HOW-TO GUIDE

How to plan, build, and launch an embedded analytics product

EMBEDDED BUSINESS INTELLIGENCE

Data can be valuable. Organizations that can leverage their data into new products can increase their worth to existing and new customers alike. One potentially lucrative way to do this is through launching an embedded analytics product. But before you build such a product—or find other ways to monetize your organization's data—you must answer some key business questions. For instance, what technology should you use? Who are your new user and persona types? What should your pricing and packaging strategy be?

This how-to guide addresses those and many other important questions and best practices about taking an analytics product to market, from getting corporate buy-in to final launch. We've tapped into more than a decade's worth of experience and expertise Infor® has accumulated supporting hundreds of organizations that have taken similar journeys and assembled that information here to help guide you in designing, building, and launching a successful analytics product.

Build the business case

Before you can start building a new product, you first need to gather key information and use that to help drive buy-in from key decision-makers within the organization.

Use both qualitative and quantitative research to assess the market opportunity

Apply a combination of statistical methods (such as surveys for gathering market data) and qualitative techniques (such as SWOT analysis and customer interviews) to gather critical data that will help drive decisions about how best to proceed.

Seek out manual data activities to prove the need for an analytics product

Providing insights to business users is often challenging—especially when they have to glean their insights by manually performing data-prep and report creation. An analytics product that can automate these cumbersome, time consuming and error-prone steps via self-service can be a very valuable asset to business users.

Take a conservative approach to revenue projections

It's tempting to project high revenue to create internal buy-in, but taking a more conservative approach to your revenue projection will better manage expectations and increase the likelihood of long-term success.

Use a proof of concept to lobby for executive sponsorship

Presenting a proof-of-concept (PoC) demo, along with financial projections, to the executive stakeholders can help speed up the process of getting the business case accepted.

Make the sales team your ally

Before you present the business case to your CEO and other stakeholders, seek alignment with your sales department and get sales leaders excited about the potential for this opportunity. After all, the organization's sales team will be the one introducing this new product to the market.

Define the go-to-market strategy

The next step is to develop a strategy of how you're going to get the product into customers' hands.

Consider tiered pricing

Many organizations that introduce analytics offerings create a tiered pricing and packaging model. While this isn't ideal for every organization, here are some successful tiered-pricing model scenarios we've seen:

- While you already provide some level of reporting, your new analytics product creates additional value-added propositions.
- Your customers are already creating reports—albeit manually. So, you offer a product that not only automates those tasks, but also offers more comprehensive functionality.
- You want to bring in additional users with your premium offering, so you make sure the product can be used by people with a range of skill sets.
- Analytics is a big part of your roadmap. Future development will be delivered in multiple tiered offerings.

Design the pricing strategy to encourage adoption and renewals

Successful companies use pricing to penetrate further into their customer base, aligning each of their analytics offerings with a certain user type and the value they receive from that analysis. Many organizations use their new analytics product to demonstrate the value of their core product or service—often with KPIs (e.g., win rates, production time, or percentage of savings vs. the last period).

Conduct A/B test pricing

While we have found that many companies examine the "willingness to pay" of their clients on a one-off basis, it can be beneficial to take a more scientific approach. Work with existing customers to perform an A/B test on the pricing by creating different groups with different proposals.

Build the product

Once you've secured executive approval, it's time to start designing and building.

Define a minimum viable product (MVP)

You might not have the capacity to develop the full feature-set for launch day. This is not necessarily a bad thing. As customers use the new product, they'll likely provide plenty of feedback. So, if you get at least some of the core features into the product, not only can you potentially launch it quickly, you'll also gain valuable information that can help guide which features should come next. Don't waste time trying to build everything at once.

Expect to have many product iterations

Many of the dashboards and insights our customers achieved over time look quite different from their initial state of development. Constant customer feedback and internal evaluation of the analytics product are going to make the product richer, so you should welcome the inputs.

Design the data first, then the dashboards

Designing dashboards without first properly architecting the data often results in poor data quality and a subpar user experience—which ultimately leads to unnecessary rework down the road. It's typically best to start by breaking down the data at its most granular level. (A coarse-grained approach to analytics makes it challenging to modify and evolve). Breaking the data into its most granular elements builds a solid foundation for you to create analytics on virtually any combination of that data to tailor the solution to different users.

