

Magic Quadrant for Business Intelligence Platforms

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In 2009, megavendors held almost two-thirds of business intelligence platform market share. But impatient business users increasingly turned to pure-play BI platforms, particularly those of small innovative vendors, to fill usability and time-to-value needs unmet by the larger vendors.

WHAT YOU NEED TO KNOW

This document presents a global view of Gartner's opinion of the main software vendors that should be considered by organizations seeking to develop business intelligence (BI) applications. Buyers should evaluate vendors in all four quadrants and not assume that only highly rated organizations can deliver successful BI implementations. Year-to-year comparisons of vendor positions are not particularly useful given market dynamics (such as emerging competitors, new product road maps, new buying centers) and client concerns/inquiries have changed since our last Magic Quadrant. Therefore, we have evaluated vendors based on these new market dynamics and have reflected the changes in our Magic Quadrant criteria evaluation weights for 2010. For further guidance on the Magic Quadrant evaluation process and on how to use a Magic Quadrant, see "Magic Quadrants and MarketScopes: How Gartner Evaluates Vendors Within a Market."

MAGIC QUADRANT

Market Overview

The market in 2009 was defined by the David and Goliathian struggle that occurred between resilient BI pure-play vendors and ostensibly omnipotent megavendors. The frenzy caused by major BI platform market consolidation in 2007 and 2008 gave way to a postacquisition hangover in 2009 in which megavendors' customers reported greater overall dissatisfaction due, in large part, to the often messy postacquisition "digestion" process. Yet, despite megavendor acquisition "growing pains," stack-centric buying led by applications and information infrastructure dominated BI platform investment decisions in 2009 with the top five vendors controlling 75% of the market. At the same time, however, based on the research conducted for this report and interactions with Gartner customers over the year, there is significant, if not euphoric, satisfaction with, and accelerated interest in, pure-play BI platforms. This is particularly true for smaller, innovative vendors filling needs left unmet by the larger vendors. To understand this paradox, it is necessary to consider a number of factors that are driving the BI platform buying decision today:

1. *Growing bifurcation of stack versus departmental BI buying.* Market bifurcation continues toward strategic IT-led stack-centric buying based on dominant applications or information infrastructure stacks on the one hand, and business and department buying on the other hand. Pressured by new economic realities and the need to quickly demonstrate business value, business users – often with an enterprise BI standard in place – are increasingly turning to innovative, pure-play vendors offering highly interactive and graphical user interfaces built on alternative in-memory architectures to address their unmet ease-of-use and rapid deployment needs. The perceived benefit is so compelling that business users are making this choice, despite the risk of creating fragmented silos of applications and tools.

2. *Last year's Visionaries become this year's Challengers.* Driven largely by business user buying, the data discovery tool architecture pioneered by last year's Visionaries (for example, QlikTech [QlikView] and Tibco Software [Spotfire]) and new Magic Quadrant entrant Tableau is now becoming much more accepted in the industry. Organizations are rapidly embracing the idea of providing data to end users and empowering them with an ability to navigate and visualize the data in a "surf and save" mode as an alternative to a report-only architecture. Threatened by the success of these vendors (and adding to their credibility), traditional BI platform vendors are attempting to imitate them with easy-to-use interactive visualization alternatives (for example, Microsoft with PowerPivot, SAP with SAP BusinessObjects Explorer, IBM with IBM Cognos Express, and Information Builders with WebFocus Visual Discovery) often incorporating in-memory technology. This imitation, coupled with a growing recognition by user organizations that data discovery tools can be used as full-functioned BI platforms for a broader range of BI platform capabilities and use cases (beyond rapid prototyping), justifies the significant move of these vendors from the Visionaries to the Challengers quadrant. A "Z"-shaped movement in the Magic Quadrant from the Visionaries to Leaders quadrants is typical, as a vendor that may have been visionary in a specific segment

Figure 1. Magic Quadrant for Business Intelligence Platforms



becomes subject to a broader visionary lens and expanded buying requirements. The response of the traditional BI vendors to these new market Challengers will accelerate in 2010 and will likely lead to further industry consolidation, while at the same time putting pressure on Challengers that don't improve their enterprise capabilities and continue to innovate.

3. *Acquisition transition takes its toll on customers.* Customer turmoil from acquisitions typically follows a life cycle. Initially, there is significant customer concern because of uncertainty about product road maps and commitment. This is followed by the actual execution of the acquisition transition in which

support, contracting, pricing, sales territory alignments and products are often changed. This transition process takes time and is not easy on customers. Successful acquisitions at some point complete the transition and reach a new “normal” for customers. While Oracle, which acquired Siebel and Hyperion in 2005 and 2007 respectively, seems to be successfully exiting the back of this curve, as shown by significantly improved Magic Quadrant customer survey results this year over last, weak customer survey results for IBM and SAP suggest that they are still in the throes of this transition. This heightened level of customer dissatisfaction revealed in the customer survey is reflected in these vendors’ Ability to Execute positions.

4. *Shift from measurement to analysis, forecasting and optimization.* While reporting remained the dominant style of information delivery of BI in 2009, the increased proliferation of interactive visualization tools pushed the power of data analysis and discovery into the hands of a larger number of users than ever before. Moreover, driven in part by the economic downturn, the need for more accurate forecasts and optimized business processes, and to identify leading versus lagging indicators, was on the rise. In response, IBM acquired predictive analytics market leader SPSS in the only major acquisition by a BI platform vendor in 2009. At the same time, many pure-play vendors (Information Builders, Tibco Software [Spotfire], MicroStrategy) and most of the megavendors (SAP, IBM, Microsoft) either introduced or matured capabilities to make statistics, predictive analytic models and forecasting algorithms more consumable in reports, dashboards and analytic applications. These advances constitute important steps toward increasing the availability of predictive analytics to business users beyond the traditional statistician installed base. This shift in market center for predictive analytics has also resulted in a narrowing of Completeness of Vision leadership between SAS and many of the other BI market players.
5. *Economic conditions driving interest in low-cost alternatives.* BI spending remained firm in 2009 as organizations turned to BI to survive the worst downturn in modern history. While projects to improve decision making, identify operating efficiencies and risk, and attract new customers more cost-effectively continued, the need to do more with less – more quickly – increased interest in lower-cost options. Beyond Microsoft, the traditional low-cost BI platform, organizations showed an increased willingness to consider open source for their enterprise BI platform deployments, and interest in BI embedded both in packaged analytic applications and in business process platforms, and, to a lesser extent, in alternative deployment models, such as software as a service (SaaS). In response, this report includes commentary on some alternative vendors in these categories, which, while not meeting the inclusion criteria for the Magic Quadrant itself, offer a viable alternative for some organizations with specific requirements.

In the wake of the merger and acquisition turbulence of 2007 and 2008, 2009 continued to be a year of transition, particularly for SAP and IBM. Business users in particular showed a growing impatience with the time to deploy and complexity of traditional enterprise tools, which led to a rise in departmental buying of

alternatives. Looking forward, 2010 is likely to be a critical year in which ease of use, time to value, scale and performance, and total cost of ownership will dominate the BI market narrative, while the ability to mesh the newly proliferated departmental silos with enterprise deployments will be a critical IT challenge. As the tough economic environment continues through 2010, new opportunities will emerge to build new sources of growth and business value. The ability of BI to identify and optimize these opportunities will be under greater pressure than ever to deliver results.

Forecast

Gartner’s view is that the market for BI platforms will remain one of the fastest growing software markets despite the economic downturn. In tough economic times, when competitiveness depends on the optimization of strategy and execution, organizations continue to turn to BI as a vital tool for smarter, more agile and efficient business. According to Gartner’s annual survey of CIO technology priorities, BI remained among the top five priorities in 2009 (and it was No. 1 in each of the previous four years). That said, however, the recession, commoditization and consolidation are expected to reduce BI platform growth from more than 20% in 2008 to single digits in 2009 and beyond. The BI platform market’s compound annual growth rate (CAGR) through 2013 is expected to be 6.3%, while the combined BI, analytics and performance management market’s CAGR is expected to be 8.1% through 2013.

Several demand-side factors indicate that BI platform revenue will continue to grow:

- CIOs continue to view BI among their top priorities for improving decision making and the operational efficiencies that drive top-line revenue and bottom-line profitability. However, BI applications dropped from No. 1 in 2009 to No. 5 in Gartner’s 2010 annual survey of CIO priorities.
- The volume of information generated from enterprise applications is at a high. It will continue to increase. This data combined with unstructured data, which represents the majority of corporate data sources, along with newly generated cloud-based data, social network data and device data, must be accessible as part of, or an extension to, the corporate information infrastructure and made available for analysis and decision making. BI platforms and BI applications, seen as a key part of a Pattern-Based Strategy, will evolve to analyze this vast and increasing amount of diverse data to discover significant weak signal and leading indicator patterns indicating opportunities and threats and to optimize business decisions.
- Adoption of consumer application user interface paradigms (for example, Google, iTunes) in the BI experience will extend the success of interactive visualization tools, leading to a dramatic improvement in BI usability and contributing to expanded usage. More intuitive and interactive BI tools and applications available on devices and embedded in business applications, office productivity suites and in custom business processes will further expand BI’s pervasiveness.

