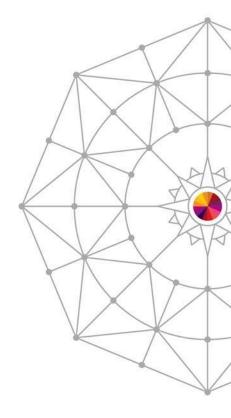


# **Big Data Drives Enterprise Analytics**

Chris Spaight Worldwide Market Manager zEnterprise Analytics, IBM











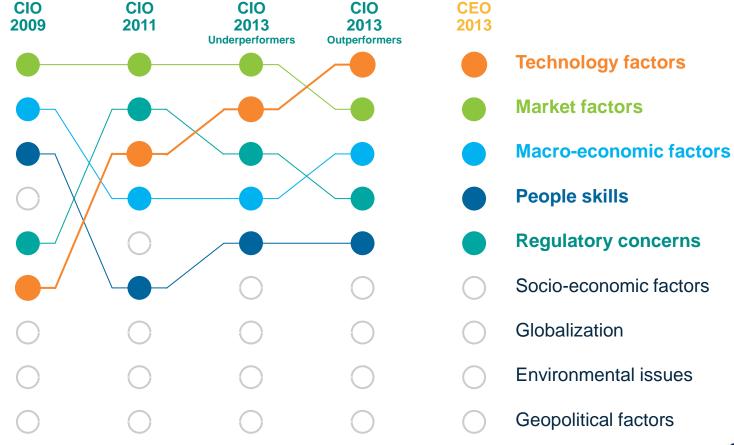
### Today's agenda

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## Today's leaders recognize the importance of technology







#### **Evolving customer needs are driving new** business IT models





Monolithic Applications

Static Infrastructure

**Programmed Systems** 

Structured Data At Rest

Stable Well-Defined Workloads

Standard Devices

Proprietary Standards

Corporate-owned IT



**Composable Services** 

**Dynamic** Services, defined by Software

**Cognitive** Systems

Unstructured Data in Motion

Unpredictable Workloads

A Variety of **Devices** 

**Open Innovation** 

Infrastructure As-a-Service



Data is becoming the world's new natural resource

500 million DVDs worth of data is generated daily

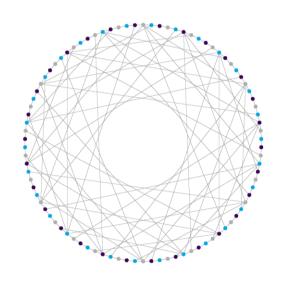
1 trillion connected objects and devices by 2015



80% of the world's data is unstructured

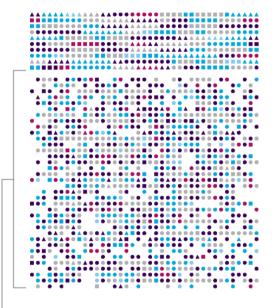


### Data is becoming the new natural resource



1trillion

connected objects and devices on the planet generating data by 2015



Today, every discussion about changes in technology, business and society must begin with data. In its exponentially increasing volute, velocity and variety, data is becoming a new natural resource. It promises to be for the 21st century what steam power was for the 18th, electricity for the 19th and hydrocarbons for the 20th

2.5 billion

gigabytes of data generated every day

80%

of the world's data is unstructured. Audio. Video. Sensor data. Social media. All represent new areas to mine for insights.





## Analytics has evolved from a business initiative to a business imperative



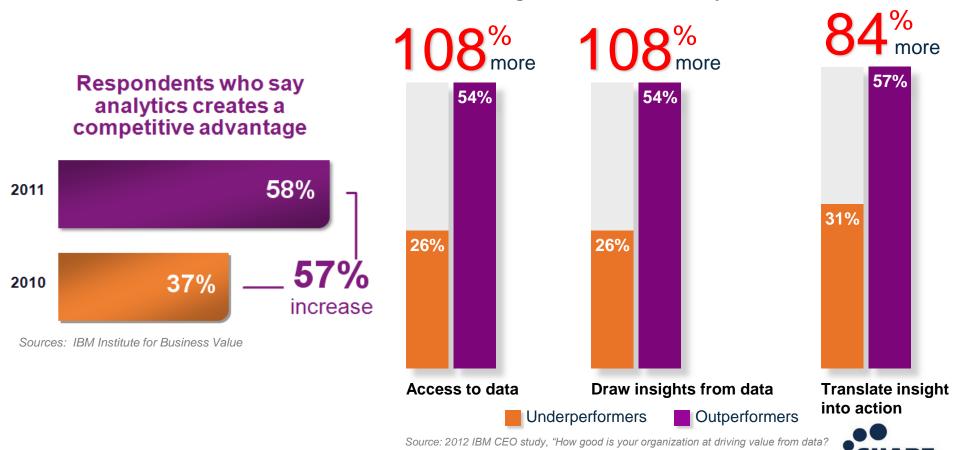
- Data in motion:
  - Event Stream Processing
  - Real-Time Operational Decisions
- Data at rest:
  - Un-modeled multi-structured data
  - Complex Analysis of structured data





## Analytics separates underperformers from outperformers

## Outperformers strongly differentiate their organizations in three key areas





### Analytics has evolved to a business imperative

More organization are using analytics to create a competitive advantage...

