WHITE PAPER

Why cloud business intelligence?

The top ten benefits of software-as-a-service analytics

The smartest businesses pursue every available opportunity to maximize performance and minimize costs. Business intelligence (BI) tools—used to analyze data, identify trends, and support business decisions—are still gaining in popularity among companies of all sizes as they seek to optimize efficiency and productivity and a competitive edge.

Unlike traditional business intelligence solutions, cloud BI platforms offer an agile and cost-effective resource for organizations to maximize their potential while minimizing costs.

Business intelligence solutions in the cloud represent the merging of two key trends—the evolution of cloud computing as a cost-effective, agile platform for business applications and the use of BI technology to gain insight and improve the quality and speed of decision making. To make the most of cloud BI, look for a complete solution with a breadth of features that are easy to use, quick to deploy, and scalable as data and user requirements grow. To find the best solution, each business must consider their own unique needs for multi-source data capability, data discovery, analytics, reporting, scalability, automation, and flexibility. Once your organization determines these needs, it can find the best BI match.

> **“Cloud providers enable the provisioning of computing resources right on the spot and significantly reduce the time for implementing software solutions, from months or years to even weeks or days.”**
>
> JORGE GARCIA
> TEC top trends report: Analytics and BI solutions in the cloud, February 2019

Ultimately, no matter which vendor you chose, your business is likely to benefit from a cloud BI solution. Through the cloud model, BI is becoming much more accessible, less expensive, and less risky while the benefits are becoming more compelling for all.

Cloud BI is the most simple, cost-effective way for an organization to get all the components needed for data access, blending and integration, smart analytics, reporting, and dashboards—all available in a hosted environment with pay-as-you-go economics. Cloud delivery enables rapid deployment—most businesses can build an initial BI environment in days or weeks compared to months with traditional BI solutions. Organizations now realize that the high investments and total cost of ownership of conventional on-premises BI make these solutions impractical and unattractive. The allure of software-as-a-service or cloud BI has never been stronger.

Cloud BI solutions hosted by service providers and accessed by users over the internet offer all the capabilities of traditional BI solutions while substantially improving business agility. Cloud solutions provide powerful and flexible business insight but are faster, easier, and less costly than custom "behind the firewall" solutions. The business benefits of cloud BI are compelling and real. Relative to traditional business intelligence solutions, cloud BI solutions offer the following:

This white paper explores the ten most important benefits of cloud analytics, including:

1. Rapid return on investment (ROI)
2. Lower implementation costs
3. Lower ongoing costs
4. Increased collaboration, maximum insight
5. Easier budget approval
6. Scalability
7. Agility
8. Multi-tenancy
9. Greater visibility
10. Low risk

1. Rapid return on investment (ROI)

A faster "time to value" allows for a quicker return on investment

Cloud BI solutions are quick to deploy and easy to change. Unlike traditional BI implementations, which can take 12 to 18 months or longer, cloud BI solutions can typically be up and running in a few weeks. This is because there is no additional hardware to install, no database to set up, and no software to install and configure. With the solution up and running sooner, companies can start reaping a return on their investment more quickly, decreasing the time required to see value from the investment. Ongoing maintenance and customization are also faster and easier.

Since the hardware and infrastructure is maintained by the vendor, all software upgrades and architecture changes are delivered to the customer automatically. Customization and changes to the reporting and analysis tools can be handled by end-users with limited, if any, use of IT resources.

2. Lower implementation costs

Limited up-front costs and IT resource requirements

Cloud BI solution providers manage all the back-end systems for their service as well as host their applications, so customers are freed from the hardware and setup costs of having a BI solution deployed. There are no complex sizing calculations to be made, no hardware to buy and provision, no software servers to purchase and set up. Also, because software-as-a-service BI platforms can be set up in a fraction of the time of traditional solutions, the time and resources required to deploy a finished solution are dramatically reduced and, therefore, up-front costs for implementation are significantly less than traditional solutions. The low cost means these solutions are less risky to implement and easier to budget—generating a higher ROI.

