Business Intelligence Platform Usage and Quality Dynamics, 2008

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This report gives results from a survey of attendees at Gartner's Business Intelligence Summits in 2008 (see Note 1), specifically their views about the adoption and quality of business intelligence (BI) platform software. Organizations should consider their views when selecting BI vendors.

Key Findings

- Microsoft BI is gaining momentum — respondents cited it most frequently as the platform that their organizations plan to begin using in the next 12 months.

- The overwhelming majority of organizations represented in this sample have selected a BI platform standard, but that does not mean they use a single vendor. Contrary to expectations, organizations that have selected a standard BI vendor plan to continuing adding new BI vendors to their portfolio.

- Early evidence of "stack"-centric buying behavior is beginning to emerge in respondents' reluctance to adopt BI platforms that don't come from their enterprise application vendor.

- Although software quality is good overall, the standard of customer support delivered by BI vendors is only "acceptable," according to the respondents.

- Survey results indicate strong interest in the "megavendors" (SAP, Oracle and Microsoft). At the same time, respondents show a tendency to purchase multiple tools, which indicates a continued opportunity for independent BI specialists.

Recommendations

- Sourcing BI from your strategic enterprise application vendor might be the right approach, but don't assume so. Evaluate other offerings to ensure you select the best "fit" for your needs.

- In most (perhaps all) cases, recognize that you will have to manage a range of BI platforms from different vendors, rather than a single enterprisewide standard. But don't allow a proliferation of BI products.

- Assess the quality of vendors' technical support services and take this into account when negotiating standard maintenance terms.

BI Platform Vendors Used

The survey asked the respondents which BI platform vendors their organizations currently use or plan to use in the next 12 months. Figure 1 shows the results.

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Figure 1. Adoption of BI Platform Vendors
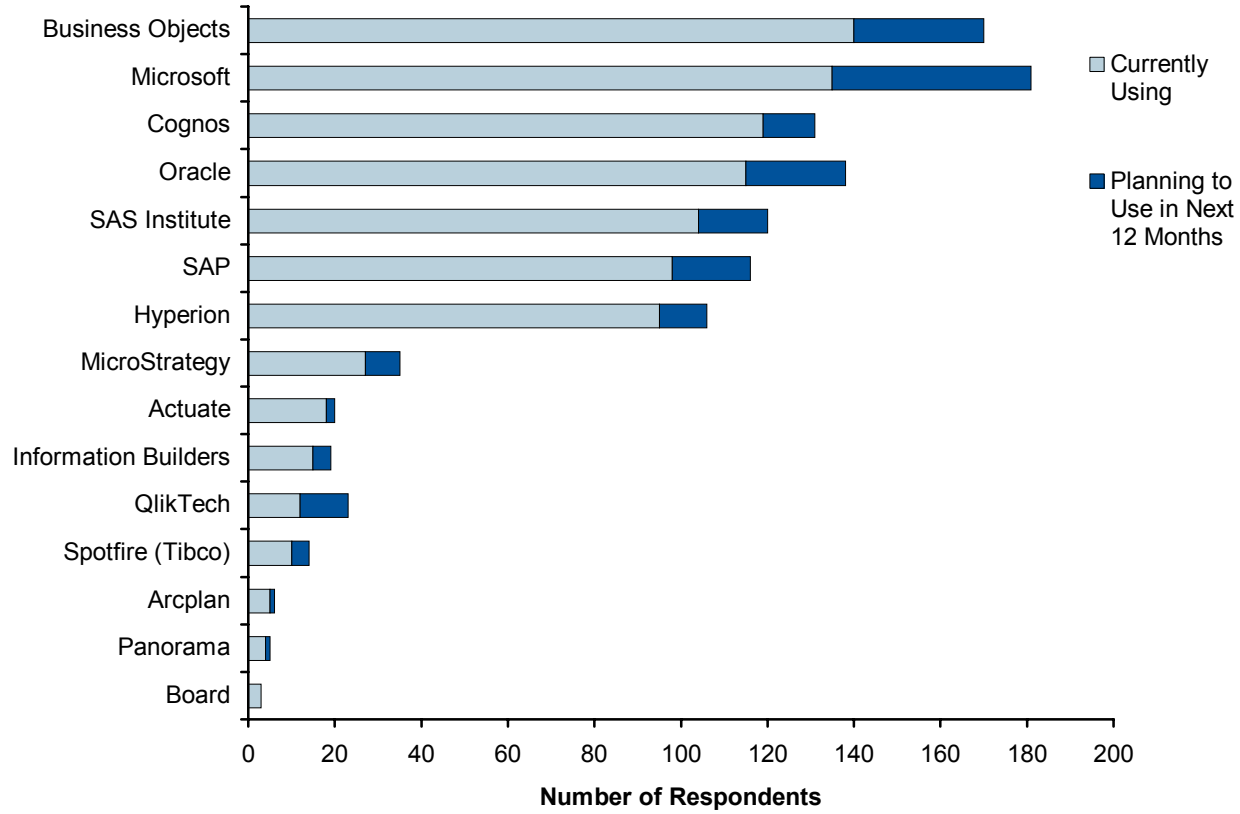
Number of respondents: 296
BI = business intelligence
Source: Gartner (July 2008)