Respondents who believe analytics creates a competitive advantage



Source: The New Intelligent Enterprise, a joint MIT Sloan Management Review and IBM Institute of Business Value analytics research partnership.

Copyright © Massachusetts Institute of Technology 2011

...and leaders are outperforming their competitors in key financial measures

**1.6**X Revenue growth

2.0x EBITDA growth

2.5X Stock price appreciation

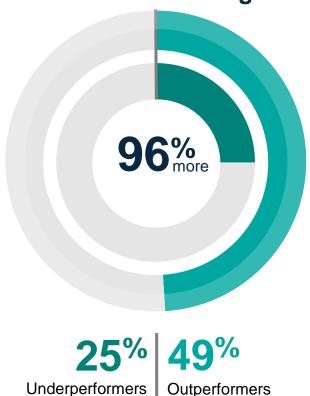
Source: Outperforming in a data-rich, hyper-connected world, IBM Center for Applied Insights study conducted in cooperation with the Economist Intelligence Unit and the IBM Institute of Business Value. 2012



# CIOs in outperforming enterprises are focusing particularly heavily on developing the resources to acquire deeper customer insights



Combining internal and external data for better insights



**Customer analytics drive big data initiatives** 



27% 41% Outperformers





### Today's agenda

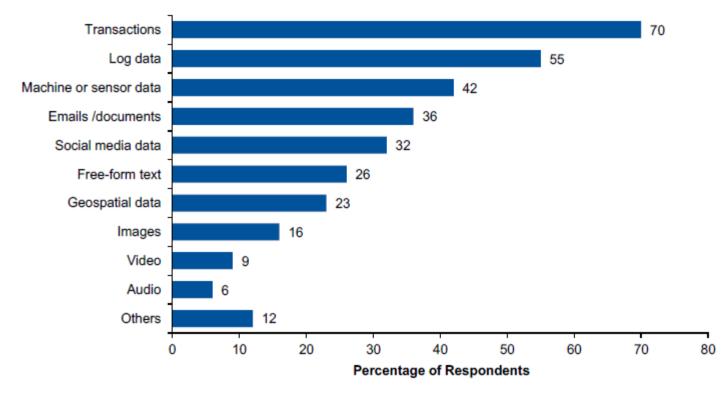
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#### The Big Data starting point

#### Transactional sources are the dominant data types analyzed in big initiatives Types of data analyzed



N =465 (multiple responses allowed)

Source: Gartner (September 2013)

Gartner research note "Survey Analysis - Big Data Adoption in 2013 Shows Substance Behind the Hype" Sept 12 2013 Analyst(s): Lisa Kart, Nick Heudecker, Frank Buytendijk





#### The Big Data starting point

Transactional sources are the dominant data types analyzed in big initiatives Types of data analyzed by industry

	Manufacturing and Natural Resources	Media/ Communications	Services	Government	Education	Retail	Banking	Insurance	Healthcare	Transportation	Utilities
Transactions	73%	62%	67%	67%	54%	93%	83%	81%	75%	79%	80%
Log data	44%	57%	58%	59%	54%	40%	66%	61%	33%	71%	60%
Machine or sensor data	53%	38%	35%	33%	31%	27%	27%	48%	42%	50%	40%
Emails /documents	27%	43%	43%	41%	46%	27%	34%	39%	17%	29%	20%
Social media data	32%	52%	39%	26%	54%	73%	27%	13%	-	50%	-
Free-form text	17%	24%	28%	30%	31%	20%	34%	35%	67%	21%	40%
Geospatial data	27%	14%	19%	19%	38%	27%	27%	26%	8%	29%	40%
Images	19%	24%	17%	11%	38%	13%	5%	16%	25%	7%	-
Video	8%	29%	12%	7%	31%	13%	-	6%	8%	7%	-
Audio	10%	19%	8%	4%	8%	-	-	6%	-	-	-
Other	8%	14%	13%	15%	8%	7%	10%	16%	42%	14%	-
n =	59	21*	127	27*	13*	15*	41	31	12*	14*	5*

Note: Highlighted cells indicate the top three data types by industry. Multiple responses allowed

