pivotlink
Intelligence on demand

On-Demand Business Analytics

PivotLink provides a secure and easy-to-use analytics platform to support decision making across the enterprise

"The underlying technology within the on-demand solution is designed to make it easy for business users to develop and use analytics (self-service) without relying on the IT department."

Quentin Gallivan,
CEO, PivotLink

EXECUTIVE SUMMARY

By delivering the expensive, complex, and time-consuming aspects of business intelligence (BI) over the Internet, on-demand business analytics (BA) eliminates the need to make significant up-front investments in additional hardware, wait months for deployment or tie up precious IT resources. Because on-demand BA is "in the cloud", it represents a radical new value proposition by making business intelligence affordable, secure, and scalable to more people than ever before. On-demand BA has the potential to deliver the value of business intelligence to everyone.

On-demand BA is a paradigm-shifting model within the BI industry. It creates a compelling value proposition by reducing the cost of deploying and maintaining a business intelligence solution, drastically altering delivery processes, introducing new pricing models and extending analytic capabilities to everyone in the organization and beyond. On-demand BA is an ideal solution for organizations that:

- Have large data volumes (millions to billions of records).
- Use multiple data sources with a high level of complexity.
- Require accurate, timely aggregation of disparate data sources.
- Rely on an increasing number of critical data sources stored in offsite and Software-as-a-Service (SaaS) based applications.
- Need to improve communication and collaboration with their extended economic network and value chain by sharing timely and relevant information.

On-demand BA presents a significant opportunity for organizations that want to deliver analytics to all of the people that need to make decisions, day in and day out, to successfully run the business.

"Organizations are facing pressures to deliver information that is timely and effective in meeting business goals. This requires companies to have access to the information, the ability to combine, aggregate and integrate this information, and then deliver it to people when, where and how they need it."

"Beyond Spreadsheets: the Value of BI and Analytics," Aberdeen Group , Inc., January 2009

MEETING DEMAND WITH ON-DEMAND BA

Today, users have a considerable amount of data available to them as part of their decision-making processes. Despite the availability of this data, organizations remain constrained in their decision-making capabilities because data is not readily available or actionable in a format that is conducive to its access and consumption. IT managers are under tremendous pressure to choose the right products, services and technologies that enable them to transform data into competitive advantage without becoming the bottleneck in the process.

On-demand BA provides a flexible business intelligence platform that can help organizations realize their BI objectives and eliminate reporting bottlenecks. Unlike on-premise BI systems that are designed to be used by analysts who run data analysis on behalf of decision makers, on-demand BA puts analytic tools in the hands of a wide range of users, increases information sharing from inside and outside of the organization and gives end users the power to make impactful business decisions at all levels of the organization.

Software-as-a-Service (SaaS) provides a secure, low-cost way to give web-based information access and analysis to more users. The result is better alignment of goals across lines of business and IT organizations, better and more timely decision-making power in the hands of users, and the ability for employees, partners and the extended enterprise to securely collaborate and generate better outcomes – at the speed of business.

Because of SaaS, BI expectations have changed forever. Dealing with overly-complex software designed for a handful of powerful users involving long deployment cycles and low project success rates is no longer acceptable.

THE SAAS REVOLUTION

The confluence of recessionary forces, stalled innovation and increased maintenance charges from many on-premise software vendors and the success of early SaaS pioneers such as Salesforce.com, NetSuite, Taleo, and RightNow has pushed the Software-as-a-Service model into the mainstream. Over the last two to three years, on-demand BA has gained adoption because it is appealing to mid-sized companies with significant data volumes that can't justify the cost of a full-blown BI solution, as well as larger companies that can afford the expense, but can't tolerate the time it takes to deliver results to end users. Organizations of all size are looking for greater simplicity, flexibility and agility in their business analytics solutions.

"Companies are finding that BI has many uses within the organization, but the barriers to success lie in the ability to make access and use pervasive."

"The 2009 Aberdeen State of the Market: Mid-Year Insights," Aberdeen Group, Inc., July 2009

Implementation of on-demand BA solutions is increasing as SaaS application uptime and sophistication improves and SaaS security concerns are alleviated. Companies of all sizes increasingly rely on SaaS applications to run critical parts of their businesses. The adoption trends initially observed with on-demand CRM and productivity applications and later with ERP applications are now starting to be evident with on-demand BA applications. In many instances SaaS platforms can provide equal or superior data protection, redundancy and backup as well as the ability to audit the data.

