

Magic Quadrant for Business Intelligence Platforms

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In 2010, business users had greater influence over BI buying, often choosing data discovery vendors as an alternative to traditional BI tools. But megavendors continued to hold the majority of BI market share, despite ongoing customer dissatisfaction, by selling the stack into their installed base.

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 use business intelligence (BI) platforms to develop BI applications. Buyers should evaluate vendors in all four quadrants and not assume that only those in the Leaders quadrant 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 2011. Moreover, while it is tempting for the reader to apply his or her own definitions for the Ability to Execute and Completeness of Vision evaluation criteria in order to judge vendor positions, such assumptions will likely lead to incorrect conclusions. For the purpose of this analysis, Ability to Execute is a function of a vendor's score of five measures that Gartner believes customers care about most in vendor selection. It does not equate to revenue, revenue growth or market share. Completeness of Vision is based on the scoring of six key measures, including, but not exclusive to, "Offering (Product) Strategy." It is important to understand these criteria while judging vendors' positions on the Magic Quadrant. These evaluation criteria are detailed in the Evaluation Criteria section of this document.

MAGIC QUADRANT

Market Overview

The demand side of the BI platform market in 2010 was defined by an intensified struggle between business users' need for ease of use and flexibility on the one hand, and IT's need for standards and control on the other. With "ease of use" now surpassing "functionality" for the first time as the dominant BI platform buying criterion in research conducted for this report, vocal, demanding and influential business users are increasingly driving BI purchasing decisions, most often choosing easier to use data discovery tools over traditional BI platforms — with or without IT's consent. Yet, despite accelerated data discovery vendor momentum and reports of chronic post-acquisition megavendor customer dissatisfaction, megavendors continue to control the majority share of BI platform market revenue. In particular, some are succeeding at selling into their expansive installed bases by promising major new releases

featuring tighter enterprise application process integration, while others are stressing vertical integration within their information infrastructure stacks. At the same time, many independent vendors continue to drive innovation and show resilience with loyal and satisfied customers and fit with heterogeneous processes despite unfounded post-consolidation market speculation of their imminent death. Given market polarization and paradoxes, it is necessary to consider a number of factors now driving the BI platform market and the buying decisions within that market:

1. *Data discovery platform momentum accentuates the need for a portfolio approach.* For the past two years, our research in the BI platform market has highlighted a growing bifurcation in terms of buying centers. Specifically, we noted that IT, on the one hand, favors stack centricity, whereas business users and departmental buyers, on the other, often with an enterprise BI standard in place, are increasingly turning to innovative, data discovery tool vendors. These data discovery alternatives to traditional BI platforms offer highly interactive and graphical user interfaces built on in-memory architectures to address business users' unmet ease-of-use and rapid deployment needs. What began as a market buying trend in 2010 has become a fully fledged fragmentation of the market into two distinct segments, as follows:

Traditional enterprise BI platforms:

Key buyers: IT

Main sellers: megavendors, large independents

Approach: top down, IT modeled (semantic layers), query existing repositories

User interface: report/key performance indicator (KPI) dashboard/grid

Use case: monitoring, reporting

Deployment: consultants

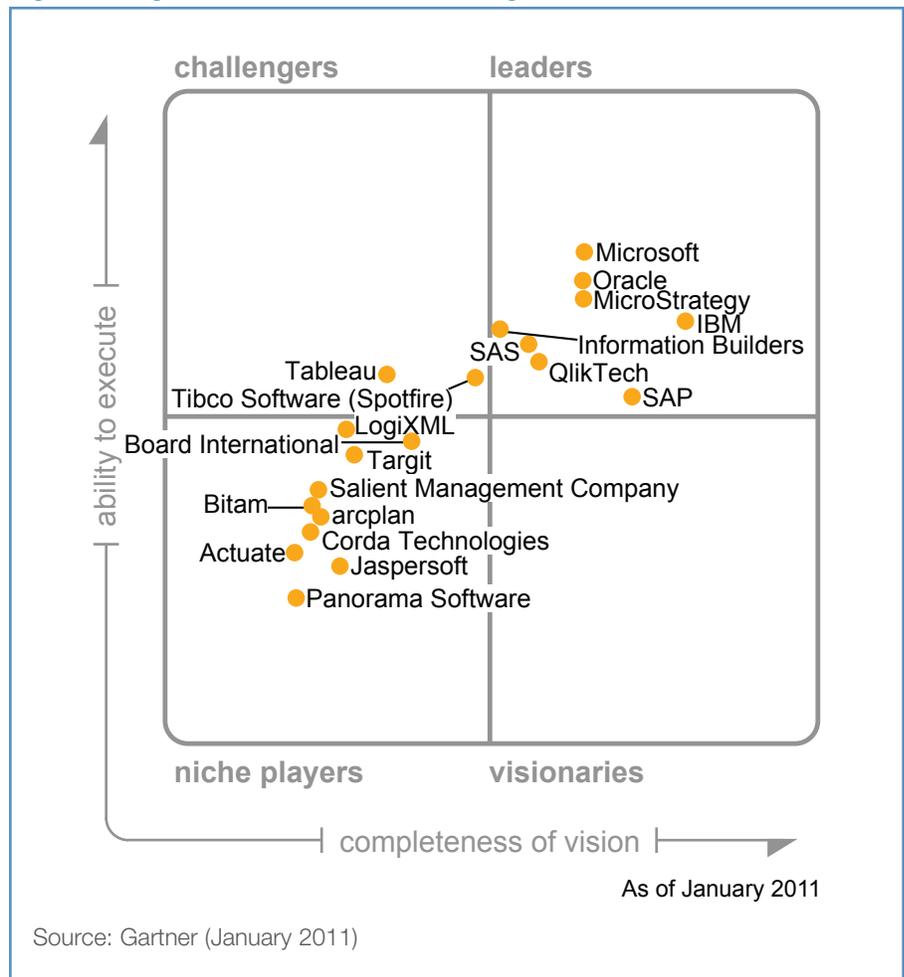
Data discovery platforms:

Key buyers: business

Main sellers: small, fast growing independents

Approach: bottom up, business user mapped (mashup), move data into dedicated repository

Figure 1. Magic Quadrant for Business Intelligence Platforms



User interface: visualization

Use case: analysis

Deployment: users

The chasm between these segments has deepened because business users find the benefits of using data discovery tools so compelling that they make this choice despite the risk of creating fragmented silos of data, definitions and tools. This has accentuated the need for IT organizations to back away from a single-minded pursuit of standardization on one vendor to a more pragmatic portfolio approach. Specifically, IT has been challenged to put in place new enterprise information management architectures, development methodologies, and governance processes that accommodate and bridge the gap between the different buying centers, architectures, deployment approaches, and use cases of both segments into an enterprise BI portfolio that can meet both business user and enterprise requirements.

2. *Traditional BI providers slowly embrace the business user challenge.* Organizations are rapidly embracing the data discovery value proposition of providing data to end users and empowering them with an ability to model, navigate and visualize data. But traditional BI platform vendors are not sitting still as data discovery platforms capture the hearts, minds and BI spend of their customers. Rather, they are attempting to imitate them with claims of easy-to-use, data discovery alternatives (for example, Microsoft with PowerPivot, SAP with SAP BusinessObjects Explorer, IBM with IBM Cognos Express and Information Builders with WebFocus Visual Discovery), with Microsoft showing the most market traction and promise to date. At the same time, data discovery tool vendors are implementing capabilities to improve their enterprise readiness. Last year, the data discovery platform vendors experienced most of their success at the departmental level with small user (fewer than 350 users) and data (under 200 GB) deployments. In 2010, data discovery tool deployments grew and became more complex. Greater success in the enterprise is the major reason why QlikTech moved into the Leaders quadrant for the first time with larger and more complex deployments (three times the average size of last year). Indeed, the majority of its customers now consider QlikTech as their BI platform standard. This year, traditional BI vendors will accelerate their response to the success of data discovery platforms. This will likely lead to further industry consolidation, which will put pressure on data discovery vendors to continue to improve their enterprise capabilities and to innovate. The market will ultimately coalesce, with future leading vendors from both segments providing ways to bridge the chasm between business users and IT in enterprise deployments. Gartner views “capabilities for integrating departmental and enterprise data models” as one of 10 important capabilities evaluated for the “Offering (Product) Strategy” criterion as part of the “Completeness of Vision” placement in this year’s Magic Quadrant.
3. *Acquisition transition malaise is the new normal.* Customer turmoil from acquisitions typically follows a predictable 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. At some point, and by definition, successful acquisitions complete the transition and reach a new “normal” for customers, with satisfaction returning to pre-acquisition levels. Unfortunately, this type of transition has not been so smooth in the BI market. Oracle’s weaker satisfaction ratings in this year’s survey results, along with ongoing dissatisfaction among IBM and SAP customers for the past three years in a row post acquisition, suggests that transition disruption for these vendors may be chronic, and dissatisfaction the new normal. These vendors have new programs in place to improve the customer experience, but they have not yet produced positive results. The varying levels of customer dissatisfaction for these vendors as revealed in the customer survey had a negative affect on their Ability to Execute positions.
4. *Shift from measurement to analysis, forecasting and optimization.* Based on Gartner research conducted for this report, reporting and ad hoc analysis remain the dominant styles of information delivery of BI in 2010, but the proportion of respondents reporting their extensive use is down significantly from 2009. At the same time, interactive visualization, predictive analytics, dashboards and online analytical processing (OLAP) usage is increasing, with data discovery platforms also earning the highest ease of use **and** highest complexity of analysis scores. The increased proliferation of interactive visualization tools, more integrated data mining and packaged analytic applications that encapsulate the complexity of using sophisticated BI analysis tools from business users, are all pushing the power of analysis into the hands of a larger number of users than ever before. Moreover, this data and Gartner inquiries suggest that there is an increasing need for more accurate forecasts and optimized business processes, and to identify leading versus lagging indicators. In response, and challenging the once stronghold lead of SAS, IBM is leveraging its SPSS acquisition, its Cognos BI platform and other IBM technologies, such as content analytics, to deliver packaged analytic applications through its Global Business Services unit. At the same time, many smaller vendors (such as Information Builders, Tibco Software [Spotfire] and MicroStrategy) and most of the megavendors (SAP, IBM and Microsoft) are maturing their capabilities to make statistics, predictive analytic models and forecasting algorithms more consumable in reports, dashboards and analytic applications. We expect this shift to continue as more advanced analysis is encapsulated in easier-to-use tools and applications and is made more accessible to a broader user base beyond the traditional statistician installed base.
5. *Cost as an increasingly important purchasing and portfolio driver.* While BI spending grew in 2010, the economic downturn caused an increased focus on cost — research conducted for this report showed that cost was a much higher purchasing driver in 2010 than in 2009. Organizations showed an increased willingness to consider traditional low-cost options such as Microsoft, as well as open source vendors and newer low-priced alternatives from vendors such as LogiXML, for their BI

deployments. Another way organizations are managing cost is by offloading basic BI capabilities, such as static reporting, to lower-cost alternatives, or else embedding low-cost BI in purpose-built analytic applications, even when a higher-cost enterprise standard BI tool is in place. This new buying behavior is further accentuating the need for IT to manage a portfolio of tools not only to expand access to functionality not provided by the enterprise standard, but also to lower cost. Because of this increased interest in cost, we added open source vendor JasperSoft, as well as low-cost vendor LogiXML, to the Magic Quadrant for the first time this year. We expect this buying trend to continue putting downward pressure on price, resulting in vendors being less able to charge and sustain premiums when viable low-cost alternatives exist. Moreover, buyers are showing an interest in alternative niche vendors, data discovery approaches and, to a lesser extent, in alternative deployment models, such as software as a service (SaaS), in order to lower costs or expand functionality. In response, we added niche vendors Salient Management Company, Bitam and Corda Technologies to the Magic Quadrant for the first time. This report also includes commentary on some vendors, which, while not meeting the inclusion criteria for the Magic Quadrant itself, offer a viable alternative for some organizations with specific requirements.

6. *All Niche Players are not created equally.* Niche Players in this year's Magic Quadrant have very different functional, geographical or business model specializations and generally fall into three types: (1) Upwardly mobile niche vendors (such as Board International, Targit, newly added LogiXML, Bitam and JasperSoft) — these vendors are small and may be limited either functionally or geographically, but they are focused on market buying sweet spots, such as ease of use or cost, and therefore have momentum. If they can continue to expand their vision and execute with customers, they are most likely to achieve positive movement in future Magic Quadrants; (2) Solid niche vendors (such as arcplan, newly added Salient and Corda) that have been in the BI market for some time, are focused either functionally, geographically or vertically, and continue to have happy customers in their specific niche. These vendors would need to modify their current product vision and execute on their go-to-market strategies in order to move them beyond their current customer base and make significant movements in future Magic Quadrants; and (3) Fading niche vendors (such as Panorama Software and Actuate), which have strong niche product capabilities, but their customers are progressively losing faith in them as long-term viable vendors. These vendors must make changes both to their vision and execution to remain on the Magic Quadrant in future.

The year 2010 continued to be frustrating for many customers acquired as part of the consolidation frenzy of 2007 and 2008, as they upgraded and expanded BI purchases in line with their enterprise application and information management stacks, despite dissatisfaction. Business users unhappy with the time to deploy and complexity of traditional BI tools exerted growing influence on the BI purchasing decision. They helped drive momentum and acceptance of data discovery tools in a BI portfolio with, or often as an alternative to, traditional BI platforms. Looking forward, 2011 is likely to be a critical year in which ease of use, complexity of

analysis, scale and performance, and total cost of ownership will continue to dominate BI market requirements, while the ability to bridge widely proliferating departmental silos with enterprise deployments will be a critical IT and BI vendor challenge. If the global economy continues to inch toward growth through 2011, new opportunities will emerge to build 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 sluggish economic growth in most regions. 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, slow economic growth, increasingly viable low-cost alternatives and consolidation are expected to keep BI platform growth in the single digit range in 2010 and beyond. The BI platform market's compound annual growth rate (CAGR) through 2014 is expected to be 7.0%, while the combined BI, analytics and performance management market's CAGR is expected to be 7.7%.