3. Lower ongoing costs

Benefit from upgrades and maintenance without the costs and drain on IT resources

Cloud BI vendors typically charge a subscription fee which provides an all-in cost for the right to use the application service, maintenance, and support. This subscription is usually based on the number of users who will interact with the system, the volume of data analyzed, and a support plan. Subscription pricing ensures that customers pay only for what they need, as they need it—so the customer retains financial control of the project and maintains the flexibility to scale up as needed. Because the customer's solution is running on a shared infrastructure, this increased financial control and flexibility comes with lower ongoing costs.

4. Increased collaboration, maximum insight

Place business intelligence into everyone's hands

Conventional solutions tend to be IT resource intensive to implement and maintain, limiting their availability to dedicated experts who are spread thinly across the many business units they serve.

Cloud solutions are easier and more affordable to deploy and require little specialized expertise to operate. As a result, they are more accessible to non-technical users throughout the organization. Business analysts that often struggle with complex reporting tools when making sales forecasts, planning resource utilization, or servicing customer accounts can use visualization and data discovery to get business insight quickly and easily. These functional specialists, across the organization, can now uncover opportunities hidden in the data.

5. Easier budget approval

Operational expense vs. capital expense

Cloud solutions are paid for as subscriptions; their license cost is a regular, predictable expense and not a large, up-front payment for licenses as with conventional software. Therefore, cloud solutions can be typically purchased as an ongoing operational expense (OpEx) rather than a capital expense (CapEx). This makes cloud solutions even more attractive where CapEx budgets are under immense scrutiny.

> **"The maintenance of [cloud] BI apps is the service provider's responsibility, so the organization can focus on exploiting the apps to their fullest potential."**
>
> JORGE GARCIA
> TEC top trends report: Analytics and BI solutions in the cloud, February 2019

6. Scalability

Simply scale from departmental to enterprise-level solutions

Cloud solutions are designed to support many customers simultaneously—with capacity to spare. This means that any individual customer can expand their cloud solution by requesting a larger account size or more users. Unlike on-premises solutions, customers can expand their cloud solution without having to buy and deploy more hardware or install different, larger software servers. Since the vendor is responsible for capacity, organizations can begin with a small number of users and a small set of data, easily scaling to an enterprise-level platform or anything in between.

7. Agility

Quickly adapt to changing business data and needs

Unlike traditional solutions, cloud BI solutions can be modified easily, so non-technical users can quickly add new reports and dashboards, new data sources, and new analyses. With traditional BI solutions, such changes might take weeks or months and involve significant IT resources.

Working with data to support analytics should not be the exclusive domain of IT. Business users must have the tools to prepare their own "edge" data and combine it with the trusted, centrally managed data from IT to analyze complex business processes. A cloud BI platform can provide both easy-to-use data preparation capabilities for self-service data prep as well as the powerful data integration technologies required by IT.

This combination of centralized and decentralized data creates exciting possibilities. If we consider the analytical fabric as an organically grown or "crowdsourced" network of insights, it becomes a powerful method for harnessing the collective intelligence of an organization, turning the idea of "enterprise business intelligence" into an agile reality.

8. Multi-tenancy

Not all cloud BI is true cloud BI

A native cloud enterprise BI platform should be built from the ground up as a multi-tenant system.

True cloud BI solution providers utilize technologies that scale elastically in capacity as your data or user base grows to provide the best possible performance for small to very large-scale solutions. Several solutions enable scaling by adding new computing power and performance is optimized through techniques such as caching, pre-aggregation, and optimized SQL generation. These optimizations can significantly reduce the cost of cloud analytics when used against cloud database solutions that charge for processor consumption versus storage.

Using a cloud BI platform ensures your organization will always be on the latest version and can take advantage of continuous improvements and innovations from the vendor. In single tenant and on-premises deployments, resource limitations mean that an organization can be months or years out-of-date and upgrades are often disruptive to the business.

Some cloud BI vendors offer a fully multi-tenant virtual appliance for cases where the analytics must be deployed behind the firewall on the organization's hardware or in a private cloud.

