Business Intelligence: The Next Competitive Edge

by Jocelyn Shieh

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✅ **INSIGHT | NOTE**   09 Oct 2015

In recent years, extracting and analyzing customer data has become more complicated. As the number of online channels of expression has expanded, users have more freedom to dictate their choices, preferences, and behaviors—ultimately increasing the amount of unstructured customer data to a staggering extent. For businesses, the growth of big data is both a blessing and a curse: with more data to work with, companies have more basis to forecast projections and make data-driven decisions about corporate strategies. At the same time, the sheer amount of data available presents a problem to

analysts – when dealing with large amounts of data that is not neatly categorized and accessible for queries, it can be more difficult for companies to extract applicable insights from the data itself. As a result, a growing trend in enterprise is an emphasis on business intelligence to fully capitalize on available information and gain a competitive edge in the industry.

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Business intelligence is a relatively recent fixture in corporations that enables them to filter and make sense of the deluge of data available, as well as streamline internal processes. Its widespread use extends from financial services to healthcare and to retail management. The benefits of BI are large – competitive advantages of discovering key customer insights, applying knowledge, and reducing IT intervention by weeks. Several trends of BI and data are as follows:

1. **Big data transforms IT governance processes**
   Enormous amounts of both structured and unstructured data makes manual IT governance impossible to keep up with; companies require BI in order to govern data, manage and monitor data repositories for consistencies, and manage queries, inflows, and outputs.

2. **Social media and other B2C channels are vital**
   Consumers of all demographics provide information about their behavior, preferences, and purchasing decisions online; coupled with the increase in online purchases, it provides rich grounds to analyze consumer behavior and optimize corporate strategies to cater better to the target demographic.

3. **Analytics are needed at every point of operation**
   IT and analysts are no longer the main analytical minds in the enterprise – managers and CEOs must be familiar with analytical insight in order to drive top-down corporate strategy.

4. **Segregation is over**

   Across different departments, communication and integration reign. With BI, data from different categories mix together to provide managers with a holistic map of choices and impact across departments – something of a scale not achievable before.

5. **Data storytelling is fluid**

   With BI's instantaneous integration and advanced graphical models, data has become more interactive – it can not only provide information in hindsight, but can also provide projections of outcomes that might result under a variety of different situations. Analysts can now use BI to analyze data from many different perspectives to gain more actionable insight.

These five trends are apparent in many prominent vendors' products, such as Oracle BI, SAP Business Objects, Informatica, and MicroStrategy, as well as in niche vendors' products such as Salesforce.com, Microsoft BI, Tableau, and more. As BI prompts the emergence of these trends, it is important for companies to choose the best fit for their infrastructure and overall business model; the right choice of BI can optimize their enterprise and set the trajectory for a successful business strategy.

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Jocelyn Shieh is a graduate of the University of California, Berkeley, and has a strong interest in emerging business technology, specifically cloud systems and data analysis tools, and their impact on business functions and strategy.