ON-PREMISE BI FALLS SHORT OF ITS PROMISE

Most BI applications were developed in the early-90s. This was the time when transactional systems like ERP, CRM, HCM and FPM were being put in place across corporate America and other industrialized nations. The promise was better efficiency. IT spending was almost 50 percent of total corporate capital expense. In those days, hardware was still expensive – 1MB of memory cost $35. To put it in perspective – a 16GB iPhone would have cost $560,000 just on memory alone!

Few people in the company actually analyzed business performance. Typically, an executive hired analysts that worked with IT to crunch data stored in transactional systems and produce management reports. The first generation of BI tools focused heavily on an architecture that summarized data. The summary information was built based on the fixed set of questions that executives periodically asked and analysts mined data to answer.

Enter the Internet, massive globalization, and the emergence of BRIC (Brazil, Russia, India and China) economies. Suddenly the pace of business increased almost ten-fold. New products had to be introduced more rapidly because competitive advantage eroded at a faster pace. Analysts came under pressure to analyze business data faster because the variety and velocity of questions about the business was becoming more dynamic. The BI market grew exponentially, but the promise of business intelligence remained elusive because the software was written:

- Based on old hardware cost assumptions.
- With analysts and technical users in mind, not business users.
- For access by a small fraction of a company. Massive scalability was not a requirement.
- For a decision support environment that assumed a constant and fixed relationship among data entities.

"Users have complete flexibility in how they access, aggregate, analyze and interact with their data. Across the organization, users can generate their own answers and produce their own reports while IT retains control over the quality and consistency of the data."

Quentin Gallivan, CEO, PivotLink

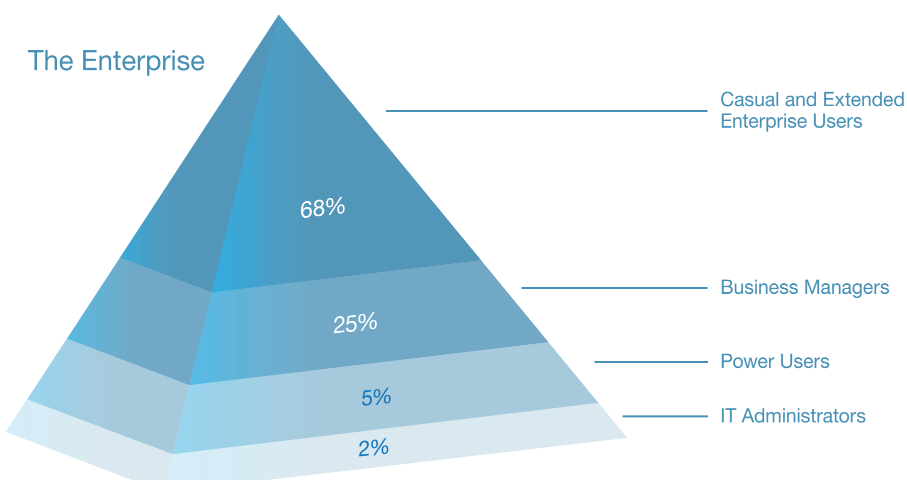
Parallel to the macroeconomic changes, the innovations in hardware technology were astounding. The salient points of this shift include:

- Internet capacity increased – broadband access became ubiquitous.
- Hardware became cheaper and faster making it possible to massively scale applications.

Today's workforce expects business information to be as accessible and easy-to-use as Google or online travel. On-demand BA helps make this a reality by providing information access and analysis that was not possible with technology-centric BI applications. On-demand BA vendors, with their roots in modern web-based technologies and user interfaces are well positioned to create usable business intelligence applications that will finally unlock the value from a company's transactional data.

ON-DEMAND BA ENABLES ACCESS TO MORE DATA BY MORE USERS

According to leading analysts, BI continues to score high as an important corporate solution even during this time of shrinking IT budgets. Yet, solutions built with traditional on-premise BI tools satisfy only a fraction of the business intelligence needs of most organizations.



Traditional BI targets the power user — 5% of the enterprise.

It has become increasingly clear that companies are in need of affordable, easy-to-deploy, easy-to-use analytic tools that can quickly deliver real business value to a wide range of knowledge workers. On-demand BA addresses many of the issues that plague on-premise BI solutions. It also offers some unique advantages, making the benefits

"We are beginning to see a new wave of business analytics use that will be focused on two primary demands: more data and more users. At the same time, the number of internal IT developers and analytics experts doesn't seem to be keeping pace with the increased demand from the end users."

Dan Vesset, "Worldwide Business Analytics Software 2008-2012 Forecast and Vendor Shares Report," November 2008, IDC # 214904

of business intelligence possible for more and larger segments of the enterprise while meeting the increased compliance and audit requirements of today's world.