- Extending customer-facing website applications with BI capabilities for revenue generation or as a value-adding service differentiator using rich Internet application techniques is another positive driver of BI growth. So is the need for on-demand scalability, potentially addressed with cloud offerings.
- BI SaaS adoption, while very low today, will grow steadily as maturing BI SaaS solutions are delivered in private and public clouds and in on-premises and off-premises configurations by trusted vendors. This growth will be accelerated by organizations' increasing need to deploy intuitive BI tools and applications cost-effectively to more users, reduce time to value and time to scale, and lower capital expenditures. Beyond the initial cadre of small startup SaaS vendors, larger leading vendors are beginning to pursue SaaS/cloud-based strategies, with most building interoperability with cloud computing platforms, such as Amazon Elastic Compute Cloud (EC2), Google's platform as a service (PaaS) offering and Microsoft's Azure platform. These same BI vendors are also increasing their OEM efforts with SaaS application vendors and industry data providers. The merging of analytics with industry data and by industry data providers delivered via a SaaS model has been one of the more widely adopted use cases for BI delivered as a service and is another key growth driver.
- While the core platform components (reporting, ad hoc analysis, online analytical processing [OLAP]) have reached maturity with minimal differences in delivered product functionality among vendors (for example, we saw less variation in product scores than in support or sales experience scores between vendors in this year's Magic Quadrant customer reference survey), we expect innovation and growth to continue in emerging areas that make it highly intuitive and rapid to use and deploy BI applications against a variety of enterprise and extraenterprise data sources at a very large scale. These include in-memory analytics, predictive analytics, content analytics, BI and search, interactive visualization, BI and social software and collaboration, BI delivered in the cloud, process-driven, real-time BI, rapid data integration and application prototyping, and analytic applications.
- Gartner's user surveys show that improved decision making is the key driver of BI purchases. However, most BI deployments emphasize information delivery and analysis to support fact-based decision making, but fail to link BI content with the decision itself, the decision outcome, or with the related collaboration and other decision inputs. This makes it impossible to capture decision-making best practices. Solutions are emerging that tie BI with social software and collaborative tools for higher-quality, more transparent decisions that will increase the value derived from BI applications.
- Leveraging BI into broad performance management initiatives, beyond the office of finance and corporate performance management (CPM) applications to other areas of the enterprise, such as sales performance management, HR performance management and call center performance management, is another driver of growth. In 2010, this convergence will begin to move beyond basic dashboarding

and scorecarding to incorporate predictive analytics not only into the forecasting process, but also as a means of predicting what target thresholds should be and in identifying leading and weak signal indicators as part of an overall Pattern-Based Strategy. Gartner predicts that, through 2011, organizations that use performance management applications to support a performance-driven culture will outperform their peers by 30%.

- Adoption of open-source BI platforms will grow faster than adoption of commercial platforms. While open-source functionality is not yet on a par with that of large commercial platforms and open-source BI platforms are still rarely seen as an enterprisewide BI standard, open-source BI tool deployment is growing solidly. In particular, it is growing from the vendors' OEM business, which cannot be properly sized, as many pure-play software vendors simply use the downloadable version of the open-source BI product and add it as incremental functionality in their own applications. In addition, system integrators have started to build practices around open-source technology and are also implementing BI platforms (mostly reports and dashboards) as part of the contracted solution. This will be an additional driver of growth.

Market Definition/Description

BI platforms enable users to build applications that help organizations learn, understand and optimize their business. Gartner defines a BI platform as a software platform that delivers the 13 capabilities listed below. These capabilities are organized into three categories of functionality: integration, information delivery and analysis. In 2009, enhancing integration between BI platform components has been a major focus of megavendors digesting their numerous acquisitions. Information delivery continues to be a core focus of most BI projects today, but we see an increasing demand for tools that enable easier and more intuitive analysis to discover new insights. The Gartner definition of "BI platform" has remained mostly consistent from previous years, but we have added a 13th capability this year for search-based BI.

Integration:

- BI infrastructure – All tools in the platform should use the same security, metadata, administration, portal integration, object model and query engine, and should share the same look and feel.
- Metadata management – Not only should all tools leverage the same metadata, but the offering should provide a robust way to search, capture, store, reuse and publish metadata objects such as dimensions, hierarchies, measures, performance metrics and report layout objects.
- Development tools – The BI platform should provide a set of programmatic development tools and a visual development environment, coupled with a software developer's kit for creating BI applications, for integrating them into a business process and/or embedding them in another application. The BI platform should also enable developers to build BI applications without coding by using wizard-like components for a graphical

assembly process. The development environment should also support Web services in performing common tasks such as scheduling, delivering, administering and managing. In addition, the BI application should assign and track events or tasks allotted to specific users, based on predefined business rules. Often, this capability is delivered by integrating with a separate portal or workflow tool.

- Collaboration – This capability enables BI users to share and discuss information and/or manage hierarchies and metrics via discussion threads, chat and annotations either embedded in the application or through integration with collaboration, analytical master data management (MDM) and social software.

Information delivery:

- Reporting – Reporting provides the ability to create formatted and interactive reports (parameterized) with highly scalable distribution and scheduling capabilities. In addition, BI platform vendors should handle a wide array of reporting styles (for example, financial, operational and performance dashboards) and should enable users to access and fully interact with BI content delivered to mobile devices.
- Dashboards – This subset of reporting includes the ability to publish formal, Web-based reports with intuitive interactive displays of information, including dials, gauges, sliders, check boxes and traffic lights. These displays indicate the state of the performance metric compared with a goal or target value. Increasingly, dashboards are used to disseminate real-time data from operational applications.
- Ad hoc query – This capability enables users to ask their own questions of the data, without relying on IT to create a report. In particular, the tools must have a robust semantic layer to allow users to navigate available data sources. These tools should include a disconnected analysis capability that enables users to access BI content and analyze data remotely without being connected to a server-based BI application. In addition, these tools should offer query governance and auditing capabilities to ensure that queries perform well.
- Microsoft Office integration – In some cases, BI platforms are used as a middle tier to manage, secure and execute BI tasks, but Microsoft Office (particularly Excel) acts as the BI client. In these cases, it is vital that the BI vendor provides integration with Microsoft Office, including support for document formats, formulas, data “refresh” and pivot tables. Advanced integration includes cell locking and write-back.
- Search-based BI – Applies a search index to both structured and unstructured data sources and maps them into a classification structure of dimensions and measures (often leveraging the BI semantic layer) that users can easily navigate and explore using a search (Google-like) interface.

Analysis:

- OLAP – This enables end users to analyze data with extremely fast query and calculation performance, enabling a style of analysis known as “slicing and dicing.” This capability could span a variety of storage architectures, such as relational, multidimensional and in-memory.
- Interactive visualization – This gives the ability to display numerous aspects of the data more efficiently by using interactive pictures and charts, instead of rows and columns. Over time, advanced visualization will go beyond just slicing and dicing data to include more process-driven BI projects, allowing all stakeholders to better understand the workflow through a visual representation.
- Predictive modeling and data mining – This capability enables organizations to classify categorical variables and to estimate continuous variables using advanced mathematical techniques. BI developers are able to integrate models easily into BI reports, dashboards and analysis.
- Scorecards – These take the metrics displayed in a dashboard a step further by applying them to a strategy map that aligns key performance indicators with a strategic objective. Scorecard metrics should be linked to related reports and information to perform further analysis. A scorecard implies the use of a performance management methodology such as Six Sigma or a balanced scorecard framework.

Inclusion and Exclusion Criteria

To be included in the Magic Quadrant, software vendors:

- Must generate at least \$15 million total BI platform software license and maintenance revenue annually.
- That also supply transactional applications must show that their BI platform is used routinely by organizations that do not use the vendor’s transactional applications.
- Must deliver at least nine of the 13 capabilities in the BI platform Market Definition/Description section (not OEM components from other vendors).
- Must be able to obtain a minimum of 30 customer survey **responses** that use the vendor platform as their enterprise BI platform.

Gartner defines total software revenue as revenue generated from new licenses, updates, subscriptions and hosting, technical support and maintenance. Professional services revenue and hardware revenue are not included in total software revenue.

This year's Magic Quadrant customer survey included vendor-provided references, as well as survey responses from BI users in Gartner's BI summit and inquiry lists. There were 897 survey responses, with 143 from nonvendor-supplied reference lists. To ensure the integrity of survey data, each survey response was checked by company respondent e-mail. Responses from software vendors or service providers, while a very small number (less than 12), were eliminated from the aggregate results. For survey responses from nonidentifiable e-mail accounts such as Gmail or Yahoo accounts, the respondent was contacted and had to provide Gartner with a company e-mail address, company role and other contact information to be included (this amounted to less than five responses, all of which were vetted and ultimately included). For more detail on the survey results, see "BI Platforms User Survey, 2010: How Customers Rate Their BI Platform Vendors" and "BI Platforms User Survey, 2010: How Vendor Customers Rate Their BI Platform Functionality," forthcoming at the time of writing.

Added

Targetit and Tableau were added to this year's Magic Quadrant, as both were able to meet the inclusion criteria.

Even though they did not meet the criteria for inclusion, the follow alternative vendors are benefiting from the growth of the BI platforms market and may be worthy of consideration in BI evaluations.

BI Embedded in Business Process Management

One such vendor, IDS Scheer, based in Saarbrücken, Germany, is addressing BI from a business process optimization angle. IDS Scheer is best known for its Aris product and its strong focus on business process management. The reason for mentioning IDS Scheer in this report is that Aris customers are using the "process intelligence and performance management" solution in a way that combines analytics with business processes in a unique way. Most of its traction in the BI platform space to date has been from combining metrics with processes and adding performance management and performance dashboard functionality to a company's process view. The Aris Process Intelligence solution extracts data points from monitored business processes, loads the data into a custom-made data mart and enables the end user to run various analyses. The tool provides automated process discovery techniques to visualize the "as is" behavior (as-is process structures) within an organization (without previous modeling), identify best practices, and provide process-centric benchmarking and service-level management. Reference customers describe interesting usage scenarios and tangible benefits with Aris Process Performance Manager (Aris PPM) as it delivers insights that cannot be achieved with data-centric BI solutions. However, this product set is not considered a generic BI platform as per the inclusion criteria of this report because it is applied only in process-specific subject area domains.

BI Embedded in Packaged Applications

Other vendors offer BI platforms that are specifically optimized for their own enterprise applications. An example of this type of vendor is Infor (see Note 1), a large global software vendor with more than 70,000 customers, which has its own BI platform offering based primarily on the former MIS and MPC products and includes some newly developed products. The offering includes

Note 1 Infor

We believe that Infor currently carries at least \$4.5 billion in debt, used primarily to fund acquisitions (Infor has indicated that this figure is materially overstated, but has not provided additional information). This is a highly leveraged company by enterprise application software vendor standards. Gartner suggests that users bear this in mind in discussions with Infor, and seek assurance that the company has the wherewithal to execute on the components of its strategy that are relevant to users' specific strategic requirements.

the Infor PM OLAP database, Infor PM Application Studio for end-user and financial reporting, newly introduced Infor Reporting for transactional reporting, the Infor PM Office Plus Excel client, Infor PM Forecasting for predictive modeling via a forecasting engine, and the newly introduced Infor Decisions, a set of packaged, role-based analytic applications specifically designed for use with Infor applications. While Infor has a large installed base of former MIS customers, it was not included in this year's Magic Quadrant because it fell short of meeting the customer survey response inclusion criteria and because, during the next year, Infor's products will be targeted primarily at midsize organizations with Infor enterprise applications.

