

Build or Buy?

Evaluating Packaged vs Best of Breed BI Solutions

Wayne Eckerson

Director, TDWI Research

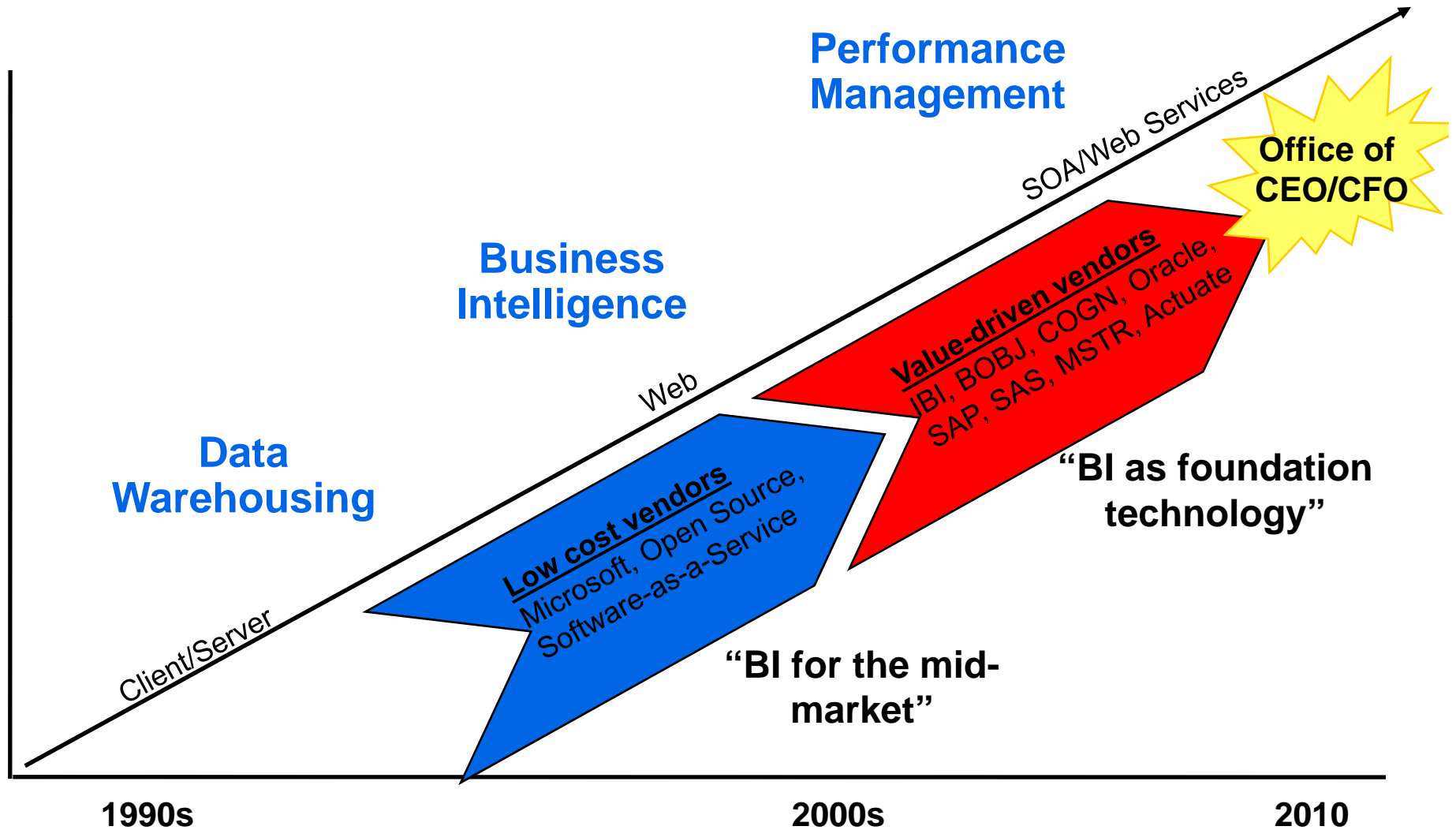


T D W I R E S E A R C H

Agenda

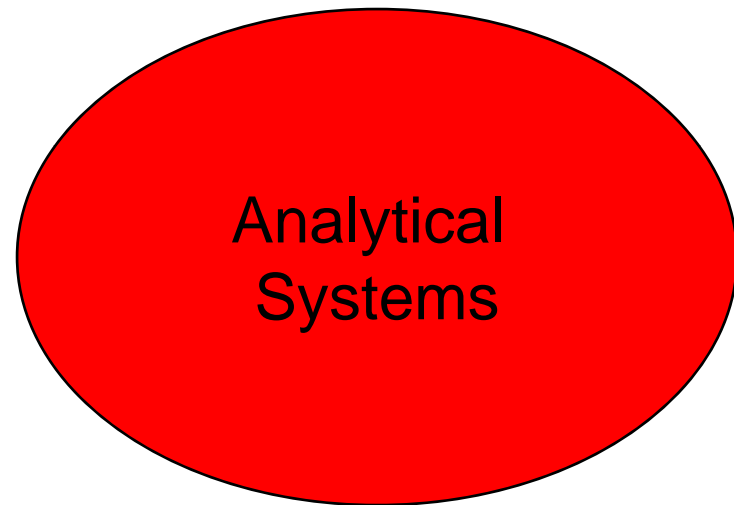
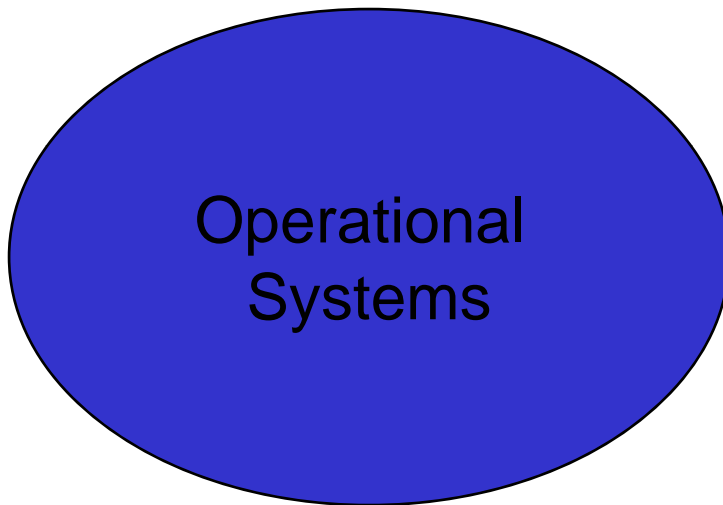
- Industry Trends
- Convergence
- BI Platforms
- Packaged Analytic Applications
- Best of Breed

Market Evolution



Convergence

1990-2000

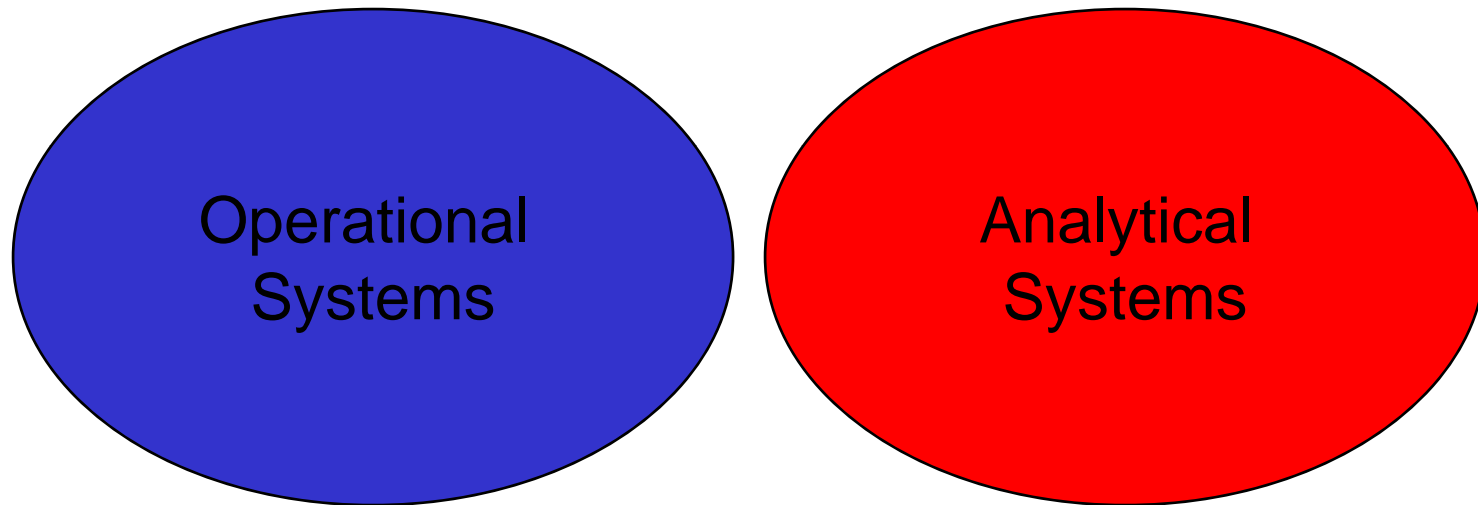


ERP: “Analytical systems are an afterthought”

