Magic Quadrant for Digital Communications Governance and Archiving Solutions

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Initiatives: I&O Platforms

> Digital communications governance and archiving solutions are designed to effectuate corporate governance and regulatory compliance across a growing number of communications tools. I&O leaders should use this research to assess DCGA vendors aligned with their requirements.

This Magic Quadrant is related to other research:

View All Magic Quadrants and Critical Capabilities

Strategic Planning Assumptions

By 2028, 25% of enterprises will proactively manage employee digital communications content for corporate policy and general business insights, which is a significant increase from fewer than 10% in 2024.

By 2028, 80% of digital communications governance and archiving customers will consolidate the supervision of text- and audio/video-based content to a common solution, which is a major increase from fewer than 20% in 2024.

Market Definition/Description

Digital communications governance and archiving solutions (DCGA) are designed to enforce corporate governance and regulatory compliance across a growing number of digital communication tools available to employees. For the various communication tools in use across the enterprise, DCGA solutions enable consistent policy management, enforcement and reporting capabilities.

Enterprise organizations face a growing number of regulatory mandates, such as the Financial Industry Regulation Authority (FINRA), Financial Conduct Authority (FCA), Health Insurance Portability and Accountability Act (HIPAA), and General Data Protection Regulation (GDPR). In addition, they must adhere to corporate governance guidelines, such as proper employee conduct and handling of sensitive data, in the use of digital communication tools. The DCGA market aligns to vendors that develop archive- and platform-integrated solutions, which capture and analyze communication channels, and those that solely develop communication connectors to a variety of communication tools used by enterprises. Organizations utilize DCGA solutions to proactively manage and collect communication content. As part of their direct integration and ability to centralize access to communication data, DCGA solutions facilitate multiple use cases such as supervision, surveillance, e-discovery and data insights.

While email has been the most traditional communication channel in the scope of DCGA solutions, there are multiple types of communication channels to be factored into a governance strategy. The scope of these communication tools is constantly changing as new messaging applications are frequently introduced to the market and adopted by employees. Recent evidence suggests enterprise organizations' customers are dictating the communication tool of choice.

Mandatory Features

Must-have capabilities of a DCGA solution include:

- Collect primary text-based communication sources such as email, messaging and workstream collaboration tools.

- Process and store the communications to the vendor's own archive platform or integrate with a third-party archive platform.

- Administering basic life cycle, export, reporting, search and access activities of supported communications.

- Classifying and categorizing captured content based on content metadata and aligning to appropriate data retention schedules.

- Capabilities to proactively monitor or surveil communications.

- Organizing search activity into saved searches, assignment to investigations/cases, and data export management.

Common Features

Common features of a DCGA solution include:

- Supporting communication sources, such as text messaging and chat. These include SMS, MMS, meeting solutions and industry-specific tools (e.g., financial services).

- A complete reconciliation and auditing of captured communications, from source to storage.

- Advanced integrations, processing and management of communication data from mobile devices, instant messaging (IM), and messaging applications, including collection and rendering of advanced characteristics, such as reactions and emojis, audio, video, call recordings, and screen-sharing content. This would also include services to transcribe audio, video and images to text.

- Classifying and categorizing captured content, based on the complete communication content and context, then aligning it to the appropriate data retention schedule.

- Automating proactive monitoring, alerting and tagging to create efficiencies and improve accuracy typically using artificial intelligence/machine learning (AI/ML). This would include capabilities such as implementation of techniques to reduce false-positive and false-negative outcomes; integration of data models, including large language models (LLMs), and natural language processing to expand proactive monitoring beyond lexicon-based rules; and assessing communication for sentiment, tone and other behavioral analytics, typically using (AI/ML).

- Real-time interaction with communication tools to provide immediate feedback and remediation of user actions.

- Consolidating multiple communication sources into single-search, conversation timeline and proactive-monitoring views.

Magic Quadrant

Figure 1: Magic Quadrant for Digital Communications Governance and Archiving Solutions

Vendor Strengths and Cautions

Archive360

Archive360 is a Leader in this Magic Quadrant. Its DCGA offering is the Unified Data Governance platform. Archive360's operations are distributed across the U.S., Europe and the Asia/Pacific (APAC) regions. Its customers are primarily large enterprises in the government, healthcare and financial sectors.

During the past 12 months, Archive360 has introduced Archive360 Analytics, which enables organizations to better manage and use their data. Archive360 also enhanced the platform with the ability for end users to view in-stream Microsoft Teams Chat reactions and improved Teams communication views for reviewers. Archive360 has added support for multiple identity and access management (IAM) providers, an enhanced disposition approval workflow, granular reporting and API integrations for third-party supervision and surveillance solutions.

Strengths

- **Single-tenant cloud architecture:** Archive360's deployment architecture offers single-tenant cloud deployments that can be delivered in a platform as a service (PaaS) or SaaS environment. Both delivery options enable Archive360 customers to directly access data, without added cost or data extraction services, at the end of the contract term.

- **Extensible API integration:** Archive360's extensible API library enables customers to integrate the Unified Data Governance platform with a wide range of applications and third-party solutions, such as e-discovery, report writing and analytics tools.

- **Multiple industry and geographic coverage:** Archive360's customer base is distributed across multiple industries and geographies. This is attributed to its DCGA portfolio, including many architecture and data governance controls that can easily adapt to different industry and geographic requirements.

