

Business Intelligence: Reporting and Analytics AXIS

Q2, 2009

Discover the Best-in-Class Vendors Who Can Help You Achieve Success

The Aberdeen AXIS provides:

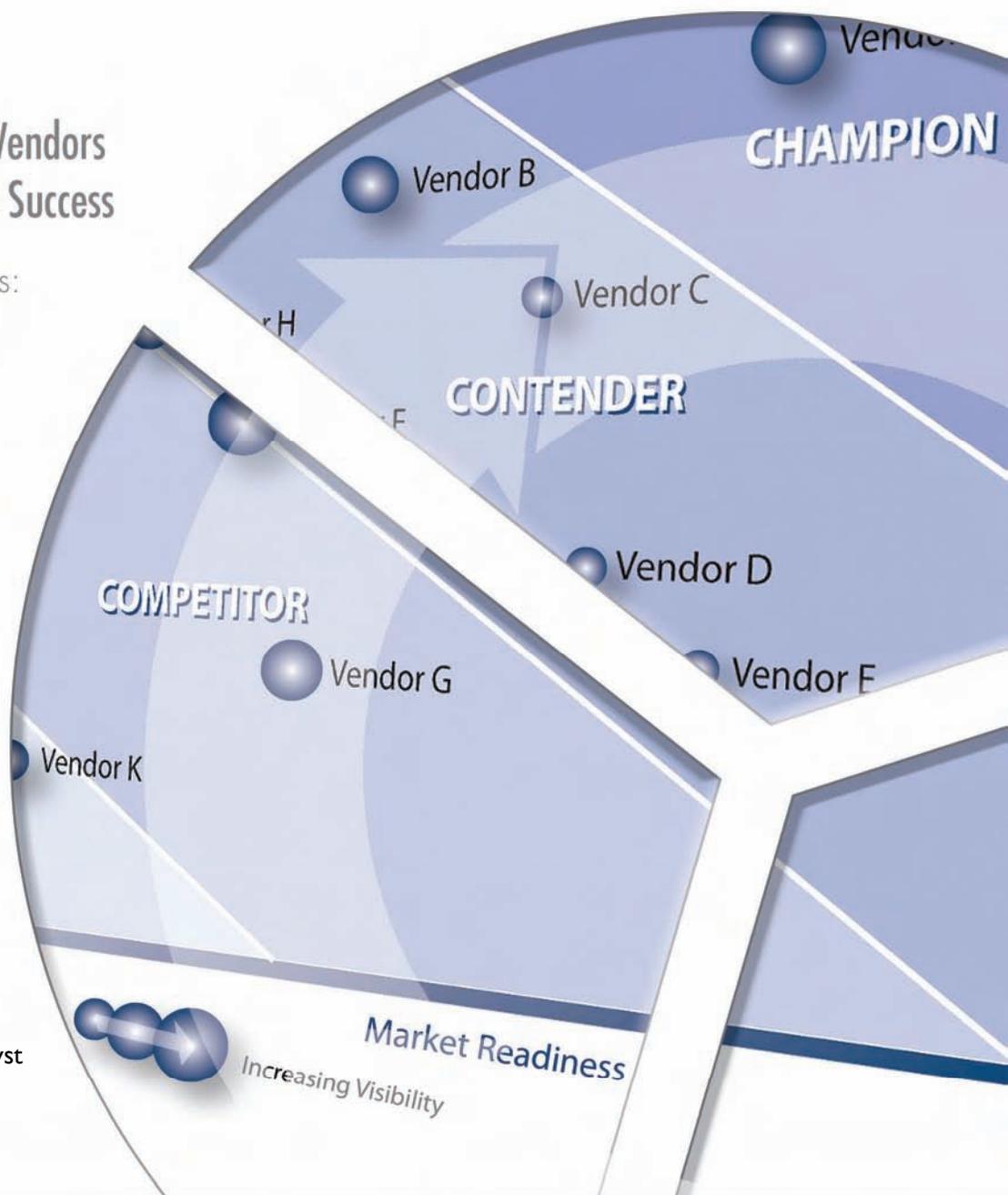
- Best-in-Class performance evaluations of vendors based on KPIs from Aberdeen's benchmark studies
- An assessment of each vendor's market readiness determined by over 250 evaluation criteria

Presented by:

David Hatch, Vice President &
Group Director

With:

David White, Senior Research Analyst
Michael Lock, Research Analyst
Kim Madden, Research Associate



© 2009 Aberdeen Group, Inc. All rights reserved. Reproduction and distribution in any form without prior written consent is forbidden. Axis™ is presented for informational purposes only and contains content from sources believed to be reliable. Aberdeen disclaims all warranties as to the accuracy, completeness or adequacy of such information. No representation or warranties to the suitability of the providers mentioned herein is made or should be interpreted nor shall Aberdeen have any liability for errors, omissions or inadequacies of the information presented. The opinions expressed herein are that of the Aberdeen Group and are subject to change without notice.

Executive Summary

Introduction

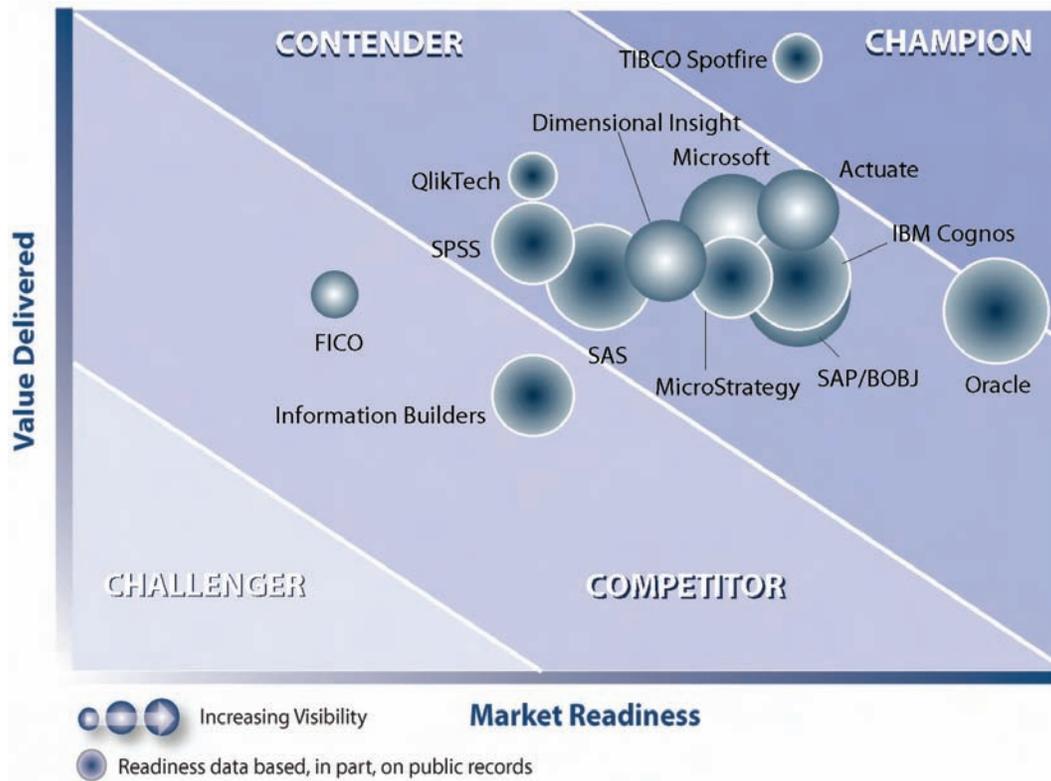
Aberdeen Group defines “business intelligence (BI): reporting and analytics” as a combination of disciplines, processes, and technology that enables a company to collect, assemble and deliver data and information to stakeholders when, how and where they need it. BI reporting and analytics initiatives are supported by a range of solutions within the Business Intelligence (BI) software market. These solutions provide visibility into both strategic and operational activity via information that allows its users to manage decisions and actions that ultimately affect company performance.

Based on Aberdeen’s research, **TIBCO/Spotfire, Actuate, Microsoft, QlikTech, Oracle, and IBM Cognos** are the top performing business intelligence reporting and analytics software solution providers when it comes to above-average value derived by their customers, and the Market Readiness of the vendors themselves. This report is intended to help facilitate an understanding and selection of reporting and analytics solutions for end-user organizations.

Contents

| | |
|--|----|
| Executive Summary..... | 1 |
| Chapter 1: Analyst Insights..... | 2 |
| Chapter 2: Recommendations..... | 8 |
| Chapter 3: How to Read the AXIS | 11 |
| Table 1: Aberdeen AXIS Vendor Breakdown for BI Reporting and Analytics Solution Providers..... | 13 |
| Chapter 4: Vendor Snapshots..... | 14 |
| Appendices | 30 |

The BI: Reporting and Analytics AXIS



Source: Aberdeen Group, Q2 2009

Chapter I: Analyst Insights

Business Intelligence (BI) reporting and analytics solutions address the strategic, operational and predictive information needs of decision makers. This includes analysis of historical data and period-based trending, more immediate information needs related to operational areas of the business such as customer/field service, inventory management, e-commerce, etc, as well as predictive capabilities around modeling future scenarios based on past and current activity in combination with assumptions about future performance.

Research conducted among 2,904 respondents across several Aberdeen Group studies conducted in 2008 and 2009 revealed that there are several common themes and considerations that companies must address in determining the right mix of reporting and analytical capabilities for both technical and non-technical end users alike:

- **End-user information requirements.** What data is required to meet strategic, operational and predictive reporting and analytical needs, and where does this data come from? Can it be accessed and integrated to effectively address the questions critical to business?
- **End user skills.** Even the most timely and accurate reports and graphical views may be misinterpreted if users do not have the BI skills necessary to manipulate and analyze them.
- **The difference between "time-to-information" and "time-to-decision / action."** Simply delivering data rapidly to business decision-makers is not enough. Does the information allow for timelier and more accurate decisions and does delivery of information drive decisions and actions within a timeframe that affects performance?
- **Reporting / analytical mix.** Are the reports delivered today adequately assisting companies in making informed decisions, or do end-users still require increased analytical capabilities? If so, to what extent? Is a hybrid approach that delivers limited BI capabilities to some and full-blown analytical capabilities to others the right path?

