✳ birst

The 2-Tier Business Intelligence Imperative

Enterprise-grade analytics that keeps pace with today's business speed
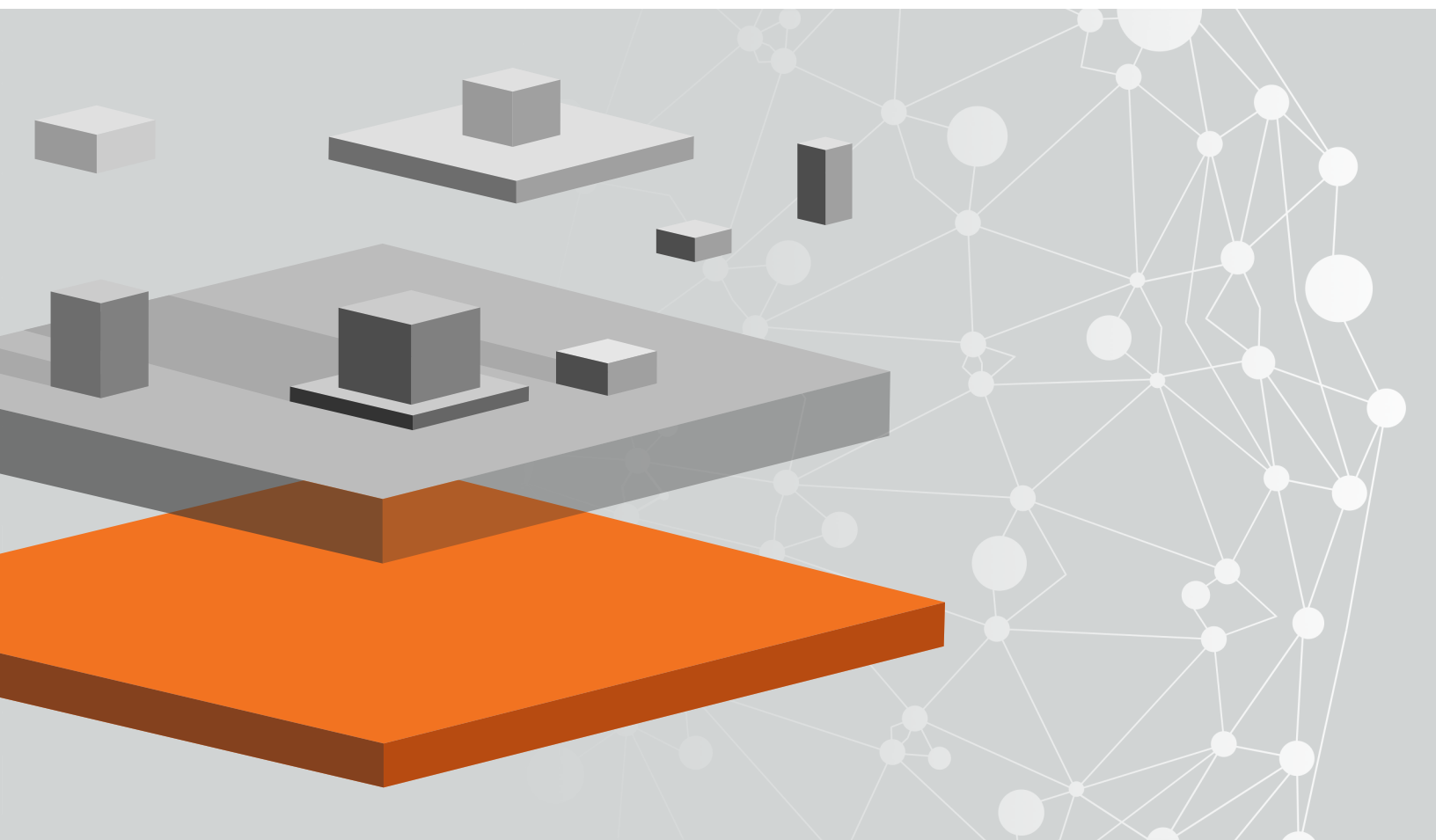
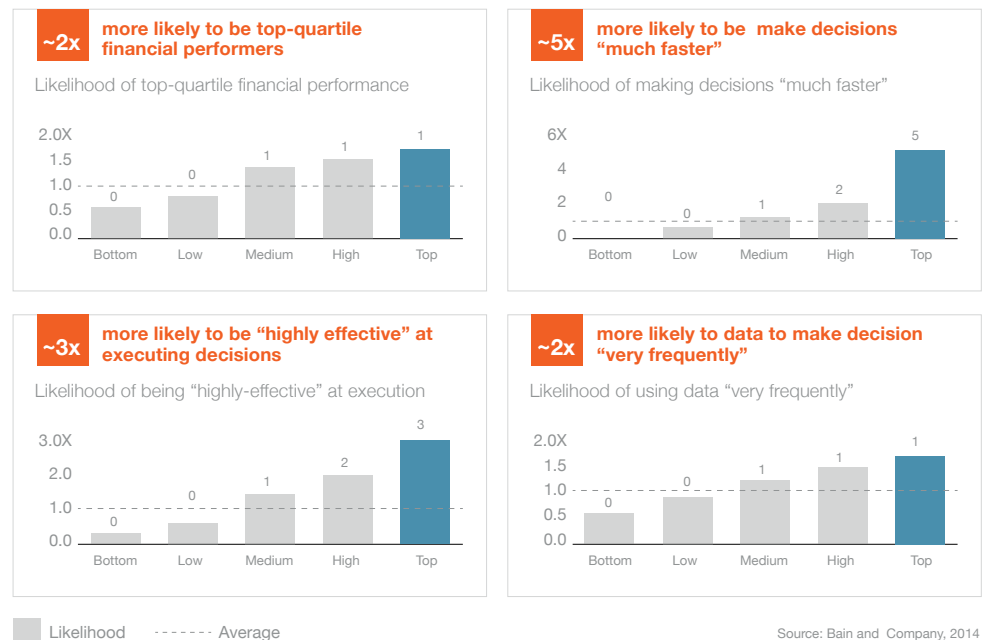# Table of Contents