Cautions

- **Narrow focus on large enterprises:** Archive360's product strategy predominantly targets large-enterprise organizations. The Unified Data Governance platform may not be as suitable for small-to-midsize organizations looking for a lower-cost solution.

- **Limited scope of supported communications:** Archive360 lags other Leaders in its natively developed integrations with communication sources, such as carrier-integrated SMS and voice calls, whiteboards and unified communication (UC) solutions.

- **Storage utilization concerns:** Some customers reported that Archive360's offering has limited built-in data compression and deduplication features, and they have expressed concerns about the storage efficiency of its archive.

Arctera (Veritas Technologies)

Arctera (Veritas Technologies) is a Leader in this Magic Quadrant. Its DCGA offerings are Information Governance, eDiscovery and Surveillance Complete. Its operations are global, and its customers are primarily large and midsize enterprises across various sectors.

During the past year, Arctera (Veritas) enhanced its archive capabilities with audio and video capture and improvements for Microsoft Teams and Slack. It introduced sentiment score-based classification and reconciliation reports. Surveillance enhancements include audio/visual (A/V) transcription, hotword statistics and ML-based review label predictions. eDiscovery improvements feature an AI aAssistant, a relationship map and multitiered case tags.

In February 2024, Veritas Technologies announced the intent to spin off a new business called Arctera, as a result of Veritas Technologies combining its NetBackup data protection portfolio with Cohesity. Arctera (Veritas) completed its separation from Veritas Technologies on 10 December 2024 during the process of the research period for this Magic Quadrant. At the date of publication, Arctera (Veritas) met the inclusion criteria for this Magic Quadrant and will continue to operate as before the transaction. Arctera (Veritas) will include its DCGA portfolio, formerly Veritas Data Compliance and Governance, and its InfoScale and Backup Exec businesses. Gartner will provide additional insight and research to clients as more detail becomes available.

Strengths

- **Global customer experience:** Arctera (Veritas) has a global presence, with data centers and well-established customer sales and account teams in all major geographies. It delivers its scope of services via direct and partner channels.

- **Use of AI/ML in product**: Arctera (Veritas) has expanded its use of AI/ML in multiple areas of the portfolio. This includes the addition of automated language detection and transcription of audio and video content, NLP for sentiment analysis, GenAI data query, predictive labels, continuous feedback to automate reviewer action, and content classification based on multiple patterns and policies.

- **Multiple industry coverage**: Arctera's (Veritas') broad DCGA portfolio supports multiple use cases across numerous industries. Its installed base includes customers in government, healthcare, financial services, manufacturing and telco/internet sectors.

Cautions
- **Renewal pricing concerns**: Some Arctera (Veritas) customers have expressed concerns with pricing increases that occurred when they renewed their contract and are also concerned about future pricing structures in light of the new Arctera business.

- **Limited advancements in whiteboard content**: Arctera (Veritas) lags other Leaders in introducing support for whiteboard content from vendors such as Zoom, Cisco Webex, Microsoft, Mural, Miro and Canva. Limited whiteboard support may result in customers having to consider supplemental DCGA offerings.

- **Spinoff transaction**: As Arctera (Veritas) forms its new business, the reorganization efforts could affect CX or the new company's ability to meet new market or customer requirements.

Bloomberg

Bloomberg is a Niche Player in this Magic Quadrant. Its DCGA offering is Bloomberg Vault. It has a geographic presence in the U.S., Canada, Europe, the Middle East and North Africa (MENA), and the APAC region. It has customers of all sizes, primarily in the financial and legal services sectors.

Bloomberg's new features, which have been added during the past 12 months, include Surveillance UI and Search UI on the React Framework, as well as a renovated search and index infrastructure. It also added capture expansion from five to more than 120 channels (via a strategic partnership with Insightful Technology), voice and video transcription/translation, video archive, flexible storage, and basic AI-based surveillance and monitoring.

Strengths

- **Financial services coverage:** Bloomberg is a global brand in the financial services industry, and its installed base includes 90% of the world's largest Tier-1 banks and asset managers. Bloomberg's strong position in the financial services vertical is attractive to clients in this industry.

- **Multinational coverage:** Bloomberg's large installed base is distributed across a number of countries, and its offering supports more than 12 languages. This widespread coverage can make Bloomberg a good fit for large global financial firms.

- **Search efficiency:** Bloomberg's DCGA solution offers the ability to clone searches. This can save users time when doing searches with similar parameters.

Cautions

- **Product control limitations:** Bloomberg has integrated the Insightful Technologies product to expand its supported communication channels and offer additional geographic storage options. This reduces Bloomberg's control over its DCGA solution, which may hinder its ability to respond to customer feature requests.

- **Limited AI-based capabilities:** Clients that want to use AI as a part of their DCGA solutions may prefer alternative providers that have a more-developed, AI-based surveillance module.

- **Lacks anti-money-laundering capabilities:** Bloomberg's solutions lack anti-money-laundering modules, which may deter clients that require that capability.

Global Relay

Global Relay is a Leader in this Magic Quadrant. Its DCGA offerings are Global Relay Archive, Global Relay App and Global Relay Connectors. It has a presence in the U.S., the U.K. and Canada, and most of its customers are enterprises and small or midsize businesses (SMBs) in the financial, energy, government and telco/internet sectors.

During the past 12 months, Global Relay has introduced Microsoft InTune master data management/mobile application management (MDM/MAM) compatibility, Global Relay Voice Capture for corporate-owned mobile devices, and new connector support for Vodafone, Jira Cloud and Apple Message. In addition, Global Relay has added the ability to share saved archive searches, and has enhanced its SharePoint connector and supervision/surveillance policy audit logs.