Barriers to Successful Reporting and Analytics

Reporting and analytics is not simply a single technology or toolset, but rather a combination of processes, disciplines, technologies and concepts that, when combined properly, can yield effective results. Aberdeen research has revealed that there are several barriers that can challenge companies as they attempt to adopt, implement and deploy BI capabilities. Companies of all sizes are encountering significant challenges that can be summarized as follows:

Aberdeen AXIS

The Aberdeen AXIS is an objective, fact-based vendor assessment methodology, based on vendor performance in KPI benchmarks from Aberdeen's domain-specific research, and the *Market Readiness* of the organization determined by over 250 evaluation criteria.

Sector Definition

At its most basic definition, Business Intelligence (BI) reporting and analytics is comprised of the processes, practices, technologies and services involved with collecting, assembling and delivering information in the form of reports, analytic applications, dashboards, and other visualizations. In addition, solutions may also provide end-users with the ability to ask questions of business data in order to derive answers that provide new understanding and perspective. Reporting and analytics serve the purpose of providing visibility into and therefore the ability to act upon changes in the business.

- **The ability to access, cleanse and manipulate relevant and actionable information** can prove to be a difficult, resource-intensive process, particularly when large, complex data volumes are combined with rapidly changing business dynamics. The IT resources available to address this challenge are scarce. 45% of survey respondents rate this as the top barrier to successful business intelligence implementations.
- **BI projects often involve the integration of data from a variety of disparate sources**, and may require interim data staging such as a data warehouse or data mart(s) to be constructed. Depending on the timeframes within which intelligence is required, this may not be an optimal approach. 41% of respondents rate this as a top-3 barrier to success, and reveal that their projects are behind schedule, over budget or have been abandoned altogether due to this barrier.
- **Today's information access requirements** have expanded beyond the desktop or laptop. Knowledge workers expect information to be delivered in a meaningful format (reports, dashboards, analytic applications, alerts) and via a medium (desktop, web browser, remote access, email, PDAs, mobile devices) that matches their job role.
- **Ease of use for non-technical end-users.** Ninety-three percent (93%) of respondents report that ease-of-use for non-technical end-users is the top concern during solution selection and implementation. Too often, a solution is chosen based on technical features and functionality without the participation of representative end-users. Aberdeen research has also shown that end-user skill sets are lacking in general when it comes to the adoption of any type of business intelligence technology. Ease-of-use challenges can slow or halt user adoption, which may explain why, on average, only 35% of employees (at most) have access to BI and performance management capabilities within an organization.
- **Scalability.** Eighty percent (80%) of respondents indicate that scalability is a top concern with respect to both the amount of data that must be gathered, integrated and analyzed, as well as the number of users accessing the system. Top performers have addressed this barrier by assessing their existing infrastructure, and determining what level of access and system performance is necessary to address the reporting and analytical needs of the organization. Most respondents struggle to justify the costs associated with addressing more data and more end users.

Survey Respondent Overview

The results are based on relevant survey responses from 2,904 enterprise end-users, responding to questions relating to their experiences with BI reporting and analytics software and service providers. Respondents were drawn from companies of all sizes, from all geographies and a broad range of industries and job roles. 60% of respondents reported that their companies were headquartered in North America (including the United States, Canada and Mexico). 20% are headquartered in Europe, 13% in Asia/Pacific region, and 7% from ROW.

Aberdeen Research Reveals a Clear Path to BI Reporting and Analytics Success

Deployment

When deployed judiciously, business intelligence (BI) tools provide key analytical capability and visibility into how the business is performing.

However, not every organization is equipped with the IT expertise and intellectual firepower to make these tools work efficiently within an existing IT infrastructure. For these and a host of other reasons, many companies are so firmly entrenched in spreadsheet use as their primary decision support tool that they're having trouble finding the expertise and inclination to move to a more formalized, dedicated approach to BI. Organizations now have an abundance of deployment options to choose from in order to craft a reporting and analytical infrastructure that fits their culture and budget.

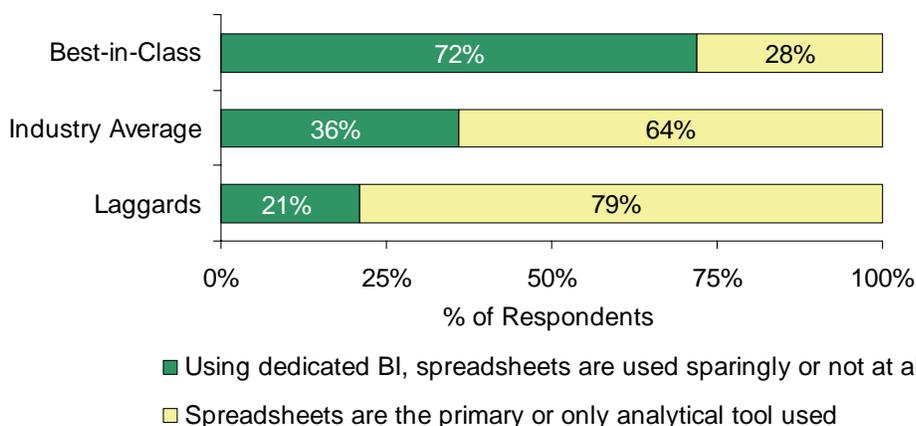
Aberdeen's April 2008 benchmark report, *BI Deployment Strategies*, demonstrated that traditional on-premise BI was still the most popular deployment method with 75% of the top performing companies taking such an approach. However, the data also demonstrated that more companies are branching out into alternative approaches for BI deployment such as Software as a Service (SaaS) BI, data warehouse and BI "appliances," and more frequently, BI integrated with other enterprise applications such as ERP or CRM solutions.

New research conducted in April 2009 reveals that the key for many organizations lies not necessarily in tailoring the picture-perfect analytical solution to match up exactly with corporate needs, but rather to break away from reliance on static reporting and simple spreadsheet analysis. End-user conversations have revealed that such an approach, while comfortable and perhaps less costly, can be time consuming and doesn't deliver the kind of business visibility and timely decision support sorely needed. From a quantitative standpoint, the data shows that a spreadsheet-centric approach to BI reporting and analytics is more likely to be a Laggard strategy, while the top performing companies – the Best-in-Class – are far more likely to be leveraging a dedicated BI solution (Figure 1).

“State of the art Logistics applications have complex data architectures and modern BI tools require sophisticated IT literate users to do the analysis. So the real challenge of a BI project is to get real business end users to properly use the 10% of the functionality of the BI tool they need and, even more importantly, understand the data they are working with.”

~ Michael Baumann
Global Head – Service Parts
Logistics IT

Figure 1: Best-in-Class Move Away from Spreadsheets



Source: Aberdeen Group, April 2009

Spreadsheets can be and often are an integral part of the overall analytical strategy, whether used as a delivery mechanism or as integrated

functionality within a dedicated BI solution. However, spreadsheet environments tend to place the best analytical talent in the organization on manual activities. The intellectual horsepower should be better applied to the analysis of business-critical information rather than the mere preparation of it. The data points strongly to the concept that top-performing companies have made efforts to move away from spreadsheets as an analytical tool, and toward dedicated BI.

Time-to-Decision: The Move from Traditional to Operational BI

Traditional Business Intelligence (BI) reporting and analytic solutions address the strategic information needs of decision makers with analysis of historical data and period-based trending. Meanwhile, organizations are realizing the potential of applying BI technology and approaches to immediate operational information needs. In calculating year over year trends, we continue to see that respondents' ability to accelerate the access and analysis of information is a key differentiator between Best-in-Class companies and all others (Industry Average and Laggards combined). Findings show improvement among Laggard and Industry Average respondents when it comes to decreasing time-to-information (the gap between business events occurring and information about the events being available for analysis). While Best-in-Class companies did not report as drastic an improvement in this metric compared with the December 2007 findings, these companies are still significantly improving their time-to-information capability in comparison to all others. It is also important to note that this metric is affected by the law of diminishing returns... as information becomes available closer and closer to real-time, there is less room for improvement in reducing the gap (Table I).

Table I: Decision Speed and Accuracy - Year over Year Performance

| Budget Element | Year | Best-in-Class | Industry Average | Laggard |
|--|-------------|----------------------|-------------------------|----------------|
| Time-to-information – percent decreased | Dec 2007 | 75% | 29% | 8% |
| | Feb 2009 | 56% | 35% | 31% |
| Time-to-decision – percent decreased | Dec 2007 | 63% | 23% | 6% |
| | Feb 2009 | 64% | 26% | 17% |
| Overall accuracy of operational decisions – percent improved | Dec 2007 | 5% | 4% | 2% |
| | Feb 2009 | 15% | 9% | 3% |

Source: Aberdeen Group, February 2009

Time-to-information drives a company's ability to make faster business decisions, one of the components of the top pressure driving companies to seek operational BI capabilities. Despite the level of performance Best-in-Class companies showed in late 2007, they have continued to outperform all others with their ability to make decisions faster. While Laggards have improved over time, the disparity between Best-in-Class and all others remains significant.