Departmental and Workgroup BI

Other emerging vendors that have not yet met the revenue inclusion criteria were invited to participate in this year's Magic Quadrant Customer Reference Survey for the first time. None of these vendors did quite as well as LogiXML, which fell just short of meeting the inclusion criteria for a number of customer survey responses. These strong results suggest that its platform is gaining positive momentum and market traction. LogiXML's BI platform is sold in a bundle that includes reporting, analysis and dashboards for both IT and nontechnical users, plus data integration. LogiXML targets small and midsize businesses, departmental deployments, and software/SaaS companies that embed their solution in their own tools and applications. Most implementations, many as part of customer-facing applications, are deployed to more than 500 users – LogiXML's unlimited user license model makes it economical to do so. Although targeted more at BI developers and IT managers, LogiXML's products include an ad hoc reporting solution for nontechnical end users. Much like the other departmental and workgroup BI platform offerings, LogiXML's value proposition is ease of use, rapid time to deployment, and lower cost than the offerings of existing enterprise market players.

SaaS

In the economic downturn, interest in SaaS solutions has increased in the past year, although it is still a small fraction of the overall market. The increase has happened despite the business failure of LucidEra, one of the early market contenders. SAP, followed by SAS, is perhaps the largest vendor in this submarket, but there are smaller vendors delivering BI as a service, including Birst, GoodData, Oco and PivotLink. Moving BI off-premises may not suit all organizations and all use cases, especially those dealing with highly sensitive data. Many firms are evaluating hybrid options for deployments leveraging both private and public clouds, as well as a combination of on-premises and off-premises solutions. But firms that find the SaaS value proposition of more rapid, lower-cost deployments attractive should evaluate SaaS as an option.

Startup SaaS vendors not yet meeting the revenue inclusion criteria were also invited to provide customer references for the Magic Quadrant customer survey – Oco was the only one that did. Although the number of survey responses was far less than the minimum, confirming Gartner’s view that there has yet to be a significant uptake of BI delivered as a service, Oco references were largely positive, albeit for small departmental deployments. Oco provides an end-to-end solution that includes data integration, a data warehouse, and reporting and data visualization capabilities with patented technology in the area of data identification, discovery and integration that enables transaction-level data from multiple sources to be quickly analyzed, integrated and loaded into a data warehouse. It also provides a set of best practice analytics aligned to key functional areas in target industries, including: supply chain analytics for manufacturing and distribution industries; services performance analytics for business services and equipment industries; and revenue and profitability metrics and customer and sales management analytics. Oco formed a partnership with SAP BusinessObjects OnDemand in May 2008 that included deployment of the SAP BusinessObjects OnDemand tools on the Oco data warehouse with a set of best practice analytics.

Open Source

Beyond the emerging vendors, Gartner gave serious consideration, as it did last year, to including open-source BI suppliers in the Magic Quadrant. While this year, both major open-source BI platform suppliers generated enough revenue to be included in the Magic Quadrant, they did not garner enough customer survey responses. Although they did not meet the references requirement, **Jaspersoft** and **Pentaho** have emerged as viable players in the BI platform market. Both open-source vendors provide comprehensive BI platform capabilities that are comparable in many functional areas with those of traditional BI platform vendors. A key part of both vendors’ strategy is to forge OEM relationships with commercial independent software vendors (ISVs) looking to easily embed BI functionality at a low price point. Jaspersoft and Pentaho enable ISVs to embed their open-source BI components without being bound by the GNU General Public License terms and conditions. Given their subscription-based model, both vendors need to provide exceptional support. This was reflected in the Magic Quadrant customer survey, as both Jaspersoft and Pentaho scored strongly on the customer support question – higher than any of the megavendors for the second year in a row.

Jaspersoft, based in San Francisco, is a well-established brand in the open-source BI platform market. Founded in 2001, the vendor claims it is the market leader in open-source BI, with more than 11,000 commercial customers worldwide. These customers include any entity that purchased anything from Jaspersoft – including training, support, documentation and software utilities. The specific number of production deployments of Jaspersoft’s commercial editions is unreported, and deployments of community editions are unclear. Actual numbers of production deployments are further muddled as Jaspersoft (and other open-source vendors) seemed to struggle to provide enough reference accounts to meet the 30-response inclusion criterion of this year’s Magic Quadrant customer survey. This could, in part, be due to the lack of standard account management practices through which customer references are usually developed and to Jaspersoft’s particularly high number of OEM partners (50% of Jaspersoft’s commercial business is

through OEMs and an undocumented number of OEMs download and embed the free version of JasperReports in their applications). OEM partners are excluded from participating in the BI platform Magic Quadrant customer reference survey. The newly announced Jaspersoft Enterprise Edition, based on version 3.7 of its platform, includes JasperServer, JasperReports, the iReport report designer, the JasperAnalysis OLAP analysis server, and JasperETL, which is the open-source extraction, transformation and loading (ETL) engine from Talend, plus Talend’s Activity Monitoring Console (which is part of the commercial edition). Jaspersoft has established a partner network that includes companies such as Sun Microsystems (including MySQL), Novell, Red Hat and Unisys. Many ISVs are also including JasperReports as the reporting component in their software packages.

Pentaho offers a comprehensive open-source BI platform available on-premises, in the cloud or via SaaS. Pentaho’s positioning in 2009 evolved to more directly target BI replacement opportunities, and it launched its Escape program – a fixed-price, fixed-deliverable BI service offering to migrate customers from proprietary BI reporting tools to Pentaho Reporting. Despite having “hundreds of thousands of installations worldwide,” Pentaho struggled to get users to take part in the Magic Quadrant reference survey (with just five responses, all from North American firms with the smallest average employee count of customer references of any vendor surveyed). This could be because Pentaho has a direct client/customer relationship with only a tiny fraction of the overall user community – approximately 220 new customers purchased an annual subscription for Pentaho’s Enterprise Edition products in 2009 (with an average selling price of \$24,000 for a first-year subscription). Firms purchasing Pentaho subscriptions receive enhanced functionality (extending the open-source functionality), electronic and phone support, and software maintenance. From a functional perspective, the most significant community collaboration and developer contributions in 2009 drove a complete dashboard framework, ETL extensions including Google Analytics and Google Docs integration, along with new user interfaces for self-service dashboard creation and ad hoc query and reporting.

Dropped

No vendors were dropped from this year’s Magic Quadrant.

Evaluation Criteria

Ability to Execute

Vendors are judged on their ability and success in making their vision a market reality. In addition to the opinions of Gartner’s analysts, the scores and commentary in this document are based on three sources: customer perceptions of each vendor’s strengths and challenges derived from BI-related inquiries with Gartner; an online survey of vendor customers conducted in late 2009, yielding 897 responses; and a vendor-completed questionnaire about the vendor’s BI strategy and operations.

Product/Service:* How competitive and successful are the goods and services offered by the vendor in this market? This includes current product/service capabilities, quality, feature sets and skills, whether offered natively or through OEM agreements/partnerships.

Overall Viability: What is the likelihood of the vendor continuing to invest in products and services for its customers? Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood of the individual business unit to continue to invest in the product, continue to offer the product and advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing:* Does the vendor provide cost-effective licensing and maintenance options? This covers the technology provider's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support and the overall effectiveness of the sales channel.

Market Responsiveness and Track Record: Can the vendor respond to changes in market direction as customer requirements evolve? This covers the ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the provider's history of responsiveness.

Market Execution: Are customers aware of the vendor's offerings in the market? This assesses the clarity, quality, creativity and efficacy of programs designed to deliver the organization's message in order to influence the market, promote the brand and business, increase awareness of the products and establish a positive identification with the product/brand and organization in the minds of buyers. This mind share can be driven by a combination of publicity, promotional, thought leadership, word-of-mouth and sales activities.

Table 1. Ability to Execute Evaluation Criteria

Evaluation Criteria	Weighting
Product/Service	High
Overall Viability (Business Unit, Financial, Strategy, Organization)	High
Sales Execution/Pricing	High
Market Responsiveness and Track Record	Standard
Marketing Execution	Standard
Customer Experience	High
Operations	Low
Source: Gartner	

Customer Experience:* How well does the vendor support its customers?

Operations: What is the ability of the organization to meet its goals and commitments?

*These criteria are scored directly from input from the Magic Quadrant customer survey.

Completeness of Vision

Vendors are rated on their understanding of how market forces can be exploited to create value for customers and opportunity for themselves. In addition to Gartner analysts' opinions, the scores and commentary in this document are based on three sources: customer perceptions of each vendor's strengths and challenges derived from BI-related inquiries with Gartner; an online survey of vendor customers conducted in late 2009, yielding 897 responses; and a vendor-completed questionnaire about the vendor's BI strategy and operations.

Market Understanding: Does the vendor have the ability to understand buyers' needs, and to translate those needs into products and services?

Marketing Strategy: Does the vendor have a clear set of messages that communicate its value and differentiation in the market?

Sales Strategy: Does the vendor have the right combination of direct and indirect resources to extend its market reach?

Offering (Product) Strategy: Does the vendor's approach to product development and delivery emphasize differentiation and functionality that maps to current and future requirements?

Business Model: How sound and logical is the vendor's underlying business proposition? Note that this criterion has been given no rating because all vendors in the market have a viable business model.

Vertical/Industry Strategy: How well can the vendor meet the needs of various industries, such as financial services or the retail industry?

Innovation: How well does the vendor direct related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes? How well does the vendor exploit current or new technologies and combine them in a novel way to address a market need?

Table 2. Completeness of Vision Evaluation Criteria

Evaluation Criteria	Weighting
Market Understanding	High
Marketing Strategy	High
Sales Strategy	Standard
Offering (Product) Strategy	High
Business Model	No Rating
Vertical/Industry Strategy	Standard
Innovation	High
Geographic Strategy	Standard
Source: Gartner	

Geographic Strategy: How well can the vendor meet the needs of locations outside its native country, either directly or through partners?

Leaders

Leaders are vendors that are reasonably strong in the breadth and depth of their BI platform capabilities and can deliver on enterprise-wide implementations that support a broad BI strategy. Leaders articulate a business proposition that resonates with buyers, supported by the viability and operational capability to deliver on a global basis.

Challengers

Challengers offer a good breadth of BI platform functionality and are well positioned to succeed in the market. However, they may be limited to specific use cases, technical environments or application domains. Their vision may be hampered by a lack of coordinated strategy across the various products in their BI platform portfolio, or they may lack the sales channel, geographic presence and industry-specific content offered by the vendors in the Leaders quadrant.