BI/DW “Analyze historical data in batch”

Convergence

2000-2005

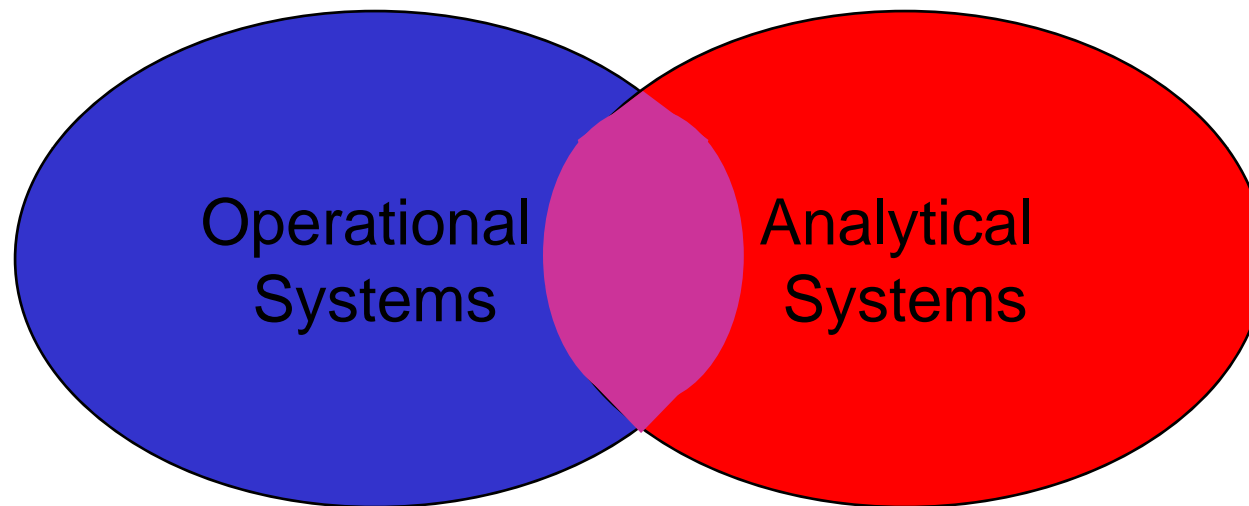


ERP: “Analytical systems are a growth

area”
BI/DW: “Monitor process performance”

Convergence

2006-2010



ERP: "Embed analytical systems"

BI/DW: "Analytical systems close the loop."

Consolidation – 2007+

ERP Players

- Oracle
- SAP
- IBM
- Microsoft

BI Players

- Hyperion
- Business Objects
- Cognos
- Proclarity
- MicroStrategy
- Teradata
- SAS Institute
- Hewlett Packard
- Information Builders
- Informatica
- Actuate
- Others

Consolidation – 2007+

ERP Players

- Oracle/Hyperion
- SAP/BO
- IBM/Cognos
- Microsoft/Proclarity

BI+ Players

- SAS Institute
- Teradata
- Hewlett Packard

BI Players

- MicroStrategy
- Information Builders
- Informatica
- Actuate
- “Others”

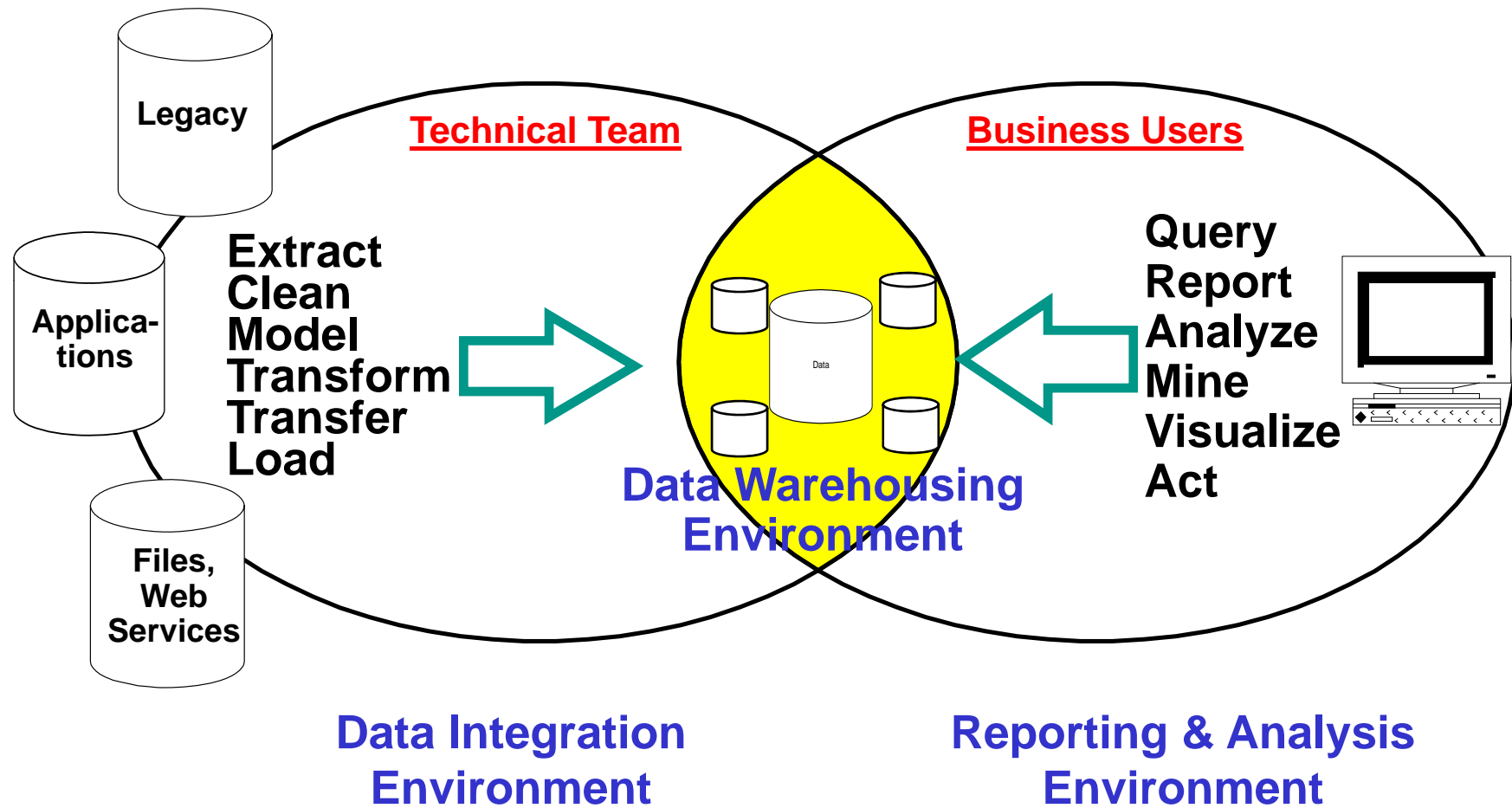
The “Others” – Best of Breed?

- In-memory BI/Visualization
 - *QlikTech, Spotfire, Tableau, Advizor Solutions*
- Dashboards
 - *Corda, iDashboards, Visual Mining, Appfusion, Theoris*
- MPP Databases
 - *Aster, Greenplum, Kognitio*
- DW Appliances
 - *Netezza, Dataupia, Kickfire, Teradata*
- Columnar Databases
 - *Sybase, Vertica, ParAccel, InfoBright*
- Event driven analytics
 - *Streambase, SeeWhy, Truviso, Syndera, Truviso*
- Data Integration
 - *GoldenGate, Expressor, ab Initio, Pervasive, iWay, DataFlux*
- Open Source
 - *Pentaho, Jaspersoft, Talend, Apatar,*
- Software-as-a-Service
 - *LucidEra, PivotLink, Oco,*