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The distribution of vendors installed by the respondents' organizations broadly matches the market share picture reported by Gartner, which is increasingly dominated by megavendors and their subsidiaries (see "Market Share: Business Intelligence Platform Software, Worldwide, 2007").

Although QlikTech's penetration of the sample is low, a larger percentage of the surveyed organizations plan to use its software than rival products from other small "non-stack" vendors.

Results from summit attendees whose organizations "currently use BI software" show them to have a mean of 3.5 BI platform vendors installed.

Respondents were asked to specify which "other" vendors they use or plan to use if not available as a prompted option. The results show that they use vendors from adjacent fields, such as SPSS, Informatica, Teradata and IBM (as distinct from IBM Cognos), though no individual vendor was named more than five times. In most cases those respondents who said they would use an "other" BI platform vendor in the next 12 months actually used this option to indicate that they had not yet decided which vendor to select, rather than to show a preference to source from an alternative vendor.

BI Platform Adoption Plans of Organizations Already Using BI

Over a third of the respondents (95 out of 271) who said their organization currently uses BI software indicated that it plans to add additional BI vendors in the next 12 months (see Figure 2).

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Figure 2. Additional BI Vendor Adoption Plans (Next 12 Months) of Organizations Already Using BI Software (Percentage of Respondents)
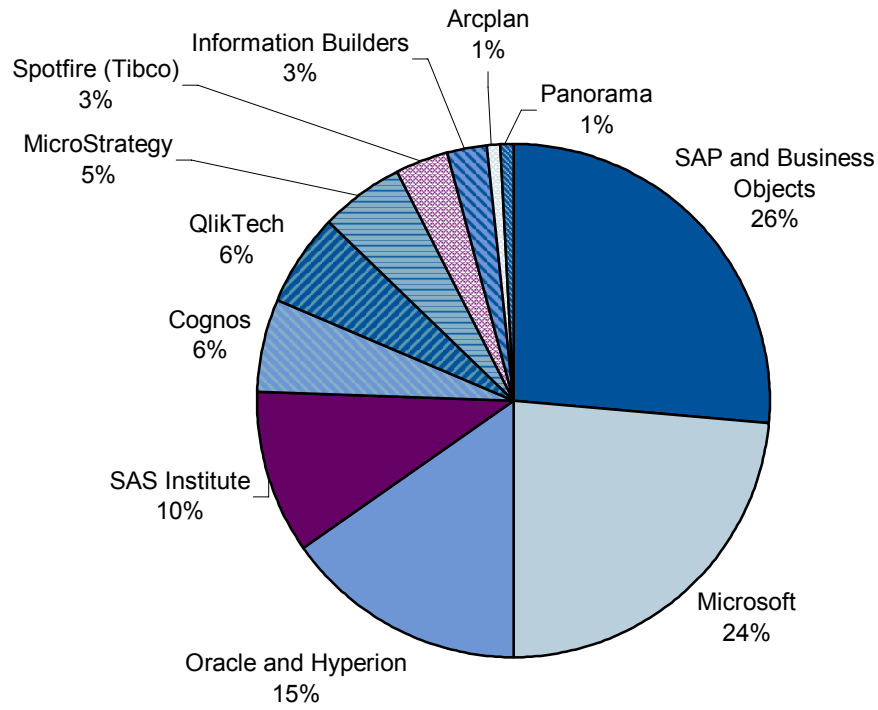
Number of respondents: 95
BI = business intelligence
Source: Gartner (July 2008)

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As this chart looks to the future, it aggregates responses for SAP and Business Objects, and for Oracle and Hyperion, to reflect market consolidation as a result of these acquisitions. Without this aggregation, Microsoft BI would be the platform that most organizations already using BI plan to add to their portfolio.