Visionaries

Visionaries are vendors that have a strong vision for delivering a BI platform. They are distinguished by the openness and flexibility of their application architectures, and they offer depth of functionality in the areas they address, but they may have gaps relating to broader functionality requirements. A Visionary is a market thought-leader and innovator. However, it may have yet to achieve sufficient scale – or there may be concerns about its ability to grow and provide consistent execution.

Niche Players

Niche Players are those that do well in a specific segment of the BI platform market – such as reporting – or that have limited capability to innovate or outperform other vendors in the market. They may focus on a specific domain or aspect of BI, but are

likely to lack depth of functionality elsewhere. Or they may have gaps relating to broader BI platform functionality. Alternatively, Niche Players may have a reasonably broad BI platform, but have limited implementation and support capabilities or relatively limited customer bases. Or they may not yet have achieved the necessary scale to solidify their market positions.

Vendor Strengths and Cautions

Actuate

Strengths

- Actuate's e.Reports is a well-established, scalable platform for "pixel perfect" static-management-style reports to large numbers of report consumers (both intranet and extranet). Actuate has been proven in very large extranet application deployments that serve the financial and public sectors. The company plans to complete its acquisition of Xenos, a maker of high-volume ePresentment, printing and delivery software also with a financial services focus, in February 2010.
- Actuate is transitioning its product and marketing emphasis to its open-source commercial products based on Business Intelligence and Reporting Tools (BIRT). Its investments in BIRT products and marketing are starting to gain traction in the developer community (for example, BIRT Exchange Marketplace) and received positive product feedback in our Magic Quadrant survey, albeit from a small sample size – and with new OEM customers.
- Actuate's e.Spreadsheet reporting technology has strong capabilities for spreadsheet-based information distribution and management. Actuate has also released its e.Spreadsheet Designer tool as freeware from its BIRT Exchange community site.
- The senior management team at Actuate is seasoned and experienced at managing in difficult business conditions.

Cautions

- In our Magic Quadrant survey, cost was cited as the largest obstacle to larger deployments twice as often as it was for other vendors. One factor contributing to this was Actuate's terms and conditions restatement, which customers told us translated into unexpectedly high fees for hardware upgrades.
- Of the vendors in this Magic Quadrant, Actuate scored the lowest in our survey in terms of view of the vendor's future, view of the vendor's success in the organization and overall customer experience. Most responses were from customers using e.Reports. The handful of customers surveyed that use the newer BIRT-based product set provided more positive product ratings.
- Customers have been using a narrower range of functionality than have customers of other vendors and have not been using Actuate's products as their "BI standard" products. Only 28% of Actuate customers surveyed for the 2010 Magic Quadrant considered it their enterprise BI standard, compared with the mean of 53% for all vendors.

- A high percentage (20%) of Actuate customers in our Magic Quadrant survey indicated that they plan to replace Actuate's products within five years. This compares with a mean of 7% for the other vendor references we surveyed.
- Actuate's OLAP, ad hoc analysis and dashboard capabilities were ranked in the bottom three of vendors in this Magic Quadrant in terms of functionality being deployed. Its narrower product focus on production reporting will exclude it from shortlists, as more enterprises look to standardize on vendors that have been proven at providing a more complete set of BI platform capabilities. Actuate 11 (currently in beta testing) expands the BIRT-based product set with in-memory analytics, dashboard builders and a unified development platform.
- Product and services revenue from the commercial versions of its Actuate BIRT open-source products constitute a growing percentage of the company's overall revenue, with a positive diversification effect attracting new open-source buyers rather than the traditional buyers of its legacy portfolio of commercial e.Reports and e.Spreadsheet products. However, successes derived from Actuate's BIRT strategy may not compensate for negative growth pressures from a contraction in the overall economy (and in financial services in particular, from which Actuate derives approximately half its revenue) and increased competition in a consolidated BI market.

arcplan

Strengths

- Used predominantly by large companies in Western Europe, arcplan is well known as a successful front end for SAP NetWeaver BW. Its ability to work directly with SAP NetWeaver BW metadata remains a strong differentiator. The main reasons for selecting arcplan reported by survey respondents reflect this, with ease of use for end users, data access and integration, integration with enterprise applications and integration with the information infrastructure most cited. During 2009, arcplan added to its SAP-focused offerings by launching a new interface for SAP NetWeaver BI Integrated Planning (IP).
- Compared with the overall sample, arcplan survey respondents reported that they realized above-average benefits in making BI available to more users, expanding the types of analysis supported, and reducing non-IT costs, line-of-business costs and IT head count.
- Its process orientation and federated query and write-back capabilities support the building of complex analytic applications in heterogeneous environments; for example, in delivering closed-loop planning or supporting collaborative, unified operational and financial performance management. The advanced charting and mashup support in 2009's arcplan Enterprise 6.0 and 6.5 releases further its ability to deliver interactive rich Internet applications.
- arcplan's product vision improved somewhat in 2009 with its plans to introduce a Web 2.0 approach to user self-service and collaboration around BI – what Gartner has termed collaborative decision making – and by shifting its focus more toward performance management, with the acquisition of LumenSoft and the subsequent development of the arcplan Edge CPM offering.
- arcplan has good BI platform integration. arcplan Enterprise is internally consistent, offering well-integrated functionality for building reports and dashboards with strong data federation capabilities that include an extensive set of out-of-the-box data source connectors.

Cautions

- Marketing itself as “complementary and nondisruptive” is an increasingly weak position. For more than 10 years, arcplan has successfully been seen as a value-adding partner to larger BI vendors, which has enabled it to coexist, and avoid competing, with them. However, there is strong evidence that this is no longer sustainable as a competitive position – 25% of arcplan customer respondents plan to discontinue their use of arcplan products in the next five years, a higher rate than for any other vendor in the Magic Quadrant. (In its defense, arcplan cites a 94% maintenance renewal rate.)
- Its historic focus on SAP is a “two-edged sword.” Just 4% of the arcplan customers taking part in the survey considered it their BI standard – the lowest of any vendor included in the Magic Quadrant. It's no surprise that 36% considered another BI platform, almost always SAP, their standard. The ongoing adoption of SAP BusinessObjects in the SAP installed base is a threat to arcplan's future revenue stream in what has been its core market.
- It has a diminishing functional differentiation – arcplan's competitors are adding data federation capabilities to their products, and such capabilities have always been one of the primary differentiators for arcplan.
- arcplan has devoted resources to its Excel Analytics product (adding functions supporting pivoting, stacking and dimension swapping for SAP NetWeaver BW, IBM Cognos TM1, Microsoft Analysis Services) but its uptake is low, with just 11% of surveyed customers using arcplan's Microsoft Office integration extensively.
- arcplan needs to strengthen its channels to market. Despite growing its network of partners in 2009, it has a limited indirect channel, which it must build to maintain its market share and, in particular, to deliver the vertical applications it lacks.

Board International

Strengths

- Board International is a long-established European company with a well-integrated BI platform. Board customers value the combination of planning, reporting and analysis capabilities in a single integrated product.
- Historically, Board has focused on developing and deploying custom analytic applications (on the same foundation as

its CPM applications) powered by its own OLAP database. However, the capabilities added in the Board 7 release in 2009, including support for data federation across relational stores and widely used multidimensional engines (namely Microsoft SQL Server Analysis Services and SAP NetWeaver BW), should make Board more suitable for a broader range of BI use cases and more attractive to larger firms than previously.

- Board's distinctive "toolkit" approach to BI application development handles database creation and updates, data presentation and analysis, and process modeling in a single graphical environment without programming.
- Overall feedback from Board's customers was good in the survey, rating it better than average in nine of the 13 functional capability areas surveyed, an impressive performance for one of the smallest vendors (in revenue terms) included in the Magic Quadrant. Customers reported above-average realization of business benefits overall, with above-average success in expanding BI to more users, broadening analysis, improving customer satisfaction and reducing IT head count.
- For its size, Board has developed a credible partner OEM business via which it serves vertical industry needs (particularly in pharmaceuticals and foods). However, this group does not seem to be growing.

Cautions

- As reported in 2008 and 2009, Board is little known outside its core markets in Europe, with a nascent presence elsewhere. Finding service providers with experience implementing Board is still a challenge (and an inhibitor to growth) but its ecosystem is growing.
- Of the Board customers surveyed, 61% consider its products their BI standard, and few report using functionality from other competing vendors to address gaps in Board's products. However, according to the survey data gathered, deployments of Board are small (an average of 72 users – the only vendor in the Magic Quadrant with an average deployment below 100 users), in smaller firms, and skewed to the departmental in usage.
- Board technology is Windows only, limiting its potential to expand into some segments of the enterprise market.
- More of Board's customers (26%) reported encountering issues with software unreliability and bugs than for any other vendor in the sample. This may, in part, be explained by the significance of the 7.0 release, which largely re-engineered the platform to take advantage of newer Microsoft elements (Windows Communication Foundation [WCF], Windows Presentation Foundation [WPF], Service-Oriented Architecture [SOA] and Silverlight).
- Despite its evident success in the niche it serves, the Board customers we surveyed expressed concern over the vendor's future, perhaps reflecting the tough competitive environment it faces.

IBM

Strengths

- The company has a well-integrated BI platform architecture. IBM Cognos 8 remains much better integrated than most competing offerings, with shared metadata across the platform enabling ease of transfer from report to query to analysis. The benefit of this architectural consistency was evident in the survey results, with IBM Cognos customers reporting that they need only three administration staff per thousand users on average.
- IBM Cognos has a high proportion of enterprisewide, enterprise-standard BI platform deployments – almost three-quarters of the IBM customers Gartner contacted as part of this research consider its products a BI standard in their organization.
- The IBM Cognos customers that Gartner contacted as part of this research rated its BI platform functionality well, at or above the mean in seven areas: reporting, ad hoc query, search-based BI, OLAP, dashboards, BI infrastructure and metadata management.
- Global sales, industry and system integration capabilities from IBM grew massively in 2009. In April 2009, IBM Global Business Services (GBS) announced the introduction of its Business Analytics and Optimization (BAO) consulting practice with 4,000 consultants focused on BI and performance management. These dedicated resources augment IBM Cognos' already sizable value-added reseller, OEM and system integrator ecosystem.
- IBM's vision for BI has substantially strengthened in the past 12 months with a number of initiatives: a new midmarket offering, IBM Cognos Express, which offers integrated planning, reporting and analysis; the acquisition of SPSS with its very strong data mining, statistical and analytics capabilities, closing a gap in IBM Cognos' functionality; the launch of a new content analytics offering for text/unstructured data; and an expanded set of deployment options including deployment via System z, embedded BI in Tivoli and Rational, and a cloud-based offering. From a marketing strategy perspective, the significant role of BI in the Smarter Planet campaign also boosts IBM's profile.
- The company shows an ongoing strong vision in applying its BI platform to support performance management more widely. IBM has continued to expand its solution portfolio of packaged analytical applications based on the IBM Cognos 8 platform, adding products for CRM, supply chain, finance and HR in 2009.