The 2-Tier Analytics Imperative

OVERVIEW

Data is our greatest tool and our biggest challenge. It is revolutionizing every functional role within business and delivering strategic advantages to those who embrace it. While no one will refute data's power, a recent Gartner survey revealed that "data" is the most anxiety-inducing topic among its users. Roles like marketing, sales and service, as well as IT, now need to deliver even more powerful and rapid data-driven insights on their business.

Research firm IDC reports that over the next decade, the volume of data generated by businesses will multiply by a factor of 47. Clearly, the wealth of competitive and customer insights buried in that data will be a key strategic asset as both an operational and strategic differentiator. In a renowned study, Bain and Company stated that businesses that use an analytics driven operational approach clearly outperformed their peers, driven by up to 3 times more effective decision-making.

~2x more likely to be top-quartile financial performers

Likelihood of top-quartile financial performance

~5x more likely to be make decisions "much faster"

Likelihood of making decisions "much faster"

~3x more likely to be "highly effective" at executing decisions

Likelihood of being "highly-effective" at execution

~2x more likely to data to make decision "very frequently"

Likelihood of using data "very frequently"

Likelihood ------- Average

Source: Bain and Company, 2014

For example, take marketing, a function currently being transformed by data. It is estimated that by 2017, CMOs will spend more on technology than CIOs. On average, 40% of a marketer's time is spent dedicated to analysis, yet 62% of them still cannot quantify the value of their marketing efforts. With marketers overwhelmed by pressure to prove the value of their efforts to the company, spending on marketing analytics is expected to increase by 73% over the next 3 years.

As organizations evolve to assume more control over the customer lifecycle, the need for customer insights to make informed business decisions necessitates a new level of analytical agility, speed and sophistication. Traditional analytics solutions typically fall short in one of these critical areas: Deep enterprise-grade functionality at a price (time cost effort skillset requirements) or speed and responsiveness, with a limited ability to scale both in scope of data, breadth of user analyses and data governance.

The 2-Tier BI Imperative

This paper outlines Birst's perspective for the delivery of a next generation BI and analytics platform that offers rapid, economical "self-service" response to operational entities such as sales, marketing, services, and supply chain management, while providing deep capabilities and compliance with enterprise data standards for consistency and security. The ideal BI and analytics system must also support a "2-tier" data structure, where the solution can leverage data across multiple types of enterprise and line of business data to enable a trusted and reliable version of the truth for multiple classes of operational business users.

THE HISTORICAL CONUNDRUM

Analytics and business intelligence are clearly fundamental to the competitiveness of modern businesses. In trying to deploy these capabilities across key functions of the business, however, a conundrum appears: How can the organization satisfy the integrity, robustness and governance standards that IT requires while meeting the speed, agility and self-service characteristics that lines of business crave?

Faced with the need for analytics solutions that can keep up with the speed of line operations such as sales, service and marketing, businesses have often branched away from traditional and heavyweight IT-centric business intelligence platforms and moved to desktop analytics products that are fast to deploy but possess limited depth in terms of analytical capabilities and scale. Unfortunately, these tools also have problems analyzing more complex process problems—such as measuring the true impact of campaigns on revenue growth, truly understanding customer purchasing potential, or providing trusted insights into sales or service performance—which often require analysis of a much broader data set to deliver reliable and trusted analyses.