Three major demand-side factors continue to expand use and drive BI platform revenue growth. Because these factors map to future market requirements, we use them as a scoring rubric to evaluate vendors' Offering/Product and Innovation scores on the Completeness of Vision axis in this year's Magic Quadrant.

Consumerization of BI

BI tools must be simple, mobile and "fun" in order to expand use and value.

- *Intuitive, fun interfaces:* BI business users are demanding the same experience from their BI tools that they have come to enjoy with their personal tools. "I just want a BI tool that's as fast and easy to use as Google" is a common mantra expressed by BI business users when describing their requirements. Like the Apple iPhone and iPad, Google and Facebook, BI tools must be intuitive to use without the need for IT assistance. Ease of use was the No. 1 driver of purchasing in 2010 and will only accelerate as a key requirement in the future. New, iphonesque, intuitive and fun interaction paradigms that are touch enabled, feature visual data movement and are highly graphical and fast will continue to extend more sophisticated and powerful analysis capabilities to a broader set of users.
- *Mobile:* The need for more intuitive and interactive BI tools and applications extends to users on the go, but the vast majority of organizations have yet to embrace mobile BI. But this is set to change very quickly with the proliferation of Apple's iPhone and iPad products, with other tablets on the horizon (an extension of the intuitive interface movement). This represents an inflection point where the portability and presence location features not only enhance the analytic experience, but the larger size and touchscreen and interactivity of the tablet finally make the form

factor of mobile devices suitable for BI analysis beyond simple report viewing. Mobile BI has the potential to significantly expand the population of BI users to include a much more mainstream audience.

- *Business user data mashups:* Business user data mashup capabilities accelerate the analytic process and will also extend BI platform use to a broader set of users and use cases. Traditional BI platforms require IT to model data in a well formed semantic layer — this creates a bottleneck with business analysts that want to rapidly and iteratively combine (mashup) and explore data — without relying on IT. Capabilities for tracking the data lineage of how business users combine data and build calculations will create a level of trust in business-user-driven applications and further proliferate their acceptance with other users and IT. Moreover, allowing business users control over how they want to view data also accelerates rapid prototyping and communication, with IT supporting more agile development.

Support for Extreme Data Performance; Emerging Data Sources

Capabilities that enable the analysis of large, volatile and diverse data will open up possibilities for a broad range of new, high-value BI applications and will be another driver of BI growth.

- *In-memory:* In-memory technology is not in and of itself a driver of BI growth, despite the massive hype of many vendors. To drive adoption, in-memory must be coupled with consumer-oriented BI tools, a combination that has been at the heart of data discovery tool success. As they have been to date, in-memory capabilities will continue to be an enabling technology. They will expand BI to a broader range of users, as more and more BI vendors incorporate it into their portfolios to deliver Google-like responses in exploring vast amounts of increasingly diverse data types via intuitive, yet sophisticated and mobile BI tools and applications.
- *Extreme volumes and nontraditional data types:* The volume of information generated from enterprise applications is at an all time high, and growing. And BI applications must increasingly incorporate extreme volumes of diverse data (such as unstructured, Hadoop/NoSQL, social network and device data) that live beyond the confines of an organization's structured corporate data sources, while continuing to meet consumer-oriented response expectations. BI platforms and analytic applications will evolve to support the analysis of the vast amounts of and increasingly diverse and complex data, and data formats with varying latency requirements, to detect patterns and optimize business decisions. Extending customer-facing website applications with BI capabilities that increase revenue or differentiate service will be another positive driver of BI growth. These applications will increasingly incorporate extreme data volumes and nontraditional data, and will support unpredictable demand delivered to a broader range of users both internal and external to the organization. According to research conducted by Gartner, BI platform SaaS and cloud adoption is currently very low, with only around 30% of the current users of BI expecting to adopt either SaaS or cloud in

the future. Gartner inquiries suggest that BI SaaS has had the most adoption in specific analytic application areas, such as Web analytics or social media analytics, or embedded as part of other SaaS applications. As data volumes become extreme and must be combined with internal and cloud-based sources, the need for on-demand scalability may change the trajectory of demand and growth for BI platform SaaS and cloud.

- *Social and content analytics:* “Social analytics” is an umbrella term that includes a number of specialized analysis techniques, such as social filtering, social-network analysis, sentiment analysis and social-media analytics. These capabilities are used to measure, analyze and interpret the results of interactions and associations among people, topics and ideas that occur on social-software applications used in the workplace, in internally or externally facing communities, or on the social Web. Content analytics enables users to combine and analyze structured and unstructured data that may or may not be on social network sites. Combining these capabilities with support for extreme data volumes and consumer-oriented tools opens up possibilities for a broad range of new, high-value BI applications and will be another driver of growth.

BI as a Decision Platform

Gartner's user surveys show that “improved decision making” is the key driver of BI purchases. Capabilities that will evolve BI from an information delivery system to a decision platform will increase the value of BI and drive its growth.

- *BI embedded in the business process:* Even though most decisions are made as part of and to optimize a business process, and many must be made in real time based on events, most BI applications today are disconnected from the business process and the decision they support. This will change as the proliferation of embedding BI capabilities in business and analytic processes and packaged analytic applications make BI more actionable at the point of decision. Increasingly including sophisticated role- and industry-specific analysis, predictive and prescriptive capabilities in analytic applications, and encapsulating their complexity from business users will further increase the value of BI, expand adoption and will be another driver of growth.
- *Unifying BI with planning, simulation, forecasting, prediction and prescription:* Leveraging BI into broad performance management initiatives, beyond the office of finance and corporate performance management (CPM) applications, and using it to model complex, often strategic decisions will be another driver of growth. In 2011, this convergence will continue to move beyond basic dashboarding and scorecarding to incorporate predictive analytics and simulation, not only into the planning and forecasting process, but also for predicting what target thresholds should be, for analyzing and prescribing different courses of action (for example, where to build a new plant), and in identifying leading and weak signal indicators. Gartner predicts that, through 2011, organizations that use performance management applications to support a performance-driven culture will outperform their peers by 30%.

- **Capabilities for unifying departmental data models with enterprise models:** One of the challenges with giving business users flexibility over their data and models in a data discovery mode and the expanded use of BI embedded in applications is the proliferation of silos. Capabilities for rapidly integrating business analyst knowledge locked in spreadsheets, black box models and algorithms (often created through business user data mashup capabilities) into corporate data sources and collective intelligence will finally bridge the chasm between the divergent interests of business users and IT. Therefore, it will be a critical driver of BI proliferation and growth. None of the vendors evaluated for this Magic Quadrant fully address this requirement or have credible plans to deliver this critical capability.
- **Collaborative decision making:** Good decision making at all levels of an organization separates high performing companies from poorly performing ones. Yet the vast majority of organizations make thousands of increasingly collaborative decisions, often with a negative or suboptimal affect on performance, without insight into how these decisions are made or their effectiveness. Combining BI applications with collaboration and social software capabilities into collaborative decision-making platforms can alert decision makers to events and changing patterns that indicate an early need to make a decision. It will also enable decision makers to identify and bring together the right people with the right information and decision-making tools to analyze the information, discuss an issue, assess and capture assumptions, brainstorm and evaluate options, and agree on a course of action. BI as part of a collaborative decision-making platform will support higher-quality, more transparent decisions that will increase the value derived from BI applications and drive its growth.
- **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 BI platform 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 “refreshes” and pivot tables. Advanced integration includes cell locking and write-back capabilities.

Market Definition/Description

BI platforms enable users to build applications that help organizations learn and understand 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. Information delivery is the core focus of most BI projects today, but we are seeing an increase in interest in deployments of analysis to discover new insights, and in integration to implement those insights.

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.

- **Search-based BI** — This 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. This capability extends beyond keyword searching of BI platform content and metadata.

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.” Users are (often) able to easily navigate multidimensional drill paths. And they (sometimes) have the ability to write-back values to a proprietary database for planning and what-if modeling purposes. 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 KPIs with a strategic objective. Scorecard metrics should be linked to related reports and information in order to do 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 in BI-related software license revenue* annually.
- In the case of those that also supply transactional applications, show that their BI platform is used routinely by organizations that do not use their transactional applications.
- Must deliver at least nine out of 13 capabilities detailed in the Market Definition/Description section, above.

- Must be able to obtain a minimum of 20 customer survey responses that use the vendor platform as their enterprise BI platform. This is a change from the 30 responses required last year. This change was made to include three vendors, Actuate, Panorama and Jaspersoft, which had fewer than 30 responses, but more than 20, but none-the-less Gartner believes must be included in the Magic Quadrant this year for reasons discussed in each of their respective sections.

*Gartner defines total software revenue as revenue that is generated from appliances, 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 1,225 survey responses, with 247 (20%) from nonvendor-supplied reference lists. To ensure the integrity of survey data, each survey response was checked by company respondent e-mail. 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 (this amounted to fewer than five responses, all of which were vetted and ultimately included). Further details of the survey results will be published in upcoming BI platform User Survey reports, looking at how customers rate their BI platform vendors, how vendor customers rate their BI platform functionality and how customers rate their BI platform ownership costs.

Note: Pentaho garnered enough survey customer responses for inclusion on the Magic Quadrant, and it indicated to Gartner early in October 2010 that its 2010 BI platform revenue would meet or exceed \$15 million. However, Pentaho recently informed Gartner that its growth in BI platform revenue (separate from its stand-alone extraction, transformation and loading [ETL] revenue) was slower than expected and thus represented a much smaller percentage of its overall revenue. This resulted in Pentaho falling well below the survey revenue inclusion requirement of \$15 million (this will be reflected in the upcoming 2Q11 report, “Market Share: Business Intelligence, Analytics and Performance Management Software, Worldwide, 2010”). Subsequently, Pentaho was excluded from the Magic Quadrant this year. However, it did provide enough customer references to be included in the Magic Quadrant Customer Survey research notes that will publish in 1Q11.

Added

Bitam, Corda Technologies, Jaspersoft and Salient Management Company were added to this year’s Magic Quadrant, as all were able to meet the inclusion criteria.

Other Vendors to Consider

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

Data Discovery

While three data discovery vendors (QlikTech, Tibco Software [Spotfire] and Tableau) had enough market adoption to earn a spot on the Magic Quadrant itself, there are a number of smaller vendors that could be considered when data discovery is a unique requirement. One of these vendors, Advizor Solutions, provided customer references with enough survey responses to be included in the Magic Quadrant Customer Survey research notes that will publish as complements to this research, but did not meet the revenue requirement to earn a place on the Magic Quadrant in its own right.

Advizor Solutions offers a visually-driven data discovery and analysis tool, with an in-memory performance layer, descriptive and predictive analytics (for which KXEN is the OEM) and a user interface built around a library of sophisticated interactive images. Advizor competes against the likes of Tibco Software (Spotfire) and QlikTech, and arguably predates them. While only a few Advizor references took part in the survey, those that did selected it for its functionality and ease-of-use and rated it highly in its core functional areas (interactive visualization, scorecards, predictive modeling and data mining). In addition, Advizor offers templated solutions for non-profit fundraising, higher education, energy management, healthcare and sales pipeline analysis (salesforce.com). It has a long-standing OEM relationship with Information Builders and with vendors in network security and intrusion, call centers, campaign analytics, and higher education. Despite its time in the market, Advizor lacks the market profile of a number of its “hot” competitors, an issue it needs to address if it’s not to lose out in the current data discovery market opportunity “land grab.”

Another data discovery tool to consider comes from Lyzasoft. The company’s all-in-one BI sandbox empowers business analysts to easily integrate, mashup and analyze disparate data, and create reports and dashboards without IT assistance either on premises or shared via a SaaS model. Lyzasoft includes a columnar storage system built into the desktop application, making it well suited to analytic requirements and giving it the ability to analyze large datasets without the RAM requirements of in-memory solutions, or the row or data size limitations of other desktop BI solutions (such as Excel and Access). Lyzasoft’s intuitive graphical environment provides analysts with a sandbox to build up analyses iteratively with an extensive set of out-of-the-box functions and statistics for more complex analysis, and featuring exceptional business user capabilities for tracking lineage of data sources and calculations. What differentiates Lyzasoft from the other data discovery tools is its newly integrated collaborative infrastructure with social software capabilities that allow users within the BI platform itself to search, bookmark, combine, create, tag, share, comment, rate, relate, and interact directly with intelligence content in the form of blogs, microblogs, charts, tables, dashboards and collections of analytic content. It also incorporates Short Message Service (SMS) and e-mail alerting, allowing community members to watch for new publications, comments or updates from people of interest or on topics of interest. Gartner identified Lyzasoft as a Cool Vendor in 2009, a distinction that was well deserved then, and still applies today.

Gartner bifurcates the data discovery tool market into interactive visualization tools and search-based data discovery tools. All the vendors either on the Magic Quadrant itself or listed thus far in

this section fall into the former category of vendors. Endeca is one of the unique vendors that falls into the latter. Founded in 1999 as an enterprise search vendor, Endeca is leveraging its search technology and pedigree to renew its focus on the BI platform market. Its new platform, Latitude, combines the simplicity of search with the power of BI by delivering interactive tools that support fast data exploration and discovery on top of its patented hybrid search-analytical database. With its unique platform, there is no need for an overarching data schema — every record and document has its own schema stored in a columnar store with text and data indices built into each column. As a result, the columnar architecture can support in-memory-grade performance without in-memory constraints. The data discovery mode is search-based, which enables navigation and analytics on both structured data and unstructured content, making documents and Web-content part of searchable decision data. Every summary is also a way to query the data, letting users iteratively explore data and ultimately reach conclusions that drive decisions.