Cautions

- In Gartner's opinion, there are emerging signals that IBM's ability to continue to sell its BI platform into firms with application stack-centric sourcing policies may be limited, despite its ability to meet their needs. Indicatively, 8.5% of the IBM Cognos customers surveyed said they plan to discontinue using the products in the next five years, versus 1.5% of customers using SAP BusinessObjects and 3.1% of customers using Oracle Business Intelligence Enterprise Edition. IBM does not have business applications and does not share the same operational BI vision or capabilities of Oracle and SAP, which aim to integrate BI platform capabilities more into the business, analytical, performance management and decision processes defined by their business applications. IBM's vision for BI is broad, extending to processes outside the ERP environment. However, the "jury is still out" on whether this is as compelling as the tie-up between ERP and BI promised by its key competitors.
- IBM Cognos customers reported a much diminished customer experience than in 2008, with support rated among the lowest of the vendors in the Magic Quadrant, and an increased incidence of unreliable/"buggy" software, affecting its Ability to Execute rating. It should be noted that 2009 was a transition period for IBM, as it changed over Cognos customer support to IBM proper, and some Cognos customers also experienced account management changes because of territory realignments.
- As reported in 2008 and 2009, despite its broad functional capabilities, most IBM Cognos 8 deployments are still reporting-centric. While the availability of IBM Cognos 8 PowerPlay Studio has somewhat improved the situation, IBM Cognos users are still less likely to do some form of ad hoc analysis than users of its main competitors (only Actuate and arcplan showed less usage of ad hoc analysis and discovery).
- Despite some elegant messaging explaining its use cases, there are still questions about IBM's strategy for OLAP, which currently includes three distinct offerings: IBM Cognos PowerCube, IBM Cognos TM1 and IBM InfoSphere Warehouse Cubing Services. In addition, the stand-alone nature of the acquired TM1 OLAP server, a key component in IBM's BI and CPM product strategies, is the primary factor undermining the otherwise tightly integrated nature of IBM Cognos' overall BI platform offering.
- Consistent with previous Magic Quadrants, 32% of customers surveyed reported poor performance as the single most frequently reported problem with IBM Cognos 8 – more than for any other vendor included in the Magic Quadrant. However, IBM is working on ways to improve performance with dimensionally modeled relational (DMR) data in the IBM Cognos 8 platform in a future release, along with native aggregate awareness (currently in beta testing).

Information Builders

Strengths

- Information Builders' WebFocus product is well suited as a platform for building custom Web-based BI applications, including rich Internet applications, often in extranet and public, customer-facing, constituent-facing, supply-chain-facing or partner-facing BI Web applications where its deployments regularly exceed tens of thousands of users executing live interactive queries against multiple databases.
- Information Builders specializes in building highly parameterized enterprise reporting for report consumers. These report consumers can specify output formats and drill paths, in addition to measures and dimensions, through extensive report parameterization options, while also having an exceptional degree of report interactivity. While in the past, ad hoc analysis had not been a strength of Information Builders, this year, users gave Information Builders an above-average rating for ad hoc analysis, suggesting that InfoAssist, Information Builders' casual user ad hoc reporting and analysis tool, introduced in 2008, is gaining positive market traction.
- Information Builders provides broad platform, data integration and application support. The Magic Quadrant survey data confirms that Information Builders is chosen more often than any other vendor for its data access and integration capabilities. WebFocus is fully integrated with Information Builders' iWay integration platform. It provides the WebFocus platform with capabilities for enterprise, real-time reporting from multiple data sources with integrated ETL, data federation, data profiling and data quality, automated data geocoding and real-time search index management, business activity monitoring/complex-event processing, file-based integration, MDM, and operational write-back. This integration makes Information Builders better suited than most other BI platforms for organizations without a data warehouse and for operational reporting.
- Information Builders places a strong emphasis on the customer relationship as an integral part of the corporate culture. In a consolidating, highly competitive market, this high-touch approach appears to have paid off in terms of strong customer satisfaction. Information Builders had by far the highest number of references and survey responses in this year's survey – almost double that of the second-placed vendor. Customers rated it above average for support, customer experience and view of the vendor's future. Moreover, despite market consolidation, Information Builders has been able to hold enterprise ground. A majority of Information Builders' customer references in the Magic Quadrant survey consider its products their BI standard.
- Information Builders continues to be a BI innovator, having been among the first to deliver capabilities for integrated search, mobile devices, use of rich Internet applications and mashups, predictive analytics, data discovery, and visualization (through its OEM relationship with Advizor Solutions). New investments in cloud computing and government-grade security

capability underscore Information Builders' agility and ongoing commitment to groundbreaking development. While still one of the few vendors with production deployments of BI, search and integrated capabilities for predictive analytics, survey results show below-average use of the platform for other than static and parameterized reporting.

Cautions

- Information Builders continues to offer limited OLAP capabilities of its own, which is evident from its below-average OLAP functionality survey scores.
- While Information Builders' WebFocus is a mature and fully featured platform, survey customers rated it more difficult to implement, migrate and use, on average, than the platforms of other vendors. This is supported by anecdotal evidence from Gartner inquiries. Information Builders is at a disadvantage with line-of-business buyers who are making an increasing percentage of BI purchasing decisions and are looking first and foremost for easy-to-use, easy-to-deploy platforms.
- As extranet deployments continue to be an Information Builders "sweet spot" and go-to-market emphasis, with many of Information Builders' customers using custom extranet BI applications built with WebFocus, without knowing they are using Information Builders, expanding brand awareness is an ongoing challenge. Its low brand awareness is a negative factor on revenue growth, which is already slower than that of the market overall.
- As one of the remaining large pure-play BI platform vendors, without the momentum of either the megavendors or the "easy to use" and lighter weight platforms of pure plays, Information Builders has experienced slower revenue growth than the market overall. It will continue to be challenged in winning broader stack-centric IT-driven enterprise deals or departmentally driven line-of-business deals that fall outside its sweet spot.

Microsoft

Strengths

- Microsoft joined the BI market relatively late, but did so with an attractive set of capabilities, packaging and pricing offerings that appeal to Microsoft developers and its independent distributor channel. The company has been consistently investing in its offerings, which span its Microsoft Office, Microsoft SQL Server and Microsoft SharePoint product lines. By placing Microsoft Excel, Microsoft SQL Server and the very rapidly spreading Microsoft SharePoint Server at the center of its BI strategy, Microsoft virtually guarantees its BI offering's continued adoption, particularly in organizations with a Microsoft-centric information infrastructure.
- Microsoft's lower pricing, bundled packaging and focus on "information worker" productivity make it an attractive proposition for organizations that want to make BI capabilities

more pervasive across a wider range of users and reduce their annual software maintenance bills (reduce them compared with the cost of the competition in the BI platform market). In the Magic Quadrant customer survey, Microsoft customers cited cost less frequently as a limitation to wider deployment, and experienced less complex migration, than customers of most other vendors in the survey.

- Growing market penetration is another of Microsoft's strengths. We see a strong intent among our clients and survey respondents to purchase Microsoft BI products. Ease of use for developers and lower total cost of ownership (TCO) are cited as the top reasons for selecting the Microsoft platform. Microsoft's BI platform appeals to the large community of Microsoft application developers – its development tools are rated among the best in the market by the customers we surveyed.
- Success in larger deployments is also a strength. While Microsoft's BI products have historically been labeled as midmarket solutions, we are seeing the Microsoft BI platform move up "the food chain" and be deployed on much larger data volumes to much larger numbers of users, with more of its customers considering it their BI platform standard than in previous years. Customers in the Magic Quadrant survey report that their Microsoft average deployment sizes are smaller only than those of Actuate (users), SAP (users) and MicroStrategy (data volume).
- Use of OLAP functionality, by Microsoft customers, is double that for the rest of the survey respondents. This can be attributed to the success and adoption of Microsoft SQL Server Analysis Services functionality bundled with Microsoft SQL Server.

Cautions

- While Microsoft is on track to continue to grow its market share, communication of product road maps and the synergistic integration of several of its BI-related product acquisitions (such as Fast, Stratature and ProClarity) have not been as complete and expedient as initially announced and as compared with those of its competition.
- In comparison with that of its large competitors, its BI user vision remains more narrow and focused on developers, reporting functionality and Microsoft Excel, coupled with Microsoft SharePoint functionality (that is, Microsoft PerformancePoint Services). Ad hoc analysis capabilities for analysts and business users are still a work in progress, although they are expected to be improved with the introduction of Microsoft SQL Server PowerPivot for Excel.
- Although Microsoft has Microsoft-centric business applications (for example, Microsoft Dynamics), it is not promoting the same operational BI vision or capabilities as Oracle and SAP, which is to integrate BI platform capabilities more into the business, analytical, performance management and decision processes defined by their business applications. Moreover,

since Microsoft discontinued development of Microsoft Office PerformancePoint Server 2007 as a stand-alone solution for financial analytic applications (for example, planning, budgeting, consolidation), Microsoft's performance management strategy has lagged behind that of the other stack vendors (IBM, Oracle and SAP).

- Long development cycles are another point to consider. The product interdependencies (for example, on Microsoft SharePoint, Microsoft Office and Microsoft SQL Server) slow Microsoft's ability to deliver quickly on innovation. These interdependencies also require a Microsoft BI platform customer to buy into a Microsoft technology stack and have a broad set of expertise to support the different moving parts.
- There is no single, enterprise, business, metadata layer or capability across Microsoft's BI platform components. Each has its own metadata model, which could translate into higher development maintenance costs should an organization need more integrated and sophisticated metadata functionality for modeling, impact/lineage and change management.
- Microsoft's focus on the indirect sales channel is another potential issue. Microsoft has invested in a developer channel program and, while it has made investments in meeting the needs of large enterprise accounts, its lack of a direct sales channel could make it less competitive against the direct channels of its competition and slow its market penetration. It is not uncommon for Gartner clients to ask us how to reach their Microsoft account executive, particularly in large accounts.