In a recent paper, Gartner suggests that in order for companies to satisfy all of these needs, companies must structure their analytical skillset as "2-tier" in order to meet the requirements of both centralized IT and more decentralized line of business operations. Likewise, McKinsey & Company refers to such bifurcation of technology as a new form of "Fast and Slow IT."

"
Self-service business intelligence and analytics requires a centralized team working in collaboration with a finite number of decentralized teams. IT leaders should create a 2-tier organizational model where the business intelligence competency center collaborates with decentralized teams. "

Gartner
Create a Centralized and Decentralized Organizational Model for Business Intelligence, November 2014

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THE NEED FOR A NEW CLASS OF PLATFORM

Irrespective of the specific scenario or use case, the business-level requirements for this new class of technology platform often centers around some common needs:

Marketing	Sales	Services
• Lead to Revenue • Retention & Upsell • Attribution Analysis	• Forecasting • Team Performance • Sell Through/ Channel • Propensity to Buy	• Staffing & Resource Mgmt • CSAT vs Cost Optimization • Agent ramping & retention • SLA and NPS Management

Operations	Finance	Supply Chain
• Human capital attrition analysis • Inventory turn optimization • Customer SLA analysis and improvement	• Quote to cash and forecast durability • Product line profitability analysis	• Yield and defect analysis • In-line sales and operations planning • Supplier durability and risk

In order to optimize these and other key use cases, there are a number of critical business-level requirements that organizations must consider in order to empower their business users with analytics and data for their everyday operational decision-making:

•   **Data and Analytics in Context:** To facilitate successful decision-making, business users at different levels of an organization must be able to interact with and navigate across data in the context of what they do, no matter where that data sits within existing applications and databases. Visual interaction with data must also be enabled via a highly-intuitive, visual experience that delivers the insights that each and every business user needs. For example, executives may need to look at macro-level issues regarding a group of global customers while a line worker may simply want to see the last 5 products purchased and the 3 most recent service incidents.

•   **Trusted Data:** Every business professional has attended meetings where validity of data became the central topic of discussion instead of resolving the business problem at hand. A lack of alignment across different functions often takes place because everyone brings their own versions of data in the form of PowerPoint charts or Excel spreadsheets, but no one has a complete picture that looks across a larger, cross-system dataset. Even simple decisions, such as determining a sales approach to improve the revenue and value of a key customer, should ideally leverage information from a variety of sources, including financial data about past profitability, marketing insights about the customer's interest in new products, web forensics to investigate the level of their self-service information gathering, and an in-line knowledge of their recent interactions with key sales and service personnel. To ensure that key decisions are drawing on a "single version of the truth," a solution needs to rapidly incorporate and align cross-system data so that the insights are trustworthy both within and across departments.

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- **Speed and Self-Service:** Speed and self-service are critical when it comes to enabling users to interactively obtain new, data-driven insights or to create new dashboards or analytical views. A "2-tier" model must support the speed and self-service requirements that operational business users need: the initial deployment should be completed in a matter of weeks, and users should be able to modify how they view their data or manage and distribute reports without assistance from IT.

- **Align with Corporate Data Policy**: Business intelligence and analytics solutions must support the security and robustness of data as required by the organization's technology security policies and "governance", and must do so in an automated manner without heavy oversight from IT. This balance is critical to ensure alignment between line of business user needs and the data standards and policies that every enterprise business has.

- **Multiple Deployment Options**: To minimize total cost of ownership (TCO), the solution should ideally be rapidly deployed either on-premise, via the cloud, or in a hybrid configuration, again, without needing a heavy project from IT.

BIRST: MODERN, 2-TIER BI AND ANALYTICS THAT DELIVERS THE BEST OF BOTH WORLDS

Birst enables an organization to quickly assemble an operational view of its enterprise data and apply data automation technology to align, navigate, and ready this data for user consumption. Birst's self-service analytics, reports and dashboards enable business managers and line-of-business workers to easily analyze the data in the context of their specific business problems. The organization avoids unnecessary IT burden and empowers users to access a single source of data and analytics truth without needing to navigate or manage the location or alignment of disparate data.

An example of this can be illustrated with the following, as Company XYZ seeks to optimize the customer lifetime value of key clients in its portfolio:

