



# The Future of Analytic Applications from Insight to Foresight

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# Agenda

- **Consumer Application Explosion**
- **Implications for Business**
- **Business Application Evolution**
  - Prescriptive
  - Predictive
  - Personalized
- **Implications for IT and their business stakeholders**
- **Summary**



"They want Google to tell them what they should be doing next ... it will be very hard for people to watch or consume something that has not in some sense been tailored for them."

*Eric Schmidt, Google CEO, August 14, 2010, Wall Street Journal*

# Across the globe we must confront a crushing set of challenges

**10 billion**

Global trading systems are under extreme stress, handling billions of marketplace data messages each day<sup>1</sup>

**40% to 70%**

Loss of electrical energy around the world because of inefficiency

**1 trillion**

Number of devices that will be connected to the Internet by 2011<sup>3</sup>

**US\$4 trillion**

Average daily volume in the world's currency marketplaces

**78%**

Percentage of CIOs who want to improve the way they use and manage their data

**80%**

Percentage of digital data growth that is predicted to be unstructured<sup>2</sup> and require significant effort to understand and analyze

**10x**

Amount that digital data is projected to grow by 2011



“[Google, Facebook, Amazon and eBay] are uncomfortable bringing so much attention to [the large scale tracking of customer data] because it is at the heart of their competitive advantage. Data are the coin of the realm. They have a big lead over competitors who do not ‘get’ this.”

*Tim O’Reilly*



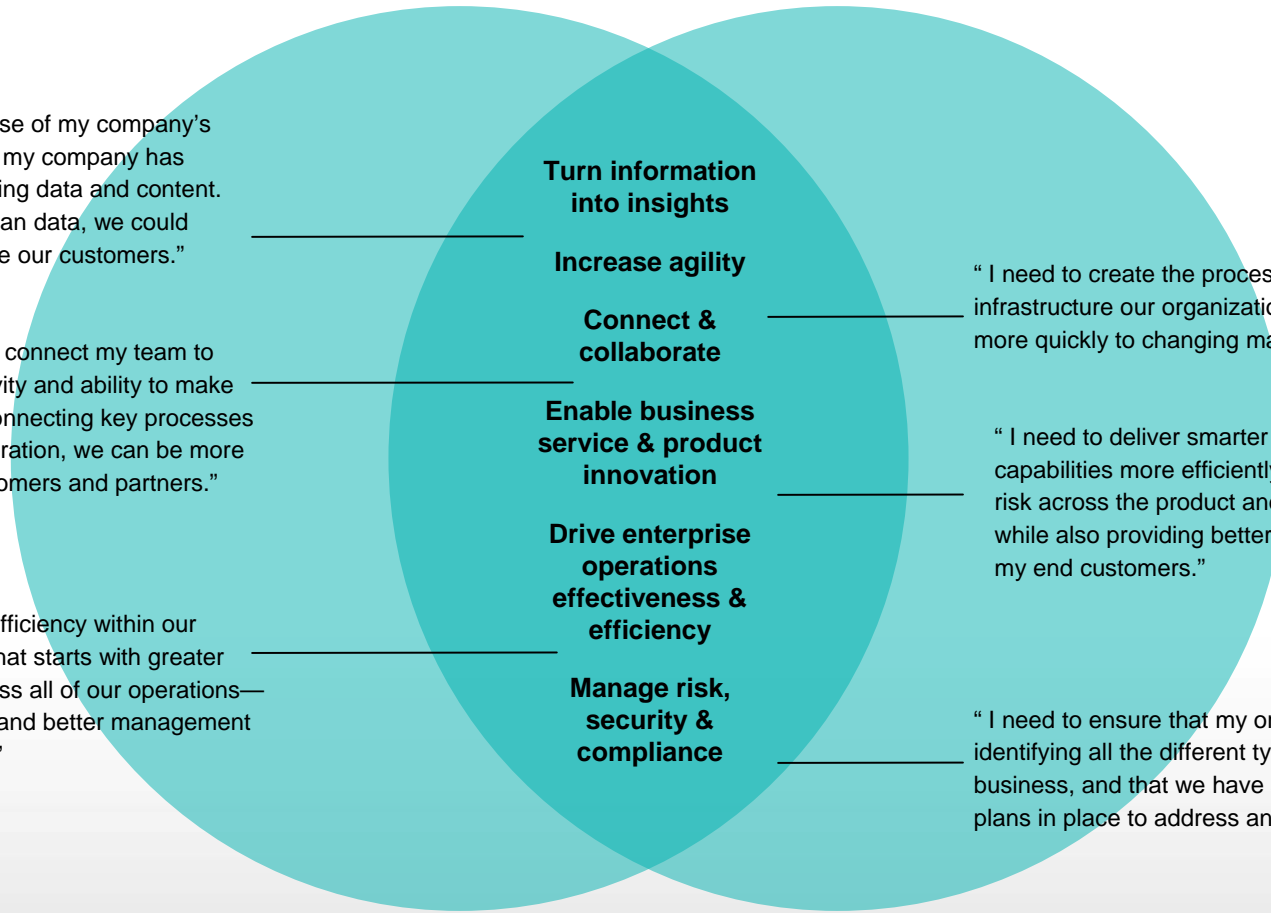
“These new companies have built a culture, and the processes and the technology to deal with large amounts of data, that traditional companies simply don’t have.”

