Cloud-based Business Intelligence
– A Market Study

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ABOUT THE SURVEY

This survey was conducted between June and September 2011 as research into the adoption of cloud-computing-based BI systems by enterprises. The survey had 311 responses and was promoted via a number of mechanisms including Intelligent Business Strategies newsletters, BI Scorecard newsletters, articles, blogs and professional business intelligence groups on social networks such as LinkedIn and Twitter.

Vendors did not sponsor this survey but were allowed to promote it. Less than 1% of responses were received via vendor promotions, 34% of responses came from social networks, and 27% of respondents from e-mailed newsletters. Questions that involved rankings used random sort orders on possible answers to avoid skewing of results.

The purpose of the survey is to gauge the adoption of cloud BI in the market. The survey also assessed the degree to which existing BI systems and new BI systems are being migrated and built using data warehousing and BI system infrastructure software deployed on virtualised servers, virtual storage and virtual networks inside the enterprise, as opposed to traditional ‘bare metal’ infrastructure. We wanted to understand the extent to which companies are adopting a hybrid BI environment consisting of on-premise virtualised and physical BI systems as well as public cloud-based BI.

Demographics of the respondents to this survey can be seen towards the end of this report.
EXECUTIVE SUMMARY

Cloud BI is considered important-to-critical in 46% of companies surveyed. Cloud BI can no longer be considered merely hype or niche. While Cloud BI is important, there are a number of inhibitors to widespread usage, with data security (24%) as the biggest inhibitor to BI in the public cloud. In addition, 22% of organisations also cited the uncertain value of cloud BI as a key reason inhibiting adoption.

For those companies who have deployed, public cloud BI is particularly important to small- and medium-sized businesses (SMBs). Large enterprises over $1 billion are implementing hybrid computing environments consisting of a combination of public cloud, private cloud, and physical on premises BI systems.

SMBs are leading the adoption of public cloud BI and upload on-premise transactional and analytical data to the cloud on a daily and near real-time basis. The study also indicates that the average number of users for public cloud BI is fewer than 50.

Adoption of private cloud computing inside the enterprise is being driven by the benefits of scalability and reduced total cost of ownership as organisations seek more value for money on their existing IT infrastructure. Large enterprises implementing private cloud BI are moving BI tool platforms to a virtual server environment to accommodate more users as they open up BI to both desktop and mobile devices. However, scepticism exists around the benefits of deploying relational and analytic databases on private clouds. Virtualising DBMS software may be considered for smaller databases (e.g. data marts); however, larger databases deployed on data warehouse appliances are unlikely to be migrated unless scalability and performance can be proven. Even fewer organisations are virtualising data integration.