- **Data and Analytics in Context:** Birst enables a "value-centric," contextual view of data. A crucial Birst capability is the ability to create an automated view of a metric such as customer lifetime value (CLV) and allow the business user to view and navigate all the factors that might influence and impact CLV, even if these factors reside in multiple or disparate enterprise data systems. For example, a customer's historical order history and product adoption rate might reside in both financial systems and a data warehouse. The CRM system would contain the most recent sales and services interactions with the client. The marketing campaign platform and web data may capture the most recent interactive touch points for the client. Regardless of the location and format of the data across these locations, Birst combines them all into a "logical view" that allows the business user to see them and manipulate them as if they were formatted and housed in a single database table or within a single system. Technology professionals frequently refer to this capability as a "semantic layer." Birst manages the creation of the semantic layer and navigates across all enterprise systems to provide this singular, contextual view.
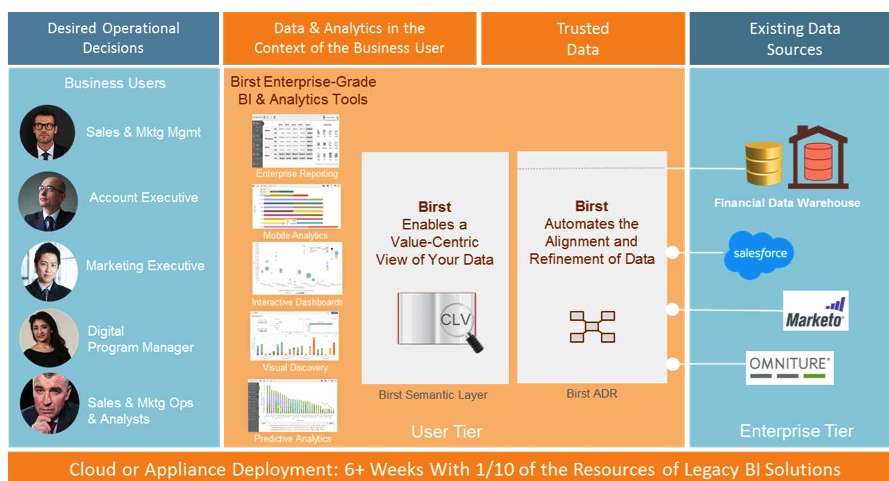
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- **Trusted Data Through Automation:** Birst's patented data refinement technology creates a unified and trusted source of truth for all subsequent analytics and reporting. To avoid the usual internal disputes about the validity of data, such as those between sales and marketing, trust is established based on the ability to analyze data that resides across all of the aforementioned enterprise systems, whether they be they on premise, in the data center, in "big data" sources, or in the cloud. Birst's automated data refinement technology connects, processes and arranges these different sources of data into a singular virtual reference data source, configured to support the business-centric views described above.

- **Speed and Self-Service Via Adaptive BI User Tools:** Birst's consumer-grade, self-service user experience enables user access and analysis of this trusted and contextual data source. Birst delivers a world-class analytics and business intelligence toolset that enables business users to intuitively interact with their data in an intuitive, without intensive training or day-to-day IT support. By providing a large assortment of tools that encompass reporting, dashboards, analytics, mobile, and predictive analysis, Birst allows different types of business users to see and manipulate data with the best analytical instrument for their role.

  For example, a sales or marketing manager may want to look at, and drill down on, the descriptions of customers with the greatest potential customer lifetime value. A sales executive may want to have this information in a mobile dashboard for use in a face-to-face interaction, in order to recommend the products that have the highest potential impact to fit the client's needs. An executive may want to look at the data holistically across an entire territory and investigate macro-level trends or consider policy or process changes that might move the needle across an entire family of customers. And finally, a business analyst may want to look at the longer-range planning impact of key policy changes and apply more of a predictive analytical model to enhance his or her own "what if" analysis.

- **Align with Corporate Data Policy:** Birst allows business-centric views to directly access and incorporate highly managed and sensitive IT-managed, enterprise databases of data warehouses without disruption, ensuring compliance with corporate data security policies.

- **Multiple Deployment Options:** Birst's origin as a cloud-centric solution means that these capabilities are delivered on-premise or via a cloud model in as little as 7 weeks, without a taxing IT project. Once deployed, the solution can typically be maintained with 1/3 of the human capital resources that would normally be expected with a legacy business intelligence product. Additionally, Birst enables a transition of the cost for such a solution from a capital expenditure with a large maintenance charge to an operational expense via a subscription model.

CONCLUSION

In the evolving, competitive business landscape, speed and agility are critical factors, and nowhere more so than at the edges of the business where companies interact with entities such as their customers, channels and suppliers. Functions like sales, marketing, service and supply chain must increasingly move at an increased velocity to remain competitive.

Architected with the agility of the cloud, Birst is the only tool designed for this transforming business landscape. Birst's 2-tier approach to business intelligence and analytics delivers a complete solution that uniquely meets each individual business user's analytical needs. Birst provides an intuitive set of tools that includes reports, dashboards, mobile experiences, and visual discovery while delivering the integrity, robustness and governance standards required by IT.

All of these analytics styles share a single semantic layer and provide for consistency through reusable business metrics and a consistent and contextual view of all data for users. In response to the enterprise need for centralized IT organizations that work seamlessly with diverse lines of business, Birst developed a unique, 2-tier approach that meets these challenges and allows you to transform your business into a more data-driven organization.