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Focus Experts Briefing:
BI Buying Advice & Market Leaders

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Introduction

Business intelligence (BI) software allows businesses to gather, store, analyze, and access data so they can ultimately make better business decisions. But what considerations you should make before shopping for BI software? Of course, after you've made your initial considerations, you'll then need to get a handle on the market and figure out who the leading BI vendors are. This Research Briefing leverages the expertise and experience of Focus Experts and other Focus Community members. Their guidance will help you learn what to consider before searching for a BI solution, and give you insight into the BI vendor landscape.

We would like to recognize the contributions of the following Focus Experts to this Experts Briefing:

Michael Dortch (http://www.focus.com/profiles/michael-dortch/public/), who answered the question *What Should I Consider When Selecting a BI Solution?* (see page 3), is director of research at Focus.com.

Andrew Mosson (http://www.focus.com/profiles/andrew-mosson/public/), who answered the question *What Should I Consider When Selecting a BI Solution?* (see page 3), is CTO at Focus.com.

Leslie O'Neill, (http://www.focus.com/profiles/leslie-oneill/public/), author of *Top 5 BI Considerations for Enterprises* (see page 5), is a professional tech journalist.

Kirsty Lee (www.focus.com/profiles/kirsty-lee/public/), who answered the question *Who Are the BI Market Leaders?* (see page 7), is a marketing representative at We Are Cloud.

Table of Contents

What Should I Consider
When Selecting a BI Solution?

What should companies consider before investing in a BI solution?

— Trevor Usken, Focus expert and manager of expert services at Focus.com

Best Answers

Before buying anything, decision makers should inventory everything they already have for its actual or potential role in delivering more intelligence to the business. Things as basic as tracking the use of shared files by user or department can tell a business a lot, as can tracking who accesses what information at the company Web site. But many companies have not even started to do such relatively simple tasks in a consistent, well-managed way.

In addition, businesses should work with resellers, integrators their own IT teams and their peers to address issues of data quality, consistency and security, proactively and effectively. If there is an area of business or technology beyond computer programming in which the admonition about "garbage in, garbage out" matters, it's BI.

— Michael Dortch, Focus expert and director of research at Focus.com

I used to work for a major BI company. I would consider things like:

(1) What is important - canned, formatted reports or slicing and dicing of data
(2) How important is Web access and mobile alerts
(3) How scalable it should be (in terms of concurrent users)

If possible, do a bake sale to compare the final candidates before you commit.

— J Michael Mangalam, vice president of ParetoCentral.com

Ask yourself how much you want to/can you spend? BI solutions come in roughly two sizes: $50K +/- for open source-ish (Pentaho, Jaspersoft, etc.) and MSFT based solutions, and $250K+ from the big boys (Oracle, SAP, Microstrategy, etc.)

Most major players have similar functionality for basic reporting and analysis, but differ significantly in how they will fit within your environment. High-end solutions tend to require proprietary DBs or utilize commercial ones like Oracle or DB2, obviously the MSFT solutions are based around SqlServer and the open source solutions work with things like MySQL. You'll also want to figure out what sort of out of the box connections each of the platforms has since that can help speed implementation if you have a lot of systems you are trying to integrate.

Consider what, if any, advanced functionality you need. Things like data mining and advanced statistical analysis. This is a place where vendor do differentiate themselves.

— Andrew Mosson, Focus expert and CTO of Focus.com

The first thing is to define your requirements. You should have a very clear idea of what you want before parting with a single penny. In the case of BI, you need to understand what information you are looking to get out - is it financial, production related, sales performance etc. (Of course it may be many of these.)

Once you have the main thrust of what you hope to get, (lets say sales), you then need to establish in more detail specifically what you are looking to obtain from the system, e.g. sales staff performance via various metrics, effectiveness of marketing, customer retention/satisfaction, etc.

It may sound bizarre, but most companies actually don't know what they want from a system when they buy it, and are astonished when it doesn't deliver anything of value despite having spent vast sums of money on the project.

They only start to get useful information from the system later, at which point they then realize what else they could have included - but then all too often, they are restricted in what they can achieve due to limitations caused by not knowing in more detail from the start, what they really wanted.

— Anthony Sutcliffe

Read the full conversation:
http://www.focus.com/questions/finance/what-should-companies-consider-investing-bi-solution/

Introduction

Companies are turning to business intelligence (BI) technologies to gain valuable insight into their business and to bolster their decision making with facts gleaned from day-to-day business operations. CIOs want to learn more about what their customers want, which products yield the most sales, and which business processes can be made more efficient. BI can reveal this information, and more, but only if you match the right solutions to your organization's needs. Before deploying any BI solution, you should think through these top five BI considerations for the enterprise.

Analysis

1. **Vendor stability:** The BI software market has undergone drastic changes in the last few years thanks to several major acquisitions. Megavendors snapped up smaller companies to strengthen their presence in the BI market; Oracle acquired Siebel and Hyperion, IBM bought Cognos, and SAP purchased Business Objects. The effects of these changes are still being felt by vendor and customer alike. You need to be aware of the stability of your chosen vendor, whether that's a smaller company being eyed by a larger one or a megavendor still transitioning through an acquisition.

According to Gartner's 2010 Magic Quadrant for Business Intelligence Platforms report, "While Oracle, which acquired Siebel and Hyperion in 2005 and 2007 respectively, seems to be successfully exiting the back of this curve, as shown by significantly improved Magic Quadrant customer survey results this year over last, weak customer survey results for IBM and SAP suggest that they are still in the throes of this transition."