MicroStrategy

Strengths

- MicroStrategy specializes in enterprise BI deployments running on top of large enterprise data warehouses and its products are considered a BI standard by a higher percentage of its customers than any other vendor in this year's Magic Quadrant customer survey. As last year, its customers reported the highest mean data volume of any vendor surveyed, coupled with a high level of satisfaction with technical performance.
- While parameterized, interactive reporting for the report consumer is a MicroStrategy sweet spot, MicroStrategy also ranked in the top five for overall functionality, with particularly strong ratings for BI infrastructure, metadata, Microsoft Office integration and OLAP, confirming its enterprise pedigree. As more than half the MicroStrategy customer survey respondents are running the latest release, this strong rating is, in part, a reflection of satisfaction with the functional improvements in MicroStrategy 9 (for example, data federation, integration of Narrowcast Server, in-memory OLAP, dashboard data size and interactivity enhancements, improved integration of the reporting and charting engines).

- MicroStrategy's parameterized reporting paradigm and object-oriented report development environment have resulted in the lowest IT administration costs in the survey. With an extensive library of prebuilt objects, including metrics, prompts, filters and statistical functions, developers can create reports and other analytic content with high degrees of formatting and analytic sophistication with less effort and cost than with other platforms. MicroStrategy's low TCO value proposition is supported by the Magic Quadrant survey data, which shows that MicroStrategy customers have the lowest number of absolute administrators, administrators per 1,000 users and per 1,000GB than the customers of any other vendor in the survey.
- MicroStrategy has built its BI platform from the ground up through completely organic development. The high level of integration of the individual platform components and the reusability of MicroStrategy's well-architected and object-oriented semantic layer are the result of this strategy. Without the integration challenges faced by the megavendors, MicroStrategy has more development cycles available for innovation.
- Survey data suggests that MicroStrategy has overcome its previous "bad boy of BI" reputation earned from onerous licensing, contracting and rated CPU pricing practices of the past. MicroStrategy is now offering unrated CPU pricing as a primary pricing option. And even though a large portion of MicroStrategy customers are still on rated contracts – one source of previous customer angst – above-average ratings for customer experience (pricing and contracting practices and sales relationship) and support, and a top-three rating for view of vendor success suggest that MicroStrategy is winning over its customers. Moreover, despite being a large pure-play BI vendor, even with a checkered past, its customers have an above-average positive view of MicroStrategy's future.

Cautions

- While the MicroStrategy development environment is robust and flexible, there is a steep learning curve, even for seasoned report developers. Outside of parameterized reports that simulate ad hoc analysis for an end user, self-service ad hoc reporting and dashboard creation have not been particularly user-friendly to date. Even though usability enhancements were delivered with MicroStrategy 9, such as more one-click user actions and dashboard design wizards, MicroStrategy customers in the Magic Quadrant customer survey rate the platform among the most difficult to use.
- In a market in which an increasing percentage of buyers are stack-centric, megavendors offering end-to-end BI, CPM, packaged analytic applications and integration middleware optimized for their specific enterprise applications and technology stacks are at a distinct advantage over MicroStrategy in some sales cycles. MicroStrategy's focus on BI platforms excludes it from consideration, particularly in enterprise BI standardization projects where buyers are looking for single-stack optimizations with the existing information and application infrastructure.

- In 2009, MicroStrategy rebranded its BI platform to shift away from exclusively catering for the high-end enterprise market. MicroStrategy Reporting Suite includes a fully featured and capable free version, which is upwardly compatible with new departmental and enterprise packages. Even though this new pricing and positioning strategy maps well to new market realities, redefining the brand and image will take time and effort. To succeed, MicroStrategy must overcome its reputation as a high-end vendor and reduce the complexities that are often associated with MicroStrategy development and deployment.
- While MicroStrategy has added OEM relationships, including a number of SaaS vendors, and developed partnerships to deliver industry-specific solutions leveraging its strong product vision, its geographic presence and packaged analytic applications (starter kits) continue to be more limited, both in number and geography, than those of other leading BI platforms.

Oracle

Strengths

- Oracle has established the Oracle BI Enterprise Edition (OBIEE) platform as the “BI standard” in 82% of the references that responded to our Magic Quadrant survey. It also has the widest range of BI platform capabilities employed (for example, reporting, dashboards, ad hoc query). This was among the top three sets of results in our survey.
- The availability and sales momentum of Oracle’s own packaged BI applications built on the OBIEE platform attest to the platform’s infrastructure capabilities and Oracle’s understanding of market interest in domain-specific and prepackaged solutions. They also act as a growth driver for the platform.
- Oracle has maintained a consistent vision of its BI platform as a key enabling technology of its overall enterprise performance management product strategy and BI application development plans.
- Improvements in the integration of security and administration capabilities benefit the large installed base of customers using Oracle applications, middleware and database technologies. Oracle was one of the two vendors with the highest percentage of customers planning to deploy its BI products across their enterprise (rather than in just a single department or multiple departments).
- Oracle has a well-established direct sales force selling the OBIEE offering, coupled with a large number of system integrators and value-added resellers incorporating OBIEE into their offerings.
- Oracle was one of the top three vendors for product quality. It has significantly improved its support scores since our last Magic Quadrant survey.

- Oracle has created within its references a very positive perception of its vision and success. Magic Quadrant survey respondents had a better opinion of its future and success than they did for its competitors.

Cautions

- Lack of new and leading-edge innovation is something to be considered. Much effort is being put into integrating the Oracle BI platform with the wide variety of Oracle business applications and other middleware technologies. And integration with Oracle business applications is indicated in our survey as the primary reason for selecting the Oracle BI platform. While this will benefit the Oracle installed base of customers, Oracle lags behind the competition in introducing new and innovative solutions, such as the ability to integrate interactive visualization, search and collaboration as part of the BI platform offering.
- Oracle has an in-memory database that it acquired from TimesTen. However, at a time when most of its competitors (both stack and pure-play) are leveraging newer in-memory architectures to improve OLAP performance and usability, Oracle’s BI strategy is to instead bet heavily on its investment in, and expand the role of, Essbase (a traditional OLAP solution) as a key component in its Fusion strategy.
- Customers indicated that concerns they had with support were due to Oracle being “slow to respond.”
- Lack of “data quality” was the No. 1 reason given by surveyed customers when asked about limitations to wider deployments of OBIEE. This could, in part, be because OBIEE is often used for data federation to query directly against enterprise data sources without the benefit of the data quality processes that occur in a data warehouse.
- Surveyed customers continue to indicate that OBIEE, for the developer role, is more difficult to use, on average, than other BI platforms.

Panorama Software

Strengths

- The core strength of Panorama NovaView remains its use as a front end for OLAP databases such as SAP NetWeaver BW and Microsoft Analysis Services via Multidimensional Expressions (MDX). Customers surveyed ranked Panorama Software No. 1 for OLAP functionality, and a higher proportion of NovaView users perform complex analysis (21%) than do users of the products of other vendors featured in the Magic Quadrant. (Panorama Software’s customers also rated it best in the sample for search-based BI, despite its lack of functionality in this area – perhaps its partnership with Google is the cause of the confusion.)

- In 2009, Panorama Software's relationship with Google bore some fruit (Google embeds Panorama technology in Google Apps), with Panorama Software claiming that more than 200,000 users have adopted its data-analysis-in-the-cloud offering. Further, its new Flash-based user interface applies code built with Google for its SaaS solution and makes it available to Panorama Software's on-premises customers as part of NovaView 6.
- The main item of innovation for Panorama Software in the past year was the launch of its Universal Data Connector, which allows it, for the first time, to offer relational online analytical processing (ROLAP)-style analysis by automatically mapping and modeling relational data sources to deliver interactive reports.
- Panorama Software is taking advantage of the loose integration between the component parts of Microsoft's BI offering (spread across Office, SharePoint and SQL Server) by adding features to NovaView 6 to help bring these "stacks" together. Integration with Microsoft SharePoint, Office and SQL Server provides a complete Microsoft-oriented platform and tools-based BI offering.
- Panorama Software offers good deployment flexibility with on-premises, pure SaaS and hybrid on-/off-premises offerings.

Cautions

- Organizations using Microsoft, SAP and Oracle's OLAP databases are increasingly using these vendors' own OLAP front ends before considering competing products such as NovaView, despite its functional strength over their offerings in many cases.
- Panorama Software also faces increasing indirect competition from data discovery vendors (positioned as Challengers in this year's Magic Quadrant). In Panorama Software's case this is significant, as these competitors offer alternative ways of doing the "slice and dice" analysis that is NovaView's core value proposition. Perhaps due to these competitive factors, when asked "Has your view of Panorama Software as a BI platform supplier to your organization changed in the past 12 months?" its reference customers surveyed had a less optimistic view than the overall sample.
- Panorama NovaView runs natively against data sources over which it has no control. Perhaps as a result, despite its strong caching capabilities and efficient MDX support, the main problem reported by NovaView customers remains poor performance (cited by 23% of customers). To get the best from Panorama, organizations must first optimize the performance of their OLAP implementations.
- Panorama Software's deployments tend to be departmental in nature, and its specialism in "front ending" OLAP keeps it a (very effective) Niche Player, rather than a player that competes for broad-reach BI. Its customers rated its functionality among the bottom three vendors in eight of the categories it offers (reporting, development tools, dashboards, BI infrastructure, interactive visualization, Microsoft Office integration, scorecards, and collaboration).
- Almost half the surveyed organizations using Panorama Software had not yet set a BI standard. Of those that had, SAP BusinessObjects was the most frequently cited. This makes sense, as the strengths of these two BI platforms would complement each other, with SAP Business Objects historically weaker in the OLAP user interface (however, its new SAP BusinessObjects Pioneer product due out in 2010 represents a threat to NovaView in SAP NetWeaver BW shops).

