

# Intelligent Business

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Tuesday, May 04, 2010

*Most of the businesses around the world have been facing one major challenge which is churning right set of data. Important business decisions are taken based on data which comes with its own set of parameters like accuracy, comprehensibility, security etc*

Business Intelligence (BI) is increasingly being used by on-the-go business people, too. It is now possible to deliver reports from servers to hand-held devices and let authorized users make changes to the data in those reports, eg data sourced from excel sheets. Most of the errors which are committed are due to the faulty data transfer from one sheet to another or missing certain data in collation. This can be reduce to a large extent. BI platforms are used to build applications that help organizations learn and understand their business. BI is a software platform that delivers the 12 capabilities which can be organized into three categories of functionality: integration, information delivery and analysis. Information delivery is the core focus of most BI projects today, but there is an increasing need to focus more on analysis to discover new insights, integration to implement those insights.

## **Market overview**

BI market is growing and continues to evolve. It has only penetrated 10 to 15 percent of the known user base. Gartner report 'Hype Cycle for ICT in India 2008', expects BI market in India to reach \$46.8 million by 2012. India is a huge market for BI and is growing with double digit figures. If deployed successfully, BI can improve decision making and operational efficiency, which in turn drives the top line and the bottom-line. The India Advanced Analytics software market (2008- 2013) is slated to grow at a CAGR of 22 percent Source: IDC's India Business Intelligence Solutions Market Analysis and 1H 2008 Update, (October 2008).

Organizations across the globe have invested heavily in ERP and CRM to streamline and integrate their business processes. Sizeable portion of investments happen in licensing, implementation, AMC etc. The Business Process transaction data which is sourced has to be accurate. To generate data output, organizations create standard reports available in the system. They also analyze and manipulate data by exporting the same to excel. Today companies have started Implementing Data Warehouse for Business Intelligence and data analysis for the senior management.

## **Limitations**

Most of the standard reports are static and hence data analysis is not possible. Generating non-standard reports requires dependency on a third-party vendor. There is no control on data loss, security or transparency while transporting to excel. Heavy investments are required in data warehouse creation, training, data consolidation etc with data analysis not possible on real-time basis.

From the green aspect reports get printed without checking its accuracy. By using BI, companies can save on printing cost and reduce paper consumption. The retail industry has lagged behind in adopting new technologies, and this holds true in its acceptance of BI as well. These are challenging times for the retail industry, with increased competition, blurring customer segments, rapidly changing buyer behavior, low profit margins, increasing input cost and emerging sales channels. With every step of organizational growth, business processes continue to generate an enormous amount of data with increasing complexity but retail business leaders point to the lack of sufficient information and insights to take smart decisions for their businesses.

It is a knowledge-driven economy now; hence a rapid understanding of business is more crucial than ever before, on account of the new rules of competition and the greater complexity and speed for change. Up-to-date information is one of companies' strategic resources and the basis for competitiveness in today's ever-changing business climate. Retailers more than ever, must realize the need for a solution to turn strategy into actions, decentralize planning, budgeting and achieve participation and collaboration across all business functions such as customers, suppliers, stores, supply chain, operations and marketing. Retailers need to adopt analytical solutions early with intelligent use of their business data which can help them grow and beat the competition.

### **Latest offerings**

MAIA Intelligence's 1KEY Agile BI Suite software can be deployed enterprise-wide, connects disparate data, and is scalable and cost-effective. 1Key BI has In-Memory Processing Architecture, hardware and infrastructure optimization and BI licensing in-built. Along with it, the software also can convert all existing static reports to dynamic reports with rich features for data-analysis. It can create a mechanism of generating non-standard and ad hoc reports, thereby reducing the dependency on third-party vendors and/or proprietary skills. Sanjay Mehta, CEO, MAIA Intelligence said, "1Key provides a secure, enterprise-wide easy-to-deploy and easy-to-use BI and Reporting tool where users can create and format their own reports. It connects directly to source data, thereby enabling real-time BI and reporting." MAIA has come out with a feature 'portable cubes' which carry information and can be printed even without connecting to the Internet. This comes with 1Key which is India's first BI product indigenously developed in India.

Similarly Sybase has come out with in-database business analytics which is called IQ15.1. It delivers smart functionality that allows users to drive risk management, fraud detection, business process management and investment strategies by running real-time predictive analytics directly in the Sybase IQ 15.1 database. This increases speed and accuracy while utilizing years of organizational data enabling organizations to make better predictions about business risks, opportunities and make operational decisions more efficiently.

### **Challenges**

The management of unstructured data is recognized as one of the major unsolved problems in the IT industry, the main reason being, tools and techniques that have proved so successful transforming structured data into BI and actionable information simply do not work when it comes to unstructured data. Sudesh Prabhu, Director-Presales and Services, Sybase India while explaining the nuances of BI said, "No one involved with analytics doubts that data is exploding. Websites and operational systems already produce volumes. New business regulations plus several civil court actions resulting in huge damage settlements have focused efforts on unstructured data. To archive and analyze data, tremendous IT power is required." Citing an example Prabhu said, "Using general-purpose, row-based DBMS that were never designed for analytics causes significant hardware bloat." Generations of disparate tools merge into a complex, brittle infrastructure. Lack of agility and high costs have pushed enterprises to the tipping point. A purpose built analytics server can convert intelligence applications in tune with the existing

system. A column-based analytics server has the potential to help companies with large data warehouses and complex analysis needs.

Atul Jalan, Founder and CEO, Manthan Systems, has a different perspective on unstructured data. He said, "Data may be present in multiple formats it may be very difficult for 'timely access' of data and can act as a set-back for analysis of data. There may be variations in data because of lack of discipline and this can result in erroneous decisions. Unstructured data requires larger data storage space."