Strengths

- **Comprehensive product features**: Global Relay offers a robust, easy-to-use, end-to-end DCGA solution with a wide array of features that do not require programming. These features include data quality, accuracy, completeness, and integrity; one integrated SaaS platform for end-to-end communications governance and archiving; and a scalable infrastructure for large, global organizations.

- **Sizable customer base:** Global Relay has a large combined installed base for its Global Relay Archive and Global Relay App solutions. This demonstrates to potential customers that its solution is well-established in the market.

- **Positive customer experience**: Customer survey data suggests consistent positive customer experience (CX), responsive to trends in both regulations and technology, and high-quality product training and support. Global Relay's support is global and is available 24 hours/day.

Cautions
- **Premium pricing**: Global Relay's DCGA offerings are priced higher than other vendors' solutions. Clients who do not have strict compliance, feature or scalability requirements may prefer a lower-cost alternative.

- **Ongoing and contract termination extraction fees:** Global Relay charges extraction fees at a per-gigabyte rate over a contractual allowance and at a negotiated price at the termination of a contract. Clients should consider whether these cost impacts could drive up total expenses when evaluating Global Relay's DCGA solution.

- **Limited geographic data center coverage:** Global Relay's private cloud architecture strategy has a data center presence in the U.S. and Canada only. Global Relay may not be able to operate when customer data must be stored outside the U.S. or Canada.

LeapXpert

LeapXpert is a Visionary in this Magic Quadrant. Its DCGA offering is The LeapXpert Communications Platform. The company operates mainly in the U.S. and Canada, with a presence in Europe and the APAC region. Its customers are primarily midsize-to-large enterprises in the financial services, oil and energy, legal and telco industries.

During the past year, LeapXpert launched iMessage support for Teams, expanded message capture for iMessage and WeCom (Native Mode), and introduced new WhatsApp usage reports, voice-to-text conversion and schedule report creation. It also introduced managed mobility services (MMS) support for Leap Work and Teams (Governed Mode). It improved integrations and self-onboarding for various messaging channels and also launched a new offering called Maxen, which is an AI-based communication intelligence assistant that enhances collaboration and productivity.

Strengths

- **Innovative mobile and message application coverage**: LeapXpert differentiates itself with its extensive capabilities to capture data from mobile and messaging applications. It provides native integration with employees' messaging applications (Native Mode) and enterprise communications platforms, such as Microsoft Teams and Slack and its own LeapWork application (Governed Mode).

- **High customer satisfaction**: In our customer survey, customers cited an above-average experience with LeapXpert's DCGA offering. They highly regard the platform's flexibility, configurability and ease of implementation, as well as LeapXpert's excellent postsales support.

- **Flexible iMessage integration**: LeapXpert offers both Native and Governed Mode with iMessage, which provides the flexibility that clients may need to address for bring your own device (BYOD) and corporate-owned mobile device requirements.

Cautions

- **Limited range of native capabilities**: LeapXpert's DCGA offering portfolio does not include capabilities to support investigations, supervision and surveillance. Clients will need to implement third-party vendor offerings to acquire these capabilities.

- **Limited insight to service disruptions:** Some customers have reported a lack of detailed alerts to pinpoint the source of issues when disruptions occur on the LeapXpert service. Customers may need to rely on independent indicators to monitor and identify issues.

- **Limited implementations outside financial services**: LeapXpert primarily targets midsize-to-large enterprises in the financial sector and has gained little traction among clients in other industries.

Microsoft

Microsoft is a Challenger in this Magic Quadrant. Its DCGA offering is the Microsoft Purview Communication Compliance product. Microsoft operates globally, and its customers are mainly midsize and large enterprises across most sectors.

During the past 12 months, Microsoft has enhanced Microsoft 365 Copilot integrations with Purview Communication Compliance Platform Information Protection, Data Lifecycle Management (DLM), Auditing and eDiscovery. Purview introduced advanced DLM capabilities, such as managing retention labels via Microsoft Graph APIs and initiating Power Automate workflows. Enhancements to eDiscovery include search of additional metadata, and Communication Compliance now analyzes Teams meeting transcripts.

Strengths

- **Broad scope of governance capabilities**: Microsoft Purview Communication Compliance is part of a single platform offering a broad set of compliance capabilities for governance and risk-based use cases, such as data loss prevention (DLP), insider risk management and information protection.

- **Generative AI multiple use cases**: Microsoft Security Copilot enhances Microsoft's DCGA capabilities by providing content summaries, conversational threads and timeline stories using generative AI (GenAI) on Purview's datasets.

- **License package benefits**: The combined package of offerings in Microsoft 365 Enterprise Plan license bundles, such as E3 and E5, elevates Microsoft Purview Communication Compliance consideration and use by its customers.

Cautions

- **Product strategy outside Microsoft ecosystem**: The scope of supported communication sources outside Microsoft is limited, compared with leading vendors. Its implementation and richness of features for third-party sources can be constrained, based on the requirement to store data in Microsoft 365 data structures.

- **Limited migration capabilities**: In client inquiries, Microsoft customers have cited challenges with migrating existing archive data to the Microsoft 365 platform, requiring the engagement of third-party vendors to assist with the migration. This could raise the ultimate cost for some clients.

