES

Advisory Services

Ars Logica is a vendor-neutral analyst firm helping companies evaluate their WCM requirements and select appropriate WCM software. To address clients' content management-related questions and problems that arise throughout the year, Ars Logica offers unlimited direct analyst access through its Analyst Anytime advisory services. These annual, subscription-based services provide guidance by phone or email within 24 hours on a wide range of issues. The number of inquiries submitted throughout the year is not limited.

Software and Technology Selection

In our Software and Technology Selection engagements, Ars Logica maps clients' functional, technological, and strategic requirements to potential WCM solutions and identifies the software vendors whose products best satisfy these requirements. We maintain a continuously updated comprehensive matrix of the feature-functionality of most WCM vendors' products and solutions. We also receive frequent briefings from these vendors and have in-depth conversations and consulting engagements with their customers, ensuring that we always understand the actual state of vendors' offerings as well as their forward-looking strategic directions.

Custom Engagements

Ars Logica's expertise in WCM and related technologies such as digital asset management, records management, marketing campaign management, search, and portals, gives us the open-ended ability to help clients on a wide range of projects, including: building internal business cases, assessing technology requirements, analyzing software products and vendors, selecting and assembling software solutions, crafting Web strategies, and running corporate educational seminars. We also assist vendors in developing strategic roadmaps, and we present our views of the WCM market at industry conferences and end-user events.

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