

The ability to drive adoption and engagement in BI is crucial toward managing cost and increasing ROI.

BUSINESS INTELLIGENCE ON THE TCO DIET
ABERDEEN GROUP

STRATEGIC REQUIREMENTS

You know how your customers make money, because you're helping them do that already. Are there elements of your customer's larger business strategy that analytics can support? If so, you want to know about them so you can deliver that support.

HOW ARE YOU GOING TO MAKE MONEY WITH IT?

Just as your product's analytics tools have to serve your customer's business, they must also serve yours. In other words, you will have to figure out how to offer them profitably. Here are three main areas of inquiry:

TECHNOLOGY FIT

If you're eventually heading to SaaS, the analytics technology should go there, and if you're heading somewhere else, it should go there. It should go wherever you're going. In all ways, the technology should integrate easily with your delivered commercial product, and in all the hosting scenarios your product supports or will support. Ideally it should require little or no infrastructure investment on your part or your customer's. Remember, your goal is to make as few changes to your product as possible so you can devote your time to developing new operational capabilities for your customer.

PRICING MODEL

As an ISV, the cost structure you can justify is different than that of an enterprise's IT department. The analytics technology you choose should provide licensing options that fit well with your product's pricing and your business model, whether you charge per user, per site, per transaction, or with a negotiated fee.

UX FIT

You will make the most money by serving up analytics with a user experience that visually looks like your company (only) and works like the rest of your product. A bolted-on experience will undermine your brand.

WHAT IS THE RIGHT TECHNOLOGY?

As important as technology may be in the end, it should be the last thing you consider. Requirements always come first. When the time comes, your selection process should consider the usual evaluation criteria, including: function, scalability, security, support, training, installed base, vendor vision, vendor financial resources, and cost. There are three additional evaluation criteria that are worthy of mention. They are especially important with analytics because of the emergent nature of requirements—your market will respond creatively to the new capabilities you'll be offering them.

DEVELOPMENT EFFICIENCY

You want to meet your customer's needs in the most economical way possible, while retaining the flexibility to pivot on a dime as your market and your customers' needs change. Therefore, the technology you rely on must permit you to efficiently provide analytics to your customers. There is a surprisingly large difference in cost efficiency between the wasteful drudgery of poor design and construction tools, on one hand, and the joyful productivity of elegant ones, on the other.

PLATFORM SUPPORT FOR INCREMENTAL DEVELOPMENT

Waterfall is dead, and that goes for data projects too. You will be integrating analytics into your software incrementally, and you need your data technology platform to support that strategy capably and efficiently. The persistence of data across iterations is a complicating factor that is not at all trivial.

MOBILITY

Whether your customers need mobile analytics today or not, industry trends strongly suggest they will in the future. As you make the long-term investment in analytics technology, be aware of the mobile capabilities (or lack of them) when you conduct your evaluations.