- **Performance concerns:** In client inquiries, some Microsoft customers with large datasets have expressed performance concerns with Microsoft Purview Communication Compliance, especially for investigation-based searches and exports.

Mimecast

Mimecast is a Leader in this Magic Quadrant. Its DCGA offerings include Mimecast Cloud Archive, Supervision and Archive for Microsoft Teams. Mimecast acquired Aware in August 2024. Its DCGA offerings include Aware Signal, Aware Search & Discover, Aware Spotlight and Aware Data Management. Mimecast operations are global, with a strong focus on North America and EMEA. Mimecast's customers are SMBs and large enterprises across most industries.

During the past 12 months, Mimecast enhanced Sync & Recover Cloud Integrated to support calendars, notes, tasks and contacts. Aware product enhancements include bring your own key (BYOK), GenAI summaries in Signal/Spotlight and classification for Information Quality filter in Search & Discover.

Strengths

- **Positive customer experience:** Mimecast customers using Cloud Archive provide positive feedback about its ease of use, search performance and integration with Microsoft Exchange and Outlook.

- **Aware acquisition opportunities:** The acquisition of Aware provides an opportunity for Mimecast to extend its support for additional workstream collaboration communications, real-time, proactive monitoring of communication data, and its use of AI/machine learning (ML) capabilities. These include natural language processing (NLP) classification and behavior trends analysis. This offers AI/ML-enabled features that were previously unavailable to Mimecast customers and prospects.

- **Multiple industry customer base:** Mimecast has a large installed base supporting use cases across multiple vertical markets, including financial services, legal, healthcare, manufacturing and telco/internet industries. This indicates that Mimecast can be considered as a solution for clients across these verticals.

Cautions

- **Mimecast cloud transition**: Mimecast Cloud Archive is moving from private cloud to public cloud infrastructure. Its transitioning product strategy has inconsistent feature sets between options that can make it difficult for clients to understand Mimecast's scope of DCGA capabilities, product deployment timelines and future implications to make informed decisions.

- **Limited progress in natively developed connectors**: Mimecast has a limited native connector portfolio for its Cloud Archive offering, compared with other Leaders. It either lacks support or relies on third-party solutions for workstream collaboration, industry-specific communication sources, and mobile and message applications.

- **End-of-contract fees**: Mimecast Cloud Archive has a data extraction fee (currently $5.00/GB) at the end of a contract. Clients should account for this fee as part of their total cost of ownership (TCO) statements.

NICE

NICE is a Challenger in this Magic Quadrant. Its DCGA offerings is Compliancentral, which includes NTR-X Capture and Archiving and SURVEIL-X Communications Surveillance. NICE's operations are global, and its customers are primarily midsize-to-large enterprises in the financial services sector.

During the past 12 months, NICE introduced Privileged Delete features that enable authorized administrators to selectively delete communications content before the end of its retention policy. It also added automated audio file transcriptions, support for BYOK and enhancements to its Microsoft Teams integrations. Additional enhancement examples include Cloud Bridge reconciliation, Transcription Hit Highlighting, Active SIP Recording and integration with NetApp StorageGRID.

Strengths
- **Deployment flexibility**: NICE's Compliancentral is available to customers as SaaS-based offerings leveraging multiple cloud service providers (CSPs). NICE also offers on-premises deployment for customers with unique data sovereignty requirements.

- **Comprehensive audio and text content support**: NICE provides a comprehensive solution for audio- and text-based content. NICE complements its longstanding support for voice content capture and transcription services with its recently added native support for email and IM.

- **Comprehensive AI capabilities:** NICE's Compliancentral integrates AI in multiple areas of its DCGA offering. Key capabilities include conversation summaries, alert explanations and predictions, language detection, transcription and diarization, and entity extraction.

Cautions

- **Pricing concerns:** Other providers can offer lower upfront pricing than NICE. More-price-sensitive clients may choose those alternatives.

- **Limited product enhancements:** NICE's recent product enhancements to its DCGA offering remain focused on audio capture and transcriptions services capabilities. It has shown little progress in delivering new capabilities for other aspects of its DCGA offering.

- **Narrow industry focus:** NICE primarily targets financial services organizations. Customers in other industries may find that NICE's product features and CX are not tailored to their specific needs.

Proofpoint

Proofpoint is a Leader in this Magic Quadrant. Its DCGA offerings are Proofpoint Archive, Supervision, Discover, Automate, Track, Capture and Patrol platforms. Proofpoint's operations are mainly in North America and Europe, and its customers are primarily large enterprises across multiple sectors.

During the past year, Proofpoint has introduced its rearchitected Archive 6.0 platform, built on public cloud infrastructure. It also announced PCI DSS compliance certification for its Archive 5.0 platform. Proofpoint Automate was enhanced with its new Customer Complaints Auto-Clear model. Capture for Zoom now includes audio, video and transcript content for online meetings and capture of SMS messages. Capture for Slack now captures externally shared private channel messages.

Strengths

- **Multiple industry customer base:** Proofpoint's DCGA offering is deployed to customers in multiple industries, including financial services, government, healthcare, manufacturing and energy. Proofpoint's DCGA offering provides a set of widely applicable features, including FedRAMP Authorized Moderate status and Payment Card Industry Data Security Standard (PCI DSS) compliance certification, which customers can use to address their archiving and investigation use cases.

- **Positive customer experience:** Proofpoint customers provide positive feedback on their overall experiences with the DCGA offerings, highlighting the platform's reliable performance and quick response time for searches.