SaaS

SaaS is a viable option for some buyers. While only 27% of respondents to the Magic Quadrant survey are currently using or have plans to use SaaS BI and analytics within the next 12 months, the subcategory shows slow but steady momentum as a departmental, mid-market and/or analytic application approach. Customers appreciate a quick time to value, lower upfront costs and the ability to leverage external expertise — business knowledge and/or technical skills — not available in-house. The burgeoning acceptance of cloud computing architectures has also raised the spectre of SaaS BI with many established vendors — Microsoft, SAP, IBM and others — as they look to gain a foothold in this new computing model and as clients evaluate hybrid solutions that may incorporate public and private clouds as well as on-premises and off-premises options. Pure-play vendors such as 1010data, Birst, GoodData, Oco, myDials and PivotLink continue to compete aggressively for mind share and budget dollars. Emerging SaaS BI vendors that have not yet met the revenue criteria for inclusion in this report were also invited to provide customer references for the Magic Quadrant customer survey. Four vendors responded.

Birst, based in San Francisco, provides a SaaS-based end-to-end BI and data integration platform. It also supplies predefined analytic application templates for sales, marketing, finance, supply chain and other functional areas of an organization. The company has developed connectors specifically for salesforce.com and other SaaS-based applications in today’s market. It provides customers with the option of either uploading data to Birst or leaving data locally, with only the analysis happening in the cloud. While the company’s customer base spans enterprises of all sizes, Birst focuses on serving small and midsize businesses across a wide range of industries. Reference customers indicated they chose Birst for three main reasons: ease of use, implementation costs/effort, and overall total cost of ownership. While references were mostly favorable, customers did indicate that product quality was a worry and that concern about developer ease of use was the primary blocking factor for broader deployment. Customers were very optimistic about Birst’s future, with none planning to switch vendors in the next five years.

In contrast, Waltham, MA-based Oco delivers a SaaS-based analytic application deployment platform targeted at consumer goods, industrial products, distribution and logistics, and business services sectors. Clients do not build their own analysis, but rather work with Oco during an eight to 12 week implementation period to capture required data, configure analytic dashboards and reports of an analytic application, and deliver specific content to targeted business users within the organization. The company has designed an innovative data model that supports standard analysis for supply chain, sales, marketing, customer and finance operations, but will also work with clients to build out customized analytic applications tailored to their needs. The Oco product is used to augment installed BI capabilities already in place. In an attempt to provide rapid BI analysis for SAP customers, the company has introduced a new product, Data Exporter for SAP, that extracts needed content from SAP's ERP and/or CRM package and loads it into the Oco data model. The company also resells SAP BusinessObjects BI OnDemand software when the client expresses a desire to extend BusinessObjects BI throughout the organization. Reference customers indicate that Oco is used as a departmental solution, and they highly value the product's ease of use, installation cost and effort model, and its ability to integrate with enterprise applications.

PivotLink, based in San Francisco and with significant development capacity in Seattle, is focused on two areas: building out specific analytic applications and providing its SaaS BI platform for its target customers. At its core, the analytic platform uses a proprietary columnar data structure, allowing granular data to be stored to support extensive analysis of KPIs. Information is sourced from the client on a timed basis (based on customer need). In 2010, the company introduced Readimetrix, a series of predefined metrics, KPIs and customizable reports for the retail sector, as well as sales, online marketing and HR functions across a broader swath of industries. PivotLink also recognizes that its SaaS BI and analytics system is part of a broader information ecosystem and has developed an open platform integration strategy that will allow its clients to access data now stored in its system and combine it with other data in the enterprise for combined analysis and reporting. PivotLink references select the software for four main reasons: ease of use, data access and integration, implementation costs and efforts, and system performance. Overall, customers rate PivotLink above average in support and product quality.

Another interesting BI SaaS vendor is myDials. The company was founded in 2006 and delivers Web-based, easy-to use, highly interactive dashboards via a SaaS model. The platform features built-in business user-oriented statistical capabilities for identifying trends, forecasts with error ranges, and patterns with support for drilling into the data while context is maintained to identify the root cause of a problem. Moreover, users can perform real-time what-if analysis to determine the impact of various scenarios, while alerts are shown based on variance from goals or best practice. Its warehouse-in-a-cloud approach supports continuous updates and data synchronization. Fast time to deployment is supported through a set of standard connectors to ERP, CRM, databases, spreadsheets and so on, and libraries of a super set of all the functional areas an organization might need — users can easily add or subtract what dashboards or dials best meet their needs, while designing a completely new dial using a point and click paradigm. In 2010, myDials introduced a packaged application module for marketing executives. It delivers role-based marketing

metrics and allows for the integration and automatic extraction of external data from sources such as Google Analytics, Google AdWords and social network sites Twitter and Facebook with internal ERP and general ledger data sources for an end-to-end view of the marketing process, activities and effectiveness. Even though myDials is a relatively obscure SaaS company compared to the other more well known SaaS vendors mentioned in this section, it was able to garner a similar number of responses with overwhelmingly positive customer feedback across most measures in the survey.

Departmental, Workgroup and Midmarket BI

A number of departmental, workgroup and midmarket BI vendors have gained market traction, but do not have the same market awareness as the usual BI market contenders. One such company, with a long history, is Dimensional Insight.

Privately-held Dimensional Insight, based in Burlington, MA, was founded in 1989, and has more than 2,600 clients in over 30 countries. In its lifetime of over 20 years, the company has been quietly but steadily growing its customer base, largely through personal referrals with an end-to-end BI and data integration platform. While most customers use the software in a traditional on-premises installation, the company offers flexible deployment models that also include SaaS and hybrid options. The Diver product suite provides customers and prospects with both Windows- and Web-based user interfaces as well as mobile BI capabilities. Although the suite is used across a wide array of industries, Dimensional Insight has had particular success in the healthcare provider sector. Several clients use the software to better manage operations through staffing and utilization analysis. The product is often used for clinical analysis, especially when reporting on medical care quality metrics and measuring outcomes for external reporting to regulators and local communities.

Statistical and Predictive Analytics

Advanced analysis leveraging statistical and predictive analytics capabilities is an increasingly important requirement in BI applications. However, two major barriers — cost and ease of use of tools — have inhibited adoption to date. Cost is an issue both in terms of software licenses of current market leader SAS, as well as cost of the high-end skills that are typically required for developing prediction models and advanced analytic applications. The difficulty in using existing tools is the second major inhibitor to broader adoption. The three vendors included in this section, while not meeting the Magic Quadrant inclusion criteria, are addressing these barriers. Quiterian provided enough customer references to be included in the Magic Quadrant Customer Survey research notes that will publish in 1Q11.

Quiterian and its Dynamic Data Web (DDWeb) product were only introduced to Gartner in 2010, but have been available in Spain since 2003, where the company has a good presence and reference base — 28 of its customers took part in the survey for this Magic Quadrant. Effectively a large-scale data discovery offering, its core value proposition is easing the use of data mining and statistical analysis and thus making these capabilities more broadly available. This is something that's evidently needed — only 11% of firms surveyed for this Magic Quadrant use these functions extensively today. However, this means it'll be up against some

stiff competition, notably from IBM and SAS, as well as from Tibco Software (Spotfire), which offers a similar value proposition for complex data discovery and advanced analytics. Technically, DDWeb uses an intermediate processing layer on top of a columnar database (historically Alterian, but soon its own C-store) to BI functionality (for example, predictive analysis). Quiterian intends to expand its geographical reach quickly, having opened offices in Portugal, Mexico and the U.S. in 2010, as well as through a growing international value-added reseller channel.

Revolution Analytics (founded in 2007 as Revolution Computing and re-launched in May 2010 as Revolution Analytics) has defined a product road map to make open source capabilities for statistical analysis, based on the R programming language and runtime engine, more scalable and accessible to business analysts. Industry veterans in statistical software such as Norman Nie (one of the founders of SPSS) and Robert Gentleman (co-developer of R) lead the company. The company has created add-on components for the R runtime engine to exploit low-cost multicore and multithreaded processing power to speed up the analysis of very large datasets. The company is also working on adding a much-needed graphical user interface to the R engine, which should be delivered in the middle of 2011. Partnerships with other open source vendors such as Jaspersoft and Cloudera will help raise awareness of Revolution Analytics in the market, but the company will face strong competition from incumbent commercial vendors of statistical analysis products and services such as IBM and SAS.

KXEN was founded in 1998 and has been primarily focused on providing solutions for simplifying the development of predictive models for customer life cycle and supply chain analytics. KXEN has over 400 customers. The company's analytic framework is primarily distributed through direct sales, although it has partnerships with leading data warehouse vendors, system integrators, application vendors and OEMs. In 2010, John Ball (previously with salesforce.com and BusinessObjects) joined the company as CEO and the company raised a fourth round of venture financing to carry out further market and international development. In 2010, a new VP of Marketing also joined the company from salesforce.com. John Ball's experience with semantic layers at BusinessObjects appears to be reflected in KXEN's newly announced "semantic layer," made up of the company's Analytical Data Management and Modeling Factory. It will be interesting to see if and how the company expands into cloud-based offerings given the salesforce.com experience of several of its executives.

Open Source

Given the increased interest in lowering cost expressed by customers in our survey, and the open source vendor marketing about numbers of customers and growth, we expected both of the most well known open source vendors, Jaspersoft and Pentaho, to meet the Magic Quadrant inclusion criteria this year. As outlined earlier in the Inclusion and Exclusion Criteria section, Pentaho garnered enough survey customer responses for inclusion on the Magic Quadrant, and it indicated to Gartner early in October 2010 that its 2010 BI platform revenue would meet or exceed \$15 million. However, Pentaho subsequently informed Gartner that its

BI platform revenue (separate from its stand-alone ETL revenue) was a smaller percentage of its overall revenue than expected. This resulted in Pentaho earning lower BI platform revenue in 2010 than initially represented to Gartner, well below the survey revenue inclusion requirement of \$15 million (this will be reflected in the upcoming 2Q11 report, "Market Share: Business Intelligence, Analytics and Performance Management Software, Worldwide, 2010"). As a result, Pentaho was excluded from the Magic Quadrant this year. However, it did provide enough customer references to be included in the Magic Quadrant Customer Survey research notes that will publish in 1Q11.

Even though Pentaho failed to meet all the criteria, it is still a company worthy of note. It provides an open source BI platform made up of ETL, OLAP, reporting and dashboarding, ad hoc analysis, and data mining components all managed from a central BI server deployed either on premises or in the cloud. Low license cost is a key element of Pentaho's value proposition. While open source vendors, including Pentaho, tend to invest more heavily in imitating the core BI functionality of commercial competitors rather than in innovation, Pentaho does have focused areas of forward looking investment, on which it has been able to quickly deliver. In particular, it has integrated a data mining project into its BI platform, it delivered ad hoc reporting for the Apple iPad (in May 2010), and it has been one of the first BI vendors to deliver capabilities for integrating its ETL and BI tools with Hadoop to support large and emerging data sources (in October 2010).

However, according to our survey data, integration of the platform, product functionality and support appear to be concerns for Pentaho customers. Although Pentaho markets a single unified platform managed from a single server, the repositories and authoring environments remain separate with migration to a single repository under way. Pentaho customers rate its BI platform integration lower than any vendor in the survey. To begin to address this issue, the company released its Agile BI capability in March 2010, which includes a single environment for dimensional modeling, data mart building, ETL and OLAP model generation. Pentaho also earned the lowest aggregate product capability score in the survey with below average results across all 13 BI capabilities, which is an indication that functional gaps in the platform remain. Moreover, it earned among the lowest ease of use scores both for developers and end users in the survey, which suggests that it has yet to deliver tools that meet growing requirements for business users to intuitively analyze their data. Given Pentaho's subscription-based model hinges on providing superior support, low scores on all aspects of product support including level of expertise, response time and time to resolution are a concern, particularly since the company's product is also rated below average on product quality, which tends to result in more customer interaction with support. While Pentaho has some very large references, its deployments are primarily departmental. The deployments are roughly half the size of the survey average in terms of number of end users and data volumes, while a majority of its customers do not consider it their BI standard and indicate other vendors as their standards.

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 2010, yielding 1,225 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. This criterion was not rated separately this year and therefore was given a "no rating" in the Magic Quadrant model. Instead, our assessment of Market Execution was combined with Market Responsiveness and Track Record into one criterion on this year's Magic Quadrant.

- **Customer Experience:*** How well does the vendor support its customers? How trouble free is the software?
- **Operations:** What is the ability of the organization to meet its goals and commitments? This criterion was given a "no rating." Assessment of a vendor's ability to meet its goals and commitments is incorporated into the Market Responsiveness and Track Record criterion.

*These criteria are scored either in part or directly from input from the Magic Quadrant customer survey.

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	no rating
Customer Experience	high
Operations	no rating

Source: Gartner (January 2011)

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. Like the Ability to Execute criteria, in addition to Gartner analysts' opinions, the Completeness of Vision 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 2010, yielding 1,225 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?

The major BI market growth drivers described in the Forecast section of this report were used as a rubric to assess both the Offering (Product) Strategy and Innovation criteria, which are combined into one score this year.

- **Business Model:** How sound and logical is the vendor's underlying business proposition? Note that this criterion has been given a "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? Innovation and Offering (Product) Strategy are combined into one score for the purpose of this year's Magic Quadrant.
- **Geographic Strategy:** How well can the vendor meet the needs of locations outside its native country, either directly or through partners?

*These criteria are scored either in part or directly from input from the Magic Quadrant customer survey.

Table 2. Completeness of Vision Evaluation Criteria

Evaluation Criteria	Weighting
Market Understanding	high
Marketing Strategy	high
Sales Strategy	high
Offering (Product) Strategy	high
Business Model	no rating
Vertical/Industry Strategy	standard
Innovation	no rating
Geographic Strategy	standard
Source: Gartner (January 2011)	

Leaders

Leaders are vendors that are reasonably strong in the breadth and depth of their BI platform capabilities and can deliver on enterprisewide 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, such as in a specific geography or industry. Or they may not yet have achieved the necessary scale to solidify their market positions.

Vendor Strengths and Cautions

arcplan

Strengths

- arcplan has established a large installed base in Western Europe. Fifty-four percent of its deployments are in Western Europe as compared to 25% for the rest of our survey respondents.
- arcplan has been successful in providing an easier and more functional alternative for reporting and analysis for SAP NetWeaver BW users. SAP is cited as the primary ERP vendor by 43% of the arcplan survey respondents, compared to 20% who define SAP as their primary ERP vendor in the survey as a whole.
- The main reasons cited for selecting arcplan over another vendor (as indicated by survey respondents) are: functionality, complex report design capabilities, ease of use for developers, data access and integration, and integration with the information infrastructure. arcplan customers indicate more extensive use of scorecards and OLAP functionality compared to the average use cited for the rest of the vendors.