Table 1 shows that, despite the messages of "openness" being communicated by the megavendors about their acquired BI solutions, respondents' attitudes toward adopting vendors has hardened: none of the SAP BI users plan to adopt Oracle BI, while 14% of SAP BI users plan to use Business Objects BI in the next 12 months. The table also shows that, according to this sample, BI-using organizations have significant rates of cross-usage (40% to 60%).

Table 1. Cross-Usage Rates for BI Megavendors

|	SAP BI	Business Objects	Oracle BI	Hyperion	Cognos	Microsoft BI
SAP BI		40% 3%	44% 3%	52% 3%	43% 3%	39% 2%
Business Objects	57% 14%		67% 7%	61% 7%	52% 4%	58% 5%
Oracle BI	52% 0%	55% 5%		66% 5%	49% 4%	53% 4%
Hyperion	50% 2%	41% 3%	55% 3%		43% 1%	42% 2%
Cognos	52% 4%	44% 2%	50% 4%	54% 4%		48% 1%
Microsoft BI	53% 10%	56% 9%	62% 8%	59% 11%	55% 5%	
How to read this table: Underlined numbers show what percentage of organizations currently using <column> BI vendor also use <row> BI vendor; for example, 57% of those using SAP BI already use Business Objects. Plain text numbers show what percentage of organizations currently using <column> BI vendor plan to use <row> BI vendor in the next 12 months; for example, 14% of those using SAP BI plan to use Business Objects. BI = business intelligence						

Source: Gartner (July 2008)

Adoption Plans of Organizations Yet to Start Using BI Software

Relatively few of the respondents attending Gartner's Business Intelligence Summits reported that they work for an organization that has yet to begin using BI software — 14% in all, with 8% stating that their organization plans to start using this software in the next 12 months. Figure 3 shows which vendors they plan to adopt.

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Figure 3. BI Platform Adoption Intentions of Organizations Planning to Start Using BI Software in the Next 12 Months (Percentage of Respondents)
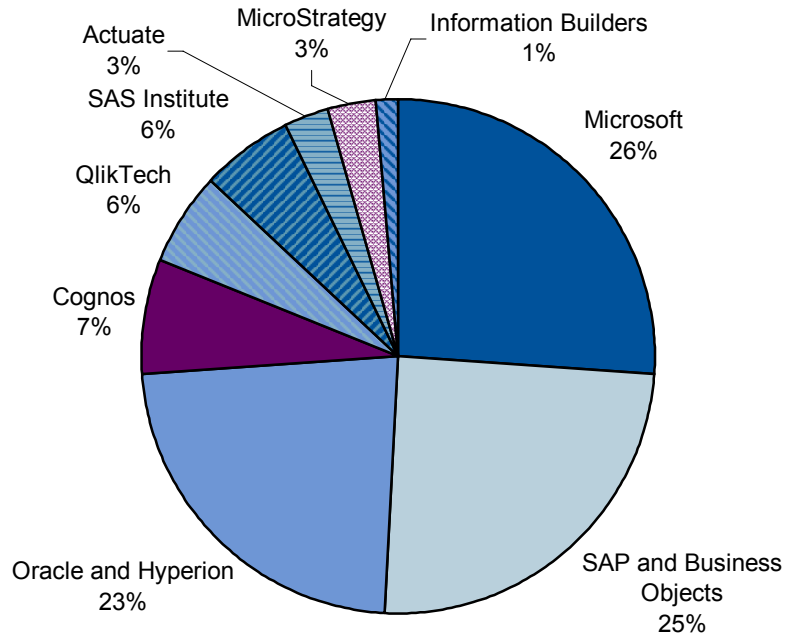
Number of respondents: 25
BI = business intelligence

Source: Gartner (July 2008)

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It should be noted that respondents could (and did) select more than one BI vendor — perhaps better illustrating their desire to evaluate an offering, rather than necessarily to purchase it.

As this chart looks to the future, it aggregates responses for SAP and Business Objects, and for Oracle and Hyperion, in order to reflect market consolidation.

Respondents who reported that their organizations planned to start using BI software in the next 12 months named Microsoft BI as their planned platform more often than any other platform. Together, Microsoft, SAP and Oracle account for three-quarters of planned BI adoption by these organizations. Note, however, that this finding is based on a small sample.