- **Content reconciliation capabilities:** Proofpoint's Track offering works with both its own archive and third-party archives to report and reconcile the collection of content from Proofpoint Capture sources to archive storage.

Cautions

- **Required platform migration:** Proofpoint's new Archive 6.0 upgrade will require customers to transition their data to the new rearchitected offering built on public cloud infrastructure. Proofpoint will conduct the migration process. This requires customers and prospects to collaborate with Proofpoint to mitigate any disruption risks.

- **Delayed release of some 6.0 offerings:** At the time of our evaluation, Proofpoint had not yet released 6.0 versions of Automate, Track and Discover. Proofpoint customers who select its new 6.0 public cloud offering could face delays in fully deploying its add-on components.

- **Unintended storage costs:** Some Proofpoint customers have expressed concerns with its retention-focused, user-based licensing. This licensing model may create unintended storage costs, due to extended legal hold obligations.

Shield

Shield is a Visionary in this Magic Quadrant. Its DCGA offerings are Data Hub, Discover, Surveillance, InfoBarriers, Supervision and Voice platforms. It operates in Europe, North America and the APAC region, and its customers are primarily large enterprises in the financial sector.

During the past 12 months, Shield introduced its Infobarriers, Voice and Supervision offerings. It also enhanced its search analytics reporting, export management console, bulk assignment of alerts, echo cancellation, automated user identity profiling and new optimizations in areas such as access control, large dataset searches and alerting.

Strengths

- **AI-focused innovation:** Shield's AI-first strategy is demonstrated throughout much of its DCGA portfolio. AI highlights include its Infobarriers solution to proactively trigger alerts for insider trading and information breach scenarios. It also provides on-demand translation of more than 100 different languages, real-time search analytics, flexibility to incorporate bring-your-own AI models and native voice transcription capabilities.

- **Positive product experience:** Shield customers cited an above-average experience with Shield's DCGA offering, praising the platform's alerts, alert management and market abuse detection capabilities.

- **Geographic data center coverage:** Shield has data centers in all major geographic regions, which are hosted on Amazon Web Services (AWS). It provides widespread coverage to customers in Europe, North America and the APAC region.

Cautions

- **Primary focus on large enterprises:** Shield uses a direct sales team model that targets large financial organizations. SMB organizations may find that Shield is not tailored to their CX requirements.

- **Pricing concerns:** Customers state that pricing can be high, and that negotiation efforts can be tougher when compared with other vendors.

- **Growth versus profitability:** Shield is highly focused on customer growth and investments in staffing and product development. As a common attribute of startup organizations, it means that cash flow and profitability are not the highest priority at this time. It is our experience that some clients may prefer vendors that are currently cash flow positive and profitable.

Smarsh

Smarsh is a Leader in this Magic Quadrant. Its DCGA offerings are the Smarsh Professional Archive, Enterprise Platform, Enterprise Conduct, Capture Mobile, Cloud Capture, On-Premise Capture and Web Archive. Smarsh's operations are based mainly in the U.S. Its customers are organizations of all sizes, primarily in the financial services sector.

During the past year, Smarsh completed its acquisition of TeleMessage. It introduced data life cycle management (DLM) to its Enterprise Platform, as well as a no-code scenario builder in its integrated Enterprise Conduct. Smarsh added Service Packages for Professional Archive, which are geared toward smaller customers. Smarsh also expanded its capture capabilities with the integration of Box Capture and added support for Zoom Phone.

Strengths

- **Comprehensive product strategy:** Smarsh's dual archive product strategy — combined with its extensive connector portfolio, advancements in surveillance capabilities and simplified services packaging — addresses the requirements of customers of all market sizes and multiple industries.

- **Flexible deployment options:** Smarsh Enterprise Platform's SaaS architecture enables customers to choose single- or multitenant deployments, which enables them to control data storage architecture and provides an option to use customer encryption keys.

- **No-code policy creation:** As part of Smarsh's Enterprise Conduct, Conduct Studio enables customers to create and test new supervision/surveillance policies using an intuitive, no-code interface to select prebuilt ML and lexicon scenarios provided by Smarsh.

Cautions

- **Visibility to communication channel activity:** In inquiries, some Gartner clients have cited challenges when monitoring interruptions in communication capture processes. They stated that Smarsh lacks real-time notification alerts, and they needed to use self-initiated reports to find breaks or failed connections.

- **Limited geographic presence:** Smarsh primarily focuses on serving customers in North America and has a limited presence in other regions. Customers outside North America may find that competitors offer more local support.

- **Lack of in-application translation:** Smarsh lags other Leaders in introducing integrated in-application translation capabilities. Customers managing communications content that contain multiple languages may find alternative solutions with better support.

SteelEye

SteelEye is a Niche Player in this Magic Quadrant. Its DCGA offering is the SteelEye platform. Its operations are in North America, Europe and the APAC region, and its customers are primarily midsize-to-large enterprises in the financial sector.

During the past 12 months, SteelEye has added behavioral profiles, automatic transcription language detection, on-demand translation and expanded connector support for Slack and LeapXpert. It introduced Compliance CoPilot to automate alert review and provide scores and actions. Call Analytics now uses large language models (LLMs) for summaries, entity detection, topic modeling, sentiment analysis and compliance. SteelEye has integrated Intelligent Voice for better transcription and added Neural AI alerting for calls. Its email classifier now uses NLP.