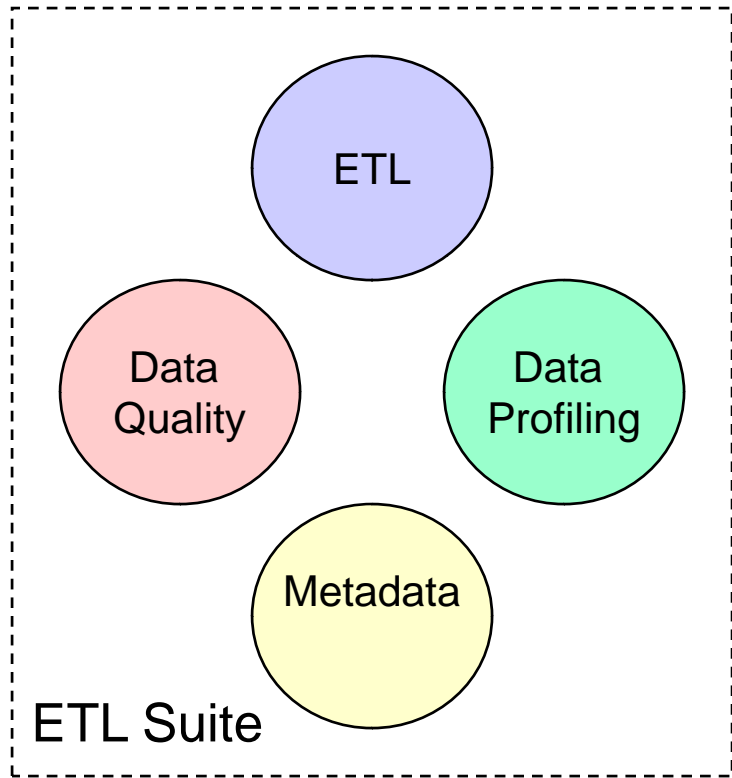
Build vs Buy

- Technology platforms
- Packaged analytic applications
- Best of breed

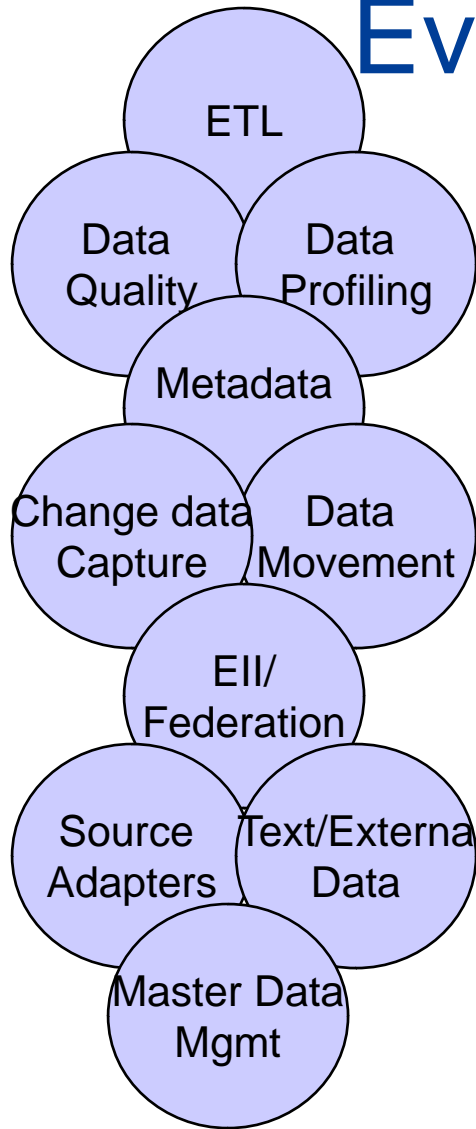
BI Stack



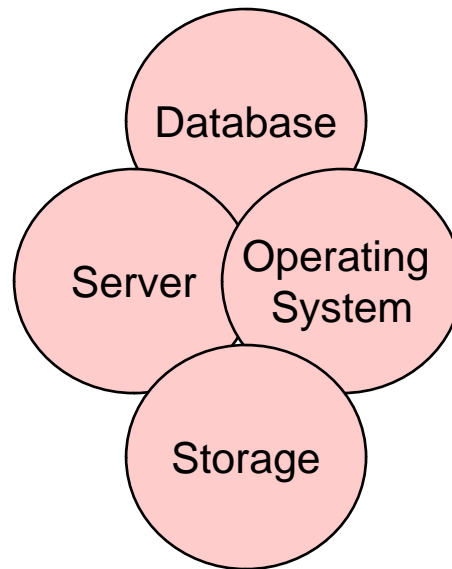
Evolution of Suites



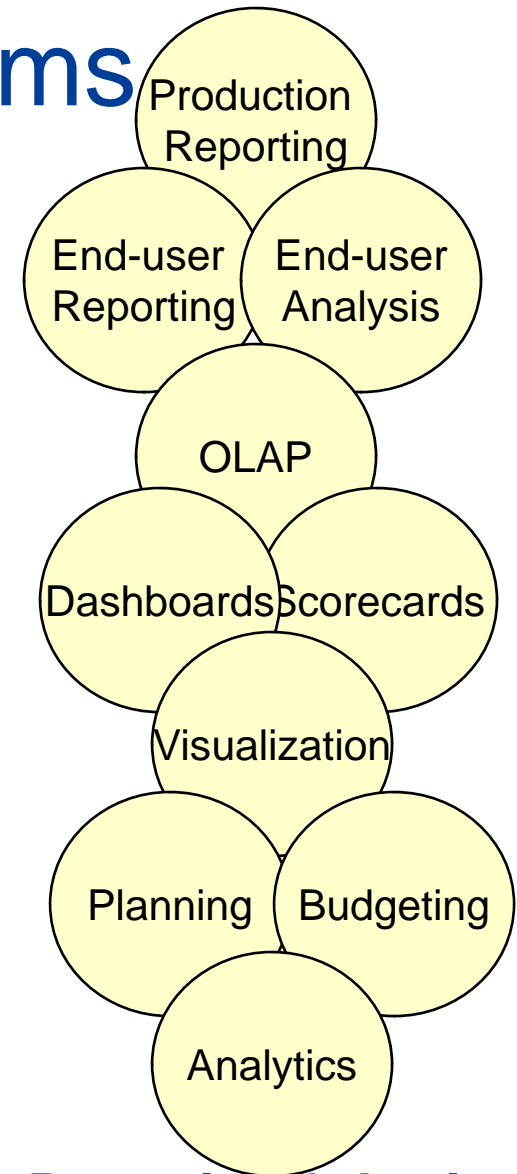
Evolution of Platforms



Data Integration Environment



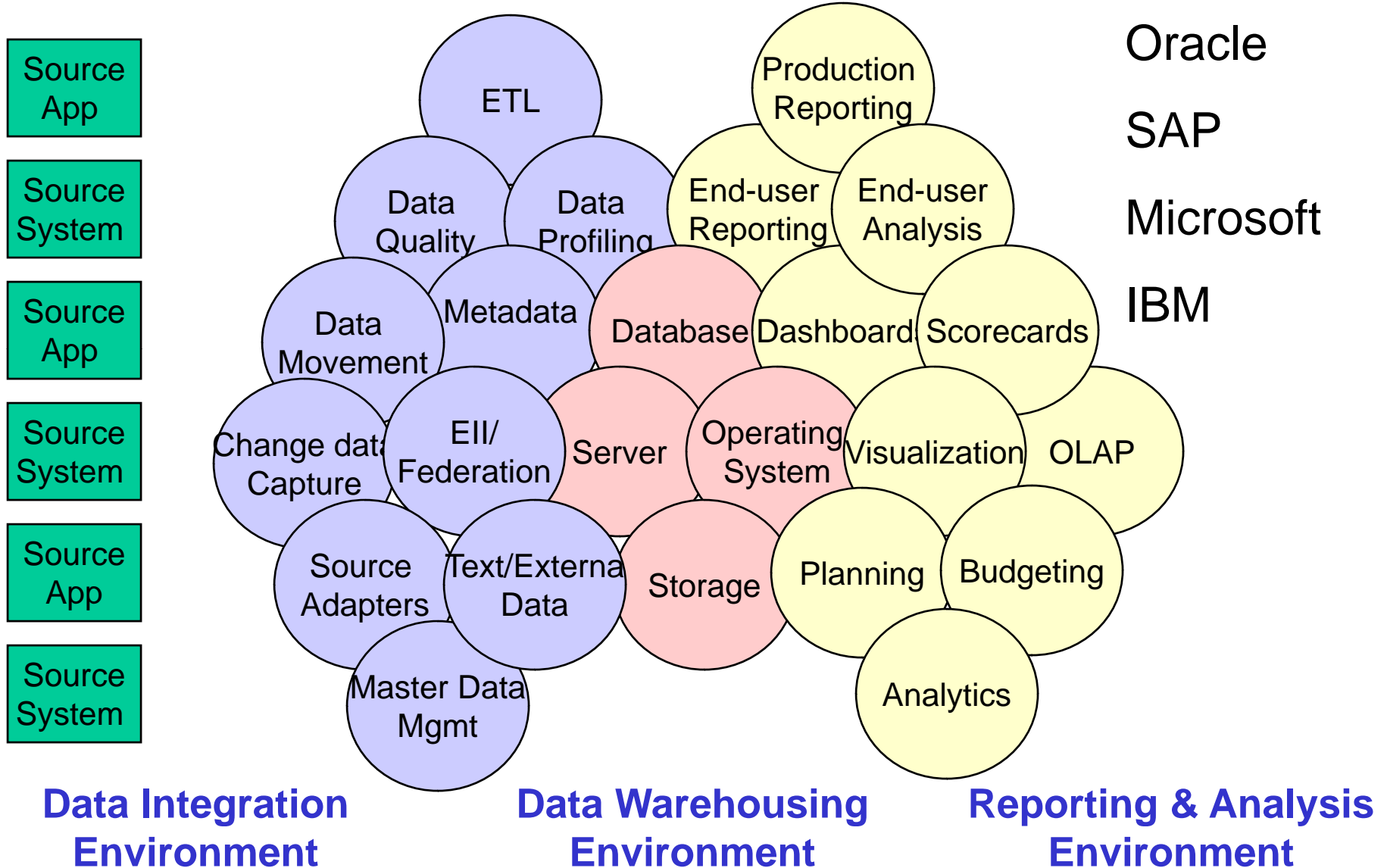
Data Warehousing Environment



Reporting & Analysis Environment

Evolution of Platforms

The Big Four

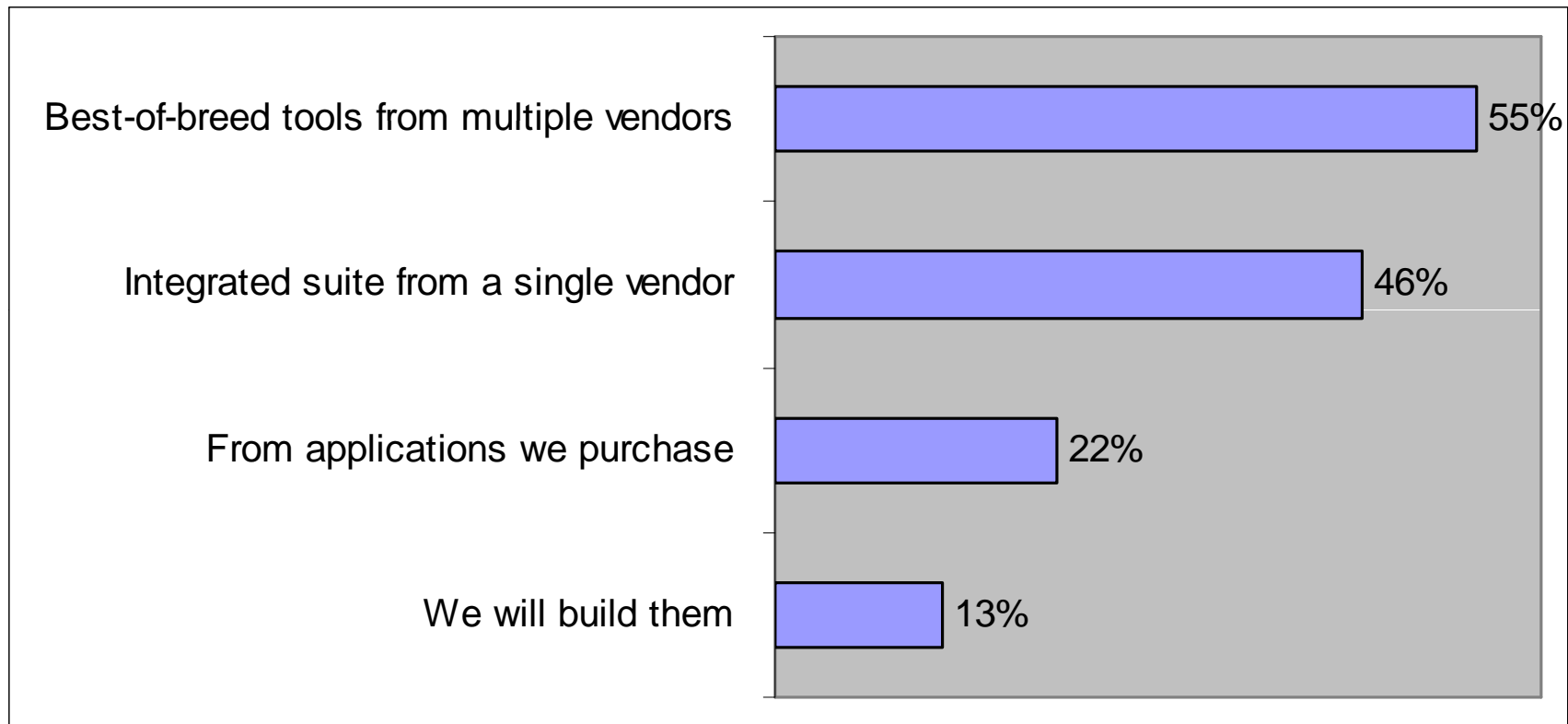


Data Integration Environment

Data Warehousing Environment

Reporting & Analysis Environment

