

EXCERPT

Innovative Business Analytics Companies Under \$100 Million to Watch, 2011

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IN THIS EXCERPT

The content for this excerpt was taken directly from the IDC Industry Development and Models Report: "Innovative Business Analytics Companies Under \$100 Million to Watch" by Henry D. Morris, Dan Vesset, Susan Feldman, and Brian McDonough (Doc # 230923). All or parts of the following sections are included in this excerpt: IDC Opinion, In This Study, Situation Overview, Future Outlook, and Synopsis.

IDC OPINION

The ability to harness information in the enterprise will be a key differentiator for organizations in the next five years. For that reason, IDC notes that applications that access, manage, and analyze all types of information can constitute a significant competitive advantage and are, therefore, being adopted quickly. New technologies are eliminating boundaries between content and data to enable pervasive access to all relevant information. Contributing to this innovation is a group of small companies with the vision and technology to have an impact on the IT marketplace. IDC invited search and business intelligence technology vendors with less than \$100 million in revenue in 2010 to enter our Innovation Awards contest. These companies exemplify trends that are driving change in information access and management strategies. The trends include deployments of technologies that provide the following capabilities:

- ☒ **Collaborative decision management.** Analytic software tools and features enable documentation of decision processes, provide contextual collaboration, and improve not only information sharing but the sharing of experience that supplemented the data to inform a decision.
- ☒ **Cloud-based analytics.** Analytic applications or business intelligence tools accessed through a public cloud demonstrate ease of acquisition, deployment, and use or other differentiating features relative to traditional on-premise software deployments.
- ☒ **Mobile analytics.** Mobile access to analytics via dashboards or analytic components deployed on mobile devices is gaining visibility as software vendors increase the availability of such tools. Mobile analytics can guide decisions within the context of a business process among a mobile workforce who can benefit from jobs-specific decision support based on analytics.

IN THIS STUDY

IDC recognizes a group of companies with annual revenue under \$100 million that deliver innovative solutions to meet information access needs. The companies are profiled in this study and cited as "innovative information access companies under \$100 million to watch."

Methodology

Information access comprises the markets for business intelligence, data warehousing, data integration, search and text analytics, and content management, including enterprise content management, Web content management (WCM), records management, and digital asset management software.

To focus attention on innovations in information access, IDC invited software vendors with innovative applications that exemplify one of three trends in information access to submit an entry for IDC's third annual Software Innovation Awards. These three trends, described in the sections that follow, were identified in IDC's annual predictions document (see *Worldwide Information Access, Analysis, and Management Software 2011 Top 10 Predictions*, IDC #226654, January 2011) and are considered by our analysts to be notable drivers of change for 2010–2011. The three trends are:

- Collaborative decision management
- Cloud-based analytics
- Mobile analytics

To be qualified, vendors had to:

- Submit a case study that illustrated one of these trends
- Submit an entry form that described the company and that certified that its 2010 revenue was less than \$100 million

Vendors that were winners of IDC's previous Information Access Innovations Awards in 2010 (Accept, Attensity, Attivio, Coveo, Crowdcast, Expert System, Kapow Software, Sinequa, and Zilliant) were not eligible to win again for the same products entered in 2010.

Vendors were asked to submit a case study that exemplified one of this year's three information access trends. The case studies submitted for review had to demonstrate that the technology was available, able to be implemented, and that it provided real-world benefits to the customer. These case studies were evaluated individually and independently by information access analysts across several predetermined criteria:

- ☒ **The solution.** A description of customer needs, a description of the solution sought, a description of how the deal was won, and a description of the implemented solution, including a brief overview of the technology and service components not provided by your company
- ☒ **The results.** A description of the implementation process and results of the implementation, customer metrics for success, and the vendor's own description of its sense of success in this implementation
- ☒ **The customer and future plans.** A description of any future plans to extend the implementation and customer comments about the implementation process, technology, and solution results
- ☒ **The originality of the use of the technology.**

The teams then met to review the scores that had been collected for the competing vendors. When significant differences in analyst opinion were discovered, the analysts debated the reasoning behind their scoring with an IDC vice president acting as moderator until a list of deserving vendors was chosen.

SITUATION OVERVIEW

Innovation for broader, more comprehensive, and more pervasive access to information is occurring at a rapid pace. IDC cited key drivers of this change in its 2011 predictions for information access (see *Worldwide Information Access, Analysis, and Management Software 2011 Top 10 Predictions*, IDC #226654, January 2011).

Collaborative Decision Management

Analytic software tools and features enable documentation of decision processes, provide contextual collaboration, and improve not only information sharing but the sharing of experience that supplemented the data to inform a decision.

Decision management represents a change in focus of the world of information access into a focus on the entire decision process. "Decision support" implied that there was an individual decision maker who had the sole responsibility to make a decision, aided by a technologically savvy analyst who prepared relevant information. But with the flattening of business hierarchies, more and more people are involved in decision making. It is, more often than not, a collaborative process, rather than one engaging a solitary decision maker. And the process moves from the monitoring of business conditions to an alert that a decision is needed to the marshalling of a team to the analysis of alternatives to the making of a decision to the tracking of its outcome.

