



Topics: Digital Transaction Management, Workflow and Content Automation

Issue: Who are the providers in DTM and workflow and content automation and how will they evolve?

Author: Jim Lundy and Samra Anees

Dropbox Buys HelloSign; Moves Beyond Cloud Content Management Into DTM

Summary: Dropbox announced its intent to buy HelloSign, enabling Dropbox to expand outside of cloud content management by offering a complete digital transaction management (DTM) solution that includes HelloSign's workflow and content automation capabilities.

Event: On January 28th, 2019 Dropbox announced that it is acquiring HelloSign for \$230 million in an all cash deal. The announcement was issued via a press release on Dropbox's website.

Analysis

The acquisition of HelloSign by Dropbox will help Dropbox expand beyond its core cloud content management capabilities and enables it to become a complete digital work hub. The market for cloud content management was becoming crowded and commoditized, thanks to providers such as Microsoft OneDrive and Google Drive.

With HelloSign, Dropbox significantly expands its addressable market beyond ECM. With HelloSign and HelloWorks capabilities, this positions Dropbox as one of the emerging digital work hubs, a new category that Aragon has identified. The acquisition reflects consolidation of the digital transaction management (DTM) market.

HelloWorks Is All About Workflow and Content Automation

HelloSign was named a Leader in the 2019 Aragon Research Globe for DTM for the second

time, thanks to the functionality of HelloWorks. HelloWorks offers mobile-first document workflows and mobile onboarding, depleting the need for paperwork that could take days to process by digitally managing business documents and transactions. Digitally managing business transactions increases the speed and efficiency for the enterprise, enabling them to achieve faster business outcomes.

HelloSign Will Remain Autonomous

HelloSign announced that it will remain a standalone business reporting to Senior Vice President of Engineering, Product and Design Quentin Clark. HelloSign will be promoted to Dropbox customers, however, Dropbox indicated that it will still partner with other eSignature providers.

With the entry of Dropbox into the \$25 billion DTM market, this signals two things:

- 1) the growing demand for DTM capabilities is being noticed by CM providers
- 2) the consolidation phase of DTM is accelerating

Talent Infusion

With the departure of Dropbox COO Dennis Woodside last August, who had helped drive Dropbox into the enterprise, the HelloSign deal comes at a strategic time. Besides a growing company, Dropbox also gets the former CMO of Box, Whitney Bouck, who is now the COO of HelloSign. Her knowledge of the enterprise market will help Dropbox and it is one of the biggest overlooked aspects of this deal.

DTM Consolidation Accelerates

Last week, Nintex announced its own eSignature solution, Nintex Sign. It is powered by Adobe Sign and enables Nintex to offer a complete DTM portfolio. With Dropbox's acquisition, other DTM and workflow and content automation providers suddenly become more valuable. Pure play eSignature providers will be acquired, as will standalone workflow and content automation providers. On top of that, legacy CCM providers may also look attractive.

Dropbox Separates Itself from Content Management Providers

Storing and managing content is no longer the battle cry in the enterprise. Today, it is about putting content in motion. With the acquisition of HelloSign, Dropbox is adding HelloSign's eSignature and document workflow capabilities to its collaborative work platform.

This move will put pressure on other providers, such as Box, to move beyond being a pure play content management provider. The content management market is shifting and today enterprises are looking for providers with workflow and content automation, as well as intelligent content analytics.

The Rise of Digital Work Hubs

Digital work hubs are an emerging category identified by Aragon that provide functionality of multiple applications in a single platform that simplifies how people get work done. With Dropbox's acquisition of HelloSign, it becomes a content-focused work hub that goes beyond what standalone content management offerings provide.

Aragon Advisory

- Enterprises should evaluate Dropbox as one of the new providers of DTM and workflow and content automation.
- Enterprises need to look for more integrated work offerings vs. standalone best of breed.
- For advanced DTM solutions, where content assembly and transactions are needed, enterprises should evaluate Dropbox/HelloSign and others as a one-stop shop.

Bottom Line

The DTM market continues to grow and Dropbox is one of the first content management providers to jump in. With the need for automation, enterprises should look beyond pure content management providers for ones that can manage complete digital transactions.

Related Aragon Research

- [Nintex Launches Nintex Sign to Streamline Document Journeys](#)
- [The Aragon Research Globe for Digital Transaction Management, 2019](#)
- [The Aragon Research Tech Spectrum for Workflow and Content Automation, 2018](#)
- [Blockchain and DTM: Evaluating Identity, Signatures, and Smart Contracts](#)