Source: Gartner (September 2013)

Gartner research note "Survey Analysis - Big Data Adoption in 2013 Shows Substance Behind the Hype" Sept 12 2013 Analyst(s): Lisa Kart, Nick Heudecker, Frank Buytendijk





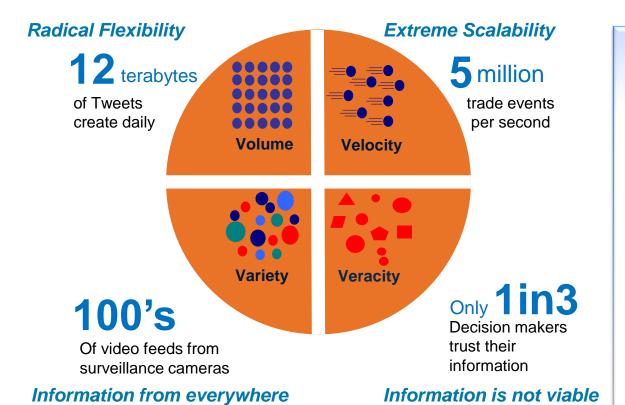
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### We've moved into a new era of computing - V4\*



Data is pouring in from every conceivable direction:

- Operational & transactional
- Machine to Machine Metering, scanning/RFID/ facilities management
- Inbound/outbound customer contact points
- Mobile media and the web

"Running out of data is not a problem, but drowning in it is."

- John Naisbitt



<sup>\* 4</sup> Vs = Volume, Velocity, Variety, Veracity



#### **Becoming information-driven**

#### **Examples**

Customers





- Advanced client segmentation
- Leveraging customer sentiment analysis
- Reducing customer churn

**2** Finance





- Enabling continuous planning and forecasting
- Automating financial and management reporting
- Improving visibility, insight and control

Risk





- Making risk-aware decisions
- Managing financial and operational risks
- Reducing the cost of compliance

Operations





- Optimizing the supply chain
- Deploying predictive maintenance capabilities
- Transform threat & fraud identification processes





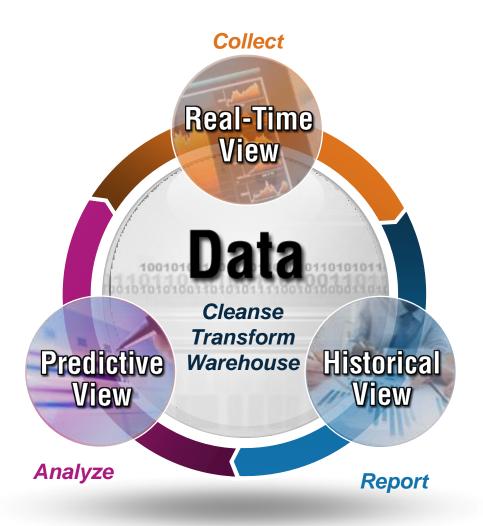
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#### Historic approach towards business analytics



The organization's focus is on optimizing the *IT outcomes* of each *individual silo* 

#### **Problems:**

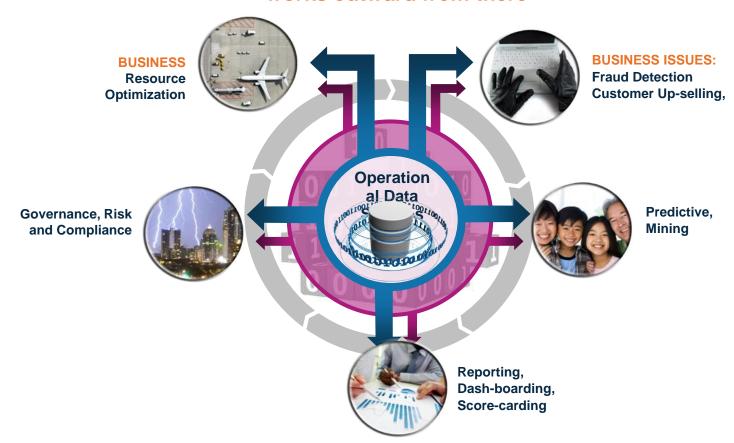
- Significant effort spent copying and moving data – resulting in veracity/security issues
- Business does not have access to the most current view
- Complicated infrastructure requiring multiple skill types
- No single point of management
- Business continuity concerns