Strengths

- **Expanded GenAI use cases:** SteelEye Compliance CoPilot uses LLMs to automate its Surveillance Alert Review to reduce false positives and provide suggested resolution steps. Compliance CoPilot also makes it faster and easier for compliance teams to prioritize their queues by assigning risk scores and generating alerts.

- **Voice recording analysis capabilities:** SteelEye Call Analytics creates summaries and performs entity detection, topic modeling, sentiment analysis and compliance question generation to provide faster and more accurate voice recording analysis.

- **Flexible and transparent pricing:** SteelEye has introduced multiple changes to its pricing strategy to improve customer choice and transparency. It offers modular pricing for additional language support and includes all transcription capabilities in a base price offering.

Cautions

- **Limited industry focus:** SteelEye primarily targets financial services organizations. Customers in other industries may find that its CX and capabilities are not tailored to their specific needs.

- **Narrow geographic data center coverage:** SteelEye's SaaS-based offering is hosted in data centers in the U.S., Ireland and China and may not be able to meet data residency requirements outside those countries.

- **Bounded content sources:** SteelEye lags other market vendors in its coverage of video content, social media, whiteboards and UC solutions, such as Cisco Webex, GoTo Meetings and Avaya Cloud Office.

Theta Lake

Theta Lake is a Visionary in this Magic Quadrant. Its DCGA offering is Theta Lake Compliance & Risk Suite. Theta Lake's operations are mainly in North America, with some presence in Europe and the APAC region. Its customers are organizations of all sizes, primarily in financial services and government.

During the past year, Theta Lake had numerous feature enhancements, including updates to its search capabilities and review workflow, and support for Microsoft Teams Compliance Recorder. Theta Lake also introduced a Unified Capture Tab (Preview), third-party integrations and capabilities via APIs, integration with the RingCX Digital Customer Engagement Platform and RingCentral CXa, and integration with Cisco Webex Calling via native Webex recorder.

Strengths

- **Scope of AI-based capabilities**: Theta Lake has a strongly integrated AI approach that includes AI-driven risk detection, compound detections, and AI-assisted review and response enforcement. This can help to save time and obviate risks.

- **Intuitive data views**: The Theta Lake Compliance and Risk Suite produces a variety of integrated views that are supported with easy-to-understand graphics. As a result, customers are able to easily create dynamic reports and dashboards.

- **Single, integrated offering**: Theta Lake has a single product offering that encompasses a wide array of features and functions without the need for add-ons. This integrated platform is relatively easy for customers to evaluate and purchase.

Cautions

- **Growth versus profitability:** Theta Lake is prioritizing growth. Although this is a viable strategy for a startup, it means that cash flow and profitability are not the highest priority at this time. It is our experience that some clients may feel more comfortable with vendors that are currently cash flow positive and profitable.

- **Smaller installed base**: Theta Lake has a relatively small installed base for the period surveyed, compared with larger competitors in this market. This may be a factor in vendor evaluation for clients that want to purchase solutions with a larger critical mass of market adoption.

- **Lacks email quarantine capabilities**: Theta Lake does not provide the ability to quarantine or prohibit delivery of email content. Customers that have these supervision/surveillance requirements may prefer alternatives.

ZL Tech

ZL Tech is a Niche Player in this Magic Quadrant. Its DCGA offering is the ZL Platform. ZL Tech operates globally, and its customers are primarily midsize-to-large enterprises in multiple industries.

During the past year, ZL Tech has improved its administration, customizability and filtering/analysis options; added advanced visualization tools; and enhanced its crawling capabilities for SharePoint and OneDrive. ZL Tech also introduced Enterprise Analytics for unstructured and semistructured data, featuring global search for files and emails, sorting and culling of search results, and support for new export formats. ZL Tech also added support for Citrix ShareFile as a data source and integrated REST APIs in the platform.

Strengths
- **Flexible deployment models**: ZL Tech provides customers with multiple deployment options, including on-premises, cloud and SaaS. This provides customers with the flexibility to choose from customer- and vendor-managed deployment options that align with its architecture design requirements.

- **Positive customer engagement**: ZL Tech customers have reported high regard for its overall CX. Positive feedback has been shared about its employees' level of engagement and collaboration in implementation and support, and their in-depth knowledge of its product.

- **NLP-based intuitive search capabilities**: ZL Tech offers an intuitive search interface for performing complex searches. It uses NLP to convert natural-language search requests into ZL-compatible queries.

Cautions
- **DCGA innovation direction**: ZL Tech's product innovation is limited in DCGA-specific features and capabilities, such as AI-based supervision/surveillance, as well as multilanguage detection, transcription and translation, compared with other DCGA vendors.

- **Reliance on third-party connector solutions:** ZL Tech lacks native support for workstream collaboration solutions, such as Cisco Webex Teams, Zoom, Slack, RingCentral and GoTo Meeting, and social media, mobile and message applications. Customers seeking native support for those solutions may find that ZL Tech does not meet their DCGA needs.

- **Release quality concerns:** Some ZL Tech customers have expressed concerns of release quality following product upgrades, citing challenges with operating the solution and the requirement to engage support to resolve issues.

Inclusion and Exclusion Criteria

Inclusion Criteria

The inclusion criteria represent the specific attributes that analysts believe are necessary for inclusion in this research. To qualify for inclusion, vendors must:

- Develop a qualifying DCGA solution that meets all "mandatory" features, as defined in the Market Definition.