2. **BI consolidation:** Organizations haven't always had an enterprise-wide BI strategy in place, which often led to siloed departmental BI deployments spread across the company. This was facilitated by vendors offering specialized individual tools rather than integrated suites. According to recent research from Forrester, almost 50 percent of the companies surveyed reported using between three and five BI products throughout the enterprise, while only 20 percent said they use just one or two BI products.

Now that more BI vendors offer comprehensive BI suites with a variety of reporting and analytical tools, it may be easier for customers to consolidate BI tools to fewer vendors -- and reap benefits like volume discounts and easier integration. Wayne Eckerson, director of services and research at the Data Warehousing Institute, recommends that companies standardize their BI tools in each of four categories: query reporting and analysis, online analytical processing (OLAP), data mining, and scorecards and dashboarding. Still, don't rule out the BI technologies coming from small innovative vendors; their tools may fill an important niche in your organization.

3. **User friendliness:** One of the biggest changes in BI software is its increased user friendliness. BI vendors have made the UIs and reports much more user friendly for business users. According to Gartner, business users in particular like highly interactive and graphical UIs, which address their needs for ease-of-use and rapid deployment. The research firm also advises customers to look for interactive visualization tools and reports.

4. **Time to deploy:** It's important to also consider how long it will take to get BI software installed and generating reports useful to business. After all, most companies deploy BI software because they need information immediately. In fact, that pressure for results is one reason, Gartner found, that business users are turning to pure-play BI platforms from smaller vendors.

5. **Deployment models:** Enterprise users have more choices in BI software than ever before. Even though premise-based solutions remain the norm, BI vendors are starting to offer viable lower-cost options in the form of software as a service (SaaS) and even open source alternatives. SaaS and open course alternatives can be a good solution for organizations with specific requirements.

Conclusion

Taking into account the stability of your chosen vendor, BI software consolidation, the user friendliness of your BI tools, how long they will take to deploy, and how you want the software delivered will help you find the BI applications that will best fit your organization's needs. This also will help yield the best data, which will result in the most accurate decision making for all areas of the business.

— Leslie O'Neill, Focus expert and professional tech journalist

Who are the market leaders in the business intelligence industry?

Theoretical question here for all interested in business intelligence: In your opinion, who are the market leaders in the business intelligence (BI) industry and why? How are their BI products? Do they have a reputation for forward thinking and vision? What makes them stand out from the rest of the pack?

— *Mike Sumner, vice president of operations at manufacturing firm*

Best Answer

Gartner has been answering this question every year. My commentary on their 2010 outlook, along with their Magic Quadrant, is here: http://bit.ly/b0FN5N.

The short answer is that "they're all good." Their marketing literature will tell a different story, and some have an edge over others, but all the leaders have end-to-end offerings that can address most any organization's needs. At least on the surface.

In addition, IDC research in 2009 showed zero correlation between the vendor chosen and the ROI of the BI initiative the vendor was chosen for. So looking strictly at vendors, it becomes hard to choose leaders and followers.

But every organization is different - budget, staff, needs, skills, readiness, etc. When looking through the prism of your organization, and an honest internal BI assessment, choices become a lot clearer.

— *Ben*

Additional Answers

If you are asking a generic question about BI vendors then it is already answered by researchers. This information is already available at the Magic Quadrant for BI platforms.

If you are asking about the leaders focusing on innovating and improving, my big vendor choices would be:

SAP with its OnDemand-portfolio,
* They have an innovating team doing great things.

Microsoft with its Azure-platform,
* They are always looking ahead and I think they will move in to become a top-player.

IBM with its move for SPSS will add new frontiers
* They will focus on predictive and statistics instead of 'mainstream BI.'

It depends on the next targets, the predictive analytics vendors, before we have a new leading list in overall BI.

— *Patrick*

At We are Cloud, we agree with Ben in that every organization is different - SMBs can offer just as good a service as the big players, if not better! There could be a number of things that make smaller companies stand out above others.

The ones we think are the most important are:

· Price
· Simplicity of use (functionality)
· Features
· Overall sexiness

For example, if we compare some of the market with our product, Bime:

· Birst – Not so user friendly, does not have so many features
· QlikView – Long installation and setup; expensive
· GoodData – Fewer data connectors, specialized by industry
· Tableau Software – Expensive, installed software but user friendly and intuitive
· PivotLink – No geolocation, specialized to certain industries

So yes, it really depends on your business needs.

— Kirsty Lee, Focus expert and marketing representative at We Are Cloud

There are many players, but the leadership depends on the sector and the way the company is managed (according to its strategic structure).

Anyway, there are a few players involved on leadership nowadays; I would say Microsoft, Oracle, IBM & SAS, then in a second level I'd say Microstrategy & SAP.

Then (in a 3rd level) I'd say Tableau that is making an awesome improvement of the traditional BI, and could be an interesting challenger of the industry.

Finally every company using a BI software, at the end uses MS Excel to process and analyze data.

— Michael Sanchez

Read the full conversation:
http://www.focus.com/questions/operations/who-are-market-leaders-business-intelligence-industry/

About Focus Research

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* Source: Visa, Inc. Commercial Consumption Expenditure Index fact sheet.