BI Platform Standardization

A very high percentage (85%) of the respondents were able to name a standard BI platform vendor used in their organization. The questionnaire defined a standard BI platform as the first BI platform selected for use across the organization when building analytic applications and reports or dashboards. Figure 4 shows the responses, by vendor.

Organizations represented by respondents who consider they have a standard BI platform vendor have a mean of 3.3 BI platform vendors installed (compared with 4.6 for those that have not selected a BI standard).

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Figure 4. Adoption of "Standard" BI Platforms (Percentage of Respondents)
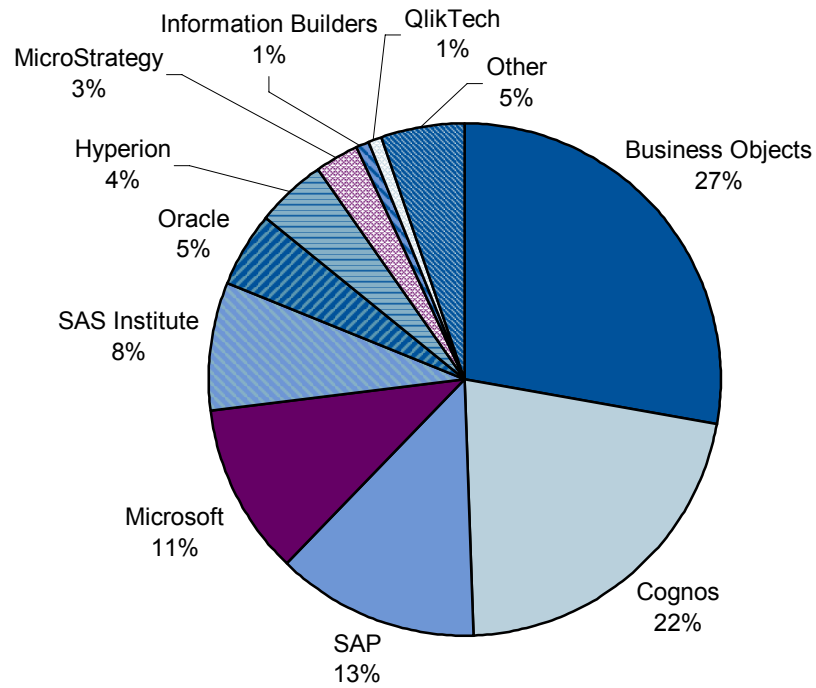
Number of respondents: 227
BI = business intelligence
Source: Gartner (July 2008)

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Somewhat counterintuitively, organizations that have a standard BI platform still name additional products that they plan to adopt in the next 12 months — see Table 2 for a breakdown by standard vendor.

Table 2. Number of BI Platform Vendors Used by Organizations With a "Standard" BI Platform