### **Advantage**

The BI solutions can be of great help to enhance the productivity and profitability of any business organization. These constantly monitor the performance of an organization. It is very instrumental in updating the model of the business organization. The prominent BI advantages are the usage of trusted intelligent information to improve the performance and accountability of service programs, detect potential frauds and track compliance. It helps in making decisions based on factual information from a single trusted source. It provides online services securely through single-point administration and conveys priorities across the organization for better response. "Banks may need to analyze business performance, fraud, risk performance, accounting, supply chain effectiveness or perhaps they are facing data challenges posed by regulatory reporting mandates," said Prabhu.



BI solutions have the ability to anticipate raw data, to turn it into information. In simple words BI solutions acts as a support tool of extensive, relevant and proactive management and decision making in companies

**Atul Jalan**, Founder and CEO, Manthan Systems



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**Sanjay Mehta**, CEO, MAIA Intelligence

Summing up the tangible and intangible benefits Mehta said, "At customer end BI easily saves about 20 minutes of employees' normal analysis. Reporting saves about 90 minutes beyond the traditional reporting, improve efficiency, productivity and data implementation. Important tangible benefit is the authenticity of data and its source. Lot of intangible benefits include faster decision making, quicker response and productivity savings." There are a number of business and technical benefits. It leverages existing IT resources to streamline data analysis and eliminates Static Report usage for better adherence to data security/statutory and regulatory compliance.

Domains like BFSI, government, telecommunications and retail generate huge amount of data with lot of variations. To have faster access to information, businesses need to adopt appropriate and efficient BI solutions to aid better decision making. A good efficient solution may be an integration of the best of breed technologies in each of these areas. Adding more light on this Jalan said, "In simple words BI solutions acts as a support tool of extensive, relevant and pro-active management and decision making in companies."

### **SI advantage**

System Integrators (SI) provide complete solutions to such businesses. They have the unique advantage of knowing the customers' business and knowledge of various technologies. Using BI can increase their cash flow and a develop a healthy bottomline-through not just sale of licenses but the quantum of high quality premium services that go with the implementation. In most cases deploying of BI by SIs has seen high success rates. It gives lot of visibility to them and existing customers are content with the results. SI can cross sell, which will help them enter new markets and new domains.

According to Mehta, SI's can use their existing customer base to convert into a potential base for BI, if they possess right understanding of the requirement and solution. BI provides the top management the ability to sense, recognize, and estimate changes in the business environment better and more quickly.

### **Verticals**

Any company which deals with data requires BI as Mehta said, "MAIA caters to whole set of industries from telecom to manufacturing, retail, media and government etc. Our USP lies in product flexibility which can be done according to the customer's requirements." Currently, most retail enterprises have deployed and stabilized ERP/CRM/SCM or core business (transactional) applications and are thus looking for a tool that can leverage the IT investment in these packaged applications. Sharing his insights Mehta said, "Presently, the demand for BI solutions is largely being driven by MNCs and large enterprises. BI solutions seem to have gained more acceptance and significance in retail where customers play a pivotal role in the future of the company."

Commenting on the market size Jalan said, "With respect to retail BI and ARC in specific, we estimate the total potential market size for ARC on a global scale (with associated revenue streams in licensing, services, support and maintenance) and complementary service offerings in the retail BI/PM space to be \$6 billion growing at 20-30 percent YoY." In many companies the CIO makes a huge difference in implementation of any software. Prabhu said, "CIO's in most of the organizations are becoming demanding. BI has become one of their key priorities as it helps to identify and capture potential customers. Every organization wants to keep them completely equipped for any future risk and BI is a component which will act as the backbone."

### **Is BI a discretionary spend or significant value addition?**

The Indian BI and analytics market will grow rapidly on account of IT adoption across verticals, and increasing competition and globalization. Indian companies are now viewing business analytic solutions as a competitive differentiator and a strategic tool in an effort to overcome challenges and increase revenue growth and profitability in troubled economic markets. "BI has moved well on from query and reporting tools, though standardized and efficient reporting remains the best way to start any BI project. CIO's these days are talking about how their core business can get the agility needed to act profitably in as real-time a manner as possible and are looking at all areas within their enterprises for leveraging such profit," said Prabhu. For retail sector the analytics has to be defined differently Jalan said, "Analytical needs of all retail roles like merchandisers, marketers, finance managers etc are different. Therefore customizing BI to suit their needs is important."

## **SaaS to make BI more accessible and more affordable**

Software-as-a-Service (SaaS) model is a relatively new phenomenon globally. Typical use of applications such as analytics-as-a-service and advanced analytics requires instant answers on large amounts of data. Often these applications serve many complex, ad hoc queries from hundreds of concurrent users. On-demand analytics where applications such as stock trading software or manufacturing software call the analytics system for instant answers are also an excellent match. Sybase recently announced 'Bring Deep Analytics' to target mobile operators with hosted BI solutions for messaging traffic. Sybase Operator Analytics 365 provides a wide range of reports including message traffic, network utilization, performance indicators, quality of service testing and customer analysis. Prabhu said, "With Sybase 365 global network the company can monitor key network components better. It lets users view performance trends and analyze system history in order to diagnose message delivery issues and troubleshoot problems."

## **BI in Cloud Computing**

Sybase recently announced an initiative targeting developers that will enable enterprises to take advantage of the benefits of the cloud computing model. Prabhu said, "We are enabling developers to extend their existing software development environments onto public cloud computing environments such as the Amazon Elastic Compute Cloud (Amazon EC2)." The company is working with hardware and software industry leaders to integrate and optimize server, storage and I/O virtualization.

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