### A "smarter" approach to decision management

## focuses on the most important data, and works outward from there







### Centralized control of decision information

#### Fast, consistent, easily managed information





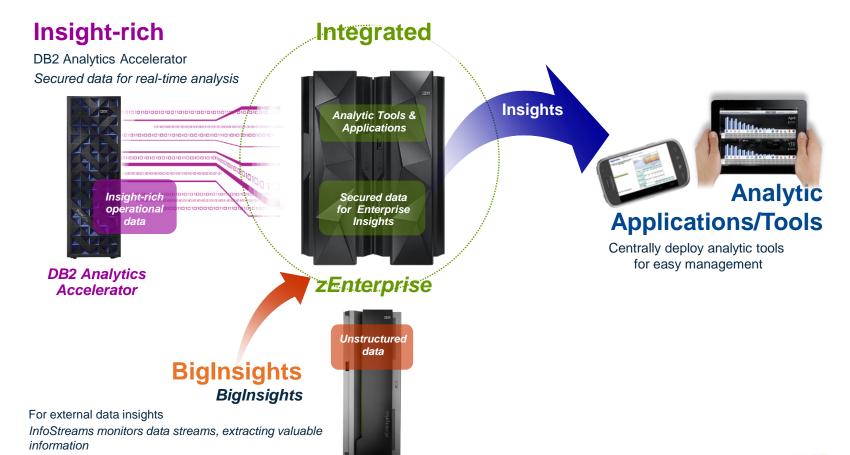
Business Performance Applications

- Centrally managed
- Consistent information
- Easy to access
- Easy to update
- Fast business recovery
- Simplified administration
- Maximize business value from resources





## Leverage the right technology for a 360 degree view of your business







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### System z is uniquely positioned

#### zBC12





Creating personalized client experiences

Speeding delivery of new products and services

Integrates business operations within a single system

A robust infrastructure







### Analytics is a game changer in the digital world

Businesses across all industries are exploiting analytics in new ways:

Leaders in analytics are outperforming their competitors in key financial measues<sup>1</sup>

How do I target and retain my best customers?



Work from a current, • single view of the client

How do I reduce fraud?



**Drive insights** in to payment systems

How do I focus resources for maximum effectiveness?



Know right now where everyone and everything is

1.6x Revenue
Growth

2.5x Stock price appreciation





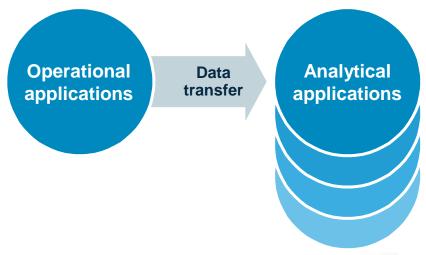
## Traditional approach to analytic systems has significant limitations

#### **Extract, Transform and Load (ETL)**

- Multiple copies of data Redundancy, inconsistency, complexity and cost
- Significant compute power increases cost
- Transaction and analytics isolation
   Increases time to insight

1TB ETL per day, Initial copy plus three derivatives costs

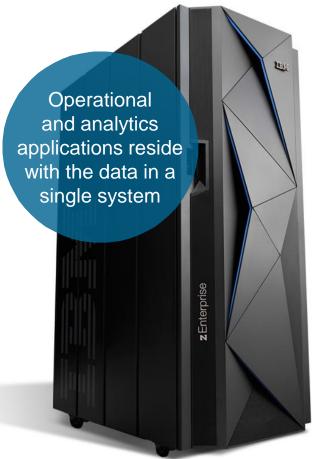
>\$8Million over 4 years







## The most valuable insights occur when the analysis executes where the data originates



**zEnterprise** – a single solution to:

- Provide a single source of data for multiple analytics applications
- Access, Combine & Manage a relevant mix of information
- Deliver timely and secure access for more accurate answers

·**72**%

of responders plan to analyze transactional data from enterprise applications using Big Data technologies

·80%

of world's corporate data resides or originates on mainframes





Data is our clients' most important resource. The more effectively and efficiently they use that data, the greater their competitive advantage

SHARE, Educate · Network · Influence

Analytics models and software. Analytics models and software. A These are the tools that deliver actionable insights from data.

**Predictive View** 

Predictive ... w ... w ... w ... w ... he

Historical

View

- ... what happens if trends continue?
- ... what happens if <fill in the blank>?
- ... what is likely to happen next?
- ... how to achieve the best outcome?

Data warehouses, marts, etc. These data sources support reporting and predictive model creation.

**Historical View** 

... what happened?

- ... how many, how often, where?
- ... what the problem is, exactly?
- ... what actions are needed?

The operational systems that house the book of record. These data sources are critical to day-to-day business processes.