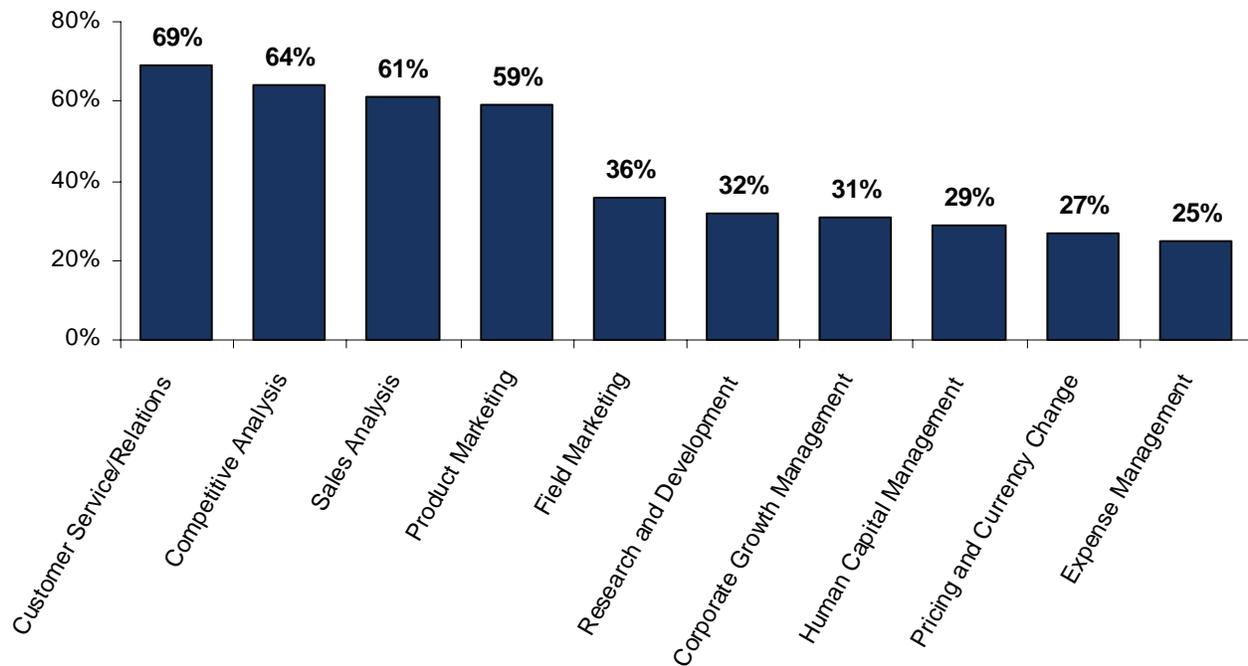
Accuracy of operational business decisions, no matter how fast they are made, can be measured based on a variety of operational performance metrics. Different businesses measure accuracy in different ways. Aberdeen asked respondents to reveal their accuracy measures and we find that an emphasis is placed on outward-facing activity, such as the accuracy of pricing and order fulfillment. This is driven by performance metrics such as "out-of stock / overstock instances," "product return rates," and "first call closure rates." Best-in-Class companies have surged ahead of all others when an aggregated view of these metrics is compared.

The Growing Importance of Predictive Analytics

Increasingly, companies are realizing the value of using data and information to align their current actions with their future objectives. Organizations are under pressure to predict the future more accurately than ever before, both in terms of becoming more proactive within shifting market dynamics, and achieving improved performance through a better understanding of customer behaviors and attitudes, assessment of risk, improvement of process efficiencies, and planning for product development, pricing, and market positioning. In mid-2008, Aberdeen Group investigated the spectrum of predictive analytic capabilities through a primary survey research program. This study uncovered the strategies, actions, technology investments, and services that Best-in-Class companies are utilizing to improve performance through gaining predictive knowledge about their business.

When asked to identify the top business areas that drive the need for predictive analytics capabilities, respondents generally agreed that a combination of four main focus-areas were ripe for the picking (Figure 2).

Figure 2: Top Ten Business Areas Driving Predictive Analytics Investment



Source: Aberdeen Group, May 2008

The improvement of customer interactions and the resulting benefits of achieving gains in customer loyalty and retention are among the top drivers for companies that are currently or planning to invest in predictive analytic capabilities. Interestingly, while 40% of all respondents see the “improved ability to detect harmful events before they affect the company” as a top-three business benefit expected from predictive analytic initiatives only 19% view this as a top business pressure to be dealt with. This indicates a potential disconnect between what companies are expecting from investments in predictive capabilities, and the actual business pressures driving the initiatives in the first place.

Solution Selection Primer

The vendor rankings and snapshots provided in the sections to follow are based on the specific performance that solution providers’ customers have achieved as reported to Aberdeen through primary, fact-based research.

The remainder of the document is dedicated to understanding the correlation between the investments that end user organizations have made in BI reporting and analytics solutions and the resulting performance achieved. Aberdeen’s research methodology and scoring process is explained fully in the pages ahead, as well as detailed insights into the covered solution providers’ organizations and the relevant information pertaining to their customers’ experiences.

Chapter 2: Recommendations

Before selecting a BI reporting and analytics solution, companies must assess the ability of solution providers to address fundamental requirements that are critical to both a successful deployment and a successful information delivery initiative. The following strategies must be considered when developing the strategy behind the deployment of your BI reporting and analytics solution:

- **Start the migration away from spreadsheets and toward dedicated BI.** There are myriad ways that spreadsheets drive business value. The functionality is familiar and typically well ingrained in the organizational culture. On top of that, many incumbent BI vendors offer solutions that incorporate spreadsheet functionality within the full suite of analytical capability. However, as companies look to deliver more relevant information to the right decision makers in the organization within an accelerated time frame, having to lean on the capability of spreadsheets as the sole instrument for analytics can present major barriers to productivity.
- **Investigate ways to automate report generation and delivery.** The economic downturn is putting a stranglehold on more than just discretionary spending at most companies. Employees, particularly in IT, are being asked to do more with less. If a business is to survive and thrive in the current market landscape, key knowledge workers need to focus efforts on more forward thinking strategic activities and less on day-to-day time-intensive processes. Automating the often overwhelming volume of report generation and delivery is one way to better utilize these scarce IT resources. Aberdeen research shows that poor-performing companies have not acquired the ability to automate report creation and delivery, forcing them into a time-wasting cycle of manual information delivery.
- **Develop a standardized process for data collection and integration.** Given the alarming rate of data growth that most companies are facing today, building and managing the back-end of the BI system has proved to be quite valuable for top performing companies. Organizations need to know which data is mission-critical and which is more contextual, and having a standardized process for managing, collecting, and integrating this data is of paramount importance to a smooth BI implementation. According to the data, 80% of the top performing companies have obtained this capability, while only a third of poor performers have done the same.
- **Establish a BI center of excellence or competency center.** A BI center of excellence is an independent internal organization that represents all departments and focuses on increasing the understanding of the BI system as well as training on the intricacies of its particular deployment. One of most important measures of a

Analyst Recommendation

While BI reporting and analytics solutions offer tremendous capabilities, more is required than just installing the software to realize the most value. Companies who achieve the greatest ROI take a very strategic approach to their BI implementation. They first focus on end user requirements, and then determine how the software can support and enable them. Additionally, top performing companies also seek out the “low hanging fruit” in the form of projects where the fastest ROI can be realized. These tend to deal with areas where manual spreadsheet processes can be replaced with automated reporting and analytics tools.

successful BI deployment is bringing all stakeholders together, from IT, business management, and end-user departments, in order to determine which users need analytical capability and how to best get it into their hands. In light of how widespread the applicability of BI can be within an organization – sales, marketing, finance, IT, customer service, etc. – having a cross-functional understanding of BI needs and where BI can best be used facilitates smoother implementation and more efficient use.

- **Improve ability to monitor the level of BI reporting and analytics functionality in use.** In the full BI stack – from data warehousing and ETL to analytics and reporting – there exists a multitude of functions and feature sets that can help improve business visibility. While having a full end-to-end BI solution can be valuable in larger or heavily data-driven organizations, not every company needs or wants the entire suite of BI functionality. One of the keys to realizing a tangible ROI from BI deployment is to understand which elements of the BI value chain are necessary and how they are used. Aberdeen research shows that only one-third of companies have the ability to monitor the level of functionality that the users are leveraging. Building this visibility will highlight which BI activities are having the most impact on organizational performance and help organizations further refine their strategy for BI, ultimately leading to a more efficient implementation.
- **Examine BI licensing methods that promote scalability.** One of the key business pressures around BI deployment is the need to deliver analytical capability to more end-users. While this is not an easy endeavor in any organization, certain steps can be taken to pave the way to pervasive access and use of BI reporting and analytics throughout the enterprise. It is true that adding users will ultimately increase the overall cost of the BI implementation, but the important metric here is “cost-per-user”. As the BI user base increases, organizations need to set themselves up with a system that can be scaled without increasing, and hopefully decreasing, their cost-per-user. The research shows that half of surveyed companies are using a server- or CPU-based licensing strategy for BI. With a stagnant analytical workforce, this methodology works as you can dedicate server intelligence to the specific number of knowledge workers needed. However, if company growth and BI user growth carry a high priority, the licensing methodology for BI needs to be one that promotes scalability. Top performing companies have seen success with either a per-user license rate that scales dramatically downward as the number of users increases, or with a period-based (i.e. monthly, quarterly) subscription licensing approach that does not place limits on the number of BI users.
- **Expand the use of formalized BI training programs.** Research has revealed how the idea of an “information culture” can heavily impact the usage of BI in the organization. In many cases, a company will experience a “land and expand” strategy for BI where

“As an end user of BI, I see a need to convert data into information that is relevant to commodities we source, that provides both, historical and predictive trends so we can act on it to achieve our sourcing goals in the areas of cost, continuity of supply and strategic relationships.”

~ Supply Chain Manager,
Large US Pharmaceutical
Manufacturer

one department will act as the guinea pig for the analytical tool. As other departments and levels of employees gain a first-hand visual understanding of how the solution can drive better performance, it then seeps into the corporate culture and more employees find a use for that type of dedicated analytical capability. However, while the expanded user base might need and want BI capability, they don't often have a solid understanding of how they should be using the tool, the benefits the tool can offer, and the pitfalls to avoid.

- **Improve ability to measure ROI of BI implementations.** Return on Investment from a BI implementation is very difficult to define given the many intangible benefits that can come through deployment. There is a wide disparity of methodologies one can use when measuring ROI. Simple top and bottom line measurements are the most common, but customer growth, customer retention, and employee productivity gains are rising in popularity. Regardless of the measurement used, those who make the effort to understand the tangible and intangible value being derived from BI are also the ones achieving the most success with BI deployment. Top performing companies are more likely to measure ROI than all others, and the level of ROI reported eclipses that of their peers. Despite the complexity and abstract nature of ROI measurement in the BI world, taking steps to define a rational means of measuring this return will enable companies to focus on the metrics that matter most for their business and ultimately achieve a higher ROI for their efforts.