QlikTech

Strengths

- Due to QlikTech's (the company's) growth and success in 2009 in posing a significant challenge to market leaders, the company has moved from the Visionaries to the Challengers quadrant. QlikView's (the product's) architecture and go-to-market approach continue to deliver an exceptionally high degree of customer satisfaction, although with slightly less exuberance than was reflected in last year's Magic Quadrant survey. Moreover, QlikTech garnered among the highest scores for functionality, performance, customer experience and vendor success.
- QlikView is a self-contained BI platform with purpose-built ETL functionality that lets users rapidly combine data from different data sources, an in-memory data store, and a set of well-integrated BI tools for building highly interactive applications. It is particularly well suited for the ease-of-use and IT independence needs of workgroups and departments. Surveyed customers rank QlikView above the products of most other vendors for ease of use for end users, ease of use for developers and low cost of implementation when asked for the top reasons for choosing a vendor.
- The application of QlikView for workgroup analytic applications belies its powerful performance capabilities on large data, as its memory analytic model, 64-bit architecture and significant customizations built for the Intel chipset have made it one of the most "performant" BI platforms on the market. Surveyed customers rate QlikTech among the best vendors in the survey for performance, albeit on smaller data sizes and for smaller numbers of end users than most other vendors.
- Organizations are under increasing pressure to demonstrate results quickly, particularly in the current economic environment. QlikTech's strategy of penetrating accounts with low-cost deployments and its ability to rapidly build proof of concepts continue to be compelling reasons organizations choose QlikTech over other vendors. Gartner frequently sees companies deploy QlikView for use in rapid prototyping and requirements gathering, even alongside – and while they take a much longer time to deploy – their enterprise BI standard platform.

- Enhancing its low-cost value proposition, since 2009, users have been able to download a free version of QlikView 9 for personal use, with extensive, free, Web-based training available. Also, QlikView can now be deployed in the cloud via Amazon EC2 to further speed time to value, scale capacity on the fly, and give users the benefit of lower upfront costs.

Cautions

- For QlikTech to move firmly into the Leaders quadrant, it needs to show more examples of large BI deployments that deliver a variety of analytical capabilities to thousands of users, and it needs to evolve to support the meshing of departmental silos with enterprise deployments. While QlikView deployments are growing and spreading to multiple departments and, in many cases, to the enterprise, the survey data shows that its data sizes and number of end users continue to be well below average. Moreover, despite QlikView's success, it is not often an enterprise standard and is frequently deployed to complement existing BI platform implementations.
- QlikView 9 delivers better usage monitoring, resource allocation and load balancing targeted at better enterprise support, but surveyed QlikTech customers rank it near the bottom when compared with other vendors for ability to support large numbers of users. Moreover, as QlikView is targeting larger BI deployments spanning the enterprise, the lack of an enterprise semantic layer, while expedient for personal, workgroup and departmental deployments, requires additional effort or external management of metadata to lock down common definitions, calculations, and conformed dimensions for cross-functional analysis across QlikView applications. Security, while unified and well suited for departments, requires definition in the QlikView load script. The lack of write-back is also a frequently cited concern by enterprise users.
- Success can often be a two-edged sword. In our last Magic Quadrant, QlikTech could do no wrong on any measure in our customer survey. This year, in addition to challenges with large numbers of users, QlikTech scored below average in support, suggesting that the company could be experiencing growing pains resulting from its success and rapid growth.
- "A perfect storm" of factors has been key to QlikView's success. QlikView's innovative and disruptive combination of in-memory technology, built-in data integration and mashup capability, and intuitive end-user tools hit the market at a time when 64-bit computing enabled scalability of that model. At the same time, users were disillusioned with the need to go through IT for analysis and the economic environment favored smaller, low-cost deployments. But what is next? QlikTech needs to show a clear vision to continue its success into the medium term. It has a vision for incremental improvements to its current product, but faces more competition and lacks the statistical and predictive modeling capabilities of some of its most similar competitors, including SAS (JMP), Advizor Solutions, Tableau and Tibco Software (Spotfire). It also faces threats from larger vendors, such as Microsoft with SQL Server PowerPivot (also known as Gemini), IBM with Cognos Express, and SAP with SAP BusinessObjects Explorer, all of which are intent on narrowing QlikView's opportunities for differentiation.

SAP

Strengths

- According to the customers taking part in our Magic Quadrant survey, SAP supports among the largest deployments in terms of numbers of end users and data volumes.
- SAP is continuing Business Objects' established strategy of providing leading-edge capabilities, many which complement its BI platform, in the areas of collaboration and decision support, text analytics, in-memory analytics, OnDemand BI (SaaS), search coupled with BI, data integration with lineage and impact analysis, and data quality.
- SAP has one of the largest channel and services ecosystems: it is present in 127 countries with 5,250 channel partners, 1,350 value-added resellers globally and 850 OEMs. The combination of SAP and Business Objects has formed the largest installed base in the market. Gartner estimates this installed base to be more than 46,000 customers.
- SAP BusinessObjects' reporting and ad hoc query capabilities continue to be cited as its top strength by its customers, while for SAP NetWeaver BW, OLAP is cited as its most capable area, reflecting the potential of the two product lines brought together by SAP's acquisition of Business Objects. A new OLAP product, SAP BusinessObjects Pioneer, which will replace SAP Business Explorer (BEx) Analyzer and SAP BusinessObjects Voyager, has been defined according to the SAP BusinessObjects product road map.
- The SAP Business Warehouse Accelerator continues to provide a much-needed option for performance and implementation improvements to the SAP installed base of SAP NetWeaver BW customers – poor performance and implementation difficulty were cited as problems by more than 42% and 53% of these customers, respectively (this is almost three times more often than for any other BI platform). The upcoming release of SAP BusinessObjects Accelerator coupled with SAP BusinessObjects Explorer should give casual users a way to access and explore large amounts of data in a "performant" way.

Cautions

- For the third year in a row, customer survey data shows that customer support ratings for SAP are lower than for any other vendor in our customer survey. Overall customer experience scores that include support, sales experience and software quality are also at the lowest levels. These results are not unusual in the aftermath of an acquisition. To address these challenges, SAP has put in place programs to address customer issues with support and to address, more broadly, the customer experience.

- Usage terms, not previously defined in older contracts for virtualized deployments, have led to confrontational experiences with SAP for some Business Objects customers. In the middle of 2009, SAP added virtualization definition and a migration path to new contracts. Installed base customers with old contracts could still be subject to additional fees from an audit.
- SAP NetWeaver BW customers that have implemented the BEx BI tools are re-examining their BI strategy. These companies are determining what role SAP BusinessObjects and SAP NetWeaver BW will play in their architecture and strategy in the future. The installed base SAP customers indicate that although SAP has promised backward compatibility via BI Consumer Services (BICS) and a migration path for SAP BEx Analyzer customers moving to SAP BusinessObjects Pioneer, the migration, implementation and integration choices can be confusing. Moreover, until SAP BusinessObjects Pioneer is introduced (2H10), committed BEx Analyzer users will not have an equivalent tool for Excel-based OLAP analysis in the SAP BusinessObjects portfolio.

SAS

Strengths

- SAS's approach to BI continues to focus on the more advanced technologies, such as forecasting, predictive modeling and optimization, and embedding them into cross-functional and industry-specific analytical applications. As such, SAS remains the most widely known analytics and data mining vendor and its customers use data mining or predictive modeling extensively. Although SAS focuses on advanced technologies, survey data suggests that its customers use a broad range of SAS BI capabilities.
- SAS derives a large percentage of its revenue and growth from packaged analytical applications that leverage its BI platform and incorporate analytics into cross-functional and industry applications for vertical sectors, such as the financial services, retail, pharmaceutical and life sciences sectors. With applications such as risk management, customer intelligence, warranty analysis and anti-money-laundering, SAS leverages its core advanced analytics strength to build pull-through revenue for the lesser-known BI platform, while providing insulation from pricing pressure in the BI platform tools market.
- By reaching agreements with database management system vendors, such as Teradata, Netezza, IBM, HP, Aster Data and Greenplum, by which the SAS scoring engine runs natively within the hosting database management system (DBMS), SAS expands the reach of its analytic capabilities into non-SAS clients' infrastructure.
- SAS's strong global brand for predictive analytics, its marketing prowess and extensive technology portfolio make it a strong contender in the BI space, competing successfully – even against much larger infrastructure vendors. The Magic Quadrant survey shows that SAS customers have an above-average view of the future for SAS and view SAS in the top five vendors when asked about the success of vendor deployments in their organizations.
- SAS customers rate their sales experience with SAS above average, despite complaints about pricing. This is likely because many customers have been SAS customers for years, with strong sales relationships developed over those years of engagement.

Cautions

- SAS is facing an unprecedented challenge to its historical dominance in the predictive analytics space. IBM's acquisition of SPSS puts the full force and power of the IBM machine behind the predictive analytics market's No. 2 vendor – SAS has been accustomed to competing against a much smaller vendor. At the same time, other leading BI platform vendors, many pure-play vendors (Information Builders, Tibco Software [Spotfire], MicroStrategy) and most of the megavendors (SAP, IBM, Microsoft) have either introduced or matured capabilities to make statistics, predictive analytic models and forecasting algorithms more consumable in reports, dashboards and analytic applications. "R," an open-source predictive analytics software alternative to SAS, is making significant inroads into the academic community, SAS's historical stronghold and "seeding ground" for future sales. And while SAS is leveraging "R" algorithms, statisticians are graduating from universities trained in "R" rather than traditional SAS, which may negatively affect SAS's future sales.
- Although SAS has made progress in providing tools for users beyond its traditional user base, it has still not significantly broken out of its sweet spot. For "bread and butter" BI deployments, including ad hoc query, reporting and dashboarding, SAS is slowly gaining traction, but users typically do not consider SAS an alternative to its mainstream competition. SAS is trying to cross-sell the SAS BI Server into existing accounts, rather than leading with the reporting product. Although SAS can provide the technology, customers with low-complexity BI requirements rarely consider SAS at all.
- Despite SAS's success and brand awareness as a leading vendor in the BI platform market, particularly in the predictive analytics space, the company continues to struggle to make it onto BI platform shortlists because of historical perceptions of limitations in usability. Even in SAS installed-base accounts, most SAS customers do not consider SAS their enterprise BI standard. These perceptions are confirmed by our Magic Quadrant survey – customers rated SAS below average for ease of use. At the same time, customers that report having a BI platform standard using another vendor's technology, also often use SAS for special-purpose predictive analytics solutions that the standard platform cannot provide.
- This year's customer survey results indicate higher than average issues with product quality, as customers reported above-average problems with SAS software. SAS provides broad BI platform capabilities, with particularly strong Microsoft Office integration, but still lacks true Web-authored, pixel-perfect production reporting (beyond the current programmatic capability).