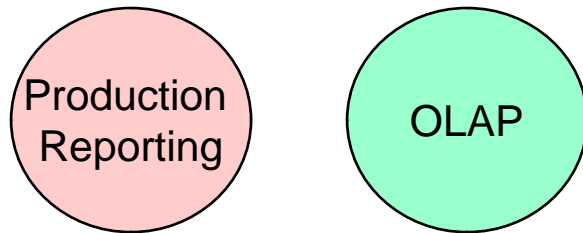
Where do you obtain your BI tools?



From Wayne Eckerson and Cindi Howson, "Enterprise Business Intelligence: Strategies and Technologies for Deploying BI on an Enterprise Scale", 2006. Based on 594 respondents.

Best of Breed vs Platforms

Best of Breed

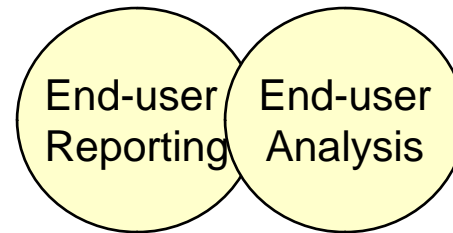


- Focused
- Innovative
- Holistic/unified
- Responsive
- Value pricing

But...

- Comprehensive enough?
- Integrated with 3rd party tools?
- Viable?

Suite/platform



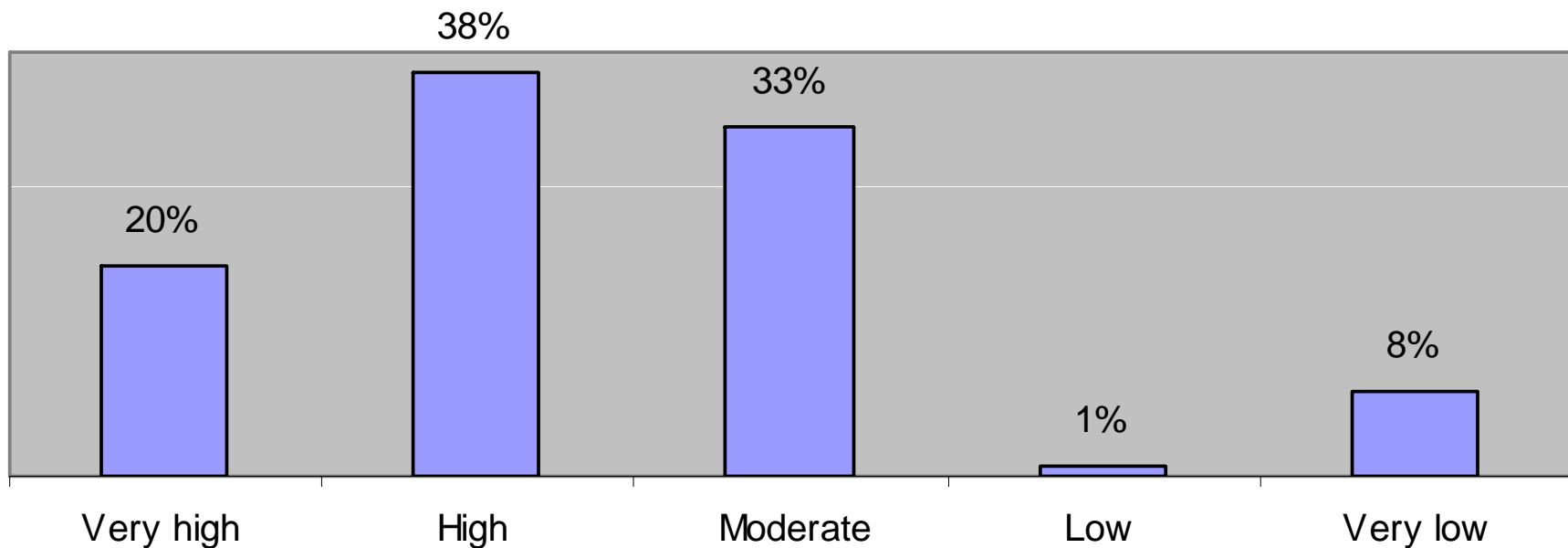
- All in one
- Integrated
- High ROI
- Single contact
- Volume pricing

But...