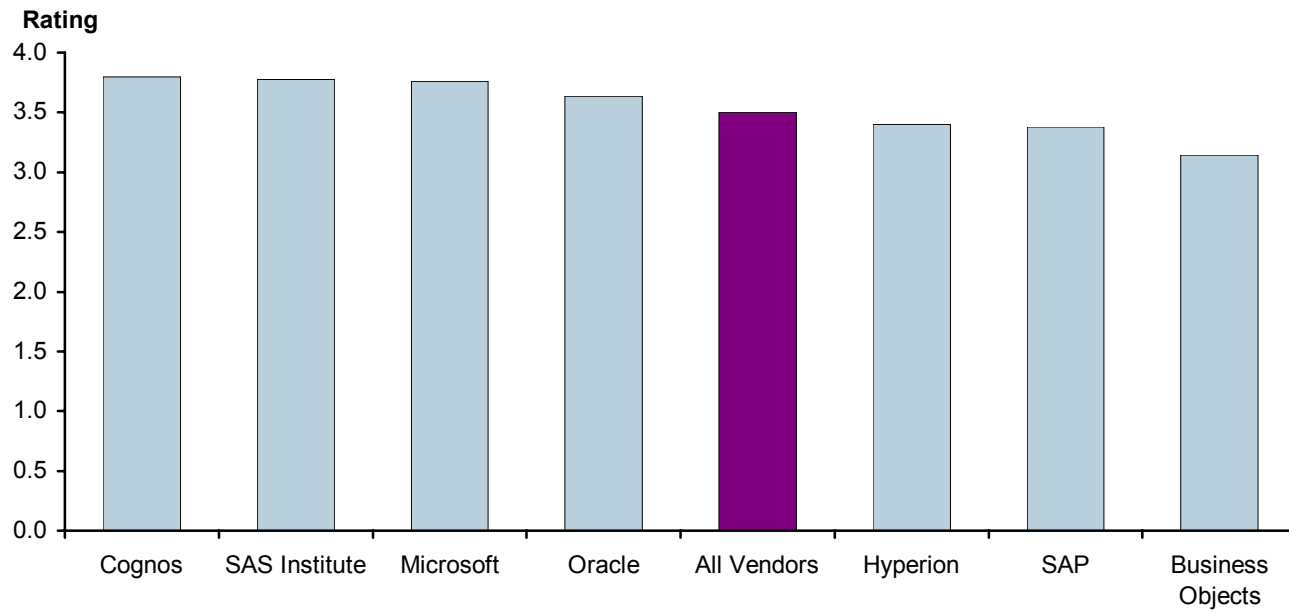| Organization's Standard BI Platform Vendor	Number of BI Vendors Currently Installed (Mean)	Number of BI Vendors That Will Be Used in 12 Months' Time (Mean)*
Business Objects	4.0	4.4
Oracle	3.7	4.5
Hyperion	3.3	4.1
SAP	3.3	4.1
All Vendors	3.3	3.8
Cognos	3.2	3.4
Microsoft	2.6	3.0
SAS Institute	2.1	2.5
*Based on adoption plans; also assumes no currently used systems are decommissioned Note: Only includes vendors of BI software used as "standard" platforms by 10 or more respondents. BI = business intelligence		

Source: Gartner (July 2008)

As such, this survey indicates a trend away from a single-vendor mentality toward a best-of-breed strategy; it seems that organizations will probably use the BI platform from their main enterprise application vendor and a range of other BI vendors' products.

Quality of Support

Respondents with a standard BI platform were asked to rate the quality of the associated vendor's customer support on a five-point scale, where five meant "excellent" and one meant "unacceptable." Figure 5 shows the results.

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Figure 5. Perceived Quality of BI Vendor's Support

Rating

Bar chart showing rating values (scale 0.0 to 4.0):
- Cognos: ~3.8
- SAS Institute: ~3.78
- Microsoft: ~3.75
- Oracle: ~3.63
- All Vendors: ~3.5
- Hyperion: ~3.4
- SAP: ~3.38
- Business Objects: ~3.13

1 = unacceptable, 5 = excellent
Number of respondents: 257
BI = business intelligence
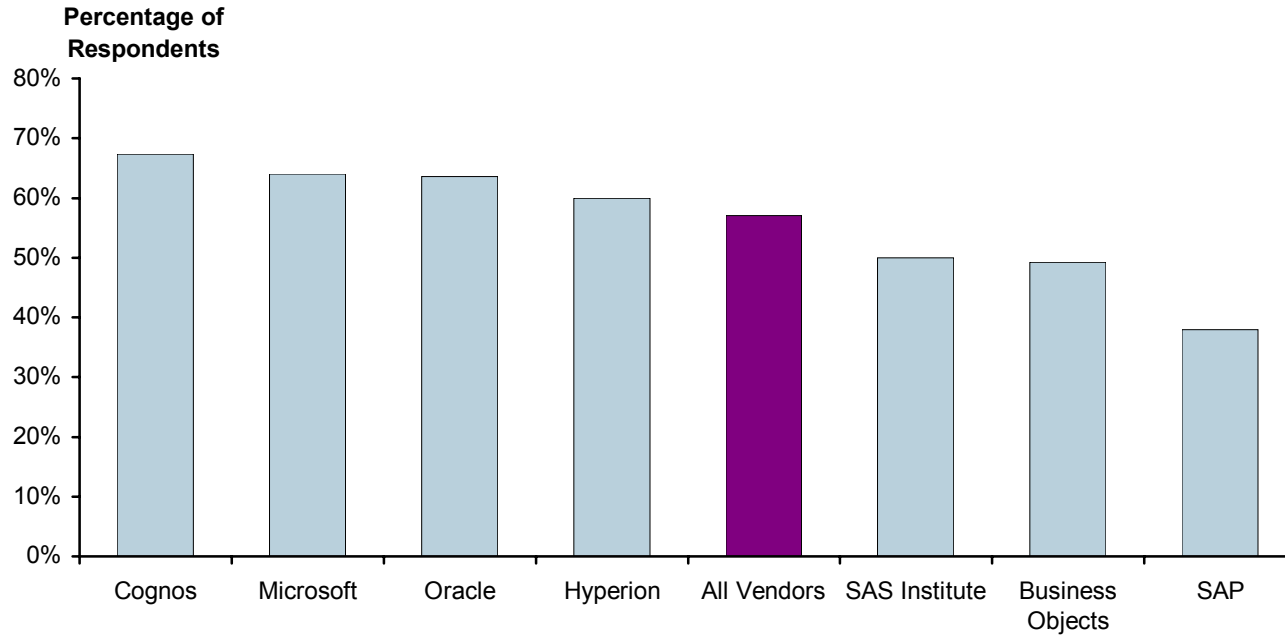**Source: Gartner (July 2008)**

