



THE RADICATI GROUP, INC.

A TECHNOLOGY MARKET RESEARCH FIRM

1900 EMBARCADERO ROAD, SUITE 206. • PALO ALTO, CA 94303

TEL. 650 322-8059 • FAX 650 322-8061

eDiscovery Market, 2012-2016

Editor: Sara Radicati, PhD; Principal Analyst: Todd Yamasaki

SCOPE

This study covers the eDiscovery market in 2012 and its expected evolution over the next four years. The report examines market trends, corporate demand, as well as leading vendor products and strategies.

We provide data on worldwide market size and revenue market share by vendor, as well as worldwide market growth forecasts in terms of revenue from 2012 to 2016.

All market numbers, such as market size, forecasts, revenue information, and any financial information presented in this study represent worldwide figures, geographical breakouts are also provided. All revenue numbers are expressed in \$USD.

The revenue numbers listed for each vendor and service provider do not represent total company revenue. They only represent sales of solutions and support revenues as a direct result of the sales for the 2012 calendar year. Professional services revenue is not included.

EUROPE: 29E FITZJOHNS AVE • LONDON NW3 5JY • TEL. +44 (0)20 7794 4298 • FAX. +44 (0)20 7431 9375

e-mail: sara@radicati.com

<http://www.radicati.com>

METHODOLOGY

The information and analysis in this report is based on primary research conducted by The Radicati Group, Inc. in 2012. It consists of information collected from vendors, and corporate users via on-going interviews and surveys.

Secondary research sources have also been used, where appropriate, to cross-check the information collected. These include company annual reports and market size information from various related market segments of the computer industry.

EXECUTIVE SUMMARY

- Electronic Discovery, or **eDiscovery**, solutions enable organizations to identify, preserve, collect, process, review, analyze, and produce enterprise data. The eDiscovery process enables businesses to satisfy their corporate compliance, retention records, internal investigation, and legal discovery requirements. Data can be collected from various corporate repositories and can include: email, text documents, images, databases, audio files, web sites, computer applications, and more.

- Who uses eDiscovery solutions:
 - *Attorneys and Legal Supervisors* – law firms and their attorneys rely on eDiscovery in response to litigation.

 - *Investigators and Compliance Officers* – government and regulatory agencies rely on eDiscovery during regulatory audits and investigations.

 - *Legal and IT Departments of Corporations* – organizations and their legal and IT departments rely on eDiscovery during internal investigations relating to human resources and corporate policies.

- Recently, larger enterprise software vendors have shown the most activity in acquiring smaller eDiscovery vendors in order to provide more well-rounded eDiscovery platforms for their customers. Many of these vendors are also players in Information Governance,

and more specifically the archiving market, which has enabled many of them to leverage their current customer bases to further expand their eDiscovery efforts.

- However, there is still great opportunity in this market for smaller vendors that offer more specialized eDiscovery solutions. They are more nimble and offer much quicker release cycles and updates to their services. These smaller vendors have also been big drivers of innovation and provide unique capabilities such as customer driven add-on applications. Customers often cite technological innovation as the key reason they remain satisfied with these vendors and their services.
- A few of the key trends at the forefront of the eDiscovery market include:
 - *Technology Assisted Review* – More vendors have developed and integrated TAR functionality into their review platforms. TAR is being pushed by vendors as a time and cost saving solution that can improve accuracy during the review process. However, many customers have been hesitant to invest in this technology because of a lack of established precedence set forth by judicial bodies and regulators.
 - *Cloud-based eDiscovery* – The growth of cloud-based eDiscovery services has remained strong over the last year. In comparison to their on-premises based counterparts, cloud-based eDiscovery services enable customers to save costs on the transfer of data throughout all stages of the Electronic Discovery Reference Model (EDRM) while also eliminating much of the back-end management and maintenance duties typically associated with an on-premises solution.
- Figure 1, shows the eDiscovery revenue forecast from 2012 to 2016. The eDiscovery market is expected to grow from \$976 million in 2012 to over \$2.3 billion in 2016, representing an average annual growth rate of over 24% over the next four years.

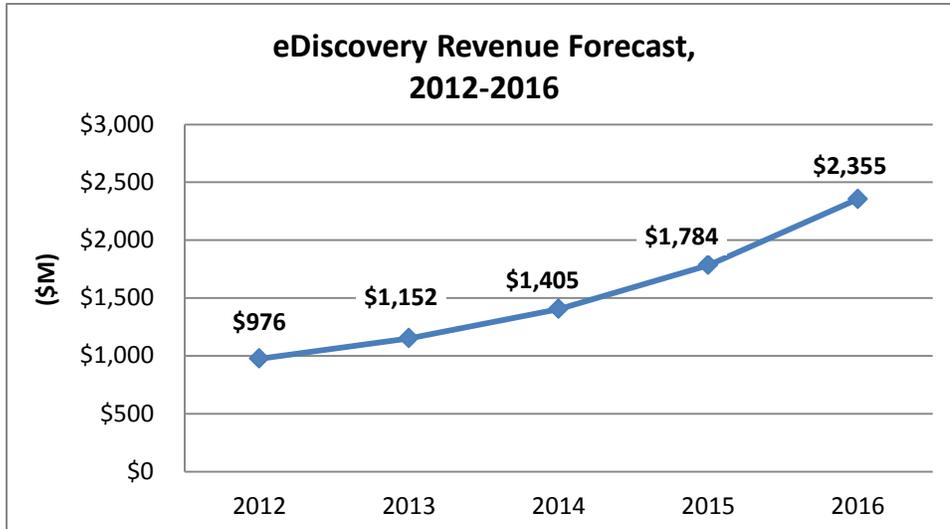


Figure 1: eDiscovery Solutions Revenue Forecast, 2012-2016

**To view the complete Table of Contents for this report,
visit our website at www.radicati.com.**