- Degree of integration?
- Degree of functionality?
- Vendor focus?

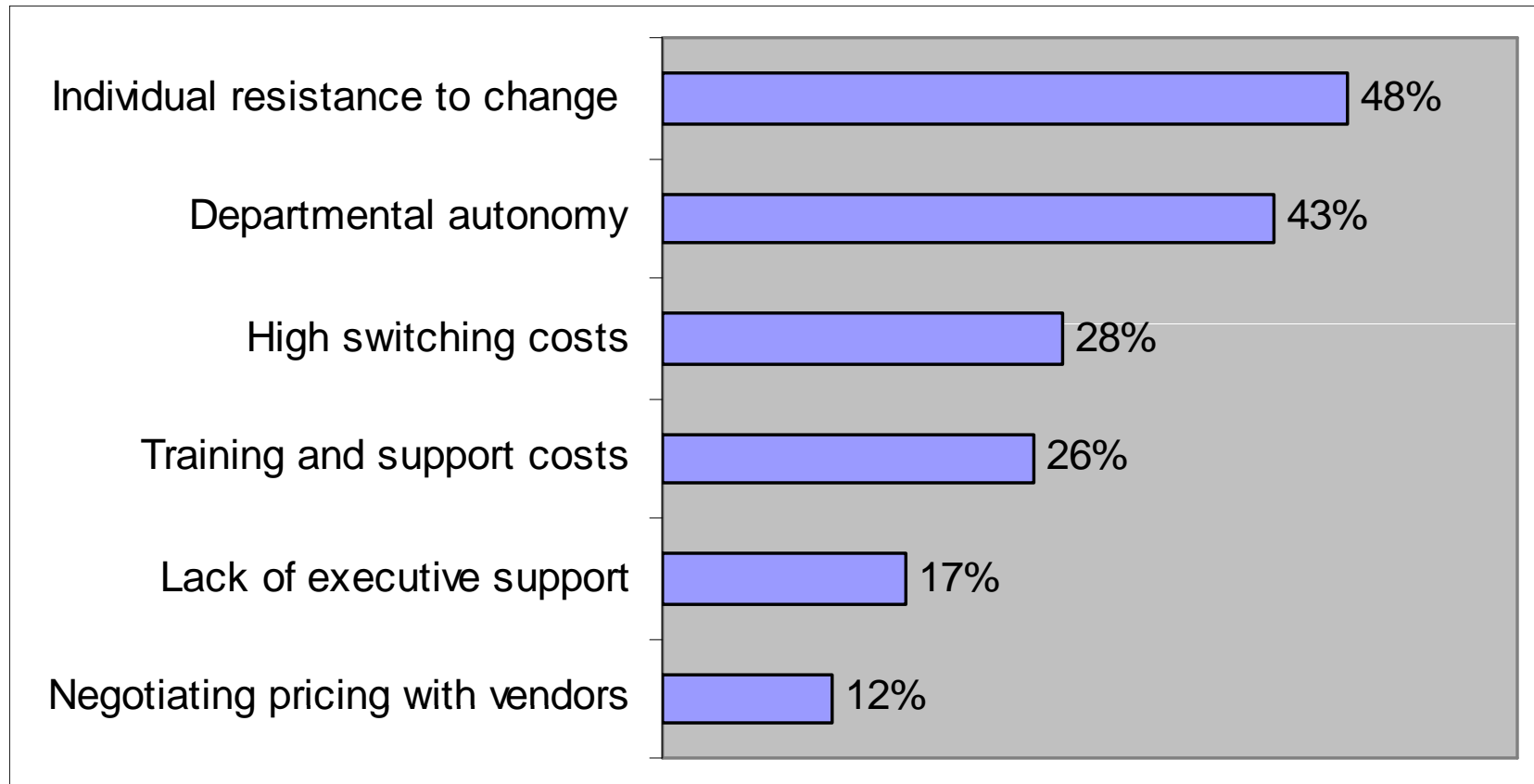
Standardization Success Rates

To What Degree has Your BI Standardization Been Successful?



From Wayne Eckerson and Cindi Howson, "Enterprise Business Intelligence: Strategies and Technologies for Deploying BI on an Enterprise Scale", 2006. Based on 594 respondents.