- Product limitations to wider deployment are among the lowest of our customer survey responses, which suggests that customers are satisfied overall with their product experience.
- arcplan's process-orientation, federated query capability across multiple information sources and write-back capabilities supports the development of closed-loop planning and collaborative performance management applications. These capabilities will allow arcplan to advance its product offering and be in a better position to differentiate itself as a decision platform.
- When complex reporting and development requirements are paramount, Actuate products stack up well against competitors. Reference accounts rated it as the top vendor for this requirement. Additionally, the products are highly rated when integration with enterprise applications is a major requirement.
- Actuate continues to transition its product and marketing emphasis to its open-source commercial products based on Business Intelligence and Reporting Tools (BIRT). In September 2010, it announced ActuateOne, a unified suite for developing and deploying BI applications that include reports, dashboards, in-memory analytics, and mobile and cloud-based deployments that leverage BIRT. The output of existing e.Reports can be used as input to new applications. This transition is evident in Actuate customers' responses to the Magic Quadrant survey; stark differences exist between its BIRT line (more positive) and its traditional e.Reports/e.Spreadsheet product suite.

Cautions

- Thirty-two percent of arcplan customer respondents plan to discontinue their use of arcplan products in the next five years; this is a much higher rate than the average response of 13%. This rate appears to be increasing when compared to the 25% planning to discontinue their use cited in last year's Magic Quadrant survey. We expect this is due to the heavy marketing and selling effort of SAP BusinessObjects into its installed base — also the substantial part of arcplan's installed base. 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.
- Nineteen percent of arcplan customers taking part in the survey considered arcplan's product as their BI standard — among the lowest of any vendor included in the Magic Quadrant. This confirms that arcplan tends to be narrowly deployed to meet specific, tactical BI requirements.
- arcplan has a diminishing functional differentiation — its competitors are adding data federation capabilities to their products, and such capabilities have always been one of the primary differentiators for arcplan.
- arcplan needs to strengthen its differentiation, presence and channels outside of its traditional SAP target market. Despite growing its network of partners over the past two years, it has a limited indirect channel, and a small service provider program outside of Europe. arcplan must build these channels to maintain and grow its market share and, in particular, to develop and deliver new applications that can enhance its differentiation.
- The company's acquisition of Xenos, an e-presentation provider, was completed in early 2010 and has augmented its capability in leveraging untapped print stream data and in document transformation, specifically useful for the financial services sector and for meeting accessibility (for example, Section 508 compliance) requirements.

Cautions

- Not only did Actuate barely make the required number of references for inclusion in this year's Magic Quadrant, but its legacy customers have a dim view of the vendor's future within their firms. Over one-third of references (36%) indicate they plan or are seriously considering discontinuing use of the products within five years — the highest of any vendor included in this Magic Quadrant. This is especially true of e.Reports/e.Spreadsheet customers, with more than 50% indicating planned discontinued use. Only 36% run the current version of the product — the lowest reported — which is a key predictor for any product's future prospects within an enterprise.
- Cost of products — especially hardware and software upgrades — is cited as the No. 1 barrier to broader deployment, with 85% of e.Reports/e.Spreadsheet references indicating this concern. This is more than three times the average of all vendors/products surveyed. We also hear this concern frequently in Gartner inquiry, particularly related to unexpected charges resulting from hardware upgrades. A new machine-based license model introduced in 2010 has added to these concerns. The Actuate BIRT-based product line fares significantly better as cost is only a minor concern. Customers are also relatively dissatisfied with the sales experience. It is among the lowest rated of all vendors in this Magic Quadrant.
- References indicate a nagging problem with Actuate's products; 16% report they do not adequately address required data volumes, twice the average of all vendors, and the highest reported for all vendors in this Magic Quadrant. Given the high-volume, customer-facing BI applications for which Actuate is used, this is a concern.

Actuate

Strengths

- Customers that plan to deploy externally facing customer and business partner BI applications rate Actuate especially well suited to the task. Actuate is one of the top three vendors with the highest percentage of customers using its platform for externally facing applications.

- Customers report using a narrower range of functionality than other vendors. In addition, only 32% report they use the products as their BI standard vs. an average of 56% for all other vendors. References also indicated that another BI vendor is the standard more frequently than for any other Magic Quadrant vendor. These facts indicate the product is primarily used for specific BI capabilities — most commonly reporting and BI application development. ActuateOne, introduced around the time of this Magic Quadrant survey, widens the breadth of functionality offered and may eventually shift reference opinion.
- The transition from Actuate's legacy product line to a BIRT-based suite continues to be a bumpy road. In reviewing the customer ratings for this Magic Quadrant, Actuate e.Reports and e.Spreadsheet are largely negative, indicating broad customer concerns. While BIRT responses are better, the company must continue to manage its long-term customer base better to reverse the perception of it being a vendor that's difficult to work with.

Bitam

Strengths

- Founded in 2000, Bitam is a BI and CPM vendor headquartered in Reston, VA. The vast majority of its business is sold in Latin America — the company was founded in Mexico — and it has an emerging presence in Western Europe (particularly Spain), North America and Asia. Gartner anticipates that BI spending will grow by 14.5% in Latin America, a greater rate than any region except Asia.
- Customers choose Bitam for its ease of use for end users, the quality of its references and its low cost — license, implementation and overall BI platform ownership cost, were ranked in the bottom quartile (among the lowest cost) of all Magic Quadrant vendors evaluated.
- The Bitam G6 platform offers software components that address core BI, strategic planning and financial planning capabilities, all fielded in a unified platform. Customers rated this cross-platform integration highly, especially the singular semantic layer and security model. In fact, references indicated Bitam's BI infrastructure as a particular strength, rating it No. 2 of all vendors reviewed in this Magic Quadrant. Additionally, references indicated that they thought highly of Bitam's interactive exploration and analysis model along with performance scorecarding, with both ranked in the top three of all vendors reviewed.
- Bitam introduced a SaaS option in 2008 — KPI Online. It is targeted at small and midsize businesses, and consists of predefined financial and customer applications, as well as CPM functionality, and a development platform to create custom BI applications. Customers pay for the service on a monthly basis based on number of applications, users and amount of data stored in the system.

Cautions

- Bitam's roots in Mexico and other countries in Latin America serve it well in those markets and across the Spanish-speaking world, but it has virtually no brand recognition in other regions. Although Bitam has customers in many parts of the world, it rarely comes up as a contender on shortlists outside its home regions. While 75% of its references consider the product suite their enterprise standard, they are mostly small to midsize businesses or regional/national divisions of multinational corporations.
- Like many emerging vendors, references report that Bitam is used for relatively small sets of data by smaller groups of users as compared to other vendors' customers. This is most likely related to some problem areas that references call out — system performance, and the inability to handle volumes of data and large numbers of users. Bitam was among the top five vendors mentioned in these categories. While the BI suite is largely used for "within-the-four-walls" analysis, references indicate they do incorporate some external data for analysis, but at far smaller percentages than others.
- Overall product quality and support time to resolution were both rated below the average of all vendors in this report. But there was a bright spot — references deemed the level of expertise of the support team as "outstanding."

Board International

Strengths

- Board offers a well-integrated BI platform combining planning, reporting and analysis capabilities in a single integrated product. Its 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.
- 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 (and this remains the case in most implementations). However, its capability to support data federation across relational stores and competitive multidimensional engines is broadening its appeal. According to the Magic Quadrant survey, just over 20% of its customers now make use of Board alongside other OLAP databases.
- Overall feedback from Board's customers in the survey was positive, with better than average ratings in nine of the 13 functional capability areas covered, with its strongest functionality in interactive visualization and dashboarding. Board's combination of strong interactive visualization and write-back-capable OLAP in a single product offering is unique.

- Board is increasingly being used to consume external data (35% of data in Board applications is externally sourced, the highest proportion of any vendor) and to build externally facing BI applications for its customers, particularly in logistics.

Cautions

- As reported since 2008, Board is less known outside its core markets in Europe (that is, the U.K., Italy and Germany), with a small, but growing, presence elsewhere. No non-European firms completed the survey for this research. Board is looking to remedy this — it now has offices in nine countries worldwide, and saw a notable win with the U.S. Navy in 2010 that, if marketed well, should help bolster sales activity in a market that has so far eluded it.
- Reporting is a notable functional weakness according to its customers — something that Board may want to address given its strong position as the main BI standard in its customer base.
- Of the Board customers surveyed, 78% consider it their BI standard — among the highest of any other vendor surveyed. However, according to the survey data gathered, Board's customers are considerably smaller firms on average, and deployments are the smallest for both data and users of any vendor in the Magic Quadrant (at less than half of the next smallest on both measures of scale).
- Cost, particularly on a per-user basis, is a concern. Board's surveyed customers report the highest total license cost per user of vendors on the Magic Quadrant: although its average license cost is competitive, this is spread across a significantly below average user population. Further, its low end user and data volumes mean that Board earns among the worst ratios when considering administrators per user and administrators per GB of data used. In its defense, Board points out that its software includes all of its CPM capabilities (with the exception of financial consolidation) for the same price and therefore offers potential additional value.
- Board technology remains Windows only, making extensive use of Windows Communication Foundation (WCF), Windows Presentation Foundation (WPF) and Silverlight, which limits its potential to expand into some segments of the enterprise market.

Corda Technologies

Strengths

- A new addition to this year's Magic Quadrant, Corda Technologies started out as a specialist selling Java-based development tools for charting, dashboard objects (such as dials and gauges) and maps. Increasingly, Corda is meeting broader BI needs with its CenterView product, a solution for the deployment of dashboards and interactive visualizations, leveraging its patented Datafunnel mashup tool to connect to and federate across sources both in batch and real-time.

- The main reasons for buying Corda are functionality, data access and integration, and its integration with information infrastructure. Its customers rate Corda's dashboarding and interactive visualization functionality as above average, and its ease of use for end users was rated in the top three of vendors surveyed.

- Corda is used more than most BI vendors (by 32% of its customers) in externally facing applications. Moreover, approximately one-fifth of Corda users are external to the organization, with 20.8% of the data in Corda deployments also coming from outside the organization.
- According to the organizations surveyed, the customer and sales experience when working with Corda is good, with customer support in particular scoring highly.
- Based on the survey, although total administrator cost per user is higher than the mean, Corda customers incur low total license, implementation and ongoing external costs per user (in the bottom three of commercial software vendors — excluding open source). However, it should be noted that the applications deployed with Corda are simpler than most.

Cautions

- Corda falls between the two styles of BI most evident in the market today — it's not a data discovery tool (lacking the performance optimization layer) nor is it a full semantically modelled BI platform. As such it's in danger of being omitted from evaluations and the main drivers of buying activity.
- Only 29.7% of Corda customers consider it a BI standard, among the bottom three of vendors featured on the Magic Quadrant, and it is deployed departmentally in the main. Despite being close to the mean in terms of organizational size, nearly half of Corda customers (48.6%) have no BI standard set. This could present an opportunity for Corda to become that standard, but it could equally be a threat if Corda's customers don't associate it with BI (rather than dashboarding alone).
- Approximately 10% of Corda customers have SAP BusinessObjects as their standard. This crossover is no surprise as BusinessObjects resold Corda (as part of BusinessObjects Dashboard Manager), and CenterView can use SAP BusinessObjects' Universe metadata definitions. This does not automatically mean these customers are at risk of churning — none of the Corda customers surveyed said SAP is their primary ERP, somewhat protecting it from stack adoption of BusinessObjects. SAP BusinessObjects Xcelsius, however, does remain a threat in this segment.
- Although it has some partners in Europe, Asia and Latin America, Corda has no offices outside the U.S. As a result, it has very little usage outside North America.

- Corda's vision is narrow, focusing particularly on data visualization. According to the Corda customers surveyed, their implementations are among the least complex of any vendor, with lower levels of usage for more analytic activities (for example, sophisticated ad hoc analysis). This reflects Corda's core business — enabling the consumption of visually appealing dashboards, increasingly on mobile devices.

IBM

Strengths

- IBM continues to strengthen its BI vision leadership. During 2010, IBM unified its BI, analytics and performance management software assets — made up of software from IBM Cognos, SPSS and Applix (a company acquired by Cognos in 2007) — under the moniker Business Analytics. Bringing these capabilities together sent a strong message to the market that companies need to consider a wide range of analytic capabilities in order to accomplish their business imperatives. Coupled with an 8,000-strong business analytics and optimization (BAO) consulting service line as part of IBM's Global Business Services, IBM Business Analytics can offer both a tools-based and/or solution-driven offering, along with significant vertical expertise, to customers and prospects.
- IBM introduced a significant new release of its BI platform, IBM Cognos BI v10.1, in October 2010. The platform builds on the integrated IBM Cognos 8 v4 platform and adds a unifying work space for all BI content called Business Insight. Performance improvement is a hallmark of the new release, including significant query engine enhancements to address noted customer concerns. The in-memory OLAP product, IBM Cognos TM1, and the in-memory real-time processing from the IBM Cognos Now product, are fully fledged data sources for the IBM Cognos BI v10.1 architecture and are fully integrated in the end user interface, enabling interactive analysis and driving the integrated planning model for which IBM Cognos has always been noted. Integration of statistics and predictive analytics into the BI platform is also enhanced. Products supporting collaborative BI and decision management have also been introduced. Early v10.1 customers report a virtually seamless upgrade from Cognos 8 v4, forestalling a potential hurdle for adoption.
- IBM's 2009 acquisition of SPSS is advancing very nicely, readily allowing IBM to bid for predictive analytic and statistical use cases not possible before. Coupled with research and client projects from IBM Research, it's not surprising that customers rate IBM's predictive analytic capabilities well above the average of other vendors in this analysis. In Gartner's opinion, this addition is fueling significant demand for services and solutions within the BAO service line because organizations typically lack the necessary skills to deploy these solutions themselves.
- Launched in 2009, the mid-market product IBM Cognos Express, based on Cognos TM1 and Cognos BI products, offers integrated reporting, analysis, and planning, and has been sold through IBM's massive partner sales channel to hundreds of customers worldwide. The all-in-one package is modestly priced, and is available as on-premises software. Customer

reviews of IBM Cognos Express for this Magic Quadrant analysis are largely positive, albeit based on a small number of references.