“Our greatest need is to provide actionable information to users...as opposed to having users plow through data to find the nuggets they're looking for.”

~ VP of Sales, US Industrial
Manufacturing Company

Chapter 3: How to Read the AXIS

Aberdeen AXIS provides an objective, fact-based vendor assessment that looks at the provider's history of Value Delivered (Y-axis) and its Market Readiness (X-axis). The results are based on relevant survey responses from hundreds of enterprise end-users responding to questions relating to their experiences with the respective solution or services. Vendors represented on the AXIS are illustrated by their performance against the various axes as well as the visibility they received from the market as part of the research.

Aberdeen's research is predicated on primary survey responses with follow-up telephone interviews. All responses are blinded and follow Aberdeen's published methodology. Data collected is reviewed and interpreted by the respective Aberdeen research team and draws upon information typically collected over the prior 12-month period.

Based on business-user survey responses from qualified candidates, vendors have been positioned in one of four categories in the Aberdeen AXIS chart:

- **Champion.** Vendor has demonstrated superior proficiency in delivering both real value as well as the ability to serve and support its installed user base.
- **Contender.** Vendor has consistently delivered on ensuring that users achieve a measurable value for their investment as well as the ability to continue to support and service its customers.
- **Competitor.** Vendor is progressing toward delivering a balance of value and service / support / sustainability. Additional opportunities remain to enhance the value realized by its customers as well as its ability to meet the ongoing needs of the market.
- **Challenger.** Vendor has achieved market visibility but has an opportunity to assist customers in achieving the value they're looking to realize from the investments made. Vendor readiness remains a concern.

Value Delivered (Y-axis)

The Value Delivered by a vendor is determined by the percentage of survey respondents using their solution that achieve Best-in-Class performance.

Over the past 12 months, Aberdeen has surveyed hundreds of end-user organizations on their use of BI reporting and analytics solutions. Aberdeen's research team analyzed the responses based on stated strategies, KPIs and business outcomes. Using Aberdeen's proprietary PACE™ methodology, end-users are placed into three performance maturity groups: the top 20% of performers are considered "Best-in-Class," the middle 50% are "Industry Average," and the bottom 30% are "Laggard." Survey respondents, as part of the process, identify the various products and services they have deployed. The aggregated performance of a

Aberdeen AXIS

The Aberdeen AXIS is an objective, fact-based vendor assessment methodology designed to assist organizations in making technology purchasing decisions.

The assessment is based on vendor performance in KPI benchmarks from Aberdeen's domain-specific research, and the *Market Readiness* of the organization as determined by over 250 evaluation criteria.

technology vendor's end-users, complemented by live interviews, determines the relative Value Delivered to the market.

Market Readiness (X-axis)

Market Readiness is a critical assessment of the technology vendor's current ability to serve the market based on over 250 objective assessment criteria.

Vendors are provided a standard questionnaire that seeks to thoroughly assess their ability to support their installed base, to bring new products to market, to serve the global community, and to sustain economic cycles, among other KPIs. The questionnaire is augmented by customer interviews and independent research to validate the findings. Vendor briefings may be conducted to provide additional clarification and insight. Each vendor's risk and reliability, strengths and challenges, historical performance, and future outlook are evaluated, and a weighted score is determined. The result is represented as a numerical outcome on the AXIS by way of Market Readiness. Solid circles on Table I represent solution providers from which comprehensive data was made available for review and validation; reverse-shaded circles represent vendors from which response or available information (i.e., public records) was limited in scope.

Rather than project the suitability of a particular feature or function, the AXIS is a customer-centric view of the success organizations have had with various providers and the potential risk, or lack thereof, associated with the vendor's ability to meet their current and future obligations. These obligations include, but are not limited to, service, support, product updates and upgrades, staffing (e.g., customer service), and financial stability. Vendors falling into the Champion or Contender categories are logical partners for future projects. Those identified in the Competitor and Challenger areas are also strong potential suitors for consideration with additional investigation.

The goal of the AXIS is to provide the competitive intelligence business users require to make smart, informed decisions about their technology initiatives.

Research Methodology

Aberdeen applies a unique methodology to benchmark research that evaluates the business Pressures, Actions, Capabilities, and Enablers (**PACE**) that drive corporate performance.

The success of business strategies are determined by a Competitive Framework in which the top 20% of achievers are **Best-in-Class**, the middle 50% are **Industry Average**, and the bottom 30% are **Laggards**.

Companies that identify the most influential pressures and take the most effective actions are most likely to achieve superior performance. The solution providers that help enterprises achieve this Best-in-Class performance are recognized in the Aberdeen AXIS.

Table 1: Aberdeen AXIS Vendor Breakdown for BI Reporting and Analytics Solution Providers

| Company | Market Readiness | Value Delivered | Total Score |
|----------------------|------------------|-----------------|-------------|
| TIBCO Spotfire | 35 | 65 | 100 |
| Actuate | 35 | 56 | 91 |
| QlikTech | 31 | 58 | 89 |
| Microsoft | 34 | 55 | 89 |
| Oracle | 38 | 50 | 88 |
| Average Score | 33 | 54 | 87 |
| IBM Cognos | 35 | 52 | 87 |
| Dimensional Insight | 33 | 53 | 86 |
| Microstrategy | 34 | 52 | 86 |
| SAP BusinessObjects | 35 | 51 | 86 |
| SPSS | 31 | 54 | 85 |
| SAS | 32 | 52 | 84 |
| Fair Isaac | 28 | 51 | 79 |
| Information Builders | 31 | 45 | 76 |

Source: Aberdeen Group, Q2 2009

Vendor Exclusion

Vendors may be excluded from the AXIS report for various reasons including:

1. Failure to achieve adequate market visibility within the context of the surveys
2. Failure to provide requisite Market Readiness information
3. Inability to validate Market Readiness information (i.e., customer interview responses are inconsistent with vendor representation)
4. Vendors products and services do not represent enough alignment with the AXIS report topic

Chapter 4: Vendor Snapshots

The following vendor snapshots provide a high level overview and insight into various vendors identified in this AXIS report. The review is based on primary research along with the analyst team insight drawn from briefings, customer interviews and primary research conducted during the past 12 months or more.

TIBCO Spotfire

Overview

TIBCO Spotfire is the business intelligence software product division of TIBCO, a leading provider of integration, middleware and business process management tools based in Palo Alto, CA. The Spotfire division is based in Somerville, MA and TIBCO acquired Spotfire in May 2007 for \$195 million in cash. TIBCO is a publicly traded company with FY2008 revenues exceeding \$644 million. TIBCO Spotfire's origins trace back to the early 1990's work conducted at the Human-Computer Interaction Laboratory at the University of Maryland, College Park. Spotfire was subsequently launched in mid-1996.

TIBCO Spotfire products offer a visual and interactive experience that helps professionals quickly discover new and actionable insights in information. The products are distinguished by their speed to insight and adaptability to specific business challenges, while maintaining a simple-to-use interface for non-technical users.

Observations

TIBCO Spotfire markets its BI reporting and analytics software under the term "TIBCO Spotfire Platform". This is comprised of several products that range from data integration and application development kits, to four distinct analytic clients, and a host of reporting and analytics applications designed for industry-specific use.

The merger of TIBCO and Spotfire represents one driver for the slightly above-average market readiness score. While not in the league of the mega-mergers that took place over the past 24 months in the BI world (i.e. Oracle/Hyperion; SAP/Business Objects, and IBM/Cognos), the combined TIBCO Spotfire offering does produce some interesting uniqueness in the market. For one, it represents the only pure-play business process management/analytics offering on the market today. New and legacy TIBCO customers can now obtain powerful reporting and analytics tied to the management of their business processes. Secondly, the TIBCO Spotfire Platform delivers much more than simple reporting and charting capabilities. The intuitive user interface enables some of the deepest visualization

Key

- Higher than average score
- In line with average score
- Lower than average score

AXIS Benchmark: TIBCO Spotfire

Market Readiness

Score: 35

Average Score: 33

Value Delivered

Score: 65

Average Score: 54

"...Since adopting the Spotfire solution, we have experienced significant reduction of cost, in terms of the effort spent in collecting and analyzing our data."

~ Kariem Yehia, Manager Data Automation & Software Support, Dialog Semiconductor

options for non-technical end users. TIBCO Spotfire customers represent the only customer base of a reporting and analytics solution to achieve “Champion” status in this AXIS report.

From a Value-Delivered standpoint, it is the nature of how the visualization capabilities are delivered that places TIBCO Spotfire atop the Aberdeen AXIS scoreboard. Aberdeen used several performance criteria to benchmark the customers of the solution providers included in this report. Among these were financial performance, customer performance, operational performance and more specific to this score – performance related to the implementation, deployment, and use of BI products throughout the enterprise. TIBCO Spotfire customers rank highest across these aggregated scores, and stand-out particularly when it comes to the level of self-service access that non-technical end users achieve. Once TIBCO Spotfire applications are rolled-out, end users infrequently if ever report that they require assistance from the IT department.

TIBCO has publicly stated that it intends to keep Spotfire as a separate operating division. This is an important point for buyers who are seeking powerful reporting and analytic solutions that can run across many computing architectures. TIBCO Spotfire is developed, supported and maintained as a cross-industry solution and platform, and will remain a viable option for companies seeking reporting and analytics solutions. For TIBCO customers, TIBCO Spotfire is an obvious short-list choice for comparison against other industry leading solutions covered in this report.

Actuate

Overview

Actuate Corporation develops Business Intelligence, Performance Management and Java Reporting software and is also involved in the Eclipse Foundation, an open-source project that has developed the Business Intelligence and Reporting Tools (BIRT) project. Founded in 1993, the company employs approximately 580 people, serves over 4,000 customers worldwide, and earned over \$130.99 million in FY’08 (down from \$140M in FY2007). Actuate 9 is the company's core business intelligence and reporting product suite. Actuate Performancesoft Suite is a product set that resulted from Actuate's 2006 acquisition of Performancesoft Inc., a performance management, balanced scorecard and activity management software vendor.