Standardization Challenges

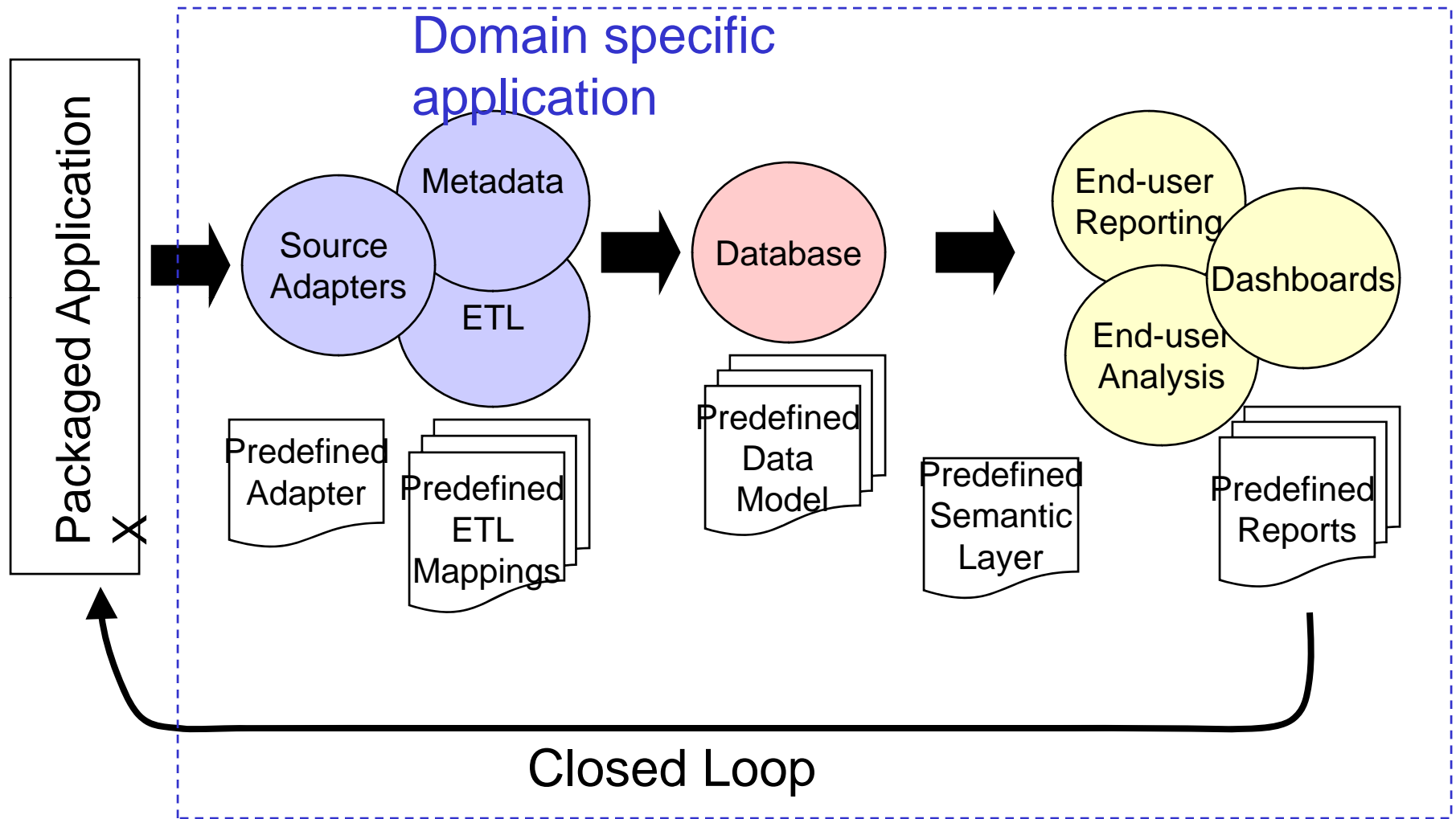


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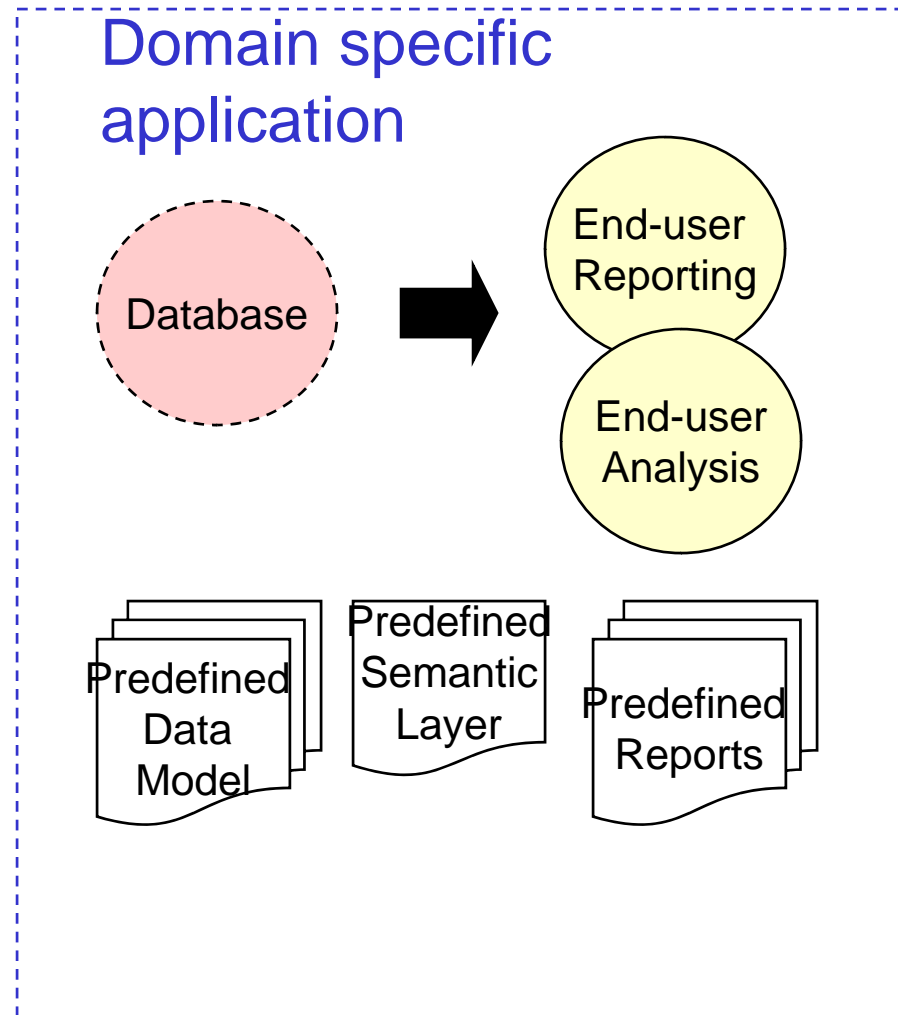
Packaged Analytic Applications

- End-to-end application built on a BI platform that supports the reporting and analytical requirements of a specific business domain.
- Examples:
 - *CRM analytics for consumer retailers*
 - *Order-to-ship reporting and analysis*
 - *Supplier analysis for discrete manufacturers*
 - *Workforce planning and scorecards*
 - *Fraud and money laundering analytics*