*Marc Andreessen, co-founder of Netscape*



# These needs range from building **technology advantage** to developing new strategic **business solutions**.

## Business solutions



“ I need to make better use of my company’s information. That means my company has to do a better job managing data and content. With timely access to clean data, we could devise new ways to serve our customers.”

“ I need better ways to connect my team to improve their productivity and ability to make timely decisions. By connecting key processes and enhancing collaboration, we can be more responsive to our customers and partners.”

“ I need to create more efficiency within our existing infrastructure. That starts with greater visibility and control across all of our operations—both IT and enterprise—and better management of our overall resources.”

**Turn information into insights**

**Increase agility**

**Connect & collaborate**

**Enable business service & product innovation**

**Drive enterprise operations effectiveness & efficiency**

**Manage risk, security & compliance**

“ I need to create the processes and flexible infrastructure our organization needs to react more quickly to changing market conditions.”

“ I need to deliver smarter products, services and capabilities more efficiently and reduce cost and risk across the product and application lifecycle, while also providing better service experiences to my end customers.”

“ I need to ensure that my organization is pro-actively identifying all the different types of risks to our business, and that we have security and resiliency plans in place to address any threat or disruption.”

## Technology advantage



# Analytics-driven Organizations Can Answer...

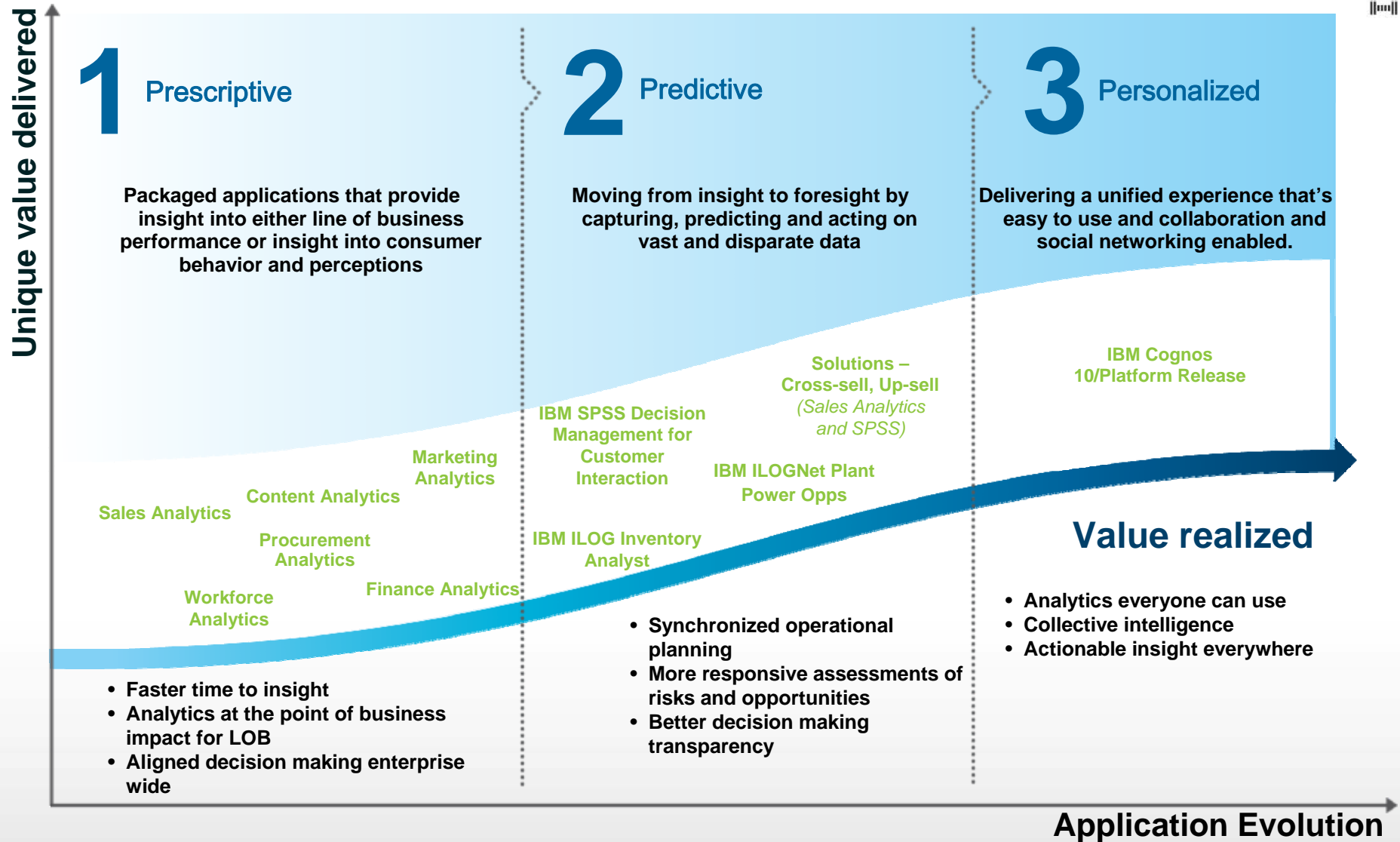




# Only IBM Delivers All Aspects of Business Analytics...



# Business Application Evolution



# Prescriptive

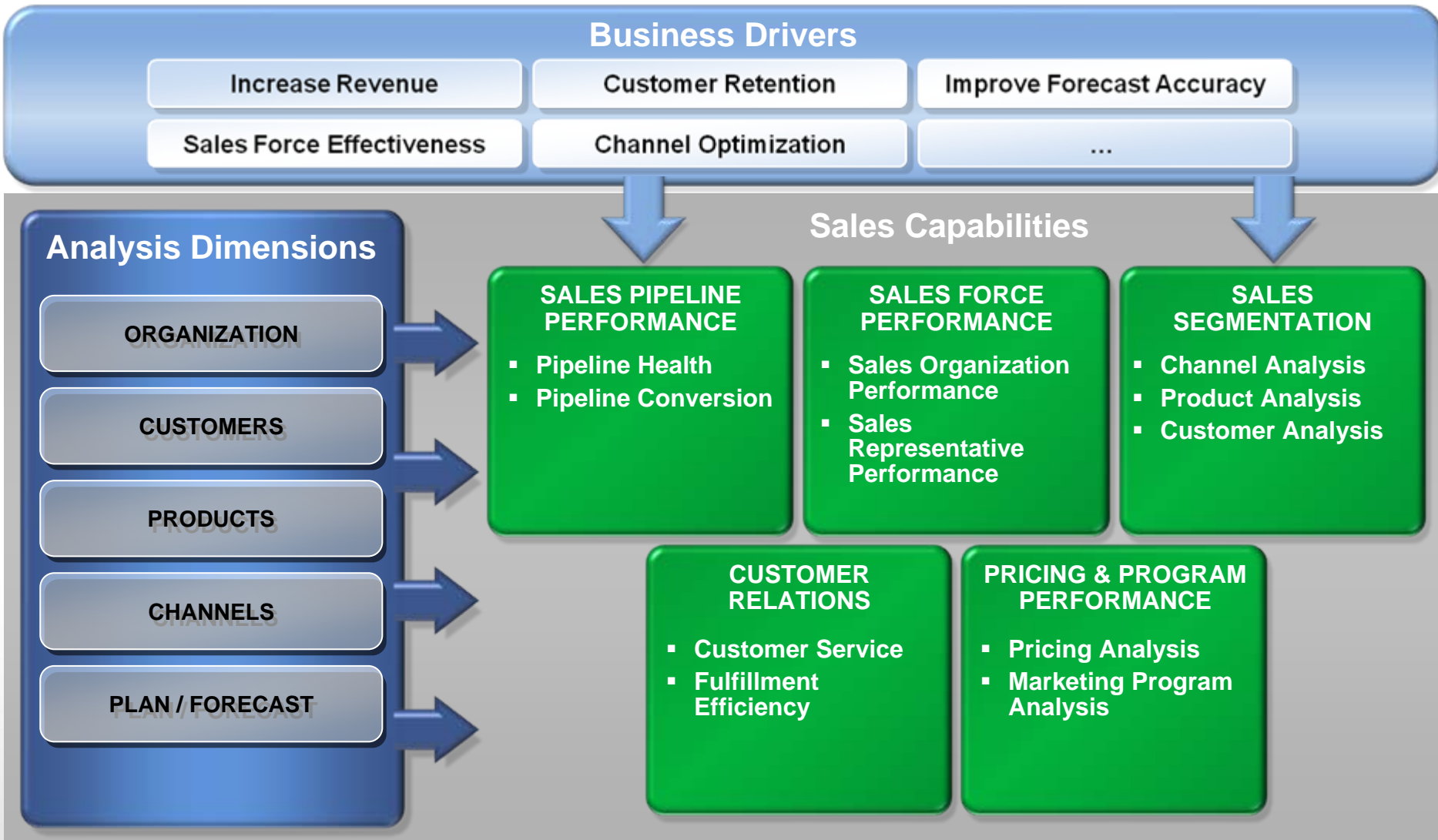


# IBM Cognos Analytic Applications

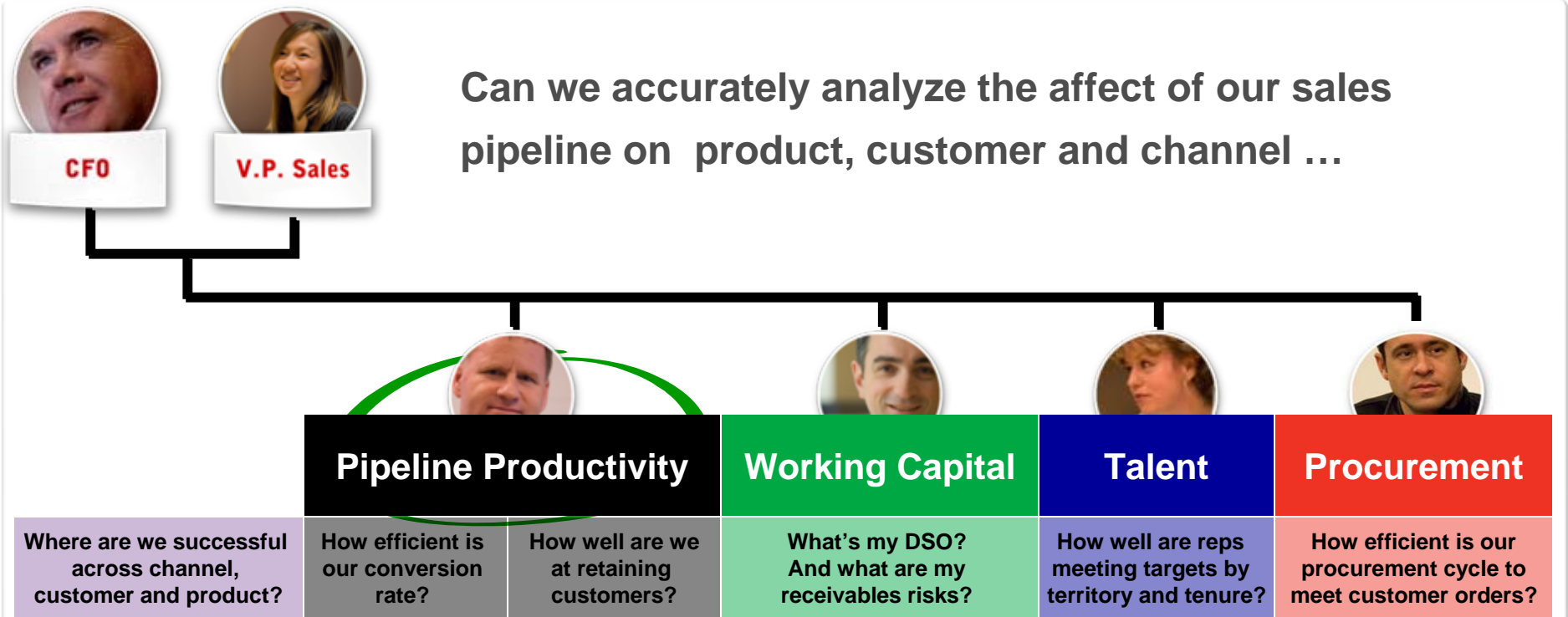


- Faster insight drives smarter, faster decisions and action
- Consistent measurement of business performance and strategy execution
- Anticipate and explore new opportunities
- More effective management of risks and controls

# IBM Cognos Customer Performance Sales Analytics



# Better Sales Insight – Packaged Analytics



# Prescriptive – Packaged Analytics @ Work

## Organization Needs



**V.P. Sales**

### Insight into revenue growth and sales force effectiveness:

- Consolidated summary of revenue and pipeline
- Sales force performance:
  - Variance analysis of forecast to actuals
  - Drill through to sales territory
  - Sales attrition compared to other departments
- Goal – Identify the facts associated with declining revenue in a to ascertain performance gaps and associated causes in specific regions

## Applications Deliver

- **Prescriptive – IBM Cognos Customer Performance Sales Analytics**
  - Consolidated insight of revenue and pipeline via sales executive dashboard
  - Drill through and down to specific packaged analytics in sales for individual sales rep quota attainment by region and comparative department attrition rates in workforce analytics