Observations

Actuate’s “Rich Information Application-ready” (RIA), commercial and open source-based BI tools are designed to be used in pre-existing or new development projects to create reporting environments that allow developers, report writers and end users to create and/or use BI applications interactively. The Business Intelligence Reporting Tool (BIRT) is an open-source BI project that was developed through collaboration

AXIS Benchmark: Actuate

Market Readiness

Score: 35

Average Score: 33

Value Delivered

Score: 56

Average Score: 54

between Actuate and the Eclipse Foundation, a leading open source software community. The Actuate suite of BIRT-based products represents an infrastructure in which customers build and deploy reporting and analytic applications (the company labels these “Rich Information Applications”).

Actuate’s above average Market Readiness score reflects the company’s ability to meet many varieties of reporting and analytics needs, and its unique position that straddles the commercial and open-source BI software marketplace. Actuate offers a broad portfolio of products to meet enterprise and departmental reporting, analytical, and performance management needs (See Aberdeen’s January 2009 AXIS report: [BI Performance Management](#)). The Actuate product line offers a variety of personalized formats that present data integrated from multiple sources. In addition to standard reporting tools, Actuate’s “Rich Information Applications” include ad-hoc interactive reports, web dashboards, brochure-quality reporting content, analytics, and spreadsheet automation. The Actuate Performancesoft Suite of products provides visibility into key performance measures, day-to-day activities, and root-cause analysis to understand operational details that drive performance.

The above average Value Delivered score reflects the consistent improvement in business performance metrics that Actuate customers have experienced during the prior 12-month period. On average, Actuate customers are capable of obtaining access to information and therefore converting analysis into action faster than industry peers. In addition, Actuate customers have also achieved slightly higher-than-average performance when it comes to decreasing the number of FTEs required to support implementations, and are capable of deploying reporting and analytics solutions that are self-service, limiting the requirement for IT assistance to non-technical end-users.

Companies considering the acquisition of Actuate’s reporting and analytics solution will have many things to consider. First, buyers should determine how ready they are for entry into the world of open-source licensing. Actuate’s approach allows for an organization to “try before they buy” through providing access to the most basic BI reporting and analytic tools at no cost through the BIRT open source community. However, the level of internal expertise required to install and deploy these tools may be more than exists currently. Once this determination is made, a second level of needs assessment must take place in order to determine which mix (or specific) Actuate products are right for meeting user requirements. Actuate offers a broad range of reporting, spreadsheet automation, analytics and performance management software products that can be purchased and deployed in a wide variety of combinations and permutations. Aberdeen recommends working with a professionally credentialed Actuate product specialist to perform an in-depth needs assessment prior to engaging in a final purchase decision.

“In terms of reporting and scalability, Actuate has exceeded our expectations. The tool has already paid for itself. Actuate is one of the better products and vendors I have worked with. The support we receive – especially from the local Actuate reps – is excellent.”

~ Sr. Vice President; Large U.S.
Bank

QlikTech

Overview

QlikTech was founded in 1993 as a consulting company in Lund, Sweden. An early project led to the development of a software tool for analyzing multi-dimensional data. This led to the development of QlikTech's patented in-memory associative technology that is now called QlikView. The product promises a simple point-and-click way to view data and information. Today QlikView reports having more than 457,000 users in 92 countries, over 10,000 customers, and claims to add an average of 14 customers every day. QlikView 8 is the latest product version, and was released in May, 2007 but the next generation version, QlikView 9 will be available in Q2 or early Q3 2009. QlikTech's reporting and analytics capabilities are not marketed as a separate product set, but rather are delivered within the QlikView product set features and functionality that also include a full range of BI and performance management capabilities.

Observations

QlikTech customers have consistently reported high praise and satisfaction with the company and its products, and are among the most likely to have achieved value from the purchase of the software for reporting and analytics projects. The software interface is known for its intuitiveness and this means that end-users are likely to adapt to its use quickly. Aberdeen research has shown that user adoption is critical to obtaining a rapid return on investment, and realization of the improvement in performance as indicated by the higher than average *Value Delivered* score achieved in this assessment.

QlikTech has taken a unique approach to BI and analytics technology with the introduction of its patented "in-memory" data calculation and storage capability. This approach makes use of today's cheaper memory capacity (64-bit) and allows the building and manipulation of data sets without requiring users to set-up and manage data infrastructure to handle dedicated database storage, models, or "cubes" for performance management applications.

QlikView is sold directly by QlikTech in the US, UK, France, Germany, Spain, The Netherlands, Sweden, Denmark, and Finland. It is also sold in 77 other countries through a network of resellers. The company focuses on proof-of-concept sales to smaller organizations and departmental projects at larger companies. Customers report that they are able to implement and deploy the solution rapidly: just a few weeks at smaller companies and within two to three months at larger organizations. Potential customers should put this proof-of concept offer to the test and experience QlikView within their own unique environment prior to making a purchase decision. Larger companies should also assess whether the current need and project is of a departmental size (a QlikTech strength) or whether the project is a large undertaking and enterprise-in-scope before engaging with the company.

AXIS Benchmark: QlikTech

Market Readiness

Score: 31

Average Score: 33

Value Delivered

Score: 58

Average Score: 54

"Senior management uses the QlikView documents on a daily basis. We currently have QlikView accessing A/P, Purchasing, G/L, Payroll, Human Resources, Revenue and Margins, Order Bookings, Inventory, Revenue Forecasting, A/R, and numerous technical support systems. The product had almost an instant payback in reducing inventory levels and analyzing revenue trends. We have the full suite of the QlikTech products. The only change in the future will be the number of licenses we own."

~ Fredrik Bliss, IT Manager,
FiberMark

Microsoft

Overview

Perhaps without even knowing it, the vast majority of end-user organizations are currently using Microsoft for reporting and analytics. Among its many other functions and capabilities, Excel® can be, and often is used as a tool for analyzing and delivering key information. However, in the grand scheme of enterprise business intelligence, Microsoft is a relatively late entrant if stacked against offerings from other software giants like SAP, Oracle, and IBM. Outside of Excel, Microsoft has functionality baked into other entrenched software solutions that provide reporting and analytical capability. Microsoft SQL Server 2008 leverages its own enterprise familiarity to enable users to build comprehensive analytical solutions running on top of its back-end data functionality, often used as a data warehouse. This solution provides rapid cube building capabilities, query performance optimization, and enables high-performance “what if” scenarios, among other features. Additionally, with the release of Microsoft Office PerformancePoint Server (PPS) in 2006, and its subsequent integration with SharePoint (PPS is no longer sold separately) the company has squarely placed itself on the BI roadmap, and is advancing its “People-Ready” approach to business software through an inference to the familiarity they have built around the Excel interface – a core component of current and planned analytical products. The reporting and analytical functionality incorporated into SQL Server 2008 and PPS provide Microsoft users with the option to build on their knowledge and familiarity with Excel to create more sophisticated analytical modeling and reporting views.

Observations

The ubiquity of Excel has allowed it to be one of the most pervasive tools for reporting and analytics used in the business world today. While some organizations use spreadsheets as their primary tool for analytics and reporting and others use spreadsheets more as supporting functionality, Aberdeen’s research shows that 97% of organizations surveyed are using spreadsheets as a part of their analytical strategy. However, despite Microsoft’s dominant position in the software world in general, their score on Aberdeen’s market readiness axis is eclipsed by their peers in the upper echelon of software providers. The primary explanation for their position is that Microsoft has yet to develop one integrated, coherent platform for BI reporting and analytics. SQL Server 2008 is a key player in the enterprise database market, PerformancePoint Server is primarily used as a tool for performance management, and Excel is a crucial “jack of all trades” in the enterprise, but there is no one integrated solution for reporting and analytics that end-users can sink their teeth into. However, as PerformancePoint continues its integration with SharePoint as a front-end for SQL Server, Microsoft is moving towards a more digestible platform for reporting and analytics.

AXIS Benchmark: Microsoft

Market Readiness

Score: 34

Average Score: 33

Value Delivered

Score: 55

Average Score: 54

"In the past people have held onto Excel based data records because of their preference to sort, analyze and graph data in Excel. Immediate transfer of data from our ERP gave the users what they perceived to be powerful manipulation and analysis tools along with the power of live central data storage."

~ Supply Chain Manager,
Consumer Packaged Food
Manufacturer

While it is not billed as a traditional BI reporting and analytics tool, Excel is still the most widely used solution in the enterprise today. The general familiarity with Excel and Microsoft tools in general serves as a large part of the explanation for Microsoft's above average position on Aberdeen's value delivered axis. The ease of use and self-service capability that companies sorely need is more than adequately satisfied by Excel. Another attribute that companies seek in an analytical solution is short deployment time. For Best-in-Class companies, the time between when a company defines its need for reporting and analytics, and when that capability is actually delivered to end-users is now measured on a scale of days and not months. Excel functionality used in conjunction with other Microsoft tools is becoming a powerful way of trimming deployment time to a range that suits today's fast moving business.

Microsoft's current products and new announcements represent compelling plans for their continued development of reporting and analytics capabilities. In response, companies should look at their organization to determine how to prepare for the future. This includes:

- Investigating "readiness" for Microsoft's new releases, including the next version of SQL Server and additional capabilities to be announced regarding PPS, SharePoint and Excel
- Assessing internal use of Excel for reporting and analysis purposes and determining how much need is already met with Excel versus PPS and competing analytical tools
- Challenging Microsoft and their partners to demonstrate how current reporting and analytical tasks can be performed within Excel, and the potential affects on both process and financial performance

Oracle

Overview

On March 1, 2007, Oracle announced that it agreed to acquire Hyperion Solutions Corporation for approximately \$3.3Billion, and the transaction was completed in mid-April that same year. This marked the beginning of a movement that saw, in less than a year, the enterprise BI software market consolidate further with SAP's acquisition of Business Objects and IBM's purchase of Cognos. At the time of Oracle's acquisition of Hyperion, the move was justified, according to Oracle's CEO Larry Ellison, through the possibility of delivering "an end-to-end performance management system that includes planning, budgeting, consolidation, operational analytics and compliance reporting." Hyperion's performance management capabilities, when combined with Oracle's BI and GRC solution set, represents a formidable line of technology and management capabilities.