- The company continues to show an ongoing strong vision in applying its business analytics platform to support BI applications and performance management projects more widely. IBM has continued to expand its solution portfolio of packaged analytical applications based on the IBM Cognos platform, with horizontal CRM, supply chain, finance and HR applications as well as several industry-specific products for financial services and retail firms. In late 2010, the company also introduced IBM Cognos Consumer Insight, which integrates text analytics, social media content and reporting/alerting capabilities to better understand customer sentiment. This product leverages existing packaged IBM software assets with emerging technologies from IBM Research labs.

Cautions

- Twenty-three percent of references indicate that performance continues to be problematic (as it was last year), nearly double the average response for other vendors evaluated in this Magic Quadrant. Over 80% of those companies surveyed indicated they are using the latest version of the software, which at the time of the survey was IBM Cognos 8 v4. IBM Cognos BI v10.1, released just after the customer survey closed, has specific functionality (including significant query engine enhancements) to address performance concerns. Initial feedback from v10.1 beta customers regarding improved query performance has been positive, but more customer feedback is necessary to ensure that performance issues are under control. An enhanced Cognos Lifecycle Manager has received positive reviews, ensuring consistency of results when migrating to the new version. Adjustments to existing semantic models may be necessary to take full advantage of the new performance enhancements.
- References consider the Cognos products more difficult to implement and use than competitors. These are cited as two major reasons limiting expanded Cognos BI deployments. As such, improved system administration and end-user usability were major development themes of the v10.1 release. References indicate that IBM BI software is used largely in a consumer/casual user mode, reflecting deployment models at customer sites. Reporting is the most extensively deployed component, followed by ad hoc query and OLAP analysis.
- License cost continues to be another source of customer angst. References for components of the IBM platform — TM1 and SPSS customers specifically — report above average license fees per user. Cost was also noted as a blocking factor for expanding BI platform deployment across the business.
- In Gartner's opinion, we see continuing signals (as part of ongoing customer inquiry) that limit IBM's ability to strategically sell its BI platform to firms with application stack-centric sourcing policies, especially those customers that utilize Oracle applications. For example, just over 20% of IBM Cognos customers indicate they plan or are considering discontinuing

using the software within five years, compared to a scant 3% for Oracle BI Enterprise Editions customers. Interestingly, IBM customers also report that BI programs are more tactical than those of other megavendors' customers (even though 72% consider IBM their BI standard), which could also indicate that influences from other parts of the organization may drive future BI and analytics strategy and product decisions.

- IBM customers also continue to have less-than-optimal customer experiences, with support and sales interaction rated near the bottom of all vendors reviewed in this report. The Cognos acquisition occurred nearly three years ago and ratings have not recovered to anywhere near pre-IBM levels. So far, SPSS customers do not report diminished customer experience ratings.

Information Builders

Strengths

- Information Builders' WebFocus product is well suited as a platform for building custom Web-based BI applications. Customers surveyed indicate that 47% — the top vendor in this category — utilize the product to develop externally facing applications, predominantly targeted at customers, suppliers, partners and constituents. These applications regularly exceed tens of thousands of users accessing live data. Product strengths are not limited to externally facing applications, with several customers deploying internal application to tens of thousands of employees. Customers indicate that WebFocus is rated near the top of the list when it comes to supporting large numbers of users for any application type.
- Information Builders provides broad platform, data integration and application support. The Magic Quadrant survey data indicates that companies highly value Information Builders' data access and integration capabilities. WebFocus is fully integrated with the firm's 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.
- Overall "customer experience" ratings, including product quality and support measures, put Information Builders among the top three vendors included in this year's Magic Quadrant. Many contributing metrics, including level of expertise, response time and time to resolution were rated as "outstanding" by Information Builders clients. The company focuses significant resources on maintaining strong sales, support and customer service relationships — employee tenure is among the highest in this sector, ensuring consistency over time. The company's high-touch approach has paid off with strong customer satisfaction.

- Information Builders' customers make extensive use of parameterized reporting (for example, interactivity via prompts, drilling or filters) for report consumers and casual users. By and large, this is the sweet spot for WebFocus, with customers indicating these capabilities are "outstanding." Additionally, dashboards and Microsoft Office integration received similar commendations. The products were rated in the top five for all BI capabilities.
- Information Builders maintains a strong position as an enterprise BI standard, as noted by nearly two-thirds of its references. Over 90% of customers see no substantive downward shifts in their use of the products over the next five years and remain quite positive about the company's outlook moving forward. As one of the last remaining freestanding pure-play BI vendors, the company has done an admirable job of creating a culture of success within its customers.
- Information Builders continues to innovate, delivering capabilities for integrated search, mobility, mashups, predictive analytics and data discovery (through its OEM relationship with Advizor Solutions). With increasing market emphasis on predictive analytics, the company has increased its focus on integration of the open source R statistics project as a baseline capability and plans to apply algorithms to specific industry-driven applications requirements.

Cautions

- While the Information Builders products are broadly deployed at its customers — especially for reporting — references indicate that a lack of ease of use for developers is blocking broader deployment, as compared to other vendors included in this Magic Quadrant.
- Beyond static and parameterized reporting, customers use other features — simple and complex ad hoc analysis, interactive exploration and scorecarding — far less than competitors. While the company has made investments in development and partnerships in these areas, they are having a limited impact with references at this time. In addition, the product continues to offer limited OLAP capabilities of its own, which is evident from its below-average OLAP functionality survey scores.
- Externally facing information applications continue to be an Information Builders sweet spot and go-to market emphasis (see the Strengths section above), but there is limited awareness that WebFocus is powering these programs among users who access them. The company has made strides in building company and product awareness in the past year, but still lacks name recognition with the general buying audience. Information Builders is well aware that this has limited its ability to expand its business. In a consolidated marketplace increasingly controlled by megavendors, awareness must increase in order to differentiate from a wide range of competitors.

- In 2010, Information Builders made strides in growing its business outside North America. But it has significantly less global presence than most vendors in the Leaders quadrant. For Information Builders to continue to be a Leader, it must demonstrate even more significant global growth.

Jaspersoft

Strengths

- Jaspersoft appears on the Magic Quadrant this year for the first time. It offers a comprehensive, highly embeddable, open source BI platform. The Jaspersoft Enterprise Edition, based on version 3.7 of its platform, includes JasperReports Server (incorporating a reporting server, ad hoc query, in-memory analysis and dashboarding), JasperReports Library, Jaspersoft iReport Designer, Jaspersoft OLAP and Jaspersoft ETL (which is the open-source ETL engine from Talend), plus Talend's Activity Monitoring Console (which is part of the commercial edition). Jaspersoft 4.0 was released on 11 January 2011 with the same broad components and a rearchitecture of the presentation layer. Due to its embeddable architecture, and the fact that customers can embed its software, without being bound by the GNU General Public License terms and conditions, Jaspersoft earns over half of its business from OEMs that include Jaspersoft as the BI components in their software packages, as well as other businesses that integrate Jaspersoft into their internal applications. It also has an established partner network that includes companies such as VMware, HP, Red Hat and Tata.
- Cost is by far the most compelling part the Jaspersoft value proposition and the major ingredient driving its success. Customers cite total cost of ownership (TCO) as the No. 1 reason for choosing Jaspersoft as their BI vendor, more often than all other vendors in the survey except for Microsoft, with the fewest percentage of customers also citing cost as a product limitation to broader deployment than any other vendor in the survey. Its low cost value proposition extends beyond low initial license cost (despite "fear, uncertainty and doubt" often claimed by its commercial competitors). Jaspersoft customers also report favorable overall BI platform ownership costs with below average implementation and maintenance costs per user. Its low-cost model also makes it well suited for extranet deployments in which the number of users is often unknown. Jaspersoft customers use its platform for a higher percentage of externally facing applications than most other platforms in the survey.
- While Jaspersoft is primarily delivering an open source version of mainstream BI functionality at a very low license price point, its road map includes some forward thinking elements not prioritized by many of its major commercial competitors. These include building connectors for R-based, Revolution Analytics for predictive analytics and for eXo for collaboration, as well as for emerging data sources such as Hadoop, Hive and NoSQL.
- Early success in cloud deployments is another strength. In 2010 the company launched Jaspersoft Live, a cloud-based trial for testing its BI offering in the cloud. A higher percentage of Jaspersoft customers report either deploying or planning to deploy Jaspersoft in a private or public cloud than most other vendors in the survey.

Cautions

- Jaspersoft claims it is a market leader in open-source BI, with more than 13,500 commercial customers worldwide — and its reported revenue supports this claim. However, it only just met the 20 reference customer inclusion criterion. 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 customers (50% of its commercial business is through OEMs, and an undocumented number of OEMs download and embed the free version of JasperReports in their applications), since OEM customers are excluded from participating in the Magic Quadrant customer reference survey.
- Jaspersoft tends to be deployed in smaller companies with smaller user counts and data volumes than the survey average, as well as in certain departments versus enterprisewide, even though more than half of its customers surveyed consider it their BI standard.
- Jaspersoft is primarily deployed for reporting, the one functional area in which it excels. Because of this, its customers give it the lowest complexity of workload score of any vendor in the survey, and rate it the most limited in terms of breadth of use of BI platform functionality. Moreover, Jaspersoft earned among the lowest aggregate product scores in the survey ahead of only SAP, with reporting representing its only above-average product functionality score. These measures in combination suggest that Jaspersoft is used narrowly in organizations mostly for reporting and, at most, for lightweight ad hoc analysis. This is consistent with anecdotal evidence from Gartner inquiries that suggests organizations are increasingly using low-cost alternatives such as open source products to offload basic reporting functionality to lower overall BI portfolio costs.
- Of particular concern is Jaspersoft's near-lowest score in the survey for support, despite this being a key part of its subscription-based business model. This is a significant change from last year where support scores were strong, although for a smaller survey sample size.
- Jaspersoft has not yet distanced itself from its IT-oriented, do-it-yourself, open source project roots with relatively unintegrated components that, to date, remain best suited for smaller, less rigorous deployments. Jaspersoft earned below average scores for ease of use for both end users and developers, it rated below average for integration of its BI platform components, and scored among the lowest scores for product quality, performance and sales experience. Despite these lackluster customer satisfaction results, its customers retain a positive view of the vendor's future success. One explanation for this paradox is that the value organizations derive from Jaspersoft's lower cost deployments is in line with their level of investment and expectations.

- The threat from Microsoft is a concern. Most companies that want low-cost BI software and either have some Microsoft components or are Microsoft-centric are likely to gravitate to Microsoft for BI before choosing open source. This makes open source BI, including JasperSoft, more relevant to non-Microsoft shops and for OEM opportunities.

LogiXML

Strengths

- Although LogiXML participated in the Magic Quadrant customer survey last year with strong results, it met all the inclusion criteria for Magic Quadrant placement for the first time this year. Its value proposition is ease of use, rapid time to deployment, “embeddability” and lower cost than the offerings of traditional enterprise market players. Its strong execution in delivering this value is resonating with its customers that rate it among highest for ease of use, overall product functionality, support, product quality, performance and sales experience.
- LogiXML’s BI platform is sold as a single platform that includes reporting, analysis and dashboards for both IT and business users, plus data integration. LogiXML targets small and midsize businesses, departments in large enterprises, and software/SaaS companies that embed their solution in their own products and applications. Although targeted more at BI developers and IT managers, LogiXML’s products include an ad hoc reporting solution for nontechnical business users. Some 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. LogiXML has among the highest percentage of its customers using it in extranet applications, second only to Information Builders.
- Cost is one of the primary reasons customers choose LogiXML. It is chosen more often than most other vendors for overall TCO, license cost, and implementation cost and effort. Although LogiXML tends to focus on reporting and dashboards with less complex deployments in terms of user and data size, global deployment, and breadth and complexity of use than competitors, it has one of the lowest license costs per user in the survey, even lower than any of the open source vendors. Moreover, it has among the lowest external implementation cost per user than any vendor on the Magic Quadrant, confirming its strength as an easy-to-use, high developer productivity platform.
- Easy to use goes hand-in-hand with cost as a key strength for LogiXML, which is reflected by its customers giving it among the highest scores for ease of use of any vendor in the survey. That, combined with its low license and overall BI platform ownership costs, are core to LogiXML’s attractive value proposition and positive market momentum. The company includes interfaces for both business users and IT developers to create reports and dashboards. But its IT-oriented, rapid development environment seems to be most compelling to its customers. The environment features extensive prebuilt elements for creating content with minimal coding, while its components and engine are highly embeddable, making

LogiXML a strong choice for OEMs. LogiXML earned among the top scores for “BI development tools” and had the highest percentage of any vendor on the Magic Quadrant reporting “no product related problems to wider deployment.”