- Revenue must be derived solely from its DCGA solutions product portfolio. This revenue should not include revenue generated from implementation services or through managed services provider (MSP) sales. It needs to meet at least one of the following revenue criteria:

  - Generated more than $30 million in reported annual recurring revenue (ARR) on 30 June 2024

OR

- Generated more than $10 million in reported ARR on 30 June 2024, combined with enterprise customer average annual spend of more than $150,000

- Actively sell and support its DCGA solutions under its own brand name in at least two of the following four major geographies: North America, Latin America, EMEA and the APAC region.

- Have made its qualifying DCGA solution generally available and publicly marketed for all customers (in at least two of the major geographies listed above) and fully supported for use by customers since 1 July 2021.

- Rank among the top 25 organizations in the Customer Interest Index as defined by Gartner for this market. Data inputs used to calculate the last 18 months (ending 30 June 2024) of DCGA customer interest include a balanced set of measures, such as:

  - Customer search on Gartner.com, inquiry volume and trend data

  - Volume of job listings specifying experience with the DCGA offering as a job requirement on job placement boards (e.g., LinkedIn, Indeed) and/or on a range of employment websites in the U.S., Europe and China

  - Social media presence and engagements

  - Customer wins

- Be the developer of the DCGA product(s), and not be only an OEM reseller, MSP or value-added reseller (VAR).

- Have released new products or made updates to existing DCGA products that were released during the past 12 months and generally available on or before 30 June 2024 to be considered for evaluation.

Exclusion Criteria

Vendors and/or their products were excluded from this Magic Quadrant if they had products or solutions that are designed and mainly positioned as solutions for archiving a single content type, such as email or just instant messaging.

Evaluation Criteria

Ability to Execute

The Ability to Execute criteria for this Magic Quadrant are as follows:

Product or Service: This criterion covers the assessment of vendor capabilities to deliver and differentiate features and functionality supporting DCGA market use cases, diversification of customer use across the vendor's portfolio and the scope of issues affecting CX.

Overall Viability: This criterion covers the assessment of a vendor's key financial, staffing and customer base growth metrics.

Sales Execution/Pricing: This criterion covers the assessment of a vendor's success in the market. Considerations include results of new versus repeat business, growth of new DCGA customers and changes in customer investments. Adaptations to sales and presales efforts and levels of pricing transparency are also considered.

Market Responsiveness/Record: This criterion evaluates the vendor's ability to deliver products and capabilities that are first-to-market and differentiating, compared with the competition, while also continuing to meet market demands and gaps in their portfolio.

Marketing Execution: This criterion evaluates the vendor's ability to create "mind share," expand to new markets and build sales pipelines in the DCGA market.

Customer Experience: This criterion evaluates the vendor's ability to demonstrate continued client satisfaction and its improvements, and provide distinct customer support capabilities.

Operations: This criterion was excluded from this research due the limited differentiation of vendors and resulting impacts to customers.

Table 1: Ability to Execute Evaluation Criteria

Evaluation Criteria ↓	Weighting ↓
Product or Service	High
Overall Viability	Low
Sales Execution/Pricing	Medium
Market Responsiveness/Record	High
Marketing Execution	Low
Customer Experience	High
Operations	NotRated

Source: Gartner (January 2025)

Completeness of Vision

The Completeness of Vision criteria for this Magic Quadrant are as follows:

Market Understanding: This criterion evaluates the ability of the vendor to understand customer requirements, align those requirements to its products and services, and evolve their product vision, based on their own established perspectives of the market's direction.

Marketing Strategy: This criterion evaluates the clarity of the vendor's marketing vision that highlights competitive differentiation and an understanding of personas engaged in solution selection.

Sales Strategy: This criterion evaluates the vendor's ability to establish and update a sales strategy that aligns with company goals and customer interest. Factors also include the vendor's ability to reach customers directly and expand coverage through its network of partners.

Offering (Product) Strategy: This criterion evaluates the vendor's product planning, emphasizing its alignment to shortcomings, commitment to differentiation and improvement of existing capabilities.

Business Model: This criterion evaluates the vendor's strategies to sustain its business in the market.

Vertical/Industry Strategy: This criterion evaluates the vendor's strategy to direct its product offerings, its alignment with industry-specific technology providers and its resources to meet specific vertical market requirements.

Innovation: This criterion evaluates the vendor's strategy for reinvestment and its differentiating innovations in product design capabilities, marketing, sales and presales, and customer support.

Geographic Strategy: This criterion evaluates the vendor's strategy to direct resources, skills and product offerings to meet the needs of across the most major geographies.

Table 2: Completeness of Vision Evaluation Criteria

Evaluation Criteria ↓	Weighting ↓
Market Understanding	High
Marketing Strategy	Low
Sales Strategy	Medium
Offering (Product) Strategy	High
Business Model	Medium
Vertical/Industry Strategy	Medium
Innovation	High
Geographic Strategy	Low

Source: Gartner (January 2025)

Quadrant Descriptions

Leaders

Leaders have the highest combined measures of Ability to Execute and Completeness of Vision. They may have the most comprehensive and scalable products. They have a proven track record of financial performance and an established market presence. In terms of vision, they are perceived to be thought leaders, with well-articulated plans for ease of use, product breadth and how to address scalability. For vendors to have long-term success, they must plan to address the expanded market requirements for DCGA. This includes scope of content source coverage, expanding uses of AI/ML; relevant investigations and supervision/surveillance capabilities; focus on expanded digital communications governance use cases; and have user experience (UX) that focuses on simplicity.

