

Beware the Lure of Cool Technology

There's no doubt about it—business intelligence (BI) technologies have gotten really cool. Things that once seemed so futuristic are actually available now. Big data is just one of the BI buzzwords everyone is talking about but most don't completely understand. Cheaper and more ubiquitous cloud storage is allowing organizations to store all kinds of data on the off chance there are hidden nuggets of gold they may soon be able to discover.

New tools promise to integrate all types of data, including numerical, textual, and even audio and images. Natural language processing algorithms have the potential to find and understand human sentiment. Data mining, once a skill only highly-paid PhD statisticians held, is now a capability built in to end-user tools. New features in those tools offer to easily produce predictive and prescriptive analytics, artificial intelligence, and machine learning results in order to really understand what the data is saying.

Dashboards have advanced from somewhat static charts and graphs, to highly-interactive and beautifully dynamic images. Users can choose from dozens of data visualizations in order to most effectively gain insights and present the data. Just a simple drag-and-drop allows users to build stunning visuals, some now include a virtual and/or augmented reality overlay.

Riding the Expensive Bandwagon

You would be hard-pressed to find a Fortune 500 company, or even any mid-size company, without a business intelligence platform. In fact, in 2018, the [fastest growing segment](#) adopting business intelligence are the small companies of 100 employees or less.

Each of these organizations are making huge investments, but does that mean you should too? Creating a BI program is an expensive undertaking, easily costing into the millions of dollars. There is the initial cost of hardware and software, projects costs including requirements gathering, installation, testing, and training. Then there are the ongoing costs of operations and maintenance.

While this is not to say the value is hard to justify. It's just that too often, we see BI and big data conversations that quickly jump to very advanced discussions of technology and not the actual business problems that can and should be solved. It's the proverbial hammer looking for a nail.

Shift the Conversation

At RevGen, we completely believe in the power business intelligence. We also know how difficult it is to be successful if the business intelligence efforts are not tied to the business strategy and its goals. That means shifting the conversation from technology to business value.

Along the way, we've heard conversations like, "We have X many nodes. We could store and process X petabytes of data and leverage these cool visualization tools. We would have the best BI platform around!" Unfortunately, bragging rights won't last if the technology is costing more than the value it is providing.

Before jumping on the technology bandwagon, we recommend taking a more pragmatic approach to understand the overall goal for your business intelligence investment and how it can positively impact the company's goals.

Business Validation for Cool Tech

The approach we use at RevGen is to continuously drill down from the business strategy in order to understand the data and technology needed to support that strategy. We look at the underlying business initiatives and the business entities involved. For example, there may be an initiative to improve customer loyalty which involves both marketing and customer care.

Drilling down further, we look at the business questions being asked around that initiative, such as what is our customer churn rate by product and market, as we look to discover how we might shape the initiative through various business activities. We use these activities to create use cases that will then define the business intelligence requirements.

Cool is not Taboo

We recognize and appreciate cool technology as much as anyone else, but that should never be the primary driver. We build business intelligence capabilities because of its potential to enable previously unattainable realms of business value and differentiation. Quite often, that requires some pretty cool technology.

Are you thinking about embarking on or improving your business intelligence journey? Are you not sure how to make the connection between business value and technology? We'd love to help.