Cautions

- While LogiXML has achieved strong market movement over the past two years, it is still small with more limited resources than other vendors, particularly Microsoft and other large traditional BI vendors that compete roughly for the same type of customer.
- LogiXML customers tend to have smaller numbers of users and data volume (less than half and less than one-third the survey average, respectively), where a majority do not consider it their BI standard. A key test of LogiXML’s market momentum (and ability to make upward progress on the Magic Quadrant in the future) will be its ability to expand its footprint beyond single or multiple departments, and become or replace the incumbent enterprise BI standard in a larger percentage of its accounts.
- While LogiXML has a strong overall product rating, second only to Tableau, its sweet spot is clearly parameterized and static reporting and dashboards, which are used by the majority of its customers. Because of its focus on reporting, it earned low workload complexity scores, has some of the least complex deployments, and is among the most limited in terms of breadth of functionality used. This lack of focus on more advanced analysis will make it difficult to compete with data discovery vendors, which is an important requirement. Having just added new real-time OLAP capabilities for in-memory analysis over the past year, it comes as no surprise that the only below-average product scores LogiXML earned were in ad hoc analysis, scorecards and OLAP. This may change as its capabilities for analysis are more widely adopted in existing and new accounts.
- LogiXML’s highly embeddable architecture is both a positive and a negative. On the one hand, this attribute makes it highly attractive to organizations embedding BI into existing operational applications and to OEMs looking to embed its product, an area where LogiXML has been successful to date. On the other hand, its high percentage of OEM business will limit its ability to expand brand awareness, as most users (and potential customers of the product) will never know they are using the company’s products.
- Although LogiXML has executed vertically focused marketing campaigns over the past year and its OEM partners create vertical solutions using its platform, it has more limited, directly marketed packaged vertical offerings than many leading vendors. Moreover, its geographical presence, while growing outside of North America, particularly in pockets of Western Europe where the company has OEM and reseller partners, is more limited than its larger competitors.

Microsoft Strengths

- Microsoft has been steadily gaining BI market share since its serious entry into the market in 2000. It did so with an attractive set of BI capabilities, packaging and pricing that appeal to Microsoft developers and its independent distributor channel. The company has consistently invested in building and enhancing BI capabilities into three of its core offerings — Microsoft Office, Microsoft SQL Server and Microsoft SharePoint — in order to increase their value and drive upgrades. By incorporating BI capabilities into Microsoft's most ubiquitous products, it virtually guarantees its BI offering's continued adoption, particularly in organizations with a Microsoft-centric information infrastructure. Based on the Magic Quadrant customer survey, Microsoft is executing well on this strategy, with customers rating it above average across many key satisfaction metrics, including "sales and customer experience" (including product quality and support), "achievement of business benefits," as well as for "vendor success." Strong customer satisfaction with its approach is reflected in Microsoft's Ability to Execute position.
- Microsoft's low license cost bundling strategy for BI platforms make it a compelling cost value proposition for organizations that want to deploy BI to a wider range of users, or that want to lower overall BI portfolio costs by using lower-cost BI tools for basic BI functions. Its license cost profile is comparable to or less than open source BI vendors and considerably less than its commercial competitors. And as Microsoft continues to enhance its BI capabilities in products that most companies already own (Office, SQL Server and SharePoint), the functionality premium for alternatives may become increasingly difficult to justify for many organizations. In the Magic Quadrant customer survey, more Microsoft customers cited TCO as the No. 1 reason for selecting Microsoft as a BI vendor, while cost was cited less frequently as a limitation to wider deployment for Microsoft than most other vendors in the survey.
- Microsoft's market success is also driven in part by its IT-oriented, BI authoring tools within SQL Server, which are based on Visual Studio, the broadly adopted development environment. This approach, along with targeted marketing efforts and programs for building strong developer communities and support, has helped Microsoft lower the cost and expand the availability of Microsoft BI skills. Microsoft customers rate its BI platform infrastructure and development tools among the highest compared to other vendors, and a higher percentage of customers use them extensively. Moreover, "wide availability of skills" is among the top reasons customers select Microsoft over competing vendors.
- Success in larger deployments is also a strength. While Microsoft's BI products have historically been labeled as midmarket solutions — particularly by Microsoft's competitors — we are seeing the Microsoft BI platform 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 now larger than any other vendor in the survey in terms of users, and second only to MicroStrategy based on data volume.

- Use of OLAP functionality by Microsoft customers is more than 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 and its optimizations with Microsoft front-end tools. Increasingly, organizations are turning to newer in-memory OLAP architectures over traditional multidimensional OLAP architectures to support dynamic and interactive analysis of large datasets. Microsoft has put an initial "stake in the in-memory ground" (albeit late) with the introduction this year of SQL Server PowerPivot, and has previewed fully in-memory Microsoft Analysis Services cubes that enable the subsecond analysis of billions of rows (as opposed to hundreds of millions of rows supported today by PowerPivot) — these will be available in the next release of SQL Server, code named Denali.
- Microsoft is the only BI platform vendor to tie its BI strategy tightly to its enterprise collaboration platform, SharePoint, which is the mechanism by which Microsoft BI content is managed, searched and shared throughout the organization. Microsoft's BI customers have a very positive view of its collaboration-centric approach to BI. SharePoint 2010's new features, such as enhanced search and social software capabilities, open up new opportunities for Microsoft and its partners to evolve SharePoint into a decision making platform for improving the quality and transparency of collaborative decisions.

Cautions

- Multiproduct complexity is a challenge. From Microsoft's perspective, bundling BI capabilities with Office, SQL Server and SharePoint, and requiring all three products to meet complete BI platform requirements, drives the adoption and revenue of these three core Microsoft products, as well as for the Windows operating systems. From a user perspective, for organizations that have these three Microsoft technologies in place, they can build BI applications with tools the organization already has and with which information workers are familiar. However, because the BI platform capabilities exist across three different tools that also perform non-BI functions, integrating the necessary components and building the applications is left to the organization. Microsoft's do-it-yourself approach puts more of the BI solutions development and integration onus of the platform components on customers than the all-in-one BI platforms offered by most other vendors in the BI market.
- In comparison with its large competitors, Microsoft's BI user vision has been more narrowly focused on developers. In particular, it has been slow to provide robust business-user-oriented tools and lags behind competitors in defining a clear mobile strategy for BI. This is beginning to change with recent enhancements to Microsoft Office 2010 and the introduction of SQL Server PowerPivot, which gives Excel users capabilities for more advanced ad hoc analysis of large datasets than before. Since user adoption of these new tools is in the very early

stages, customer ratings for ad hoc analysis and interactive visualization continue to be below average, although they are expected to improve as adoption proliferates.

- Many organizations look for packaged solutions to reduce time to deployment and to compensate for their lack of skills, particularly when building more advanced analytic applications. However, as the do-it-yourself poster child for BI, Microsoft does not offer packaged analytic applications for Microsoft Dynamics or other enterprise applications; instead, it provides toolkits for Microsoft Dynamics applications only or relies on partners to build and sell these applications. Moreover, Microsoft discontinued the development of Microsoft Office PerformancePoint Server 2007 as a stand-alone solution for financial analytic applications (for example, planning, budgeting and consolidation) in favor of embedding CPM capabilities with its Dynamics AX 6.0 release. As a result, Microsoft's stand-alone performance management product strategy lags behind that of the other stack vendors (IBM, Oracle and SAP). Microsoft instead relies on its partners to deliver Microsoft-based CPM solutions.
- The product interdependencies (for example, between Microsoft SharePoint, Microsoft Office and Microsoft SQL Server) coupled with long development cycles hamper 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.
- The likelihood of fit for Microsoft's BI offerings is highly dependent on: an organization's willingness to standardize on an end-to-end Microsoft technology infrastructure; business users buying into Excel as the primary BI tool; and IT buying into Windows as the operating system, SQL Server as the primary data warehouse, SQL Server Analysis Services as the primary multidimensional storage, Visual Studio and .NET as the development environment, and SharePoint Server as the main BI portal. In reality, most organizations live in a world of heterogeneous environments. Microsoft's technology stack requirements will limit its BI opportunities in non-Microsoft shops, as competing vendors emphasize openness and heterogeneous support, while at the same time optimizing for their specific data, middleware and applications platforms.
- There is no single business metadata layer or capability that spans across Microsoft's BI platform components, and there are limited capabilities for sophisticated metadata modeling, impact analysis, data lineage and change management. In Gartner's BI platform customer surveys, Microsoft scores below average year after year for its metadata capabilities. This year is no different; Microsoft earned among the lowest semantic layer integration and metadata functional rating scores of any vendor.

MicroStrategy

Strengths

- MicroStrategy specializes in enterprise BI deployments running on top of large enterprise data warehouses. Its customers cite performance and support for large data volumes as top reasons for selecting it as a vendor, more frequently than customers of most other vendors. Even though its deployments are among the most complex in terms of large numbers of users, the highest data volume, broad product functionality use, wide deployment across an enterprise, and complexity of analytic workload, its customers have a high level of satisfaction with product functionality, quality and support. Specifically, MicroStrategy earned above average functional ratings in all but one (search-based BI) of 13 BI platform capabilities.
- MicroStrategy has a focused vision that maps to key high-value market requirements, particularly for mobility and large and diverse data. The company was one of the first vendors to invest heavily in deploying BI applications on mobile devices, with earlier successes than its competitors in accumulating a respectable number of large production mobile deployments, initially on BlackBerry and now on the Apple iPhone and iPad. Free trials and online training make it easy for developers to try and succeed with mobile development. Beyond mobility, MicroStrategy continues to reinforce its enterprise-scale pedigree through initiatives for high performance across all layers of its platform and against extremely large and emerging datasets (for example, support of Hadoop).
- Developer productivity is another MicroStrategy strength. As evidence, MicroStrategy customers report below average administration costs per user. Its efficient, parameterized report development paradigm and object-oriented report development environment support centralized management, in which a small number of administrators can support big BI projects with many users, complex reporting and analysis requirements, and a large amount of data. 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, but with less effort and cost than many other platforms. The company continues to streamline developer and modeling activities and enhance proactive tools for managing and supporting MicroStrategy deployments with each release. Recent but increasing efforts to make it easier for a broader set of users and workgroups to use MicroStrategy and then integrate with enterprise deployments not only improves efficiency, but also provides capabilities for minimizing departmental silos.
- 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, which is reflected in the near highest integration scores for MicroStrategy of any vendor in the Magic Quadrant survey. Without the integration challenges faced by the megavendors, MicroStrategy has more development cycles available for innovation.

- The company focuses significant resources on maintaining strong support relationships. Its excellent product support scores are the result of high customer touch and low support staff turnover, combined with product features that predict issues, help administrators proactively manage problems, and automatically collect data to be shared with support in order to reduce time to resolution.

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 business-user-friendly to date. This presents a challenge for MicroStrategy business users that want more intuitive tools for analysis. Indeed, they often supplement their MicroStrategy deployments with data discovery platform vendors for this unmet need. The need for interactivity beyond parameterized reports and dashboards will only increase with broader mobile BI application user adoption. Even though usability enhancements were delivered with MicroStrategy 9.x, such as more one-click user actions, reusable dashboards and dashboard design wizards, and despite the fact that the company has plans on its road map to deliver more intuitive analysis capabilities, MicroStrategy customers continue to rate the platform below average for ease of use.
- Even though MicroStrategy has comparatively low administration costs per user compared to its competitors, its customers report above average license and implementation costs per user. Moreover, “cost of software” is cited by its customers as the No. 1 product limitation to broader deployment, more frequently than all but one other vendor (Actuate). In 2009, MicroStrategy introduced a fully featured and capable free version, which is upwardly compatible with new departmental and enterprise pricing packages. In addition, it made a portfolio of free online training available to make it more attractive and easier to adopt MicroStrategy outside of the high-end enterprise market. Despite these initiatives, the cost and complexity of most MicroStrategy deployments continue to reinforce its high cost image.
- While MicroStrategy mobile will increase its appeal to business users, the company currently predominantly sells to IT, which has a stack-centric buying tendency. Megavendors offering end-to-end BI, CPM, packaged analytic applications and integration middleware optimized for their specific enterprise applications and technology stacks are at an advantage over MicroStrategy when stack optimization is an important purchasing criteria. 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.
- While MicroStrategy has added OEM relationships, with particular success among SaaS vendors, and is continuing to develop 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, particularly in emerging markets, than those of other leading BI platforms. The recent expansion of MicroStrategy’s services group and a renewed focus on system integration partnerships will not only help to minimize skill deficit barriers for MicroStrategy products, but will also enable it to deliver more industry specific, advanced analytic applications based on its platform.

Oracle

Strengths

- Oracle customers indicate they deploy the Oracle Business Intelligence Suite Enterprise Edition (OBIEE) platform to support among the most complex deployments in our survey. Their scope of deployments tends to be the widest across an enterprise — regionally/nationally and globally deployed versus in a single or multiple departments — while OBIEE supports, on average, among the largest numbers of users, the highest data volume, broadest product functionality use, and highest complexity of analytic workload.
- Oracle’s OBIEE platform is considered the BI standard in more of its customers’ organizations (survey respondents) than any other vendor’s platform (considered a standard in 85% of their organizations compared to the survey average of 56%).
- Reasons cited for purchasing the OBIEE platform include: integrates with enterprise applications (36% vs. 11.4% average), overall TCO (28% vs. 12%), integrates with information infrastructure (20.6% vs. 13.2%), product road map and future vision (18% vs. 8%), and ability to support large numbers of concurrent users (12.9% vs. 4.5%).
- 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. Its Action Framework delivers on its vision of “insight to action” and lets developers tie together business application thresholds and events with OBIEE-based applications.
- Oracle has one of the broadest sets of sales channels for the OBIEE offering, coupled with an increasingly large number of system integrators and value-added resellers incorporating OBIEE into their offerings.

Cautions

- The OBIEE 11g release, while being a major foundational release, had a comparatively long development and release cycle. Oracle has had a consistent application-centric vision of its product road map and has been delivering on that vision. However, it has lacked innovation around mobile, in-memory, consumerization, interactive visualization and search — Oracle has told Gartner that we can expect to see these items in upcoming releases.

- There has been a decline in customer support and experience in our survey responses this year, compared to those in 2010. Scores fell from above average in 2010 to just below average this year.
- OBIEE has some of the largest user and data volume deployments and was among the vendors with the fewest limitations to broader deployment. However, lack of budget and inability to handle required data volumes (15.4% vs. 7.7%) were cited as the primary limitations.
- Oracle has made investments in data mining and predictive analytics technologies as part of the Oracle database and through its Oracle Real-Time Decisions product, both of which are separate from the OBIEE platform. However, the adoption has been below the average compared to other vendors (1.66% vs. 4.1% for other vendors).