**Real-Time View** 



Mission-critical business analytics solutions depend on where the source data resides



### Today's agenda

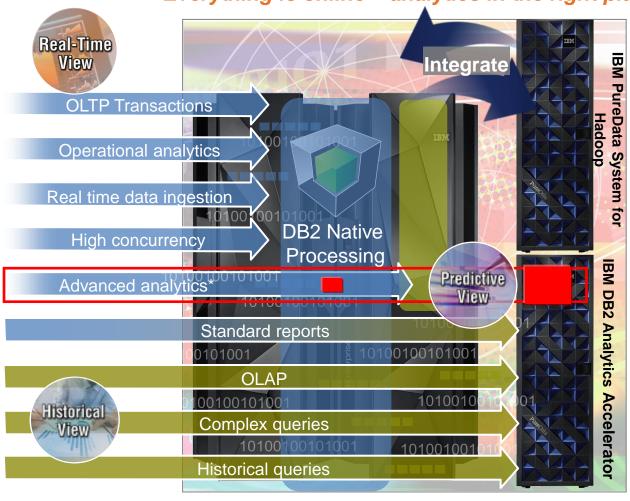
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## HTAP: Hybrid Transaction Analytic Processing Single Workload-Optimized System for OLTP, DW, Historical Data

Everything is online – analytics in the right place



#### More timely insights from data

- High-speed analytics easily integrated into operational applications
- Historical views are quickly analyzed for more train-of-thought analysis
- Decision makers can perform business analysis they never dared in the past
- Secured environment for highly sensitive data
- Speeds batch reporting cycle to meet stricter service level agreements

#### **Operational benefits**

- Configuration simplification
- Single point of entry
- Reduced data movement
- High fidelity data
- Dynamic routing for most efficient fit for purpose execution architecture
- Single environment for security, logging, back-up, and recovery
- Competitive price/performance



<sup>\*</sup> Not formally planned or announced yet. Possible functions.

## The System z strategy integrates transactional and analytics processing hardware and software into one end-to-end data lifecycle

#### Better business response,

Reduced data movement, reduced complexity, reduced configuration resources,

More accurate, more secure, more available





#### The System z strategy integrates transactional and analytics processing into one streamlined, end-to-end data lifecycle

#### Better business response,

Reduced data movement, reduced complexity, reduced configuration resources, More accurate, more secure, more available

- **Operational Decision Management** 
  - Next generation of business rules technology
  - Improves policy change management and automate decision making.
- WebSphere/CICS/IMS
  - Engine" that powers transactional environments.
  - Combination of integration and middleware software for sophisticated, integrated, highly available, secure, and reliable business applications.



SAP





Rules

ODM



Real-Time



## The System z strategy integrates transactional and analytics processing into one streamlined, end-to-end data lifecycle

#### Better business response,

Reduced data movement, reduced complexity, reduced configuration resources,

More accurate, more secure, more available

- IBM InfoSphere Information Server
  - Data integration platform
  - Understand, cleanse, transform and deliver trusted information for business analytics, data warehousing
  - Integrates heterogeneous information from across entire IT infrastructure
    - Insures information is consistently defined, accurately represented, reliably transformed, and regularly updated

Operational transactional data Operational analytical data

Cognos Report

Cleanse Transform Warehouse

Information Server





#### The System z strategy integrates transactional and analytics processing into one streamlined, end-to-end data lifecycle

#### Better business response,

Reduced data movement, reduced complexity, reduced configuration resources, More accurate, more secure, more available

Translate data from various corporate systems into:

- Deliver information where, when and how it is needed
- Self-service reporting and analysis, detailed filtering
- Gauges, maps, charts, and other graphical elements
- Data exploration drill down, up and thru
- Integrated results from multiple sources, combined in a more meaningful way
- While delivering integrated offerings designed to optimize performance





Historical

(System z)

Report

Cognos



## The System z strategy integrates transactional and analytics processing into one streamlined, end-to-end data lifecycle

#### Better business response,

Reduced data movement, reduced complexity, reduced configuration resources,

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## Accelerate data warehousing on System z DB2 Analytics Accelerator improves the speed of business decisions

Blending System z and Netezza technologies to deliver unparalleled, mixed workload performance for complex analytic business needs.

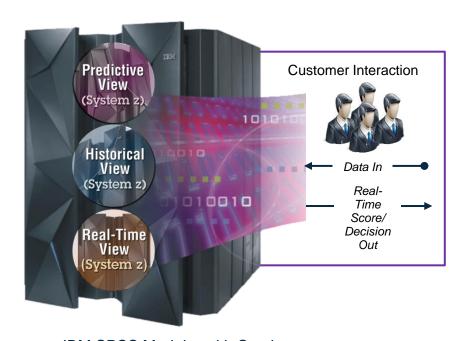


- Enables integration of analytic workloads and transaction processing on zEnterprise
- Ensures cost-effective, timely, accurate and secure insight in near real-time
- Benefit from the proven System z qualities of service Accelerates complex queries, up to 2000x faster
- Improves access to historical data and lowers the cost of storing, managing and processing historical data
- Minimizes latency
- Reduces zEnterprise capacity requirements
- Improves security and reduces risk
- Complements existing investments