Leaders not only must deliver to current market requirements, which continue to change, but also need to anticipate and begin to deliver on future requirements. A cornerstone for Leaders is the ability to articulate how these requirements will be addressed as part of their vision for expanded DCGA capabilities. As a group, Leaders are considered part of most new purchase proposals and have high success rates in winning new business.

Challengers

Challengers participate in the DCGA market and execute well enough to be a serious threat to vendors in the Leaders quadrant. They have capable products and can perform well for many enterprises. These vendors have the financial and market resources and capabilities to become Leaders; however, they lag behind Leaders in DCGA innovation and consistent investments in leading-edge DCGA capabilities, marketing, sales strategies and business model innovation.

Visionaries

Visionaries are forward thinking; however, their execution has not propelled them into a leadership position. These vendors are differentiated by product innovation, but they have not achieved the sales and marketing success required to give them the high visibility of Leaders.

Niche Players

Niche Players are narrowly focused on an application, a market or a product mix, or they offer broad capabilities, without the relative success of their competitors in the other quadrants. Niche Players may focus on specific geographical markets, vertical industry segments or limited use cases. This quadrant may also include vendors that are ramping up their product and platform offerings, or larger vendors that are having difficulty developing and executing on their vision against new market demands.

Context

Infrastructure and operations (I&O) leaders should use DCGA solutions to solve challenges associated with the broadening scope of communication tools used by employees. I&O leaders must consider the following in selecting and deploying DCGA solutions:

- Mitigate potential corporate and regulatory compliance violations by shifting from a reactive to a proactive posture using DCGA solutions.

- Shortlist DCGA solutions that best align the scope of digital communications sources to required business use cases, such as compliance, governance, data retention, investigations, supervision, surveillance, analytics and insights.

- Narrow selection to DCGA vendors that properly align their platform infrastructures to the data sovereignty requirements of business.

- Challenge DCGA vendors to clearly explain how integration of natively and third-party-developed communications connectors works in their respective solutions. This should include details of data format, completeness of metadata capture, and any bidirectional feedback between source and archive.

- Scope vendors' capabilities to support mobile and messaging application communications in selection criteria, as both employee use and regulatory and corporate oversight of these tools accelerates.

- Differentiate vendor solutions by assessing whether data models, AI/ML and NLP are critical components of their offerings in data classification, investigations, supervision, surveillance and analytics use cases.

- Request vendors to provide transparency and explainability of outcomes in their use of AI/ML.

Market Overview

This is the inaugural publication of the Magic Quadrant for Digital Communications Governance and Archiving Solutions. This DCGA research recognizes the rise in communication tool complexity, and the proliferation of new tools, such as Microsoft Teams, WhatsApp, Zoom, iMessage, WeChat and Slack. This drives demand from clients to seek guidance on the selection of vendors and solutions that specialize in communications governance. In this market, both archiving solutions and vendors specialize in supporting emerging communication connectors, such as messaging applications.

The modernization of DCGA platforms, complexity and volume of communications, and a more-critical regulatory and corporate governance environment, have introduced new strategies and entrants to this market. Vendors are innovating to address complicated forms of communications, such as mobile, workstream collaboration, messaging applications, and voice and meeting solutions.

They are modernizing infrastructure to improve scale and include new AI/ML- and NLP-based data categorization and classification, sentiment analysis and supervisory capabilities.They are also introducing GenAI features that augment capabilities to improve management of a DCGA solution, accelerate investigation and supervisory process and improve the accuracy of outcomes.

The DCGA market is heavily influenced by regulatory requirements specific to communication tool use. Requirements may include establishing usage policies, capturing and retaining communications for a defined period, enabling search of communications content for audit, discovery or reporting purposes, and monitoring communications to assess employee adherence to defined policies. The most clearly defined communications governance regulations come from the financial services industry.

Financial services organizations are regulated by entities such as the SEC, FINRA, CFTC and the FCA. This results in the majority of spend in the DCGA market coming from the financial services organizations. Demands for response to public record requests have drawn significant investment in DCG solutions by public government entities, including federal, state and local municipalities.

Beyond financial services and public government, highly litigious organizations will frequently leverage DCGA tools. This would include markets such as pharmaceuticals, healthcare, retail, construction and manufacturing. DCGA solutions provide a means to shift away from a reactive approach to communications data collection that can encounter process complexities, incomplete data collections and potential errors. Shifting to a proactive data capture process can result in more effective capabilities to facilitate investigation processes.

Broader market adoption may also result from DCGA solutions' abilities to identify or contribute insights on general company, department or team sentiment, business or workplace conduct issues, and employee productivity and efficiency. In addition, the focus on security and compliance risks could result in the use of DCGA solutions across more organizations. This may include improvements to efforts such as data loss prevention, forensics and insider risk management.

DCGA vendors differentiate their offerings based on a number of important criteria that align to the use cases of this research. These use cases include archive and retention, regulatory compliance, investigations, internal analytics and insights, and user governance. As enterprises rapidly adopt new communication tools to address work from home requirements, shadow IT and their own customers' demands, DCGA solutions with distinct capabilities to support these new communications have become more visible in the market.

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability: Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness/Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.

Recommended by the Authors

Some documents may not be available as part of your current Gartner subscription.

Market Guide for Digital Communications Governance

Hype Cycle for Backup and Data Protection Technologies, 2024

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