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The customers surveyed feel that BI vendor support was acceptable in the main, rather than excellent.

Business Objects' position was consistent with that revealed in earlier Gartner research (see "BI Platforms User Survey: How Customers Rate Their BI Platform Vendors"). However, the earlier analysis was based on a different sample — in that case vendors' supplied reference customers.

Software Quality

Encouragingly, 57% of respondents with a BI standard platform vendor said that they had not encountered any problems with that platform (see Figure 6). For a comparison of other ratings across a broader set of vendors, see "BI Platforms User Survey: How Customers Rate Their BI Platform Vendors."

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Figure 6. Respondents Reporting No Problems With "Standard" BI Platform

Percentage of Respondents

BI = business intelligence
Source: Gartner (July 2007)

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Respondents with a BI standard platform vendor who reported that they *had* encountered problems were asked to detail the nature of those problems. Table 7 shows the results.

Table 3. Most Common Problems Reported With "Standard" BI Platform

Problem	Percentage of Respondents
Unreliable software/bugs	37%
Inadequate performance	30%
Software difficult to use	32%
Functional gaps	24%
Inadequate user scalability	8%
Inadequate data scalability	14%
Other problem	37%
BI = business intelligence	

Source: Gartner (July 2007)

It is unfortunate that poor-quality software is still an issue with BI products, affecting roughly one in every six organizations with a standard BI platform.

Based on this sample, it seems that scalability is not a significant issue in itself, but that poor performance (often a factor of scale) is fairly common.

No significant common issues were specified by respondents in the "other problem" category, other than customer support and service.

RECOMMENDED READING

"BI Platforms User Survey: How Customers Rate Their BI Platform Vendors"

"Magic Quadrant for Business Intelligence Platforms, 2008"

Note 1

From January to April 2008, Gartner conducted a survey among attendees at three of our Business Intelligence Summits in Chicago, Sydney and Amsterdam. All those surveyed were made aware that their answers would be treated anonymously. The survey lasted about 15 minutes. This document presents the part of the survey that focused on BI platform usage and quality.

There were 314 respondents, of which 186 were in Amsterdam, 86 in Chicago and 42 in Sydney. Therefore, the survey has a slight European skew.

Their responses might not be representative of all IT professionals for the simple reason that the survey was conducted at BI conferences. On the other hand, the survey was a sample of highly informed respondents, with a great deal of interest in and considerable understanding of BI.

About three-quarters of the respondents represented the IT department. The next-best represented area was the finance department, with 13% of the respondents. 44% of responses came from people working for organizations with more than 10,000 employees, and 24% from those associated with organizations of more than 2,500 employees. The results therefore mainly

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reflect the situation in larger organizations. However, the overall BI market is similarly divided, with only about a third of spending coming from small and midsize organizations.

As a base for the answers presented in this report, we used only respondents who use or plan to purchase BI software for their organization. Respondents were spread across 15 different industry vertical sectors. The financial sector was the best represented, but insurance, government, manufacturing and high technology each had more than 20 responses.

Respondents received the following definition of BI: "We define 'business intelligence' as the tools, technology, best practices and vendors that allow organizations to access and analyze business or operational data (such as sales or accounting data) from a variety of internal and external sources (such as ERP, CRM or financial systems). Business intelligence is used to analyze such data, establish patterns and trends, run queries and reports, provide scorecards/dashboards, and conduct online analytical processing (OLAP) and statistical analysis."

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