#### A key enabler for predictive analytics: Real-time scoring with DB2 for z/OS and SPSS

- Delivers better, more profitable decisions, at the point of customer impact
  - Enables more informed customer interaction
  - Improves fraud identification and prevention
- With improved accuracy, speed and performance while reducing cost and complexity
  - Improves accuracy by scoring directly within the OLTP application against the latest committed data
  - Delivers the performance needed to meet SLAs of OLTP applications
  - Single infrastructure for reduced complexity and redundancy of HW, SW and administration resources
  - Avoid data governance and security issues, save network bandwidth, data copying latency, disk storage
  - Receives the same high qualities of service as OLTP/business systems
  - Easier to incorporate scoring into applications



IBM SPSS Modeler with Scoring Adapter for zEnterprise™ V15.0





### zEnterprise Analytics System 9700 and 9710

A cost-competitive, integrated combination of hardware, software and services to deliver business reporting and business critical analytics



- Solution Priced for deployment as an additional logical partition (LPAR) on an existing system or as a new system
- **Preselected** to deliver a comprehensive, yet flexible end-to-end solution
- **Pretested** to meet business reporting and critical analytic demands

#### zEnterprise Analytics System 9700



zEnterprise EC12

#### zEnterprise Analytics System 9710



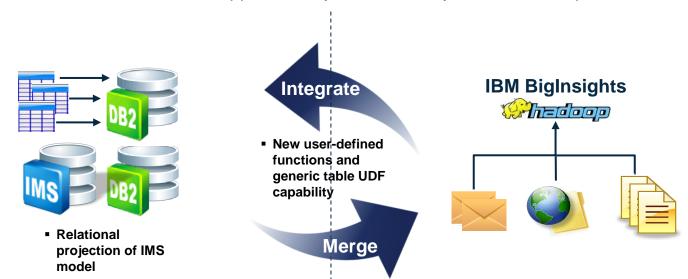


## Enhancing Big Data analytics with IMS and DB2 for z/OS v11

Unstructured data sources are growing fast

Much of the world's operational data resides on z/OS

- Two significant needs:
  - Merge new data with trusted OLTP data from zEnterprise data sources
  - Integrate this data so that insights from Big Data sources can drive business actions
- IMS & DB2 connectors allow BigInsights to easily/efficiently access data
- DB2 connectors to allow DB2 apps to easily and efficiently access Hadoop data sources







### **Cognos and QMF**

### Making diverse business information...understandable

- Translate data from various corporate systems into:
  - Deliver information where, when and how it is needed
    - Self-service reporting and analysis, detailed filtering
    - Organized and customizable Navigation
    - Advanced Visualizations
    - Gauges, maps, charts, and other graphical elements
    - Data exploration drill down, up and thru
    - Integrated results from multiple sources, combined in a more meaningful way

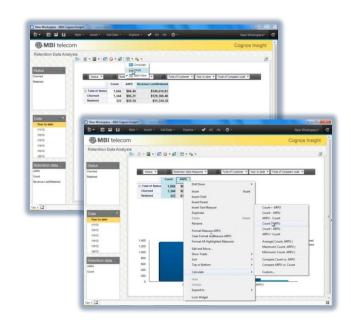






## Big Insights for Linux on System z

- Makes it simpler to use Hadoop to get value out of big data and build big data applications
- Enhances open source technology to withstand the demands of your enterprise
- Enterprise-ready Apache Hadoop-based platform for data processing, warehousing and analytics
- Advanced analytics for structured, semi-structured and unstructured data
- Professional-grade visualization, development and administration tooling to boost productivity
- Application accelerators that help speed implementation and accelerate time-to-value.
   Integration with popular IBM offerings as well as third-party solutions







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# Swiss Mobiliar Insurance & Pensions

## accelerates 50 percent of queries by a factor of 100

#### **Business Challenge:**

How to maximize profitability as its business grows

### **Technical Challenge:**

Running its growing transaction processing and analytics workloads side by side without increasing compute requirements

#### Solution:

Deploy IBM DB2 Analytics Accelerator for z/OS bringing together transactional processing and analytics workloads in a cost-effective solution

achieved its objective of providing access to the most timely, accurate data to improve customer satisfaction

"Queries that used to take five hours to complete are now processed in just 20 seconds in the optimized mainframe environment—and we can run them any time, day or night, with no interruption to our production systems on the mainframe."