Separate data logic from data values

Separating the data logic from the physical storage of data values creates a lot more flexibility for both developers and customers. By creating data definitions, dimensions, and measures in a logical semantic layer—separate from how the data is stored physically in the database—custom analytics can be created without impacting the core data.

Make persona building an important part of product design

New products typically also mean new customers and users as well—and you may not be as familiar with their specific needs as you likely are with your existing, core customers. As such, it's prudent to start off building products for personas for different types of analytics users—perhaps starting small with two to three users, eventually working toward a version that meets the needs of the broader group.

Create multiple customer demonstration scenarios

To give the product the best chance for success, it should be based on real-world use cases of the analytics. By creating different demo versions for different users, industries, and market segments, you can get broader feedback on a wider range of features from a larger and diverse set of users.

Use co-development to get to market faster

One of the tactics that organizations take to speed up time to market is co-development. Pick one customer and find a person in the organization who cares for the product and give them a discount in exchange for participating in the design and testing, and being a spokesperson for the product.

Take a templated approach to speed time to value for each customer

Some analytics tools need to be configured and managed separately for each customer's environment. Over time, this can add to the cost and time to build the product. One way to make developing these multiple versions easier, cheaper, and quicker is to take a templated approach. This allows you to keep each client's space isolated, yet connected and networked to your master data model—helping to onboard each new customer quickly, and to reduce the number of resources you need to maintain the different environments.

Use a value-based design to create the information architecture

For the product to ultimately be successful, the information it provides needs to make a positive contribution toward decision-making and business value. To design analytics and decision-making processes more effectively, we recommend a value-based design (VBD) approach. The goal of designing dashboards with the VBD method is to deliver guided analytics in a simple *Display* > *Diagnose* > *Decide* information architecture for each individual or group of individuals that follow.

Think of standard dashboards only as a starting point

The initial release of the product might include only dashboards, with the goal to enable data discovery and self-service analytics in a follow-on release. Customer feedback can help guide what additional features would be beneficial. For instance, do your customers want to be able to blend their data with the application data? And if so, should they do that within your application, or do they need to dump everything into Excel® and do their analyses there? If you don't provide end-user data-prep capabilities, users will have to find ways to do this outside the application—thus reducing the application's stickiness and potential adoption.

Launch the product

Even with a "finished" application in the hands of your customers, there's still more you can do to increase revenue.

Use analytics internally to increase customer adoption

While creating a new analytics product requires you to focus on the customer-facing application, you can also benefit from using analytics to measure customer adoption. Internal analytics can provide insight on adoption, usage, and early signs of churn.

Expand to more users within your customer base

While the core product might offer value to an initial set of users, many others within a customer's organization will likely also find the analytics produced by the analytics product useful. For instance, workers in management or executive-level teams, or even individual business users, can potentially create value from the analytics generated.

Increase sales win rates by using customer data

Analytics is a great tool for visualizing information. Putting something tangible in front of users can accelerate the sales cycles. By using a customer's own data during a product demonstration, they're more likely to see the value that the data and analytics can deliver.

Create a more consultative type of selling

An analytics product has the potential to significantly shift the sales conversations. It helps create an opportunity to provide solutions for customers and a consultative approach for your sales team. It can even help bring in professional services and domain-expertise revenue to the business. An analytics product can even enable your organization to create a subscription-based service in addition to project-based consulting work.

Iterate and innovate

Once the embedded analytics product has been in the hands of customers for a while, a prudent next step would be taking stock of what lessons the organization learned along the way. Feedback from customers on design, implementation, testing, launch, production, etc., can be incorporated into your roadmap for further iteration of the product or even applied to developing new, innovative analytics products.

Creating analytics products is a journey. It's best to start small, focus on an MVP, think through the strategy, and align the roadmap with opportunities for upselling and expanding analytics usage with your customers. Done right, analytics product s can become an area where your organization can establish clear market leadership.

For more information, read the following

9 Companies share 30+ best practices for creating smart embedded analytics:

- **Part 1: Building the business case**
- **Part 2: Defining the go-to-market strategy**
- **Part 3: Designing the product**
- **Part 4: Excel at your product launch and beyond**

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