Hyperion Solutions has a long history that begins in the early 1980's, prior to the popularization of the terms "Business Intelligence" and "Performance

AXIS Benchmark: Oracle

Market Readiness

Score: 38

Average Score: 33

Value Delivered

Score: 50

Average Score: 54

Management” in the high-tech community. Its origins can be traced to Information Management Resource Solutions (IMRS), and throughout a 15-year growth track culminating in a merger with Arbor Software (makers of the BI tool Essbase) in 1998. Throughout the next decade, the company continued to grow both organically and through M&A activity, including the purchase of Brio Technologies in 2002. At the time, Hyperion Solutions was considered to be one of the three top BI/PM solution providers in the world. Oracle now holds that same claim through the bundling of Hyperion within its Oracle Business Intelligence Enterprise Edition Plus product line. Its last reported revenues, prior to acquisition, were \$762M, earned from over 20,000 customer relationships. The products are marketed directly toward large enterprises, and are not as well-suited to the mid-tier or smaller organization.

Observations

The recent acquisitions and packaging has helped bolster one of the strongest *Market Readiness* scores among all providers. However, customers are still in the process of realizing this benefit as Oracle continues to integrate and re-package its solution offerings, potentially reflecting a below average score for *Value Delivered*.

Despite the maturity of the Hyperion product line, and its envelopment into the Oracle BI packaged solutions, capabilities and product innovation continue to be supported and developed. For example, in August of 2008, Oracle announced that Hyperion would be deployed as a Hosted / SaaS solution with the roll-out of Oracle Hyperion On-Demand. This deployment option fully supports the entire line of Hyperion products, including Oracle Hyperion Financial Management, Oracle Hyperion Planning, Oracle Essbase, Oracle Hyperion Financial Data Quality Management and Oracle Hyperion Financial Reporting. Aberdeen research has shown that a hosted or SaaS approach to deployments can reduce the costs and risks associated with implementing and managing PM and BI solutions. Total Cost of Ownership (TCO) of PM and BI solutions can also be lowered through a hosted or SaaS approach by speeding implementation and return on investment (ROI) and providing online access to product, support, and application management expertise.

Hyperion is used by many large organizations to help consolidate financial reporting, adhere to reporting regulations, and close their books. Many companies that use competing enterprise application software (such as SAP and Lawson) also use Hyperion. The product has not been as readily adopted by factions outside of the office of the CFO, something that Oracle is addressing through the integration of Hyperion within the OBIEE product package. Potential customers should inquire about the progress and two to three year roadmap for this integration in order to understand how Hyperion and OBIEE are addressing the entirety of enterprise performance management requirements.

IBM “Cognos Software”

Overview

Until its acquisition by IBM on January 31, 2008, Cognos was known as one of the world’s longest-operating software companies actively producing business intelligence and performance management solutions. Cognos is now known as a software brand in the Information Management segment of IBM Software Group (SWG). The company was founded in 1969, and the IBM software brand now employs over 4,000 people and serves more than 23,000 customers in over 135 countries.

The primary tools for reporting and analytics are marketed under the umbrella of IBM Cognos 8 Business Intelligence (BI). IBM Cognos 8 BI is a comprehensive software suite - based on a service-oriented architecture – that encompasses reporting, analytics, scorecards, dashboards, connectivity and ETL. Options also exist to extend the reach of the IBM Cognos solution to mobile devices, integrate with Microsoft Office, find relevant information via enterprise search and monitor key performance indicators in real-time.

Observations

IBM’s overall Cognos marketing message is based on performance management, wrapping both performance management software and BI software in that banner. Cognos’ formidable array of BI and performance management software components allows customers to integrate reporting and analysis, planning, and measuring and monitoring capabilities across the organization. Cognos markets its solutions as a means of transforming business managers into “performance managers.” Performance managers utilize Cognos software to gain improved insight into the key drivers of the business, and communicate with others to achieve better alignment of business activities to goals.

The integration of Cognos solutions within IBM’s overall business software portfolio should be a compelling offering for large companies looking to standardize their information management and reduce the number of solution providers and related services providers. Some of the most powerful effects of the merger have resulted in new data integration and ETL capabilities for the Cognos 8 platform.

With such a broad array of products and solutions aimed at reporting and analytics, Cognos has scored above average in *Market Readiness*. The company separates its primary functionality into three categories: Reporting and Analysis; Planning and Budgeting; and Measuring and Monitoring, and offers several discreet products that address each function, as well as a packaged platform solution that can incorporate all of the functions. However, this same abundance in offerings may also be causing confusion and adding complexity to customer implementations which may be affecting the *Value Delivered* as reflected by the slightly lower than average score.

AXIS Benchmark: IBM Cognos

Market Readiness

Score: 35

Average Score: 33

Value Delivered

Score: 52

Average Score: 54

“We certainly received the benefits of a robust production and ad hoc reporting system, which we expected from the onset. What we didn’t expect was the additional capability from some of the other toolsets, such as Event Studio. That provides live monitoring and proactive alerting capabilities which we utilize to for early warning signs of potential customer issues. We achieved ROI after 24 months or so, mostly through reduced customer charge backs, faster processing of monthly financials, and better control of costs and margins.”

~ Jim Mulholland, VP of IT,
Creativity

“A BI platform was not the cheapest option and integrating the solution with our ERP system was not easy, but the value for money is there. One thing I would recommend to anyone thinking about this is to plan for one full time employee to be dedicated to the project. We did not commit this resource up front, and had we done it, we would have saved quite a bit of time.”

~ Technology Director; U.S.
Manufacturing Representative

Additionally, long implementation cycles and higher-than-expected timeframes and budgets have affected customers' perceived value delivered.

Dimensional Insight

Overview

Dimensional Insight is a privately held company specializing in the development and marketing of business intelligence reporting and analytics software. Their flagship product, The Diver Solution, delivers information in the form of reports, charts, and analytical applications, and includes a full range of BI capabilities ranging from data integration and modeling, to sophisticated reporting, analytics, information portals and dashboards. The company was founded in 1989 and has more than 1,500 customers throughout the Americas, Europe, Asia, Africa, and the Middle East. The company sells its software directly, and through subsidiaries in Europe, Asia, and over 50 partners and distributors around the world.

The company is ranked in the Software 500 by Software Magazine (top 500 software companies by revenue) and in the Healthcare Informatics 100 (top 100 health care informatics companies by revenue). In 2005, the company was awarded the U.S. Small Business Administration Massachusetts Small Business Exporter of the Year award.

Observations

Dimensional Insight has focused much of its development, marketing and selling efforts on establishing itself as a leader within two primary markets: Supply Chain (mainly wholesalers and distributors of soft goods products) and Healthcare Providers (mainly mid-tier to large hospital systems with multiple facilities, or mid-tier to large independent hospitals). Dimensional Insight also has an extensive customer base in the publishing industry. The company has been delivering BI software as a service (SaaS) for over five years, and has established a mature customer base of companies who access and deploy reporting and analytics software in this fashion.

Dimensional Insight's Market Readiness score is indicative of the company's vertical market-focused approach. The solutions deliver robust capabilities for the customers served within the vertical markets, but as a whole, are also missing some core functionality, such as performance management and predictive analytics modules or products. Despite this, the overall product set is fairly robust, especially considering that Dimensional Insight has developed all of its own technology without relying on outside investment or acquisitions.

Dimensional Insight has also achieved an average Value Delivered score, rivaling and slightly beating the scores of some very large competitors. The company's focus on developing industry-focused solutions has resulted in a very dedicated and loyal following. Many customers have been working with the company for a decade or more. At larger firms, however, the product tends to be used within a department, and does not evolve to an enterprise

AXIS Benchmark:
Dimensional Insight

Market Readiness

Score: 33

Average Score: 33

Value Delivered

Score: 53

Average Score: 54

"Payback was realized in the first year. Over 100 different report requests were replaced by the first two data models built. People were able to view the information in any way they needed, by Division, Brand, Product Line, etc."

~ Elaine Ritchie, Director,
Information Technology, New
Balance Athletic Shoe, Inc.

application. This limits the overall ability to achieve a higher Value Delivered score.

MicroStrategy

Overview

MicroStrategy was founded in 1989, and markets business intelligence (BI), enterprise reporting, and OLAP (on-line analytical processing) software. MicroStrategy's software allows reporting and analysis of data stored in a variety of formats, and describes its core reporting software as having a "ROLAP" or "Relational OLAP" architecture, meaning that a complex relational database can be expressed using its proprietary data modeling structure. The company's most recent software suite release is called MicroStrategy 9, which was announced in January 2009 and was made generally available in March 2009.

As a result of the consolidation in the BI industry, MicroStrategy remains one of the few large independent BI software providers. MicroStrategy has several thousand customers, employs slightly less than 2,000 people and achieved revenues of just over \$360 million in FY2008.

Observations

MicroStrategy has historically focused its marketing and selling efforts within the CPG and Retail industries. The company has become a dominant player within these market segments, owing primarily to the development of capabilities that are important within high data-volume/transaction environments where unique customer segmentation and analysis is critical. MicroStrategy's ROLAP-based approach (described above) enables direct access to relational databases as opposed to requiring the separate construction of a secondary data store, warehouse, mart or other type of data construct. This approach also requires robust data processing capabilities, so MicroStrategy 9 should not be considered as a solution for small reporting projects. The company has expanded well beyond its CPG/Retail roots, and sells its solutions actively within many industries to thousands of customers and through a network of over 500 partner resellers and technology integrators.