Tableau

Strengths

- If QlikTech was the “darling” of last year’s Magic Quadrant, Tableau arguably earns that distinction this year. It gained overwhelmingly positive customer survey feedback across the board for functionality, product quality, support, customer relationship, success and view of the vendor’s future.
- Tableau is one of a number of smaller, pure-play vendors delivering strong interactive visualization for analysis. This is the first year Tableau has been able to meet the inclusion criteria for the Magic Quadrant. Tableau’s strong performance, even during the recession, is driven by its ability to meet the increased market demand for easy-to-use and intuitive, interactive BI tools that are easy to deploy without IT assistance. Survey customers cite ease of use for end users and developers, implementation cost and effort, and TCO as the key reasons for choosing Tableau more often than do the customers of most other vendors in the survey.
- Tableau’s self-contained BI platform provides purpose-built ETL capabilities with data connectors that leverage Tableau’s own VizQL technology (drag-and-drop operations in Tableau create a query in VizQL, which interprets and packages a Structured Query Language [SQL] or MDX query to the database and then expresses the response graphically). This allows users, without IT assistance, to connect to any data source and produce a series of interactive dashboards, and highlight and visually filter and pass parameters directly from a graphic, or use filters (for example, check boxes, sliders, relative date filters, drop-down menus), or build in geographic intelligence to analyze their data. Interactive analysis can be shared with a report consumer equipped with a Web browser.
- Customer survey data shows that Tableau was chosen more often for functionality than any other vendor in the survey, with one of the highest overall product functionality scores, while rating second only to Tibco Spotfire in interactive visualization, its products’ main strength. Even though Tableau’s products are chosen for their unique functionality more often than the products of other vendors, they are still largely departmentally deployed and less likely to be considered an enterprise BI standard than the products of other vendors. This paradox suggests that, much like similar products QlikView and Tibco Spotfire, Tableau’s products often fill an unmet need in organizations that already have a BI standard and are frequently deployed as a complementary capability to an existing BI platform.
- While differentiated functionality is one ingredient in Tableau’s success, strong product quality is another. Tableau was ranked second in the survey for no problems reported. It was the only vendor in the survey for which customers reported below-average issues (albeit for a small number of users and small data sizes) across all issue categories measuring product quality, functionality, usability, performance and scalability.

Cautions

- Tableau’s products are less widely deployed and less proven in large, enterprise deployments, having a smaller number of end users and smaller data sizes than the vendor average. Tableau rated above average in all functional areas except for BI infrastructure and metadata management, which is further evidence that Tableau’s support for enterprise features is a work in progress.
- Tableau’s partner program is in its infancy, lagging behind that of similar vendors (such as QlikTech [QlikView] and Tibco Software [Spotfire]). But it has made some progress in increasing its number of resellers in the past year and has a number of OEM partners, most notably Oracle as a front-end tool option to Oracle Essbase (Visual Explorer).
- Although users rate Tableau’s reporting functionality above average, they are less likely to deploy its platform for static or parameterized reporting than they are other vendor platforms. This should come as no surprise, as ad hoc, interactive analysis is Tableau’s sweet spot.
- As is not uncommon with a small vendor, Tableau is initially pursuing a horizontal platform strategy and has not embarked on developing vertical or industry-specific applications. It has a very limited international presence, with current language support for English only.
- Given the success of Tableau and other interactive visualization vendors, other leading BI platform vendors are trying to mimic (either by internally developing or acquiring) its functionality, which could threaten Tableau’s long-term prospects as a pure-play vendor.

Targit

Strengths

- Targit is an established BI vendor, founded in 1986 and based in Hjørring, Denmark, with a subsidiary in Tampa, Florida. Targit has marketed its BI Suite since 1996, predominantly in the Nordic region. While Targit’s products are sold and supported worldwide, its core market remains Scandinavia. Targit’s central value proposition is to make BI easier to use, getting “business insight with as few clicks as possible.” This assertion is supported by the fact that Targit customers in the Magic Quadrant survey rate Targit above average for ease of use. The company holds eight patents for various components of its products.
- The Targit BI Suite consists of a broad set of tools – including fat-client and thin-client front ends (Targit Analysis, Power and Net), desktop indicators (Targit Desktop), the central Antserver and various BI Accelerators – that help in setting up the Targit environment with very little user intervention. The platform does everything from scheduled report generation, drill-down and dashboarding to intelligent search, alerting and some level of data mining, all blended into a single product.

- Targit built a philosophy around its offering named Computer-Aided Leadership and Management (CALM) that follows its OODA Loop, which stands for “observe, orient, decide, act.” Through integrating all components of the BI Suite, the end user remains inside the BI environment, increasing the consistency of the user experience, speeding up the decision process, and reducing the need to move between different tools.
- The introduction of an innovative alerting solution, called Sentinels (essentially prediction-based rules), enables an end user to react quickly to alerts for certain indicators. Through the combination with Targit’s desktop alerts, a user gets an early-warning notification when a predefined rule has been violated and the user can proactively take corrective measures. This capability adds to Targit’s attractiveness for end users.

Cautions

- While well known in Scandinavia, particularly on its home turf in Denmark, Targit has virtually no brand recognition in other regions. Although Targit has customers around the globe, it almost never comes up as a contender on shortlists outside its core region. Targit’s limited – and its resellers’ nonexistent – marketing is reducing the vendor’s ability to compete with its much larger global competitors.
- For Targit to work properly, it requires a data warehouse with defined dimensions and measures. The Targit platform can access data sources such as Microsoft SQL Server (including Reporting Services and Analysis Services), IBM DB2 (including Cube Views), as well as Oracle, all through Open Database Connectivity (ODBC). While the ODBC connectivity to other data sources, such as SAP NetWeaver BW, Teradata, Sybase, Netezza, Ingres and MySQL may work, those are not officially supported. Native adapters to applications such as SAP, Oracle, Infor (see Note 1) and Microsoft Dynamics are not available.
- Although Targit does not openly say it, its solution must be considered targeted at a Microsoft environment. While the integration with Microsoft SQL Server and Microsoft SharePoint Server is rather comprehensive, other DBMSs and portal servers do not receive the same amount of attention, support and development.
- While Targit is considered an enterprise standard by most of its customers, it is very much a midsize enterprise, departmental and workgroup BI solution. Customer survey data suggests that Targit deployments are on some of the smallest data volumes and to some of the smallest numbers of end users in the survey, higher only than those of Board International.

Tibco Software (Spotfire)

Strengths

- Tibco Spotfire has a flexible and easy-to-use environment based on a unique architecture for building and using analytic applications. This architecture has been particularly attractive for delivering on requirements for personal and workgroup applications where Tibco Spotfire fills a need often not addressed by enterprise BI vendors. Customers choose Tibco Spotfire for its functionality and ease of use more often than they do most other vendors, even though it is less likely to be their enterprise standard. Like QlikView, Tibco Spotfire’s interactive visualization approach has become a more widely accepted, and even preferred, end-user paradigm and represents a compelling alternative to traditional BI platforms. As a result, in this year’s Magic Quadrant, Tibco has moved from the Visionaries to the Challengers quadrant.
- Unlike the other highly intuitive, workgroup-style BI platforms (for example, QlikView and the products of Tableau), Tibco Spotfire is leveraging Tibco’s recent acquisition of Insightful for data mining and postacquisition integration with Tibco middleware to broaden the possible spectrum of end-user-driven interactive analysis to incorporate business events, predictive analytics, statistical analysis and “what if” modeling. Survey customers rated Tibco Spotfire functionality above average in predictive analytics (even higher than that of SAS), scorecarding, interactive visualization, and ad hoc query with all workloads of ad hoc analysis, in particular moderate and complex ad hoc analysis, the main use case for Tibco Spotfire.
- Tibco Spotfire is a self-contained, well-integrated BI platform, which in particular offers data lineage capabilities typically provided only by more enterprise-ready BI platforms. The user interface displays information about the origin of the data table, together with any transformations or other modifications that have been applied to the original source data. The developer user interface shows lineage all the way down to the source data table.
- Tibco Spotfire is well positioned to take advantage of the increase Gartner is predicting in market demand for packaged analytic applications. A third of Tibco Spotfire’s customers use one or more of its specific packaged applications for life sciences, manufacturing, financial services, network analytics, operational analytics, process analytics, spend analytics and sales and marketing analysis.
- Much like the other Challenger pure-play vendors (for example, QlikTech and Tableau) that are hitting the market sweet spot for intuitive, highly interactive and lightweight BI platforms, Tibco customers are very satisfied with all aspects of the relationship, rating it above average in support, customer experience, performance, view of vendor’s future and achievement of business benefits.

Cautions

- Tibco Spotfire survey customers report deployments relatively low on data volumes and the number of end users compared with those of other vendors. This survey data supports anecdotal evidence that Tibco Spotfire is not used by a large number of users in most of their deployments, nor is it used to analyze particularly large data sets. However, in looking at the survey details, there are some customer references with extremely large data sets and thousands of users that belie this reputation.
- Tibco Spotfire scored among the lowest in the reference survey on the BI platform standardization question. The combination of this result with Tibco Spotfire's strong functionality ratings suggests that while Tibco Spotfire is not usually the enterprise standard, it has been successful in augmenting the BI standard when more flexible discovery-based analysis is required.
- While Tibco Spotfire is rated among the highest in the survey for ad hoc analysis, interactive visualization and predictive analytics, it is rated in the bottom third of vendors for static and parameterized reporting, confirming that its true sweet spot is in providing a flexible environment for advanced analysis.
- Magic Quadrant survey customers rate Tibco Spotfire below average for its development tools, BI infrastructure and metadata, which is further evidence that it continues to be best suited for workgroup and departmental deployments.
- While Operations Analytics (OA) is a strong first step in achieving the Tibco Spotfire vision of closed-loop process analytics that incorporates root cause analysis and what-if modeling through integration with Tibco middleware for closed-loop analysis, rules authoring, and event processing, there has been limited customer adoption of the combination of Tibco event processing with Tibco Spotfire analysis. Very few of Tibco's customers are tying back to Tibco Spotfire to close the loop. Although this is on the road map, Tibco Spotfire does not yet deliver a real-time business activity monitoring client that would enable the analysis of real-time change as events occur.

Vendors Added or Dropped

We review and adjust our inclusion criteria for Magic Quadrants and MarketScopes as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant or MarketScope may change over time. A vendor appearing in a Magic Quadrant or MarketScope one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. This may be a reflection of a change in the market and, therefore, changed evaluation criteria, or a change of focus by a vendor.

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor that compete in/serve the defined market. This includes current product/service capabilities, quality, feature sets and skills, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability (Business Unit, Financial, Strategy, Organization): Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness and Track Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word-of-mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the Web site, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services, and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.