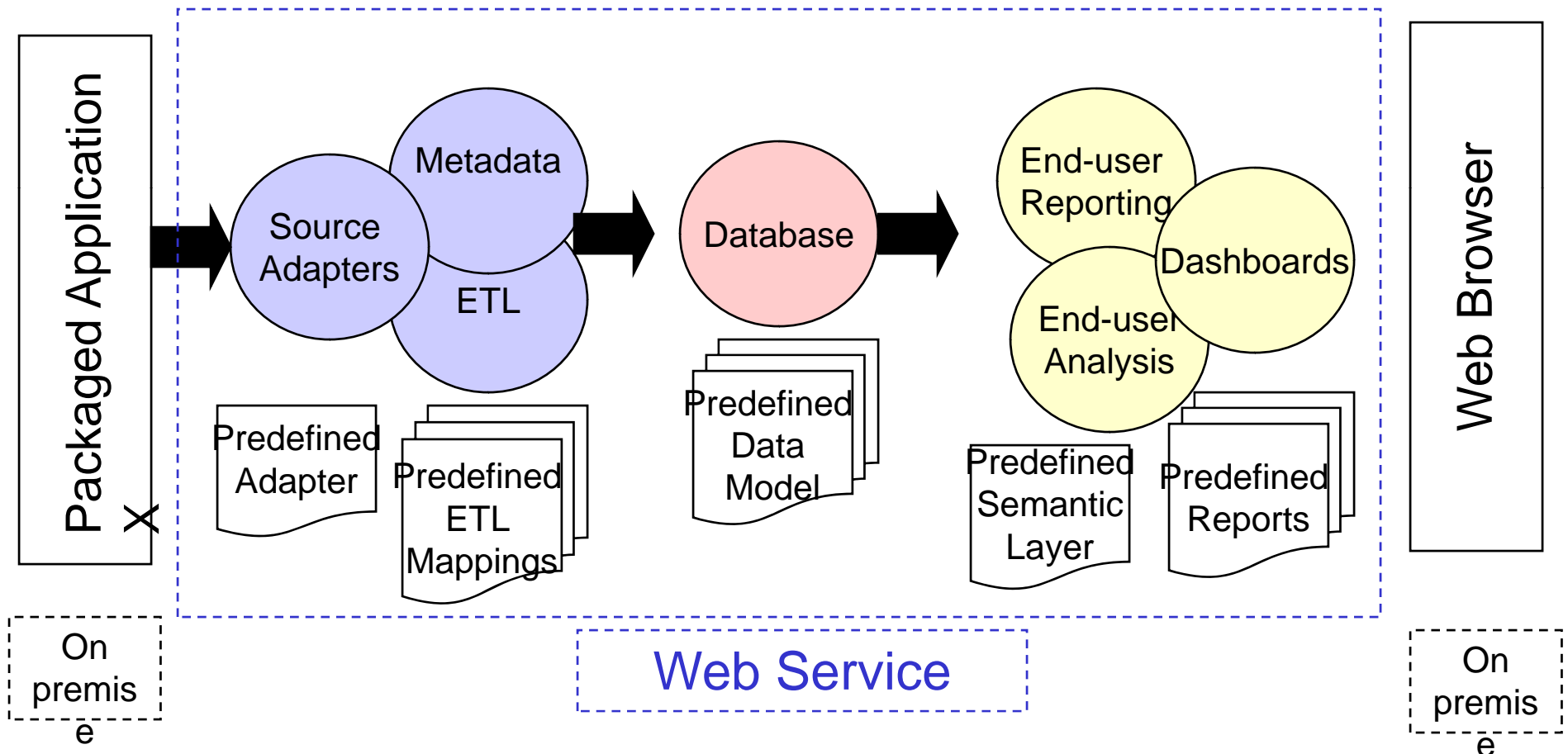
Packaged Analytic Apps - Classic



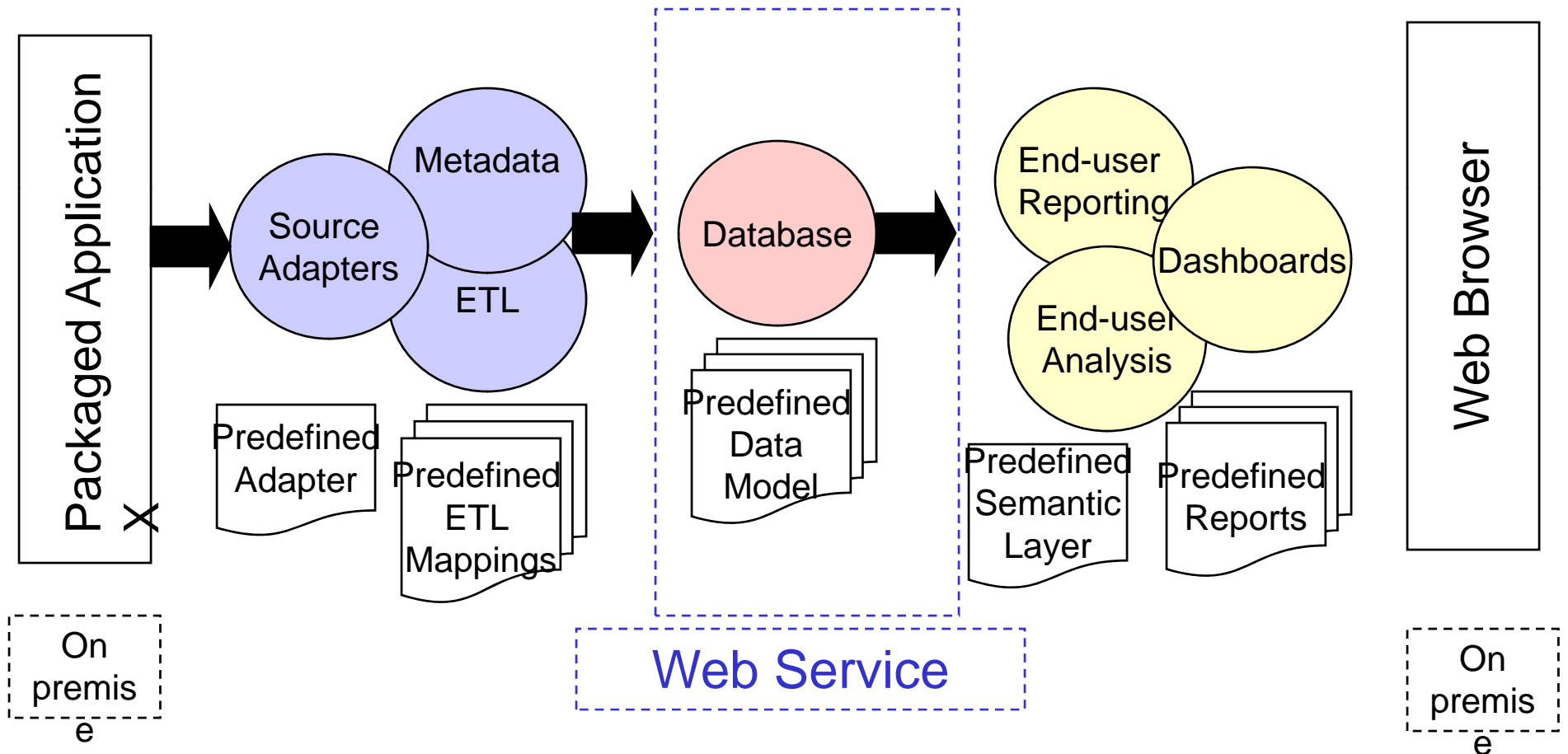
Packaged Analytic Apps – BI Tools



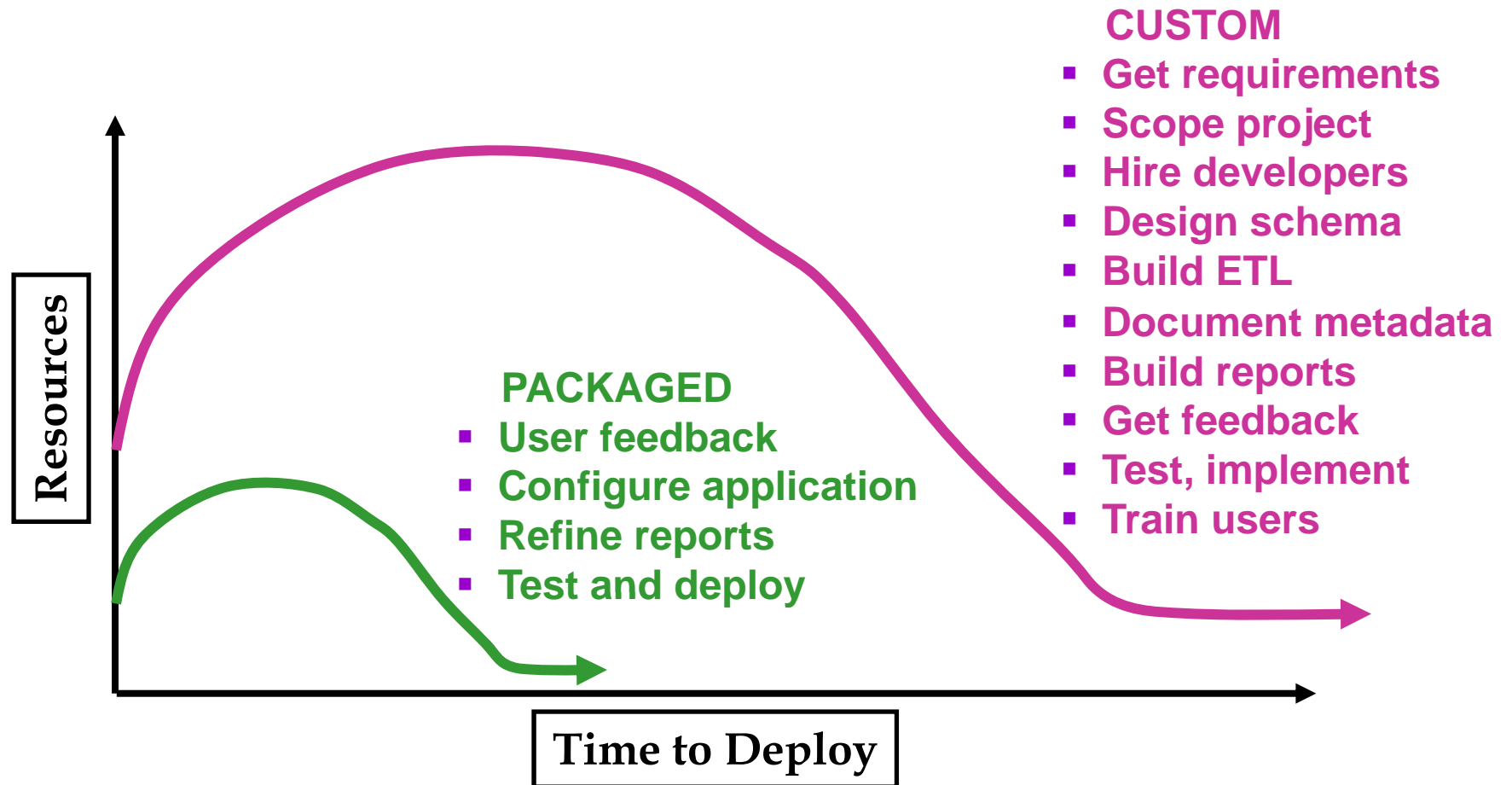
Packaged Analytic Apps: SaaS



Packaged Analytic Apps: DaaS



Packaged Analytic Applications

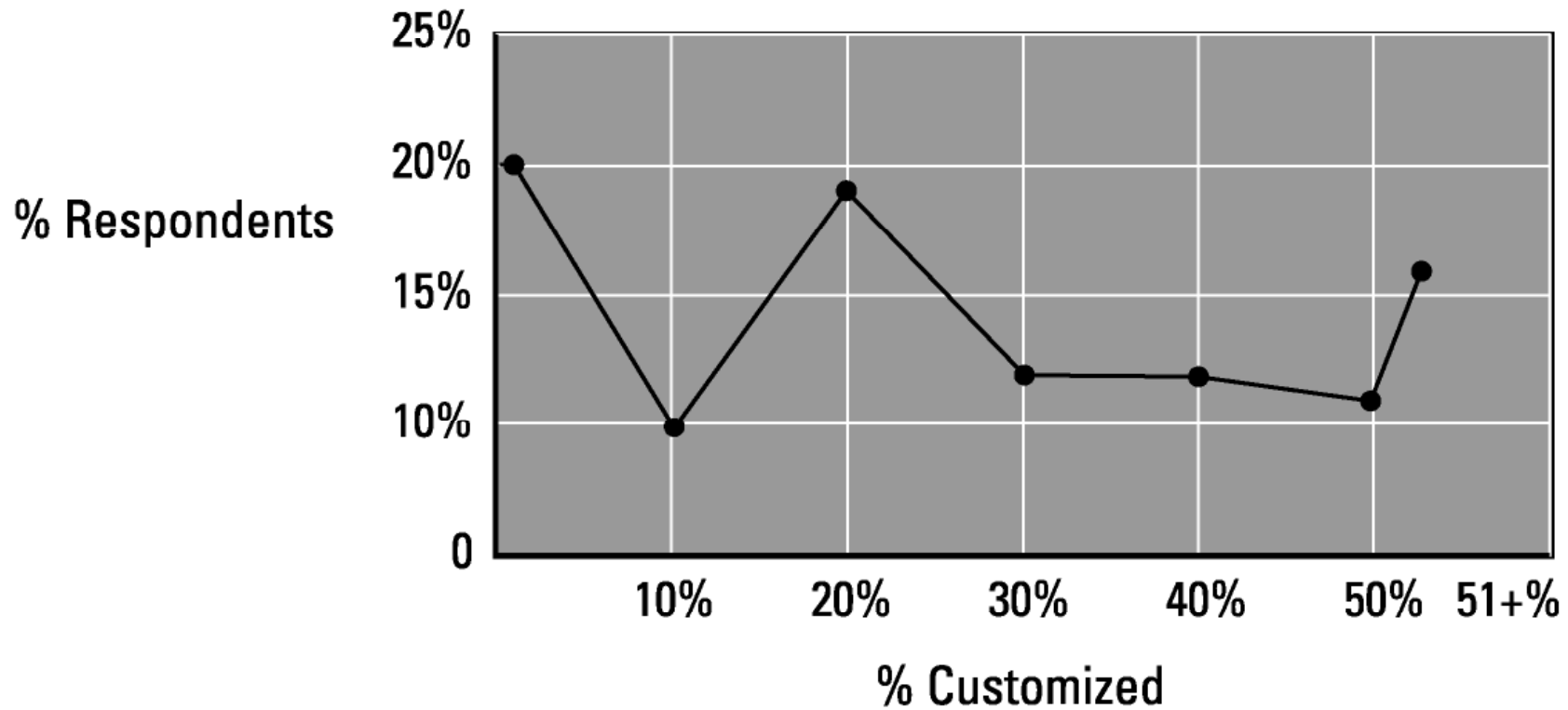


Evaluating Packaged Applications

- Pros
 - *Speed to deployment and ROI*
 - *Incorporates industry best practices*
 - *One throat to choke*
 - *Closed loop processing*
- Cons
 - *Silos of applications*
 - *Duplicate components*
 - *Lack of configuration flexibility*
 - *Difficult to upgrade customizations*
 - *Vendor lock in*



Customizing Packages



Based on 162 respondents.

