

How to Select a Business Intelligence Vendor

A comprehensive framework for evaluating BI technologies

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Obviously BI is important to today's enterprise but why? The broad answer is so organizations can make more money, save more money and allocate what they have more effectively — by getting better answers faster. As the amount of information collected throughout an enterprise grows, so does the need for solutions that maximize the value that information adds to the organization. In fact, a recent survey of CIOs by Gartner identifies business intelligence applications as the number one technology priority. Therefore, it is not surprising that business intelligence (BI) software has attracted attention from a crowd of vendors, each claiming to offer the best solution.

To help cut through the clutter of conflicting and overstated vendor claims, SAS has developed a comprehensive framework that can be used to evaluate any and all BI vendors. Using criteria that are crucial to the success of your BI implementation, the evaluation framework includes measures of:

- Technology (comprehensive BI platform and advanced analytics).
- Alignment with customer needs (organizational reach and customer commitment).
- Corporate vision and geographic scope.

This BI evaluation framework addresses three categories, each with two dimensions:

Technology

- Does the vendor offer a truly comprehensive BI platform or just a point solution?
- Does the vendor offer true analytics or just query and reporting capabilities?

Alignment with customer needs

- Does the solution deliver intelligence to all organizational levels and functional areas?
- What is the vendor's commitment to customer support?

Corporate vision and geographic scope

- Is the vendor committed to the investments necessary to grow with you as your needs evolve?
- Does the vendor offer both global reach and local presence?

Following are some specific key questions you'll want to ask of any candidate being considered for your business intelligence solution.

What exactly do you mean by "business intelligence?"

Some vendors narrowly define "business intelligence" to focus on ad hoc query and reporting tools for end users while others are simply referring to a data platform on which developers can build BI solutions. In fact, many BI platform vendors rank low on completeness of vision and typically offer packages that extend or complement ERP applications. The BI platform that these vendors offer should not be confused with the open BI infrastructure needed for custom data warehouses and more advanced, flexible

BI applications and especially analytics.

What does your solution do for data quality?

Data quality is an essential step for companies that seek to attain consistent and trusted information throughout the organization. In fact, all major IT industry analyst houses recognize the importance of data quality to the return on BI investment, yet many vendors do not offer or integrate data quality into their BI tools and applications.

What exactly do you mean by "analytics?"

Business intelligence and analytics represent significant growth opportunities for software vendors — so naturally, many vendors want to simplify the definition of "analytics" to match what they have to offer. Beware of vendors who claim to have analytics but really only have descriptive statistics that summarize business data in reports — not the ability to forecast, explore data relationships and model behavior.

Does your solution provide predictive analytics?

Predictive analytics deliver high value and ROI, yet most BI vendors either have no

predictive analytics capability or lack the intellectual capital to apply predictive analytics into specific vertical and lines-of-business applications. Some vendors that claim to have predictive analytics actually offer only a single algorithm, with no options for tuning the model. Still others provide simplistic forecasting/time series analysis but not robust predictive modeling, which should include various regressions, decision trees, neural networks and more.

Is analytic power accessible to non-statisticians?

Ideally, easy-to-use, wizard-driven, self-service interfaces should enable users of differing skill levels to do their own ad hoc query and reporting, guiding them through simple and complex analytical and reporting tasks without requiring assistance from IT.

Do you have prebuilt models specific to my industry?

Why reinvent the wheel if you don't have to? Software that has already been optimized for your industry delivers higher ROI, sooner in the game.

Does your solution allow me to obtain

insights into my unstructured data?

One of the biggest challenges to organizations today is converting unstructured data into meaningful information. Unstructured data is that which doesn't fit neatly into information "containers" like tables and columns. Text is the most common form of unstructured data, but it also includes image, audio and video data.

Can you integrate applications and data from functional areas?

Truly integrated business intelligence encompasses data from every corner of the enterprise, from operational and transactional systems, multiple databases in different formats, and from all contact channels — from PCs to mainframes, interactive to batch.

Through what channels can you deliver business intelligence to users?

Most organizations will require Web-based reporting, interactive query environments, delivery of content via portals or wireless devices, and publish-and-subscribe channel distribution of information through e-mail. A BI solution should provide all of these delivery options.

What kind of support services are offered?

At minimum, you should expect graduated levels of technical support (including premium 24/7 support), customizable support packages and a rich set of educational and interaction opportunities.

What are your capabilities and record for technical support?

You should look beyond subjective claims and get hard indicators of support quality.

Do you have active, formal user groups?

Smart vendors actively support user groups and regular conferences of active users, knowing that these user communities provide high customer value, which in turn provides high value to a sincerely customer-centric organization.

Does your company own all the components in its BI solution?

BI vendors that rely on OEM or partnership arrangements with third parties for portions of their solution face tough economic and technical challenges if those collaborative arrangements dissolve for any reason.

What revenues and growth rate have you experienced?

Stability and proven record of customer success are key factors in reducing investment risk. A strong, stable vendor has the comprehensive infrastructure needed to serve the world's largest businesses, as well as the financial and employee stability needed to be a strategic supplier to these organizations. □

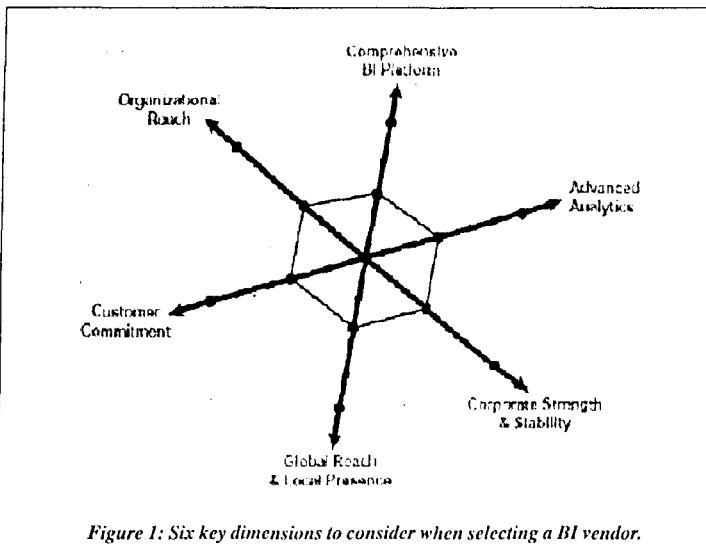


Figure 1: Six key dimensions to consider when selecting a BI vendor.