Gartner **Business Intelligence & Information Management** Summit 2012

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Q&A

With Ian Bertram, Managing VP, Research, at Gartner.

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Is "cloud" something I should consider for Business Intelligence?

A

Cloud computing is one of the most discussed technology topics in the IT industry and around many executive dinner tables, as it has a far reaching influence and impact into business process, information consumption with respect to decision making and many other areas.

Not surprising the BI market is no exception to the cloud frenzy and hype, however in reality the adoption is very sluggish, and in fact falls far behind expectation from the vendor community By comparison we get 10 times more inquiries from vendors about BI cloud than inquiries from business clients.

Gartner predicts that by 2013, every major BI platform vendor will present a cloud offering, which will account for less that 3% of total BI revenue.

What this will mean is that, as an extension to functionality such as online reports or dashboard, cloud based applications make some sense. However, decision makers need to take into consideration the cost of data integration into the cloud, potentially duplicated management of data models and other infrastructure related components. If an organization is considering cloud, they must consider the impact on best practices that relate to data quality, proper data models, stewardship and standard for metrics.

One other point to consider, data integration is but one cost, over a 3 to 5 year time horizon it's been shown that SaaS providers can be as expensive if not more from a total cost of ownership than on-premise.

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Q

Why should I be considering the use of Social Analytics?

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Today, most organization have based their BI investment towards business decision largely based on transactional data originating in applications such as Enterprise resource planning or CRM. This type of BI has been then centered around "structured" data sources, while very few organization have extended this scope to include "unstructured" data such as email, documents, images, tweets, video and the vast amount of operational data. These newer types and styles of data, such as tweets, have not been included in most organizations scope as an input into decision making.

Gartner predicts that by 2014, 30% of organizations will include social networking analytics in decision making processes.

Organizations, particularly in the consumer and retail space have begun looking into social information sources as additional input to their traditional sources. There is so much information to be mined and discovered through these sources about an organizations, own, or even competitors, product or service; a certain buying trend; a product quality issue; a missing feature; or a shortage of supply that hasn't hit a company's supply chain logistics. Companies need to develop a strategy that enables them to leverage relevant information sources within the context of their business strategy.

How should I be handling Big Data?

With the increased utilization of smart devices and growing internet connectivity, with increased number of devices such as CCTV being connected to the internet that's streaming different types of data, there is a significant shift towards vast new sources of data being available for analysis. However, the complexity, variety and velocity with which this data is delivered and combined, amplify the problem substantially beyond simple volume implied by the popular term "Big Data".

Gartner predicts that by 2015, 85% of fortune 500 organizations will be unable to exploit "big data" for competitive advantage.

Storage, processing power, processing algorithms and bandwidth will all become significant challenges for most enterprises, although the pain point will be felt at different levels of scale. Even when enterprise infrastructure can collect, process, and present the incoming data in a usable and timely manner, there remains the cultural and organizational issues associated with management receiving the information, trusting the information and then making a decision in an appropriate time scale to effect material change.