Panorama Software

Strengths

- Panorama's NovaView BI Suite is used primarily as a front end for OLAP databases — chiefly Microsoft SQL Server Analysis Services — via Multidimensional Expressions (MDX). Customers ranked Panorama in the top third of vendors for OLAP and dashboard capabilities, with a higher proportion of NovaView users using the product for ad hoc analysis (29%) than other users of products/vendors featured within this year's Magic Quadrant. The product continues to be ranked No. 1 in search-based BI, despite its lack of specific functionality in this area. Panorama's partnership with Google is likely to be a contributor to this confusion.
- In 2010, Panorama became the first vendor to deliver capabilities to extend the Microsoft SQL Server PowerPivot platform, adding a security layer, interactive dashboards and analytic capabilities inherent in the NovaView platform to Microsoft's in-memory analysis solution. In many ways, NovaView can be considered an extension of the Microsoft BI platform components; it's clear that Panorama is "hitching its wagon" to Microsoft's expanding BI presence, and hopes to garner additional customers and revenue through this ever-closer relationship. In fact, the company reports a significant increase in sales for the calendar year.
- The top three reasons customers choose Panorama software are functionality, integration to chosen infrastructure, and implementation costs and efforts; these three factors, along with cost of licenses and overall TCO, were selected more frequently by Panorama references than clients of other vendors, although the survey shows that actual total cost per user reported by its customers is above the survey average. This fits the model of Panorama's ideal customer: companies looking for functional, flexible analysis to augment a Microsoft-centered BI architecture. The vendor also offers good deployment flexibility with on-premises, pure SaaS and hybrid on-/off-premises offerings.

Cautions

- Since Panorama's strategy is so closely aligned to Microsoft, the company will sink or swim based largely on Microsoft's success. But Microsoft is not standing still, and may eventually co-opt NovaView's distinctive capabilities in future releases.
- This year, Panorama struggled to get the required number of survey references to meet the Magic Quadrant inclusion criteria. Those customers do not paint a pretty picture when it comes to Panorama products. Those that responded ranked Panorama the lowest of all vendors in this Magic Quadrant for software quality and ability to support large numbers of users. Panorama also received support ratings in the bottom quartile of vendors included in this Magic Quadrant. To its credit, the company recognized these deficiencies in 2010 and took action, updating its software and service quality regimen with ISO-certified processes. Respondents also noted that the products are relatively more difficult to implement and use than other products from vendors in this report (rated in the bottom three vendors). Customers indicate that the data volume attributes of this suite are also in the bottom quartile of all products reviewed. In Gartner's opinion, these product deficiencies, combined with its precarious relationship with Microsoft, are all contributors to the fact that reference customers remain "concerned" about the company and its products' future.
- Customers also report the biggest barriers to broader deployment are ease of use and software and support quality. Competitors in the Challengers and some in the Niche Players quadrant have tackled the ease of use issue and now set the standard for product usability. Panorama must address the software and service quality dilemma or risk becoming less relevant for prospects.
- Panorama's deployments are more often departmental than enterprisewide, and its primary strategy of augmenting Microsoft BI clearly places it in the Niche Players quadrant rather than allowing it to position itself more effectively as a free-standing BI platform of choice for enterprises. Twenty-five percent of customer references indicate they are considering discontinuing using the product within the next five years. This may be in part due to Microsoft's consistent improvements in its own ad hoc analysis tools with SQL Server PowerPivot and BI improvements in Office 2010, in addition to Panorama's less-than-stellar customer satisfaction results.

QlikTech

Strengths

- QlikTech is the poster child for a new end-user-driven approach to BI. Evidence for this can be found in the buzz around it (with a brand many times more prominent than its current market share), its continued growth, and the success of its July 2010 IPO on NASDAQ — the first BI flotation for many years.

- Ease of use drives user adoption. QlikTech's QlikView product is a self-contained BI platform, based on a wholly in-memory data store, with a set of well-integrated BI tools for building highly interactive applications. Anecdotal feedback from QlikView end users invariably centers on how intuitive and likable the product is to use. More than three-quarters of QlikView customers said they selected it primarily for its ease of use for end users (the only vendor on the quadrant where above 75% of those surveyed said this was the case). Moreover, because of this advantage, many of QlikTech's customers use the product for rapid prototyping, often when another BI platform standard is already in place.
- QlikView's architecture and go-to-market approach continue to deliver a high degree of customer satisfaction, although with the note of realism that appeared in the 2010 survey somewhat heightened in 2011. As in previous years, QlikTech garnered among the highest scores for customer experience, vendor success and business benefit outcomes — however, customers' rating of QlikView's functionality, which rated high before, fell out of the top-three vendors surveyed in 2011.
- QlikTech's "land and expand" sales strategy is working. Based on the survey, QlikView deployments are growing, both in terms of their reach across their customers (most QlikView implementations are now regional or national, the third widest scope of any vendor on the Magic Quadrant — only trailing Oracle and SAP) and in terms of average number of users per customer respondent (up from 380 in 2010 to 1,019 this year). QlikTech's ability to demonstrate larger and more complex deployments, coupled with its otherwise stellar market success, are the major reasons for its move from a Challenger to a Leader on this year's Magic Quadrant.
- QlikTech is building out from its initial midmarket stronghold; survey data shows that larger organizations are adopting QlikView, with 53% of customers considering it a BI standard (a rise of 5% over 2010). Gartner frequently sees companies deploy QlikView for use in rapid prototyping and requirements gathering, usually alongside a more traditional semantically modeled BI platform.

Cautions

- QlikTech has no expansive product strategy beyond its current offering. While it has a road map for incremental improvements to its current product, QlikTech has not laid out a clear vision elucidating how it will maintain a sustainable competitive advantage. This is important, as it faces increasing competition in its core business; from the other data discovery vendors (in particular Tableau in the U.S. — a market where QlikTech is less adopted) and from larger vendors offering in-memory offerings (Microsoft SQL Server PowerPivot, IBM Cognos Express and SAP BusinessObjects Explorer), all of which are intent on narrowing QlikView's opportunities for expansion.
- QlikTech offers limited metadata management. As QlikView grows into larger BI deployments spanning the enterprise, the lack of an enterprise semantic layer becomes a more pressing issue. Filling this gap requires additional cost and effort in the management of metadata to lock down common definitions and calculations, and to conform dimensions for cross-functional analysis across QlikView applications.
- QlikTech's focus on analysis and usability for end users delivers significant advantages. However, its lack of a number of broad BI platform capabilities (high volume enterprise reporting, planning/financially oriented OLAP, Microsoft Office integration, scorecarding and predictive modelling) means that it will almost always need to be used alongside another BI platform.
- QlikView is increasingly seen as expensive — almost a third of its customers surveyed (31.4% vs. 26.1% in the whole sample) see this as its main barrier to wider use. Its pricing model often does not sit well with larger deployments to more users, nor does the investment in RAM required to support the increasing numbers of concurrent users.
- Interestingly, given QlikView's reputation for blistering speed, 11.6% of its customers reported poor performance as a problem they'd encountered (vs. the overall sample's exposure to the same issue at 11.9%). In the survey carried out for 2010's Magic Quadrant, only 6.5% of QlikTech customers reported performance as a problem they'd experienced. The increased incidence of this issue may be associated with the higher numbers of users (it's unlikely to be data — QlikView implementations surveyed have much lower than average data volumes). It should be noted, however, that the general perception of its customers is that QlikView still delivers among the best performance on the market.

Salient Management Company

Strengths

- Salient Management Company has taken analytic software developed for a particular niche market (its Margin Minder product for beverage and direct store distribution) and opened it up to be sold as a generically applicable BI platform technology. Based on the response to the Magic Quadrant survey, it has a strong reference base for its BI product — more Salient customers completed the survey than for any of the megavendors.
- Its customers are very positive about Salient. In the survey, it achieved a top-three ranking for business benefits, and the single best rating in a number of areas, namely product quality, product support and performance.
- Write-back and constraint-based modelling functionality is another strength. The ability to perform scenario modelling and support planning type use cases is rare in in-memory BI products, which tend to focus on ad hoc slice and dice type interactions.
- Processing speed is also a strong suit. Salient's underpinning in-memory technology (which it calls UXT) switches processing across an array of servers to deliver rapid performance while handling complex calculations (for example, allocations). Almost 99% of Salient customers reported encountering no

performance problems, the highest of any vendor surveyed, and more of its customers than any other vendor cited performance as a reason for selecting it (55% vs. an average of 19.1%).

- Salient is an innovator in its (new in 2010) ability to work with non-traditional (that is, not quantitative) data types — documents, pictures, explanations and other unstructured data — and its end-user-driven data mash up capability.
- Like the other in-memory powered BI offerings on the market, Salient effectively meets long-standing analytic use cases that were previously met by the use of OLAP technologies. This is reflected in its much more analytic user profile; only 4% of Salient users are consumers (vs. a 28.11% average) and 53.86% are power users/analysts (the highest surveyed vs. a 32.47% survey average).

Cautions

- Despite its reference base, Salient is little known in the BI market, pointing to a lack of effective marketing communications activity in the past.
- Salient's user interface is outmoded. It is currently less attractive than it needs to be to aid adoption — this will become a competitive issue as a result. (Its new zero footprint client begins to address this, however.)
- Standardization on enterprise BI platforms is an inhibitor of adoption: 13.89% of Salient customers plan on, or are considering, discontinuing its use in the next five years, pointing to the risks of increasing stack-centricity around BI.
- Salient's functionality is narrower than traditional players, in that it does not offer a full set of BI capabilities, lacking production reporting and ad hoc query, for example.
- Salient tends to be more departmentally deployed. Its customers are smaller than average and it's in the bottom three for user numbers. Salient deployments have less than a quarter of the mean data size of the average of those surveyed. This is not to say Salient cannot scale, simply its normal mode of adoption is departmental.
- A weak partner ecosystem is another concern. Salient needs to grow its indirect partner channel if it intends to step away from its high-touch approach, as this limits its growth. High-touch models do not scale rapidly, as staffing constraints are often encountered.
- The company's international presence is limited. Unlike key competitors, Salient is not well represented outside the U.S. No European or Asian customers completed the survey on Salient's behalf.
- According to the survey, customers report a relatively high per-user BIPOC. While the total license, implementation and administration costs are below average, due to smaller less

complex deployment sizes, when normalized across a smaller user base, Salient's costs on a per user basis are above average.

SAP

Strengths

- The combination of SAP NetWeaver BW and SAP BusinessObjects revenue accounts for the largest share of the BI platform market. The data and user volumes of the SAP customers' BI applications are among the largest (almost twice the average) in the market, with more of its customers considering it an enterprise standard than most other vendors on the Magic Quadrant.
- 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 BusinessObjects represents the largest installed base in the market. Gartner estimates this installed base to be more than 46,000 customers.
- Of the 13 BI platform capabilities evaluated during the Magic Quadrant research process, SAP BusinessObjects' reporting and ad hoc query capabilities were defined by its customers to be its top strengths. While none of the SAP NetWeaver BW capabilities were rated above the market average, OLAP analysis was rated highest, demonstrating that SAP BEx Analyzer is still widely used over SAP NetWeaver BW. However, the OLAP tools of BusinessObjects XI were rated well below the market average according to our survey. In order to address the OLAP needs of both SAP NetWeaver and SAP BusinessObjects customers, new ad hoc multidimensional analysis products are being introduced: SAP BusinessObjects Analysis, Edition for Microsoft Office, which became generally available in September 2010, and SAP BusinessObjects Analysis, Edition for OLAP, which is expected to be available with the BI 4.0 release.
- SAP complements its BI platform with forward looking capabilities in the areas of: collaboration and decision support with its StreamWork product, Text Analysis; search-based data exploration with its Explorer product; and other enterprise information management products with data integration, lineage and impact analysis, and data quality. Its vision for an in-memory appliance, HANA, promises to solve many of the perennial performance issues of large complex BI deployments in general (given its SQL and MDX access for third-party BI tools) and SAP BW in particular. SAP has also been one of the first of the leading BI vendors to introduce a SaaS offering, BusinessObjects OnDemand BI. SAP has also made investments in mobile BI with its Sybase acquisition and its SAP BusinessObjects Explorer iPhone/iPad application.
- The SAP Business Warehouse Accelerator and SAP BusinessObjects Explorer, Accelerated Version, provide options for performance and implementation improvements for many in the installed base of SAP NetWeaver BW customers.

Cautions

- Despite many new product announcements, such as HANA and the upcoming BusinessObjects 4.0 product release, SAP BusinessObjects customers that have had inquiries with Gartner analysts have expressed increasing concern about the BusinessObjects road map, given the product changes to support optimizations with the SAP Business Applications and NetWeaver BW products, and the perceived higher cost of ownership. These customers have also told us that the migration, implementation and integration choices can be confusing. These sentiments are supported by survey responses to the “view of vendor’s future” question, which indicated high levels of concern among SAP customers (twice as many of the SAP survey respondents indicated “more concerned” about the vendor’s future than the survey average). Many SAP NetWeaver BW customers and SAP BusinessObjects customers are still determining what role these products will play in their future architecture and BI strategy.
- Poor performance and implementation difficulty were cited as problems by more than 32% and 40% of the survey reference customers, respectively (this is almost three times more often than the survey average). These survey results are consistent with the many client conversations Gartner analysts have with clients about the performance and implementation challenges of NetWeaver BW customers.
- Our market survey data shows that ratings for SAP’s customer experience for its BI platform product, which includes ratings for support, software quality and for sales experience are the lowest of any vendor in the survey. This is the fourth year in a row for low scores. SAP has put in place programs to address customer issues with support and to address, more broadly, the customer experience.
- The ability to achieve the business objectives driving the purchase of the BI platform (for example, make better decisions, expand types of analysis, make information available to more users and so on) saw SAP ranked among the lowest in our BI Magic Quadrant survey.
- New support and license terms, including customers being charged for upgrades which they had expected to be provided at no/low cost, have led to poor experiences with SAP for some BusinessObjects customers.
- control and support) and corporate data, much in an industry context. Reference customers do use traditional BI capabilities, but rate predictive capabilities the highest.
- SAS takes a solution-oriented analytic application approach to the market, which gives the company the advantage of having the widest variety of cross-functional and vertically specific analytic applications out of the box. For example, the company offers SAS Social Media Analytics, which integrates several products in its portfolio to better understand and act on sentiment shifts in customer and/or influencer opinion. SAS is the market share leader for analytic applications in 2009. This enables the company to go to its customers with a content and solution-driven story instead of offering only technical capabilities. Over 2,500 SAS customers are using more than 80 predefined BI applications today.
- The primary drivers for customers choosing SAS are functionality, data integration and company road map. The data integration driver was rated No. 1 for all BI platforms reviewed, and references also rated SAS No. 1 for another type of integration — with complementary BI capabilities. Functionality is most certainly a function of SAS’s reputation in advanced analytic techniques. Customers have an above average view of the vendor’s future. Its customers also rate their sales experience with SAS above average. Overall, SAS has a wide and loyal user base, many who’ve built careers around these products.
- SAS has partnered with a number of database vendors (such as Teradata) to push the execution of the SAS models directly into the database management system without moving the data. Not only does this reduce data duplication and movement, it also allows SAS users to leverage power and scalability features of the database to run predictive models against very large datasets with high performance.