Although the primary usage of on-demand BA is to drive down cost of ownership and the cost of expensive IT and user skills (i.e., provide business value at a lower price point), it can also be a competitive differentiator, providing new and different capabilities.

- Deployable in days or weeks, not months or years.
- Designed for business users to develop and use analytics (self-service) without relying on the IT department.
- Agile; usage can be increased or decreased on the fly.
- Securely integrate external data without introducing any threats to an organization's internal data processing centers.

On-demand BA provides a low-cost way to give web-based access to significantly more users and enables the achievement of best practice business analytics in organizations of all sizes. Business analytics offerings delivered via SaaS are changing the way businesses license, deploy and utilize BI to support decisions at their companies.

HOW ON-DEMAND BA WORKS

On-demand BA transforms the traditional extract, transform, load and analyze (ETL) process found in most data warehousing/BI environments to an extract, load and analyze (ELA) process – which changes the analysis paradigm. Because on-demand BA applications make extraction and loading very cheap, the user of an ELA environment is able to choose a wider variety of information to include in the virtual warehouse (or data mart). Moreover, there is greater elasticity in how an end user explores and analyzes information to gain insights.

On-demand BA allows a user to retrieve a bunch of data and experiment with it – similar to the experience of "Googling" for information on the Internet. If the experimentation goes well then he continues. If it doesn't go well then he gets rid of the loaded data and loads some more without delay. The end user has complete control over this iterative process and it doesn't burden IT resources. On-demand BA companies (like PivotLink) have been providing fast access to data in order to support the ELA paradigm for an expanding market that demands easy access to the data that matters most to their business.

Thanks to the Web and pioneers like Google, user expectations about information access have changed. Today, business users require nearly instantaneous access to information from inside and outside the organization as well as the ability to

"The companies leading the next generation of SaaS BI are focusing efforts on creating a self-service approach to BI that enables non-technical workers to obtain information and analytic capabilities without burdening the IT staff."

"The 2009 Aberdeen State of the Market: Mid-Year Insights," Aberdeen Group, Inc., July 2009

navigate and explore this information iteratively. This is simply not possible with any legacy BI system. As a result, BI's impact in the enterprise has been limited to a small percentage of power users. The impact and value of business intelligence will be exponentially greater when business users can securely access, navigate and analyze their company's data with the same ease as accessing information on the Internet.

THE CHANGING ROLE OF IT

With the emergence of easy-to-install on-demand applications that enable self-service report generation and analysis, IT's role as a BI bottleneck will be further minimized. By 2012, leading analysts predict that emerging technologies like on-demand and SaaS BI tools will make users less dependent on central IT departments to meet their reporting and analysis requirements.

On-demand BA is a paradigm-changing model that solves the cost, risk and adoption issues associated with on-premise BI. For the first time, the process of developing, deploying and maintaining analytic solutions can be cloud sourced reliably and securely, resulting in faster time to value, increased scalability of both users and data, and significantly lower cost and resource requirements. At last, the benefits of business intelligence are accessible to a much broader range of companies and business users and IT can shift focus from constant updates, report backlogs and other computing issues to business needs, delivering superior value to customers and innovation.

LEARN MORE

Learn how PivotLink's on-demand business analytics service can improve productivity for your business by visiting our website at pivotlink.com.

ABOUT PIVOTLINK

PivotLink was founded on the simple, powerful principle that it should be easy for business users to securely analyze any data, any way they want and share their insights with colleagues and partners, wherever they are.

On-premise BI solutions are wrought with cost, risk and usability challenges. Our approach is to put affordable, secure and easy-to-use analytic tools into the hands of the line of business user and empower them to make better, timelier decisions – without burdening IT.

Value

PivotLink's On-demand BA platform delivers significant value:

- Reduce the cost and complexity of BI deployments
- Unburden IT from the onerous aspects of BI and shift IT's focus to data quality, SLAs and innovation
- Extend more data to more users in a self-service model
- Enable secure collaboration within and outside the organization

Background

PivotLink was founded in Seattle, WA in 1998. We are headquartered in San Francisco, CA near the heart of Silicon Valley. Backed by leading venture firms Emergence Captial Partners, Trident Capital, and StarVest Partners. PivotLink was built from the ground up by SaaS and BI industry visionaries and veterans. Our world-class management team brings a wealth of start-up and mature company experience from Postini (now Google), Hyperion (now Oracle), OutlookSoft (now SAP) and Cambridge Technology Partners.

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