Another perk of multi-tenancy is that it creates virtual—not physical—BI tenants that relate to each other. The use of these virtual instances is significant because, traditionally, delivering trusted and reliable data across the enterprise required the development of a large and complex monolithic data warehouse that attempted to answer every business question and largely depended on physical replication of BI infrastructure—not just hardware but also data, metadata, user profiles, and system configurations—making it a complex, time consuming, repetitive, and expensive effort. These new virtual BI instances facilitate the delivery of data as a service to the organization.

Additionally, virtual BI instances help with agility (benefit #7) by providing the flexibility to easily create new instances to explore new analytics use cases. If value is proven, these instances can be 'productionized' and handed over to IT for management. If the value is not realized, the virtual tenant can be simply deleted avoiding the time, costs, and resources associated with setting up physical hardware and software.

Case Study: Citrix Systems

Citrix Systems is a leading provider of virtualization, networking, and cloud computing solutions for more than 230,000 organizations worldwide.

Business challenge: Improve customer satisfaction, product reliability, and gross margins with better visibility across the supply chain.

"We were trying to solve the problem with eight million spreadsheets that were from multiple organizations and outdated by the time they came together," said Fred Tiso, VP of Worldwide Operations, Citrix. "There was no single version of the truth. We couldn't trust the data, and it just took forever."

"Infor Birst® was a game-changer for us. We went live in less than 90 days with very limited involvement from IT and plan to have 2,000 users up and running shortly." Fred Tiso, VP of Worldwide Operations, Citrix.

Key benefits of the system

- Real-time visibility into sales forecasts, bookings, shipments, and inventory
- Citrix employees gained an accurate view of the supply chain
- External suppliers could secure access in order to plan for Citrix's forecasts

Results

- Achieved 99%+ on-time delivery rate
- A five-fold increase in inventory turns
- Gross margin improvement

9. Greater visibility

Share data and reports—even outside the firewall

Cloud applications are deployed over the internet so that users can easily share data with others, both inside and outside customer organizations. This makes it easy for users to share insight with remote offices, suppliers, field sales organizations, partners, and customers. Also, since these applications can leverage data from anywhere in the world, users can integrate data from multiple, geographically dispersed sources, from other internal business units, and suppliers and partners in a company's extended value chain.

Cloud BI is easily the best way to monetize data. The ability to share analytics through a standard web browser or mobile device and without needing to authorize external organizations to access internal servers and databases greatly simplifies the process of sharing information, enabling the organization's staff to concentrate on providing a great analytical product with illuminating insights for customers and partners.

Some cloud BI platform providers offer a white labeling capability, APIs, and flexible licensing options to enable sophisticated tiered pricing and packaging options and fully on-brand experience.

10. Low risk

High reward

As a subscription service, cloud solutions are a low-risk way to acquire business intelligence without the usual high costs, onerous commitments, advanced technical skills, or high resource requirements. The rewards of deeper business insights, improved efficiency, higher productivity, and lower costs make this a winning strategy for companies of all sizes.

Choosing the right BI vendor for your business

For cloud business intelligence to be successful it must deliver more value than the traditional behind-the-firewall approach, as well as a breadth of features that are quick to deploy, scalable, and easy to use. To achieve these key benefits, organizations should consider whether they need the following key functional components of business intelligence:

- **Multi-source data capability**: The ability to consolidate data from multiple sources such as sales, marketing, finance, operations, and HR. On-premises and in the cloud.
- **Personal data blending**: Enable a business user to integrate local, personal, and edge data with a centrally provisioned and governed enterprise analytics source.
- **End-to-end business intelligence**: The ability to provide the full range of integrated analysis and reporting capabilities, including data discovery, dashboards, operational or pixel-perfect reporting, and mobile BI including off-line mode.
- **Scalability**: The capacity to grow with an organization in terms of scale and complexity, including the number of data sources, the complexity of calculations and diversity of end-user scenarios.
- **Automation**: The capability to ease and expedite what has been historically the more painful and laborious aspects of BI implementation–data preparation, integration, and metadata management.
- **Smart insights**: Use data science to help find meaningful relationships between a given key performance indicator (KPI) and countless business variables, and then automatically generate visualizations and dashboards that explain the KPI's behavior.
- **Flexibility**: The adaptability to expand, enhance, and customize analytic applications as needed.

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