Cost of ownership increases

Evaluating “Build Your Own”

Pros

- Get what you want
- Pay only for what you build
- Use existing tools and expertise
- Differentiate from the competition

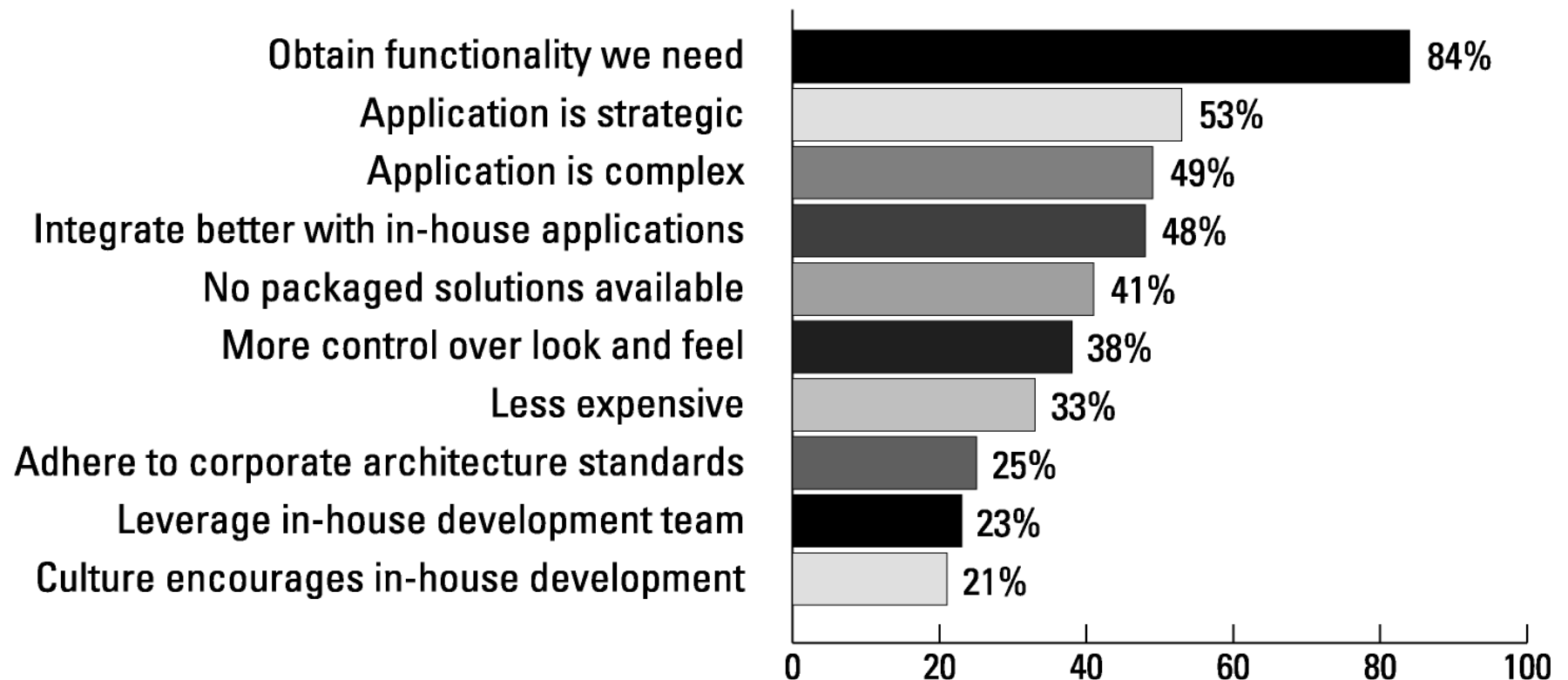
Cons

- Cost of maintenance
- Development skills required
- Developers must be available
- May not have broad knowledge of best practices



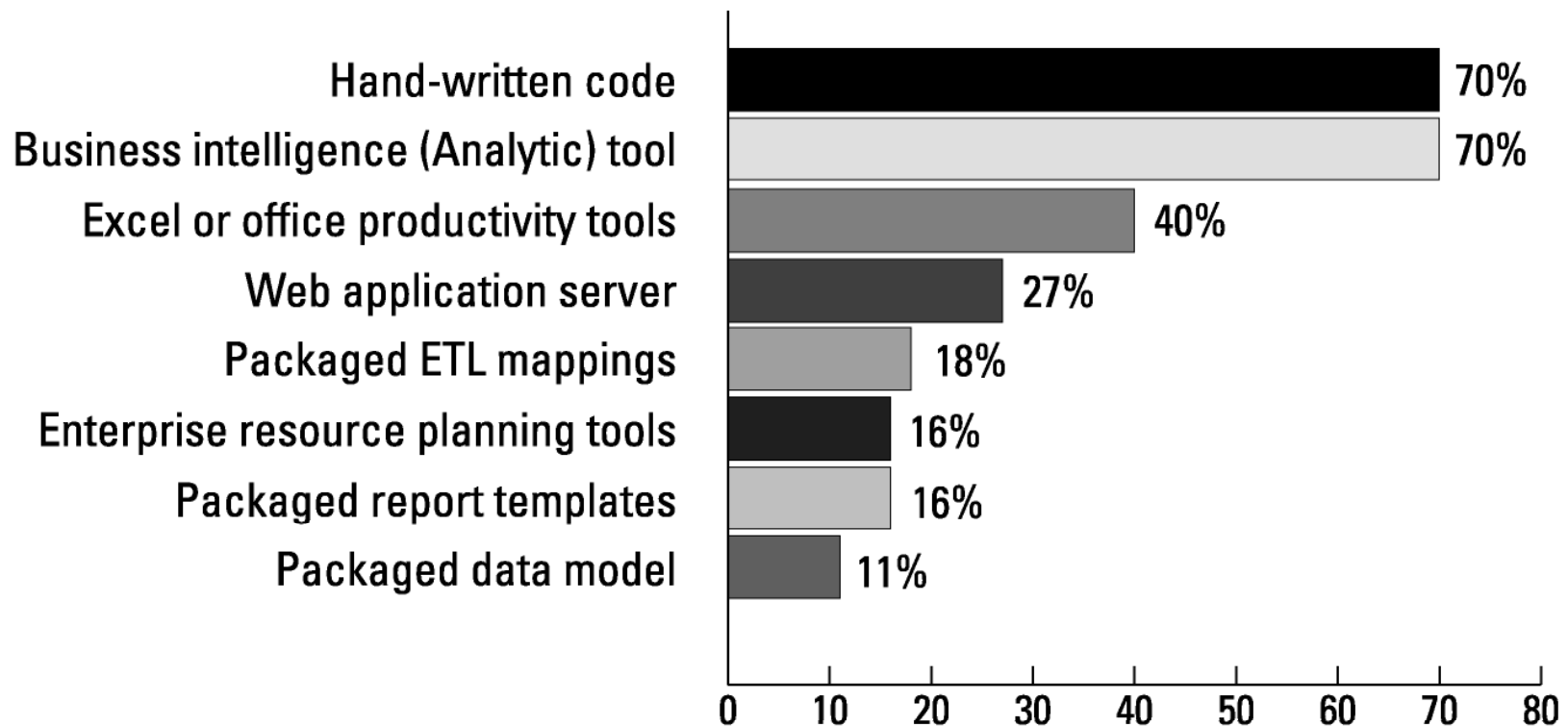
Why Build?

“Why did you build the application?”



The Build Option

“What did you use to build the application?”



Keys to Success

- Buying Packages
 - *Use model-driven packages*
 - *Configure, don't customize*
 - *Look for software-as-a-service packages*
- Building Applications
 - *Build when it's a competitive differentiator*
 - *Don't reinvent the wheel*
 - *Build with industry standard frameworks*
 - *Document rules in metadata repository for easy maintenance*

Summary

- The BI industry is consolidating
 - *Specialists vs Platforms vs Apps*
 - *Pros and cons to each*
- To get the best value:
 - *Understand vendor's resources*
 - *Understand vendor's state of mind*
 - *Understand vendor's future*
- And know thyself!
 - *Understand your organization's culture and capacity*
 - *To determine whether build or buy really makes sense*



Contact



- Wayne Eckerson
- Director, TDWI Research
- weckerson@tdwi.org