Aberdeen research has shown that MicroStrategy customers are very loyal, and also possess a high degree of BI experience (over 80% of customers report having 5+ years of BI implementation experience). This is not surprising since MicroStrategy has been in business for 20 years (since the inception of the modern-day use of the term "business intelligence"). The company's robust reporting and analytics platform helps drive the average Market Readiness Score achieved, but the company is missing some key core BI product offerings, such as performance management products and data mining capabilities that limit its ability to deliver a full solution to customers.

AXIS Benchmark:
Microstrategy

Market Readiness

Score: 34

Average Score: 33

Value Delivered

Score: 52

Average Score: 54

"We have not achieved an ROI, and since our requirements keep expanding, this requires that we continue to purchase more licenses and product modules. I don't know if we'll ever see an ROI, or if we even know how to measure it. As we have moved from dashboards and automated reporting into predictive analytics, the software costs continue to grow. We have been able to scale from a few dozen to hundreds of users across the company while only adding two new support staff, so that is a good thing."

~ CMO, Large e-Commerce

The Value Delivered score is also at an average level and this may be related to customers' perceptions and experiences based on the ROI they have achieved, or the lack of an ability to measure ROI of their investment (managing TCO and ROI was one of the Value Delivered metrics measured for this AXIS report). Interviews with customers revealed that ROI from a MicroStrategy investment is often difficult to measure (only 28% of MicroStrategy customers are able to do so). Of the few that do measure, and have achieved an ROI, it has taken, on average, approximately 12-18 months to do so after implementation and deployment. Still, this is not atypical, and should be weighed proportionately with the size of implementations which tend to be very large.

SAP BusinessObjects

Overview

SAP, with headquarters in Newtown Square, PA, and Walldorf, Germany announced on Oct 7, 2007, that it would acquire Business Objects for \$6.8 billion. The transaction was completed on January 22, 2008. The purchase was the second in a series of industry-wide large-scale acquisitions (Including Oracle's acquisition of Hyperion Solutions and IBM's subsequent purchase of Cognos), and among dozens of acquisitions during the preceding 24-month period that saw a consolidation trend in the business intelligence software industry.

SAP offers a wide range of solutions that span operational, strategic, and predictive aspects of a reporting and analytical strategy. The SAP BusinessObjects BI portfolio is comprised of a comprehensive set of tools for ad hoc query and analysis designed specifically to alleviate the technical burden from the business user and connect organizational information with the business decision makers who can benefit from its analysis. On the reporting side, Business Objects' 2003 acquisition of Crystal Decisions not only strengthened their portfolio of intuitive 'business ready' reporting applications but also cemented their position in the world of on-demand BI with the creation of crystalreports.com – a Software as a Service (SaaS) offering for BI reporting. SAP also delivers a set of tools for advanced analytics that offer business analysts the opportunity to manage and drive value from complex, multi-dimensional data sets, as well as perform predictive analytics to better anticipate and manage changes in the business environment.

Observations

Given the sheer scope and market reach of SAP, their above average score on the market readiness axis should come as no surprise. In the world of BI reporting and analytics, SAP Business Objects has developed and acquired their way into just about every facet of software for business insight that end-user organizations seek. Today's BI user is looking for ways to prioritize and distribute information specific to the job role, function, and industry in order to better focus their analytical efforts. By virtue of SAP's

**AXIS Benchmark: SAP
BusinessObjects**

Market Readiness

Score: 35

Average Score: 33

Value Delivered

Score: 51

Average Score: 54

"Business Objects' solution meets our expectations. The only problems we have had are related to compatibility with MS Office 2007. We received an immediate return because we needed something to compile all of our data, and this was accomplished quickly. Now we are waiting to see how the new combination of Business Objects and SAP will work. Early signs are good, especially with the launch of Explorer."

~ Manager Financial Planning;
Large Energy and Manufacturing
Corporation

market maturity combined with Business Objects' domain expertise in BI, customers have access to functionality that addresses these specific needs, and SAP is well positioned to deliver the reporting and analytical capabilities to fit each user need.

In contrast to their below average value delivered score revealed in Aberdeen's January 2009 BI Performance Management Axis Report, SAP falls closer to the middle of the pack when it comes to reporting and analytics. Interviews with end users continually engender the following two questions when it comes to reporting and analytical tools: Is the solution intuitive and easy to use? Can it be delivered in a self-service capacity thereby reducing or eliminating IT involvement in its deployment? SAP BusinessObjects has a strong focus on empowering business users to perform analytical functions on their own. With the inclusion of Crystal Reports functionality coupled with other in-house developed solutions such as the soon-to-be released Explorer product, SAP is enabling the business user to manage a multitude of disparate data sources without a high degree of IT expertise and utilize these tools for timely discovery of business insight. One thing that has challenged SAP users in the past is the wide array of products and discrete point solutions SAP offers, and how to determine the functionality that best fits the organization. As SAP continues to incorporate Business Objects toolsets into its product portfolio and develop a tighter message around reporting and analytics, customers will better understand how to tailor a solution to fit their particular needs.

SPSS

Overview

SPSS - short for Statistical Package for the Social Sciences – is a software tool originally created in 1968 to turn raw data into information to aid decision-making. With roots at Stanford University in California, the early success of SPSS was within academic environments. After further nurturing at the University of Chicago, SPSS was incorporated in 1975. Today, SPSS boasts over 120,000 customers, including those in government, education, life sciences, retail, insurance, financial services, healthcare and manufacturing. The SPSS suite includes software for data collection, modeling, statistics and deployment. The company is headquartered in Chicago, Illinois, USA and has offices worldwide. SPSS reported revenues of \$302m for FY2008, and \$72.1m for the quarter ending in March 31, 2009.

Observations

SPSS has become a leader in developing, marketing and delivering predictive analytics technologies. The company markets its products to customers in many industry segments, including telecommunications, banking, finance, insurance, healthcare, manufacturing, retail, consumer packaged goods, higher education, government, and market research.

AXIS Benchmark: SPSS

Market Readiness

Score: 31

Average Score: 33

Value Delivered

Score: 54

Average Score: 54

Customers are incorporating predictive analytics into their daily operations, enabling them to become what SPSS terms “Predictive Enterprises” – defined as the “ability to direct and automate decisions to meet business goals and achieve measurable competitive advantage”. SPSS has recently completed a complete re-naming of its products, resulting in the moniker “PASW” (Predictive Analytics Software) as the basis for its four lines of products: Data Collection, Statistics, Modeling, and Deployment. The company focuses on enabling the delivery of automated statistical analysis and predictive modeling in near-real-time in order to meet the needs of customers who want to see immediate results of interactions with customers, and the relationships resulting from high volumes of transactions in the business.

In addition to the focus on enterprise predictive capability, the company also captured a relatively underserved niche within the mid-tier computing space through the acquisition of Showcase Software in 2001. This has resulted in one of the only dedicated reporting and analytics packages for the IBM iSeries (recently re-named Series-i”) computing platform and a potential entrée for the company into mid-tier accounts within the manufacturing and distribution market.

The placement of SPSS on the Reporting and Analytics AXIS reflects the history and focus of the corporation’s delivery of reporting and analytics products. The company has become very focused during the past decade on marketing and positioning itself as a statistical and predictive analysis solution provider – a very narrow focus in the entire gamut of BI. This places SPSS well to the left on the Market Readiness axis. While this is reflective of the company’s stance as a pure-play predictive analytics solution, it is not necessarily an indication of the company’s ability to deliver to its customers. In fact, among predictive analytics solution providers, of which there are few, SPSS ranks highest in the Value Delivered rating, and only slightly lower than top competitor SAS in terms of Value Delivered, despite the lack of a full BI reporting and analytics software offering.

SAS

Overview

Headquartered in Cary, North Carolina, SAS is one of the largest privately held companies in the world. The company reports having more than 11,000 employees worldwide and 2008 revenues of \$2.26 billion. The company manages a wide portfolio of business software including tools for human capital management (HCM), customer relationship management (CRM) and governance, risk and compliance (GRC). Additionally, SAS boasts a comprehensive set of solutions for BI that range from data integration and analytics to performance management, reporting and visualization tools. As their main BI platform, SAS® Enterprise BI Server is a comprehensive BI solution that integrates the SAS analytics and data integration. It includes role-based, self-service interfaces for all types of

"Our most important advantage is the ability to have immediate access to sales and web activity information, and relate it back to the on-line promotional campaigns that are launched on a daily basis. When I came on-board, we were not able to see results and determine any change in our course of action for days or sometimes weeks after a promotional campaign was launched. Now, we can see the results within minutes."

~ Director of Database
Marketing, Mid-tier On-line
Retail Company

AXIS Benchmark: SAS

Market Readiness

Score: 32

Average Score: 33

Value Delivered

Score: 52

Average Score: 54

users within a well-defined IT governance framework and a centralized point of administration.

Observations

Among other reporting tools, the company offers SAS Solutions OnDemand to enable quicker and more targeted deployments of BI and reporting capabilities. This on demand solution has been around for more than 10 years and is backed by a 99% uptime warranty for near around-the-clock availability. Additionally, SAS offers a visual reporting tool designed specifically as a more interactive alternative to spreadsheets and static reporting. SAS® Visual BI, powered by JMP® software, provides dynamic business visualization, enabling business users to interactively explore ideas and information, investigate patterns and discover previously hidden facts through visual queries. On the analytical side, SAS Analytics provides an integrated environment for predictive and descriptive modeling, data mining, text analytics, forecasting, optimization, simulation, experimental design and more. From predictive analytics to model deployment and process optimization, SAS provides a range of techniques and processes for the collection, classification, analysis and interpretation of data.

SAS has a very vertical-centric approach to their product portfolio. The company offers targeted solutions for the banking, education, aerospace, and healthcare industries, among many others. This type of specialized domain expertise enables SAS to play in a variety of different markets simultaneously and presents a wide scope of opportunity for growth. However, given the consolidation in the BI space over the past few years, SAS is now one of the largest players offering solutions for reporting and analytics, putting them in direct competition with software stalwarts like IBM, SAP, Oracle, and Microsoft. This heady competitive landscape is likely to have been influential in SAS' average market readiness score. In terms of the value delivered axis, SAS also scored at a slightly below average level. One of the most important performance metrics that Aberdeen Group measures is 'time-to-information'. According to the research, customers of SAS were less likely to achieve a significant reduction in time to information than users of other vendors in this report, leaving them at a comparative disadvantage in this report.

