

Buyer's Guide

# Data Capture in the Cloud

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*Digital Transformation: 4 Considerations for IT*

An abstract graphic at the bottom of the page consists of a complex network of thin, light blue lines connecting various points, creating a mesh-like structure that resembles a digital network or data flow. The lines are more densely packed in some areas and more sparse in others, giving it a three-dimensional, wavy appearance.

# Overview

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There is a reason that cloud computing makes up more than 70% of all IT budgets and [Software as a Service \(SaaS\) represents the majority of that spend](#). The [elastic enterprise](#) demands business continuity, scalability, and rapid project deployments. Cloud-hosted applications are the tools that build these elastic enterprises. As affirmed by [Flexera's 2020 State of the Cloud Report](#) making the transition from traditional, on-premise software (and perpetual licensing models) to cloud-based SaaS is a top priority for 43% of companies. In the wake of a global pandemic and the rapidly shifting landscape of cloud-computing and hosting, this represents an increase by 14% from 2019.

Prior to the advent of cloud hosting platforms, software applications were installed on physical servers (and eventually virtual machines) in a company's data center or IT-dedicated basement. Software vendors sold their technology with perpetual licenses that required an annual support contract for updates and break/fix repairs. From here, the need to minimize the upfront investment in a new technology led to the leasing of technology via subscription licensing and support options. As is evident from the market, the next step in the evolution of application consumption in the public sphere is to subscribe to use of a business tool in a vendor-hosted cloud.

Clearly, investment in the cloud is critical for the growth and longevity for businesses of all sizes. Countless analyst surveys have concluded that a move to the cloud is one of the [top three IT priorities](#) for 2020 and beyond. But how do you start your journey to the cloud for document capture?

## 1

# First Consideration – Cost Analysis: Why choose the cloud?

When the annual cost of a cloud-based application is the same as – or less than – the annual cost of an on-premises application and all other features and functionalities are equal, the decision to select the cloud or hosted technology is a no-brainer. However, when the hosted solution has a higher ticket price than the on-premises solution, it can be difficult to calculate all the hard and soft costs for comparison purposes. Grand promises of ROI and minimized capital investment for subscription-based cloud licensing models are paraded out by technology vendors, but the onus of proof and burden of cost analysis typically falls on the consumer. Cost analysis in this comparative scenario is an imprecise science, but there are several factors to look at when making a purchase decision.

First, look at the total cost of ownership (TCO) above and beyond the software licensing and support figures for an on-premises investment. This can include server acquisition and other hardware-related purchases like server room space and electricity for cooling, network fees and infrastructure for backup and development systems. You'll also want to include the employee or contractor time investment in this calculation. Consider adding project management, database specialists, IT server support and helpdesk time and security reviews into the cost. For these potential costs, it's always a good idea to give yourself an increased percentage buffer for the weekend or after-hours work required to install emergency hotfixes, perform network, server and hardware repairs or address security issues and breaches.

Next, consider the ancillary costs associated with on-premises software implementation and ongoing management. Are you working with consultants to scope out our project requirements and make implementation recommendations? Will your company need to hire a full-time IT employee to manage and maintain the system? Are there other infrastructure changes that need to be made to accommodate this new purchase? What's the price tag for that support and modification work?

And last, attempt to quantify those intangible costs. Beyond the (difficult albeit manageable) numbers to crunch, decision-makers must also consider the opportunity cost of making that large, up-front investment for a perpetual or subscription-based on-premises software purchase, versus a smaller annual subscription fee. For the amount of that large cash investment, would you be able to hire new employees that could bring in revenue? Are there other cost-saving investments or necessary security updates that could have been made in place of this on-premises purchase?

## 2

## Second Consideration – Use Case and Requirements

The second recommendation is applicable to all software purchases: clearly identify the problem and define the requirements of your project or use case. As you research software and learn about new tools and technologies in the marketplace, your project requirements will likely evolve. But establishing that project baseline that incorporates all the internal process review and employee feedback and requests will help guide your decision and choice in a cloud-based capture solution.

Each project, department, organization and industry will differ slightly in their content capture workflows and document data use cases. However, there are some key requirements you'll need to uncover during the research and planning phases of your cloud-based capture project

1. How is document data integrated with your line of business or industry-specific process?
2. What type of information do you need from your documents?
3. How are documents created or sent to your organization?
4. What's your daily, monthly or annual volume of documents processed? Do you have seasonal or daily spikes and lulls in document processing?
5. Are your documents structured, semi-structured or unstructured?
6. Is handprint data a factor in any of your project document types?
7. How quickly does document data need to be incorporated into a larger workflow or uploaded to a system of record?

## 3

# Third Consideration – Security and Scalability

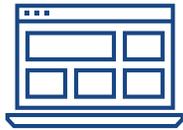
Forefront of every Chief Security Officer, Data Privacy Officer and Chief Technology Officer's mind at first mention of the cloud is data security. Whether the cloud capture vendor is using AWS, Azure, Kamatera, or Backspace to host their application, it will be helpful to have a list of security and cloud infrastructure requirements from your security team prior to any purchase decision. To help start the discussion for this consideration, there are a few questions you can ask:

- 1.** Are you seeking a single-tenant or multi-tenant environment for your cloud capture solution? An important part of data security is understanding what type of environment is best suited for your organization – single- or multi-tenant. A single-tenant is an independent instance of software and its supporting infrastructure is designed to service a unique customer. In this configuration, each cloud customer would have their own independent database and instance of the software application. In a multi-tenant environment, a single instance of the software application services multiple customers. Multiple clients or organizations take advantage of the same cloud infrastructure and data storage; however, vendors of multi-tenant software applications are careful to maintain separate instances of databases so there is no client-data overlap.
- 2.** What type of audit and cloud-specific certifications does the capture vendor have? Have they achieved SOC I & II audit certifications? What are the vendor's data privacy and purging policies?
- 3.** Can cloud instances be spun up in geographically-specific regions to support country data privacy laws and policies? How does the hosting vendor support failover and disaster recovery when the cloud host itself is down?
- 4.** Do engineers and server administrators for your selected hosting vendor use a jump host or when using a VPN into client servers to prevent host attack?