Thomas Baumann, IT Performance Architect at Swiss Mobiliar





# dramatically decreases analytics query times

#### **Business Challenge:**

How to improve customer service and satisfaction in order to drive greater revenue

#### **Technical Challenge:**

Existing analytic processes were unable to manage the analysis of historic and transaction data from Petrol's retail stores, service stations and home oil/gas businesses

#### Solution:

Implemented IBM DB2 Analytics Accelerator to support high performance queries and IBM SPSS to make real time, point of sale product recommendations

Increased retail sales revenue through point-of-sale improvement, suggest-sell insight

IBM provides us with tools that align with smarter commerce, enabling us to deliver the right message to the right person at the right time, to understand product affinities and intelligently drive the sale all in a customer centric way"





## leverages new approach to real-time analytics to boost productivity by 400%.

#### **Business Challenge:**

How to maximize value from big data in order to improve product development and customer relationships

#### **Technical Challenge:**

Unable to quickly extract actionable insights from big data and identify market opportunities in order to adapt or expand its offering to meet customer demand

#### **Solution:**

Created a secure analytics platform, to extract true business value from their big data for better business decisions about everything from product development to special offers to promotions

#### 1000+ users

simultaneously get highspeed analytics on real-time data

# Time cut from months to weeks

to deliver the insight needed to develop and release new marketing campaigns

"IBM DB2 Analytics Accelerator enables us to support the additional workloads that come with business growth without activating more cores on the mainframe."





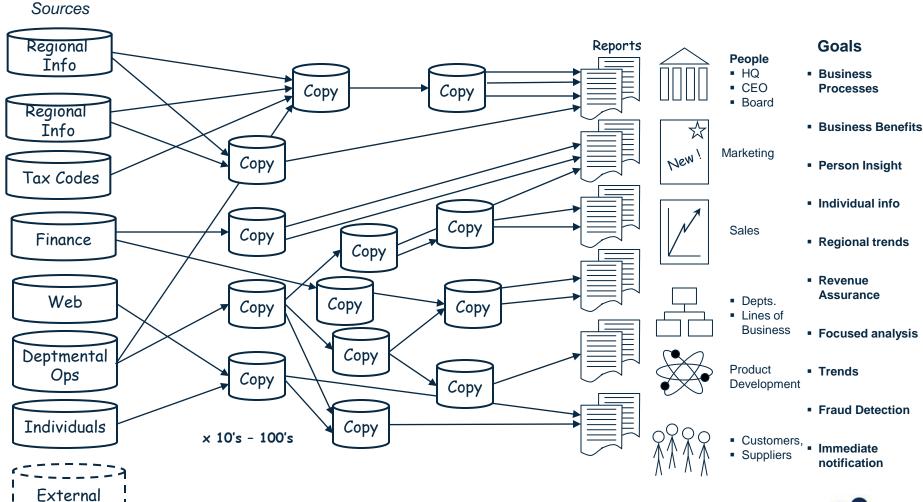
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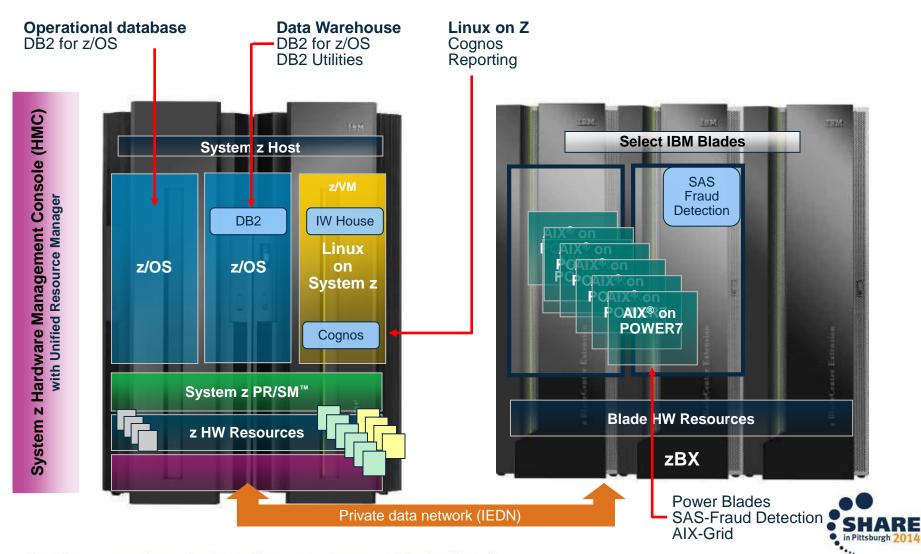
## Fraud Detection Migrates from this....





