

10 ways for SMBs to Capture Value from their Data



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Introduction

When it comes to acquiring business intelligence (BI) capabilities, many small and medium-sized businesses (SMBs) have traditionally been at a disadvantage. They often cannot justify the large CapEx demanded of them, do not have the IT resources to run an on premise database and server system and are not sure that they have the breadth or depth of data to warrant such a system. Often their needs changed and evolved far faster than software could be developed and installed.

However, just as the prediction that there would never be more than a million cars in Britain due to the lack of chauffeurs is now laughable, the emergence of self service BI has blown these traditional problems out the water and opened up BI to millions of new companies.

Self service BI is all about empowering the end-user and removing the high barrier to entry, both in terms of CapEx and in-house expertise. The Software as a Service (SaaS) model not only breaks down this barrier, but also incorporates the flexibility to grow and evolve as smaller companies respond to their data and expand.

In this paper we explore the ten key considerations for SMBs setting up a BI project and explore some common mistakes to avoid.

10 Ways to Capture Value

1 Set the business objectives



Knowing what you want to achieve helps to ensure quick and tangible returns on your investment. Whether your intentions are to analyze historical data to realign your strategy, spot trends in today's data and respond quickly or to create predictive models to optimize your sales; knowing the primary objective for adding value with your BI application will keep the project focused and on budget. Of course, the actual usage will likely outgrow original intentions but this should not stop you having a usage target in mind. Having business goals in mind will also avoid the age old BI pitfall of the solution becoming an IT project rather than a business initiative.

2 Don't reinvent the wheel



Building a tailored solution is expensive and the chances are that your data are not that different from 99% of the other companies out there. It also brings the added cost of being inflexible and needing significant in-house expertise to handle it. Unless you have some unusual data formats or particularly off-the-wall analysis you want to do, there shouldn't be any need to have a package built for you.

3 Make it fast, make it relevant



Good BI technology gives a better view of the business. Unprofitable product lines can be scrapped and resources can be moved to more profitable areas of the business. However, where SMBs differ from traditional users is that their markets and business can change and develop over a much shorter timescale. Business users cannot afford to wait weeks for BI experts to have the time to perform technical queries as in a traditional system. The data must be streamed directly from sources such as Excel or Salesforce and be easily manipulated by anyone in real time.

4 Don't weigh down your IT department...



... by making them responsible for day to day running of the service. This not only has the potential for significantly slowing down reporting , but also to prevent IT from doing their primary role effectively – supporting the business' use of IT and planning its strategic development.

5 Play with your data



While well thought out and planned data visualizations are extremely valuable, the ability to play freely with your data, switch between displays and mix data sets can allow insights into your company that couldn't be foreseen. It from this kind of analysis that some of the most powerful conclusions are made. Of course, this has to be facilitated by intuitive, easy to use software.

6 Recognize your current BI investment



Excel is everywhere and its value should not be underestimated, not only because it is an extremely powerful piece of data modeling software, but because almost everybody has at least basic training in using it and most users will not respond favorably to being separated from something they know and trust. Any solution must complement Excel, not replace it. Where Excel really does not perform is in data visualization, collaboration and access, so any solution must incorporate these features as a minimum.

7 Scalability



SMBs are looking to grow so you need BI designed to grow with you, whether that be more users, more data or more advanced analysis. This is an area that SaaS applications do best, with enterprise level functionality being licensed even for a single user and the ability to be rapidly scaled if desired. Paying a monthly subscription with no upfront costs also means you can scale down or shut down quickly with no loss of investment.

8 Keep It Simple, Stupid!



This one's up on our office wall. Don't get bogged down thinking about metrics and analysis that you might one day want, but are probably going to forget that you've got. Start with simple analysis that doesn't require two days to work out how to perform and then build in complexity as required. BI users are often surprised by how much they learn in just 30 minutes playing with simple visualizations and mixing data sets.

9 Share your findings!



Make sure that it is easy to share and collaborate on data analysis and its findings. This avoids the repetition of work, allows people to copy each other's best practices and allows discoveries from the data to be utilized across the company. It also fosters a sense of pride in data analysis and discovery.

10 Use it!



This one's key. Once you have your system in place, there has to be significant endorsement by the senior management and a culture of trusting the data when making decisions. If people think that their analysis will end up read but ignored, they'll give up looking for the data pattern that could make all the difference to a vital strategic decision.

Pitfalls to avoid

We thought we would add a few of the common pitfalls we've seen in SMBs that have changed a potentially game changing investment turn to a CIO headache.

Rubbish in, Rubbish out. If you're data quality is poor, no amount of analysis will give you reliable insights. You need to put rigorous systems in place to govern the collection of data and store it reliably.

Definitions. This one's often related to the last point. If your marketing team list sales by date of payment and the finance department by date payment is received, there will be a whole lot of confusion when you marry their data.

Make sure that watertight definitions are circulated and somebody has responsibility for monitoring adherence to them.

Trying to do too much. Often companies have amazing ideas about the scale and power of their BI software, but find that most users only do the basic analysis and do not have the time to get technical. If users see a powerful but difficult to use package when they are first presented with the software, it risks killing off any interest they had.

Why is the Software-as-a-Service model so ideal for BI?

Firstly, there is a **mentality shift** between vendors. Traditional software and server vendors are selling boxes and statistics to IT professionals. SaaS vendors are only selling a service to the end-user, meaning that they are 100% focused on end-user experience.

SaaS **removes the limitations** of what you can achieve using your in house IT hardware and support. All you need to do is work out what you want your software to do and how much you want to pay for it, then find the product that fits best.

Most SaaS products are **lightweight** and designed to complement the investment in data storage and manipulation that you already have. For example, our product, Bime, plugs directly in to online and traditional sources to extract data, then allows creation of visualizations and dashboards with a few clicks.

SaaS payment structures mean that you have **no CapEx** and only pay for the amount you use the product. If half your users find they aren't deriving any value from the software, they can easily cancel their subscriptions at the end of the month, halving the cost.

Access and sharing were the original drivers of this cloud computing model so applications make it easy to get useful visualizations to the right people quickly by inviting people to your dashboard's URL or embedding it in a website or blog.

Finally, as there is no software to install, there is no daily maintenance or routine tasks to be done, so nothing to require extra IT hands or expertise. This **frees IT** professionals to concentrate on strategic IT and growing your business.

Nicolas Raspal is founder and CTO of We Are Cloud, producers of the SaaS BI software Bime.

Nicolas is a committed believer that BI should be easier to use, easier to manage, easier to buy and easier to get right. The recent advances in cloud computing and in-memory processing have allowed him and his team to create a product allowing powerful analysis in a simple and easy to use interface.

Bime delivers all that is best about SaaS technology in a beautiful and intuitive package focused on empowering the end-user. Before We Are Cloud, Nicolas was a consultant building BI systems for retail and banking organizations.



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