## 4

# Fourth Consideration – Functionality and Integration

## Application Features



Following common sense, the most important aspect of a cloud purchase to ascertain is whether the technology meets the requirements of your project? What is an application “need” versus a “nice to have.” Cost-benefit could become a factor when comparing different cloud capture applications at a feature-by-feature level. If a product only meets 90% of your functional requirements, can the application be modified or customized to suit your needs? Would these modifications impact “go-live” timelines? How much configuration work is required? Is this a point solution that is production-ready immediately, or is there an implementation and configuration roadmap to plan for?

## Licensing



Product licensing can be complicated for any technology acquisition, but there are a few key questions you can ask to help determine the best fit for your project needs.

First, how is the product licensed? While the obvious implication of a hosted, cloud-based application is a subscription licensing model, there are capture-specific industry considerations to take into account. Determine whether consumption licensing or server core licensing makes sense for your organization as a whole as well as particular use case needs.

Consumption licensing could have a couple of different flavors - either pay as you go (with “click charges” per page or per field) or pre-buy purchases for volume of page counts or field counts. If you know your daily, monthly or annual document processing volume and can accurately judge growth YoY, this is a great option. Be sure to quantify and prepare for overages in the event that you exceed your volume license, though.

The other option is server core licensing, which gives the customer unlimited page processing capabilities, but document throughput and server charges could be a consideration.

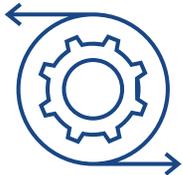
Second, review what type of license bundles are offered. Consider all the add-ons that might be needed for your project, and look at the available application bundles in the cloud suite. Lastly, buyers need to ask if there is a license required for each end-user of the application? Does user licensing vary by application role?

## Ease of Use



This aspect of a cloud-based capture application applies not only to the UI and the manner in which an end-user might perform document and data extraction validation or exception handling. Ease of use should also be considered from an administrative perspective. What kind of training is required for the average analyst or application manager in your company's IT department to add document types, to modify existing projects, to add new data fields for extraction? Look for training resources available for the product and place emphasis on the technology vendors that offer a variety of enablement classes and certification courses online.

## Integrations



How easily does the application interact with third-party applications, both in the cloud and on-premises? How easy is it to get data into and out of the application for workflow and process automation purposes? If you're using a specific line of business application, like an ERP system or a records management system, it makes sense to ascertain whether the cloud capture tool has out-of-the-box interoperability with that application. For example, a hosted content capture solution could have an import or export widget or trigger for bi-directional data flow.

More importantly, emphasis should be placed on the availability of web services OpenAPI specification and webhooks when evaluating cloud applications. A platform that supports open integrations will be more scalable as your organization grows, changes technology vendors and possibly switches workflow or RPA tools.

## Growth Potential



How easy will it be for your application to scale as your business grows? If your annual volume of documents or types of documents increases, will you be limited by licensing or server architecture constraints? Can you scale down during slow times?



# Ephesoft Transact Cloud

Transact Cloud is a global, single-tenant cloud solution that transforms physical and digital documents into usable data by automatically identifying document types, extracting key information and delivering it directly to any type of repository or workflow. Hosted in the Amazon Web Services cloud (AWS), Transact Cloud provides secure, scalable, intelligent data capture capabilities for organizations to automate their document processing without the added burden and expense of server management.

With an emphasis on data privacy security and client data management requirements, Ephesoft's cloud-based capture solution extends the content analysis and data extraction capabilities to organizations that don't want to take on the burden of server and application management for their document-centric processes. A robust set of [web service APIs](#) makes for seamless integration with existing applications and workflows, BPM tools and RPA systems in support of no code/low code IT goals. And out-of-the-box import and export plug-ins (like AWS S3 bucket file ingestion support or export modules for SharePoint and Box) support direct integrations with line of business applications. Moreover, a flexible licensing model supports a la carte consumption use of Transact in Ephesoft's cloud, bundled options for including add-ons like mobile, ID capture and entity extraction, as well as server-core based subscriptions.

For more information, [read the guide on Transact Cloud](#) or watch the video here: [Ephesoft Transact](#).



# Next Steps

In the midst and wake of a global pandemic, business continuity and security are key concerns for companies in every industry. Even though IDC predicted [a slower growth rate of 2.1%](#) for cloud applications than previous predictions, it is still the largest area of anticipated spend for everything IT-related in 2020. Conscious consumers that want to take their document capture tools to the cloud can do so responsibly and effectively by exploring the four considerations outlined in this guide.

Are you ready to move to the cloud?

## Additional Resources:

[Transact Cloud: Get Quick ROI in the Cloud](#)

[Watch the Video: Ephesoft Transact](#)

[Ephesoft Transact Web Services APIs](#)

[AWS S3](#)

[Case Study: AWS + Ephesoft](#)

[Case Study: innogy](#) - Learn more from innogy, a large energy company that deployed capture in the cloud.

[Case Study: Financial Services](#) - Read about a private equity firm that took their content capture requirements to the Ephesoft Cloud.

[Get a Free Trial](#)

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