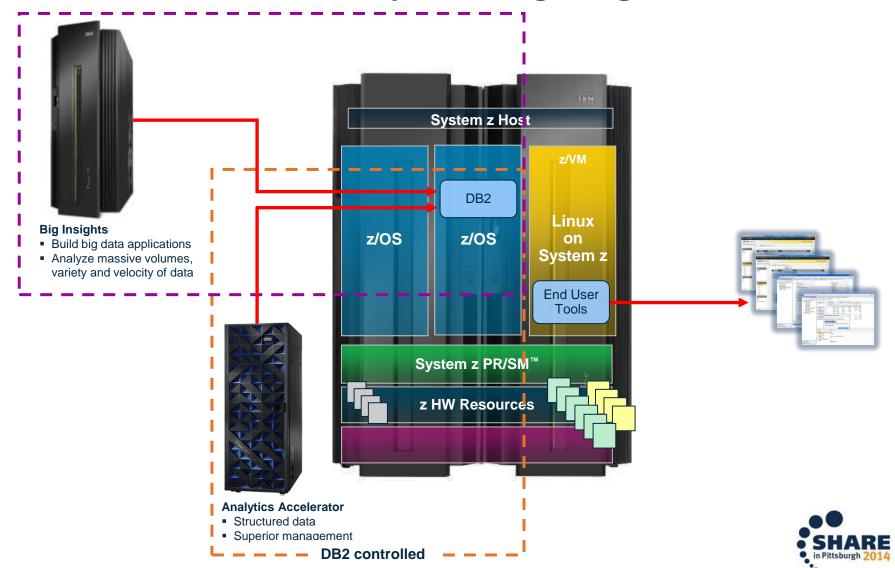


## **End-to-end business analytics - Fraud Detection**



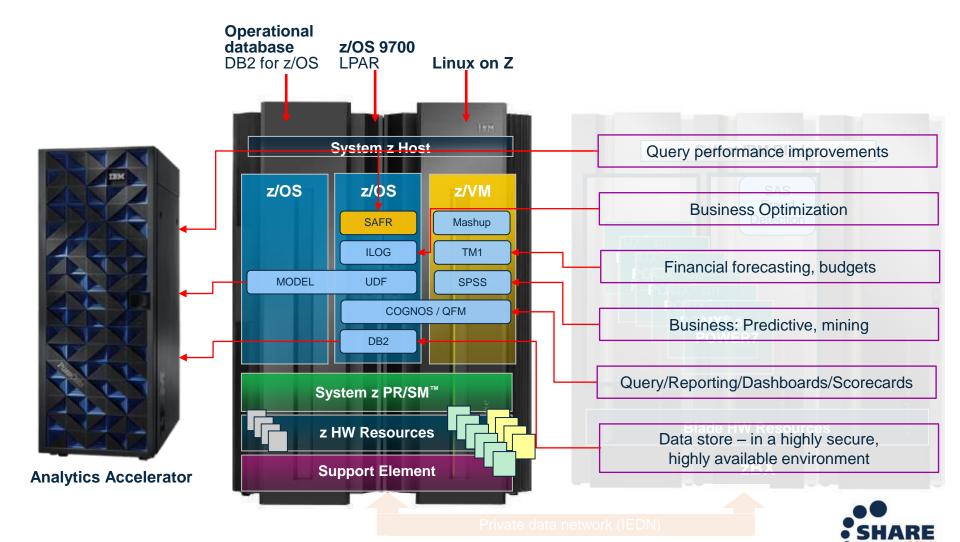


### **End-to-end business analytics – Big Insights**





## **End-to-end business analytics - functions**





## zEnterprise Analytics Solutions Deliver...

Run complex queries up to 2000x Faster

Meet SLAs & score 30005000+
transactions in Real-time

95% savings in host disk space for historical data

BI system admin savings alone, pays for the HW investment in 5 years 80% less
capacity for
Data
Warehousing
(MIPS)

BI servers that run at 90%+ capacity without impacting SLA





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### Growing your IBM skills – a new model for training



Meet the authorized IBM Global Training Providers in the Edge Solution Showcase

- Access to training in more cities local to you, where and when you need it, and in the format you want
  - Use IBM Training Search to locate training classes near to you
- Demanding a high standard of quality / see the paths to success
  - Learn about the <u>New IBM Training Model</u> and see how IBM is driving quality
  - Check <u>Training Paths and Certifications</u> to find the course that is right for you
- <u>Academic Initiative</u> works with colleges and universities to introduce real-world technology into the classroom, giving students the hands-on experience valued by employers in today's marketplace
- www.ibm.com/training







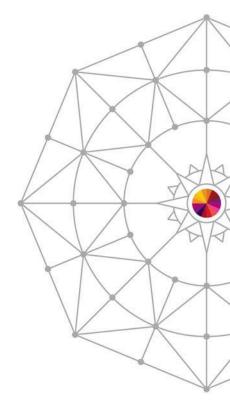








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