Cautions

- SAS’s dominance in predictive analytics is being challenged on many fronts. In 2009, IBM’s software group acquired SPSS, SAS’s biggest predictive analytics competitor, shortly after establishing a massive BAO consulting service line to lead its push into the business analytics arena. Other competitors, including Information Builders, Tibco Software (Spotfire), MicroStrategy, SAP and 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, first into academic communities, and increasingly into commercial and public sector organizations.
- SAS has a reputation of being an expensive system to license, implement and maintain. Customers surveyed for this report rated it above average for BI platform ownership costs. SAS user volumes are lower than average of other vendors in this report, resulting in higher than average costs. Not surprisingly, references indicate cost as one of the biggest barriers to

SAS

Strengths

- Unlike most other BI platform vendors, SAS focuses on advanced analytical techniques, such as data mining and predictive modeling. As far as mind share and capabilities are concerned, SAS remains the “800-pound gorilla” in the analytics space, with packaged applications enabling companies to analyze customers (for marketing, retention and risk assessments), products (for product development, quality

expansion within their firms. On a regular basis, Gartner hears from customers about ongoing costs of running SAS. They are well aware of SAS's subscription-based policy for which contracts must be renewed each year, otherwise the software is rendered inactive. So far, most users deem the opportunity cost of creating custom code for similar functionality or sourcing from elsewhere as a nonstarter — only 5% report they are planning or considering discontinuing their use of the product. As competition intensifies, SAS needs to continue providing value to justify customer costs.

- References strongly indicated that SAS is very difficult to implement — the No. 1 firm in this category. In fact, “difficult to implement” was highlighted at three times the average of all vendors in this Magic Quadrant; inconsistent interfaces across products in the suite was noted as a particular deficiency. In its defense, SAS has improved in terms of flash-based interfaces and dashboards, and it deserves credit for that. But that innovation has not trickled down to its customers. Although 60% of references indicate they are running the current version of the software, many do not activate new functions, but rather run SAS in a code-centric, traditional manner.
- Despite SAS's success and awareness as a leader 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. While 62% of references indicated SAS was their company's BI standard, functionality used in traditional BI areas (reporting, dashboards, OLAP and so on) was lower than other BI leaders in this report. Ad hoc query was the one exception, with clients aggressively using SAS BI for that component.

Tableau

Strengths

- Tableau is once again the “darling” of the Magic Quadrant, with customers even more enamored with it this year than last. It gained overwhelmingly positive customer survey feedback across the board in all measures in the survey, including for ease of use, functionality, product quality, product performance, support, customer relationship, success, achievement of business benefits and view of the vendor's future — indeed, it earned a top score in virtually all of these key categories. These stellar results contributed to Tableau's strong Ability to Execute position, despite its relatively small size.
- Tableau is one of a number of smaller, pure-play BI vendors delivering strong interactive visualization for analysis, dashboards, information delivery and managed analytic applications. Tableau's strong performance, even during a period of slower market growth, is evidence of 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 cited ease of use for end users and developers, functionality, and implementation cost and effort as the key reasons for choosing Tableau more often than did those for most other vendors in the survey.
- Tableau's self-contained BI platform provides purpose-built, business-oriented data mashup 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 an SQL or MDX query to the database and then expresses the response graphically). A new columnar, in-memory data engine as part of the latest 6.0 release enables fast performance on large and multisource datasets and on complex queries, such as very large multidimensional filters or complex co-occurrence queries. New zero programming data mash capability, combined with an in-memory database, allows users to blend and visually analyze large amounts of diverse datasets with auto-detect relationships between multiple sources (of any formats). This allows users 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 and 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. Users deploy Tableau to support among the most complex types of analysis of any vendor in the survey, second only to Tibco Software (Spotfire).
- Customer survey data shows that Tableau was chosen more often for functionality than any other vendor in the survey, with the highest overall product functionality scores, and just edging out Tibco Spotfire for the No. 1 spot 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, although more widely proliferated across its customer organizations than last year, and less likely to be considered an enterprise BI standard than the products of other vendors. Tableau's products often fill an unmet need in organizations that already have a BI standard, and are more frequently deployed than other interactive visualization vendors as a complementary capability to an existing BI platform. Magic Quadrant survey data shows that Tableau was the most widely deployed interactive visualization product in organizations with an existing BI platform standard — deployed in a higher percentage of organizations with an enterprise BI standard than either QlikTech or Tibco Spotfire.
- Tableau has a growing percentage of users accessing externally facing Tableau applications. This is, in large part, due to Tableau's new SaaS offerings, Tableau Public and Tableau Digital, which have enabled websites (such as CBS Sports' Fantasy Football and Baseball, Microsoft's Data Market and other news, media, entertainment and government websites that embed Tableau Public visualizations) to share data in engaging ways with their audiences. This high leverage go-to-market approach has the potential to expose substantially more users to Tableau products to further drive Tableau's momentum than would its traditional direct channels.

Cautions

- Tableau's product functionality is more narrowly defined around analysis and interactive visualization. It lacks broader BI platform capabilities, such as for production reporting, metadata (IT semantic layer) and predictive analytics.
- Tableau's products are less widely deployed in large, enterprise deployments than its main competitors, although unlike last year, Tableau implementations feature larger data sizes than the vendor average. While Tableau's new 6.0 release features improvements in scalability, and Tableau users conduct above average complexity of analysis, users rate it overall below average on a broader composite complexity of deployment measure that considers numbers of users, data volume, broad product functionality use and wide deployment across an enterprise, in addition to complexity of analytic workload. This is further evidence that Tableau's proliferation in the enterprise, while on an upward trend, is still a work in progress.
- Consistent with other data discovery tool vendors and its departmental heritage, Tableau's license price per user is above the survey average.
- Tableau's partner program is in its infancy, lagging behind that of similar vendors (such as QlikTech). 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 — it continues to be a front-end tool option to Oracle Essbase (Visual Explorer), as noted with its embeddable SaaS offering.
- 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, although it has a number of OEM partners that create domain and vertical solutions (for example, for manufacturing and kindergarten through 12th grade schooling) using its platform. Moreover, 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 an independent vendor.
- The Targit BI platform consists of a broad set of tools that help in setting up the Targit environment with very little user intervention. The platform does a significant amount of set up automatically, ranging from scheduled report generation, drill-down and dashboarding to intelligent search, alerting and some level of data mining.
- Targit's prediction-based rules capability, called Sentinels, enables an end user to very easily set up and monitor alerts. Through the combination with Targit's desktop alerts, an end user gets an early-warning notification when a predefined rule has been violated. This capability adds to Targit's attractiveness for end users.
- Targit's solution must be considered targeted at a Microsoft environment. Based on the survey, it's obviously attractive to those using Microsoft — 63% of Targit customers are using Microsoft as their primary ERP, much more than any other vendor. The highly integrated, easy to use single user interface experience offered by Targit contrasts significantly with Microsoft's own, more fragmented and developer-oriented approach to BI.
- Targit is one of the BI platform vendors whose vision includes the consumerization of BI. As well as its new Apple iOS mobile version, its new Targit PI (personal intelligence) offering is evidence of this. It allows users to upload and share their raw data files and gain overview and insight via visualization and navigation, but on a constrained scale.

Cautions

- Targit has limited brand recognition in regions outside Europe, though the company reports that the U.S. was its fastest growing market in 2010. Although Targit has customers around the globe, it rarely comes up as a contender on shortlists outside its core region in Northern Europe. Targit's limited marketing is reducing the vendor's ability to compete with its much larger global competitors.
- Ideally, for Targit to function well, it requires a data warehouse with defined dimensions and measures — according to the survey, fewer than 5% of respondents do not have a data warehouse. This has the effect of reinforcing Targit's niche target market segment — there are relatively few small firms with high data warehouse maturity.
- Targit's main functional weakness is its Microsoft Office integration. Its intent to keep a pure, single experience for end users is antithetical to using Excel as a user interface. While laudable from an ease of user perspective, this is a hard fight to win.
- Targit's data integration capability is via ODBC or Object Linking and Embedding, Database/ActiveX Data Objects; it lacks native adapters to applications such as SAP, Oracle, Infor and Microsoft Dynamics. Access to Microsoft Dynamics (and

Targit

Strengths

- 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 more Targit customers surveyed selected it due to ease of use than any other vendor on the Magic Quadrant, when taking both ease of use for the end users and developers into account. Following the principle of "observe, orient, decide, act," the Targit user interface design delivers a consistent user experience, integrating all components of the BI platform and so reducing the need to move between different tools.

SAP Business One) data is enabled via BI Accelerators, which extract data from the source system to a relational data mart and then spin off OLAP cubes.

- While Targit is considered an enterprise standard by 77% of its customers, it is very much a midsize enterprise, departmental and workgroup BI solution. On average, the survey found the smallest organizations use Targit. 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.

Tibco Software (Spotfire)

Strengths

- Tibco Software (Spotfire)'s complexity of user analysis score is higher than any vendor on the Magic Quadrant, while at the same time, customers rate it one of the easiest platforms to use of all vendors. This paradox typifies why data discovery tools in general, and Tibco Spotfire in particular, are so compelling and proliferating.
- Tibco Spotfire's strong product vision is a key strength. Its focus on advanced and real-time analytic applications and dashboards delivered to mobile devices contributes to its strong vision. Unlike the other data discovery platforms (for example, QlikView and Tableau), Tibco Spotfire is leveraging its acquisition of Insightful for data mining as well as its 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. Over the past year, Tibco Spotfire has introduced capabilities to deliver its data discovery experience to mobile devices as well as a low-cost SaaS version of its software to allow business users to author and share Tibco Spotfire visualizations and dashboards without having to install the software on-premises.
- Tibco Spotfire is a flexible and easy-to-use data discovery platform based on a unique in-memory architecture and authoring environment for building and using highly interactive analytic applications and dashboards. Like QlikView and Tableau, Tibco Spotfire's interactive visualization approach has become a more widely accepted, and even a preferred, end-user paradigm, and represents a compelling alternative to traditional BI platforms. This architecture has been particularly attractive for delivering on requirements where Tibco Spotfire fills a need not addressed by enterprise BI vendors. Customers choose Tibco Spotfire for its ease of use and functionality more often than they do most other vendors, even though it is less likely to be their enterprise standard.
- Much like the other data discovery vendors, that are addressing increasing market requirements for intuitive, highly interactive and lightweight BI platforms, Tibco customers are very satisfied with all aspects of the relationship. In fact, they rate it among the highest in the customer survey for support, customer experience, performance, positive view of vendor's future, vendor success, overall product functionality, sales experience and achievement of business benefits.
- Survey customers rate Tibco Spotfire's functionality as among the top vendors in the survey for predictive analytics, 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. Because of Tibco Spotfire's ease of use, more users can leverage the benefits of analytics.
- Tibco Spotfire is a self-contained, well-integrated BI platform, which 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 customers rate Spotfire above average across the five platform integration categories. In fact, Tibco Spotfire earned the highest overall scores in Gartner's "Critical Capabilities for Business Intelligence Platform Integration" report.
- Tibco Spotfire is well positioned to take advantage of the increase in market demand for packaged analytic applications and dashboards. 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.

Cautions

- Even though the average employee size of a company that uses Tibco Spotfire software is the highest in the survey, its deployments tend to be confined to a department or multiple departments, with below average data volumes and numbers of end users when compared with those of other vendors. However, in looking at the survey details, Tibco has some customer references with extremely large datasets and thousands of users that belie its departmental reputation. Tibco Spotfire also scored among the lowest of all vendors in the reference survey on the percent of customers that consider it their BI platform standard. The combination of this result with Tibco Spotfire's strong functionality ratings suggests that while it is not usually the enterprise standard, it has been successful in augmenting the BI standard when more flexible discovery-based and sophisticated analysis is required.
- Tibco Spotfire is well suited to building analytic content ranging from basic interactive visualizations and dashboards to sophisticated, interactive analytic applications, and its customers are very satisfied, but the perception of Tibco Spotfire's license cost and packaging has limited it for consideration beyond a restricted set of users with high-end requirements. Tibco Spotfire must overcome its high license cost reputation to capitalize on the significant buying momentum driving the growth of more mainstream and competitively priced and packaged data discovery alternatives. It will need to demonstrate larger and more pervasive deployments and market awareness outside of its traditional high-end niche to be considered a Leader in future. As further evidence of its high license cost reputation, "cost of software" is

cited as a limitation to broader deployment more often for Tibco than for any other vendor in the survey except for Actuate and MicroStrategy, and its “total license cost per user” was above the survey average. Tibco’s above average pricing may, in part, be explained by the fact that 35% of its sales are from its analytic applications, which tend to be more expensive. Tibco’s introduction of new pricing and packaging options in 2010, as well as the launch of a low-cost SaaS offering in mid-2010, are evidence of the company’s efforts to combat this market perception.

- 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, easy-to-use environment for advanced analysis.

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 pre-sales activities and the structure that supports them. This includes deal management, pricing and negotiation, pre-sales 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 website, 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.