As such, collaborative decision management is becoming an area attracting a variety of solution providers with creative approaches. Here, the worlds of information access, collaboration, and business process management meet from a technology perspective. And from a business perspective, the successful vendors have identified decisions that have a significant financial impact on organizations and are drivers of future investment.

Three vendors, one being Q-Sensei, have addressed this problem of improving decision making via a collaborative or a social process.

Q-Sensei

In the best of all possible worlds, information work is devoted to making decisions that are based on all the pertinent, current information that is available. However, most enterprises are plagued with systems that have scattered their information among multiple applications and collections, with no ability to relate customer emails in one application with customer transactions in another. Research sources exist both inside and outside the organization, and today, there is so much information that it is making it difficult to make sense of data across the sources; finding relationships among the data bits in a timely fashion is nearly impossible. It is this second part of the information problem — finding relationships among the scattered data — for which Q-Sensei receives IDC's Innovative Companies Under \$100 Million To Watch award.

Q-Sensei's Enterprise Search Platform (ESP) unifies access to information across silos of both structured and unstructured information. The platform is an advanced one that aggregates information from multiple collections. However, it goes one step further, by normalizing the data across collections, and even suggesting schemas based on the data and content. Traditionally, master data management has been a largely manual process that is necessary if related data elements are to be discovered, no matter how they are tagged. With the volumes of data that organizations must mine today and the shortened timelines for making decisions, automating the process while allowing users to approve or reject suggested schemas and tags is a necessity.

Q-Sensei's client, a medical device manufacturer, needed to pull together its internal marketing information, which was in a state of disarray, and the external sources its international business intelligence unit used. Finding the internal information was so time consuming that employees avoided their own internal collections, relying solely on external sources. They needed to develop a single, integrated source that merged all their information sources — research reports, RSS feeds from the FDA and its European counterpart, market news Web sites, press releases, internal contracts, documents, and marketing materials in multiple formats. ESP normalized across all of these, running all the information through its statistical NLP module. The data was processed in less than a day.

That was only the first step. Once the data was processed, it needed to be accessed and used collaboratively. With the ESP platform, users can upload files from their PCs, annotate them, and review them, supporting knowledge capture and decision making. Q-Sensei's ESP helped its client build a new collaborative knowledge management platform and do it affordably, quickly, and cost efficiently.

FUTURE OUTLOOK

In IDC's *Worldwide Information Access, Analysis, and Management Software 2011 Top 10 Predictions* (IDC #226654, January 2011), our information access analysts predicted the following:

1. Customers will continue to demand and prefer software that is easy to acquire, install, use, and maintain, driven by cloud computing model's focus on simplicity and increasing buying influence of business users.
2. Information access appliances will incorporate business analytics, database and user-facing information access, and analysis tools or analytic applications.
3. More industry-specific information access and analysis applications will gain traction, and best practices from one industry will be adapted to suit other industries.
4. Consumerization of IT will continue as point solutions that look like consumer-facing Web applications will challenge bundled enterprise suites for IT- and business-user mindshare.
5. Applications that include data and knowledge bases will have higher value than tools and technologies alone.
6. Demand for mobile information access and analysis will grow, but prospects will demand designs to support specific use cases rather than just support for various devices.
7. Pervasive predictive analytics will not materialize through wider use of advanced analytics tools, and service offerings and applications with advanced analytics capabilities will increasingly meet the demand to conduct predictive analysis.
8. Risk management will make compliance initiatives more strategic.
9. Knowledge management, now referred to as collaborative and social decision making, will enjoy a resurgence, spurring new investments in supporting technologies.
10. Technologies to handle the demands of "Big Data" and other new information access and analysis applications will develop rapidly, forcing a convergence of database, search, text analytics, data warehousing, and machine learning.

It is clear that these trends are already well under way. In fact, the relatively quick growth IDC observes in many information access markets attests to the need for these advances. IDC expects these trends to accelerate customers' investment because:

- Smaller, incremental IT projects to optimize processes can yield quicker returns than larger IT automation projects.
- Information sources continue to expand and overwhelm users.

Synopsis

This IDC study recognizes a group of companies with annual revenue under \$100 million that delivers innovative solutions to meet information access needs. The

companies are profiled in this study and cited as "innovative information access companies under \$100 million to watch."

"New technologies are eliminating boundaries between content and data to enable pervasive access to all relevant information. Contributing to this innovation is a group of small companies with the vision and technology to have an impact on the IT marketplace," says Henry Morris, senior VP, Worldwide Software and Services. "IDC invited business analytics companies with less than \$100 million in revenue in 2010 to enter our Innovation Awards contest. Based on review by IDC, the following companies were cited: Carrier IQ, FirstRain, Glassbeam, Infegy, Q-Sensei, and River Logic."

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