



BI for the masses

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ONCE the sole domain of senior executives in plush corner offices, business intelligence software is being introduced to the masses.

Around the world, large companies are recognising the commercial benefits of allowing more of their staff to use business intelligence reporting and analysis tools to support their daily activities.

Sales and financial numbers can be crunched to identify trends, which can then be used to steer marketing programs.

Armed with a clearer picture of their clients, salespeople can become more proactive and successful.

Recognising this trend, business intelligence vendors have been working hard to streamline their systems, removing much of the complexity usually associated with using the software.

Business intelligence specialist Cognos has unveiled its Cognos 8 BI system, which combines analysis, reporting and scorecarding tools into a single package.

Cognos marketing and partner director David Merchant says much of the push is coming from a desire by companies to standardise business intelligence systems.

"Many may have previously invested in multiple systems in different parts of their businesses, but now they want to bring that information together and get it out to users who are driving the business," Merchant says.

Cognos has also adjusted its licensing system for different types of users, he says.

Basic users are provided with a licence at one cost, which increases for others who need more functionality to complete their jobs.

Cognos won't have the field to itself for long.

Other business intelligence vendors are planning a similar approach, releasing easy-to-use tools designed for non-expert staff.

One rival, Business Objects, has announced an upgrade to its XI platform, making it easy for users to conduct queries using simple questions.

Business Objects product marketing director James Thomas says the changes "radically simplify" access to business intelligence systems.

"We're catering for the skills of 85 per cent of corporate IT users who aren't using query and analysis tools today," he says.

According to researcher IDC, worldwide sales of business intelligence software grew 11 per cent to \$US4.3 billion (\$5.7 billion) last year.

In the Asia-Pacific region, IDC predicts, business intelligence spending will grow from \$US529 million in 2003 to more than \$US1.2 billion by the end of 2008 and Australia and New Zealand are expected to represent more than 45 per cent of this.

IDC software analyst Tim Sheedy says market figures may be slightly inflated because companies are in a consolidation phase.

"We have examples of companies purchasing new systems but still running and paying for existing systems," Sheedy says.

"This will take a while to correct as the older systems are taken out."

He agrees much of the growth is coming from companies developing business intelligence capabilities that are beyond their analyst teams.

"Some companies have put a lot of work into their web-based clients, which makes using them much more intuitive," he says.

Data warehouse specialist company Delpride director Geoff Peach says business intelligence software companies may struggle to sell more software to companies that have already invested considerably in analysis tools.

Delpride recently set up a consulting arm to assist companies with business intelligence issues, and Peach says much of the company's work is coming from companies wanting to extract extra value from software they already have in place.

"We have clients who have spent considerable sums on data warehouses and BI software and, by reconfiguring what they have in place, they can do more with it," he says.

Gordon Clubb, managing director of Software company SAS, says the biggest driver of business intelligence adoption is that companies are finding themselves swamped by ever-larger amounts of information and need to find ways to make sense of it.

"Research shows the amount of information in the world doubles every three years and there is increasing pressure on companies to extract value from it for their operations," he says.

It's wrong to think of business intelligence as simply a reporting mechanism, because its analysis capabilities can provide much more to an organisation, Clubb says.

"Risk management is a good example and an area where use of BI is growing," he says.

"A good business needs to manage risk, and you can't do that just with reporting tools. You need to be able to analyse your data and then predict what is going to happen."

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