"We were able to pull data from our data warehouse into spreadsheets, but we needed something more visually compelling. We wanted to tie the budget reporting process to the ability to track KPIs and link / cascade them down through the organization. SAS will increase visibility and improve budget awareness and accuracy in the long run."

~ CIO, Mid-Tier Food and Beverage Distribution Company

FICO (Formerly Fair Isaac Corporation)

Overview

FICO, formerly Fair Isaac Corporation, was founded in 1956 and became involved in the science of helping business people to make decisions as early as 1958. FICO provides predictive analytics to help businesses automate, improve, and connect decisions across the organization and throughout the customer lifecycle. The company is headquartered in Minneapolis, MN, USA, with operations in Australia, Brazil, China, Japan, Singapore, Spain and the UK. Annual sales of \$745m were reported in the last financial year, ending in September 2008. FICO's approach to decision management is

AXIS Benchmark: Fair Isaac

Market Readiness

Score: 28

Average Score: 33

Value Delivered

Score: 51

Average Score: 54

three-pronged, encompassing predictive analytics, applications and software tools, as well as supporting services.

Observations

Like most software vendors, FICO has seen revenue decline as a result of the economic recession in general, and the meltdown of the financial services sector in particular. However, through prudent cost management, FICO was able to post a strong profit for the first quarter of 2009. The company also retains a strong balance sheet, with over \$350m in current assets.

With a long and deep history in fraud detection and credit risk using predictive analytics, FICO maintains a very application and vertically focused approach to business intelligence. While claiming over 5,000 customers worldwide, FICO's customers are predominantly in financial services, insurance, retail, CPG, healthcare and pharmaceuticals. In fact, visit the company website and you'd be challenged to find any broad, horizontal information on business intelligence and analytics. FICO has a focus on market segments and niches not shared by other vendors of a comparable size. Ultimately, that laser-like focus hurts FICO's standing in this Aberdeen AXIS report for reporting and analytics. The AXIS for market readiness scoring is based on FICO's Model Builder product, a data mining tool that enables modeling of data for predictive analytic applications.

Still, the company offers a range of analytics products that allow some of the broadest predictive modeling and scoring capabilities on the market today. The low Market Readiness score should not necessarily be considered as a detriment to those organizations looking for this type of functionality. However, for general reporting and analytics outside of the scope of predictive analytics, other solution providers would be a better choice.

"Primarily we were looking to optimize performance by attacking 'low hanging fruit'. First, we realized that we were using old scorecard data. The cost of creating new models was just too high to keep the data as up-to-date as we wanted. We needed a solution provider that could help us to automate the creation of new scorecards, and lower the cost significantly so that we could create them more frequently and for more lines of business."

~ Risk Analytics Project Manager,
Credit Department, Heavy
Equipment Manufacturer

Information Builders

Overview

Founded in 1975, Information Builders operates a software business consisting of 47 of its own sales offices and 26 national distributors and agents. The company reports having more than 1,400 employees worldwide and revenue in 2007 was more than \$315 million, with double-digit growth in software license revenue. In 2001 the company established iWay Software, a wholly-owned company that focuses on data access, integration and Service Oriented Architecture (SOA) connection to a variety of data sources including operational and transactional systems. The company sells its software to over 12,000 customers, and its reporting and analytics solutions under the brand name WebFOCUS. The company is headquartered in New York, NY, and has been led throughout its entire 33 year existence by the same senior management team.

AXIS Benchmark:
Dimensional Insight

Market Readiness

Score: 31

Average Score: 33

Value Delivered

Score: 45

Average Score: 54

Observations

As a reporting solution, WebFOCUS provides reporting capability around several areas including financial reporting, end-user reporting, report distribution, print-ready reporting, output formatting, and Excel® and Microsoft Office® integration. Additionally, WebFOCUS combines the functionality of query tools, reporting tools, and OLAP into a single powerful solution with one common interface to solve analytical challenges in the enterprise. Information Builders offers a “rapid-start” implementation program (see customer quote at right) that delivers the complete solution and configuration, allowing business units, with little or no IT assistance, to be up and running in weeks.

Information Builders has also begun to develop focused BI and Analytic solutions that are targeted to specific industries, such as Retail, Healthcare and Public Sector segments. Companies operating in these industries may find a higher degree of domain expertise from this vendor, as opposed to those in other sectors. Information Builders has also recently enhanced its BI offering with Predictive Analytics capabilities which can be applied to “what if” scenarios and other corporate planning initiatives.

Due to the consolidation of several large players in the BI market, Information Builders also competes with the industry heavy-hitters, and despite a wide portfolio of BI solutions, they still fall behind the industry average in terms of market readiness. Additionally, one thing that had challenged customers of Information Builders is the ability to integrate data from multiple disparate sources. While Information Builders does offer a solution for data integration, their customers have not all acquired or adopted these products, nor have they realized the value of aggregation from a complex data source infrastructure. Therefore Information Builders falls at the low end of the value delivered axis.

“We wanted to get to the information-production stage very quickly. Information Builders enabled us to access the data and create meaningful reports almost immediately. They showed us how we could directly access the data in our production systems and create intermediate data stores for reporting.”

~ SVP/CIO, Large U.S. Published
Product Distributor

Appendices

Aberdeen AXIS Methodology

About this Aberdeen AXIS

Focused on Aberdeen's Business Intelligence research, this AXIS Report is based on 2,904 respondents from 7 benchmark studies conducted between Q1 2008 and Q1 2009. Solution providers covered in this report were asked in Q1 2009 to complete an extensive questionnaire regarding their company's overall status and operational performance. Follow-up interviews were conducted with the evaluated vendors' customers in March, April and May 2009.

About Aberdeen

Since 1988, Aberdeen's research has been helping corporations worldwide become Best-in-Class. Having benchmarked the performance of more than 644,000 companies, Aberdeen is uniquely positioned to provide organizations with the facts that matter — the facts that enable companies to get ahead and drive results. That's why our research is relied on by more than 2.5 million readers in over 40 countries, 90% of the Fortune 1,000, and 93% of the Technology 500.

As a Harte-Hanks Company, Aberdeen plays a key role of putting content in context for the global direct and targeted marketing company. Aberdeen's analytical and independent view of the "customer optimization" process of Harte-Hanks (Information – Opportunity – Insight – Engagement – Interaction) extends the client value and accentuates the strategic role Harte-Hanks brings to the market.

For additional information, please visit Aberdeen Group at www.aberdeen.com or call (617) 854-5200. To learn more about Harte-Hanks, please call (800) 456-9748 or go to www.harte-hanks.com.

The Aberdeen AXIS Methodology

The Aberdeen AXIS is an objective and fact-based vendor assessment methodology designed to assist organizations in making technology purchasing decisions. The Aberdeen AXIS assesses vendors using two criteria: 1) Best-in-Class status (Value Delivered) based on key performance indicators drawn from Aberdeen's domain-specific body of primary fact-based research; and 2) Market Readiness of the vendor organization determined by over 250 evaluation criteria, including: vendor questionnaires, public records, vendor briefings and customer interviews.

- Vendor Selection – Vendors appearing on an AXIS have been identified by Aberdeen and the marketplace as having a relevant solution.

- **Vendor Omission** – Vendors may not appear on an AXIS for typically one of three primary reasons: 1) the vendor failed to supply requisite data for analysis; 2) the vendor failed to have sufficient market representation as part of the analysis (i.e. insufficient customers identified the vendor as a provider); or 3) the vendor’s solution or service did not align with the particular AXIS.
- **Data Collection** – Data for the Y-Axis (Value Delivered) is extracted from relevant Aberdeen benchmark research reports published in the proceeding twelve months (typically). All of the benchmark reports are predicated on Aberdeen’s PACE methodology, using primary field research in which end-users are polled via standardized survey. Information collected is analyzed using Aberdeen’s formulaic approach to determining Best-in-Class performance. Data for the X-Axis (Market Readiness) is a by-product of a vendor-fielded questionnaire containing over 200 key questions, public records, customer interviews and vendor briefings. A weighting algorithm, maintained in confidence to prevent response gaming, is applied to determine respective vendor scores.
- **AXIS Recommendations** – The relative positions of the vendors on the AXIS, as well as the insight provided in the report, represent an assessment of the vendor score for Market Readiness and Value Delivered, interpreted via published methodology and analyst insight.

An Aberdeen AXIS is published typically once a year for each of the 22 research practices covered by Aberdeen.

Further Reading

- [*Managing the TCO of Business Intelligence*](#); February 2008
- [*Business Intelligence Deployment Strategies*](#); April 2008
- [*Financial Planning and Budgeting*](#); April 2008
- [*Predictive Analytics. The BI Crystal Ball*](#); May 2008
- [*Is Your GRC Strategy Intelligent?*](#); July 2008
- [*Operational KPIs and Performance Management*](#); August 2008
- [*Do More with Less: Merging Enterprise Applications with Desktop Tools*](#); September 2008
- [*Mobile Business Intelligence*](#); November 2008
- [*Financial Planning, Budgeting and Forecasting*](#); January 2009
- [*Operational Business Intelligence*](#); March 2009
- [*Managing the TCO of Business Intelligence*](#); April 2009

Information on these and any other Aberdeen publications can be found at www.aberdeen.com.

For information on updates or publication schedules, please contact:
AXIS@aberdeen.com.

More information about Aberdeen AXIS is available at:
<http://axis.aberdeen.com>

Authors: David Hatch, Vice President, david.hatch@aberdeen.com

David White, Senior Research Analyst, david.white@aberdeen.com

Michael Lock, Research Analyst, michael.lock@aberdeen.com

Kimberly Madden, Research Associate, kimberly.madden@aberdeen.com

050509b