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NUCLEUS RESEARCH

TCO GUIDEBOOK
INFOR BIRST

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EXECUTIVE SUMMARY

Infor Birst is a comprehensive enterprise analytics platform that includes industry-specific models and templates, automated data integration capabilities, and built-in data governance tooling. Its broad capabilities include reporting, data discovery and drill-down, and creating dashboards and visualizations.

Nucleus generated this report to analyze the relative total cost of ownership (TCO) of enterprise analytics deployments from major analytics vendors Infor, Tableau, Oracle, Microsoft, and SAP. We identified current users of each solution and conducted anonymous interviews with end-users to discuss the use cases and technology stacks employed and quantify the average annual TCO of the respective deployments. We anonymously interviewed at least four customers per vendor in this analysis and are basing this analysis on the aggregate data collected from these interviews. Reference customers were identified via public-facing content such as reviews, case studies, webinars; we then reached out to customers to request the anonymous interview discussing the annual costs and outcomes of enterprise analytics deployments.

$48,949

TCO Savings compared to leading analytics Platforms

$13,601

Less spend annually on consulting services for Birst customers

$4,223

Less spent annually on supporting technologies for Birst customers

This analysis is intended to be a snapshot of current enterprise use cases and their associated annual TCO. It is not an empirical ranking of vendor price, as the cost of each deployment can vary based on the number and roles of system users, the supporting technologies (such as tooling for data storage integration, preparation, governance, etc.) used, the amount of data ingested and analyzed on the system, and the potential for discounting or bundling with other technologies from the vendor. In particular, the goals were to identify how Birst deployments compared to those from other leading vendors in terms of annual TCO and then to understand the factors that contributed to this result.

Infor Birst is the lowest annual TCO solution, followed by Oracle, Microsoft Power BI, Tableau, and SAP. Nucleus calculated annual costs across the following categories: solution licenses; additional technologies including cloud hosting, data management, data integration, and others needed to support the analytics pipeline from data to insight;

consulting/professional services used to deploy and support the solution; and internal personnel tasked with executing the deployment and maintaining the solution day-to-day.

KEY FINDINGS

After analyzing the interview data, we found the vendors fell into the following order, listed from lowest to highest annual TCO: Infor Birst, Oracle, Microsoft Power BI, Tableau, and SAP. With Birst set to 100 percent for the comparison, the average annual TCO for other vendors compared to that for Birst is as follows:

Analytics Platform	Percentage Higher TCO
BIRST	0%
Oracle	25%
Microsoft Power BI	48%
Tableau	65%
SAP	267%

Oracle, 125.32 percent; Power BI, 147.69 percent; Tableau, 164.63 percent; SAP, 375.90 percent. The first four solutions fell within a 70 percent TCO difference, while SAP turned out to entail 3.76 times the annual TCO as Birst. SAP is commonly perceived to be among the highest cost options. Still, in this case, the disparity was likely caused by the fact that two of the four interviewed SAP customers fielded deployments with over 150 more users than the largest deployments from the other named vendors.

INFOR BIRST

Infor Birst is a cloud-based BI and analytics platform that provides users with enterprise-grade solutions to access self-service analytics through dashboarding, reporting, and visual discovery tools. Birst supports connectors for third-party data sources such as databases,

local files, and other enterprise applications. It is deployable on private and public clouds, connects data from disparate sources, and automatically creates analysis-ready models with automated data refinement (ADR). A networked BI approach enables both centralized and decentralized teams to collaborate efficiently and share data and insights over a secure network, and it offers support through AI, a multi-tenant cloud native architecture, machine learning, and adaptive UI and data visualizations. Birst's value-based design (VBD) methodology accelerates deployments regardless of customer-specific customization requirements with pre-built metrics, orchestration pipelines, and industry best practice data models available out-of-the-box.

Infor acquired Birst in 2017 to add user-friendly analytics to the existing suite of Infor product offerings. Birst equips users with the resources to effectively access and utilize data that can become siloed in disparate applications and provides non-technical users or companies running multiple disconnected systems with a solution to build aggregated data access layers. Traditionally, BI vendors provide an analytics platform but aren't suited to optimize industrial processes and potential insights of the data gathered across different departments. Similarly, business application vendors offer solutions to enhance processes but lack the platform required to deliver robust and user-friendly data analytics. Infor Birst bridges this gap, delivering a complete and consistent view of an entire business.

Birst's networked business analytics technology enables business units to work collaboratively by unifying user-owned data with IT-managed enterprise data and offering a modern end-to-end data architecture complete with automated data refinement, networked insight, data governance, and smart analytics capabilities with an adaptive user interface. With its focus on flexibility and ease of use, modern data architecture featuring Birst's automated data refinement (ADR), ETL language and integration tools, and smart data change detection, the solution enables businesses to automate complex data models warehouses that unites data from multiple sources. Birst leverages pre-built connectors, live access, query federation, and a business-ready data store to provide a wide range of data mapping and extracting capabilities that facilitate company-wide data unification and refinement. To combine centralized and decentralized BI models, Birst delivers data-as-a-service (DaaS) capabilities that grant users across an organization with the benefits of a solution that is both agile and self-service without creating data silos.

COMPARISON OF COSTS

In our customer interviews, we quantified the annual costs associated with each deployment over a three-year period using four primary categories: licenses for the analytics solution, other technologies (data storage, preparation, etc.), consulting costs, and the costs of

internal personnel associated with the deployments. We quantified the impact of each category on the total deployment cost and used this as a point of comparison between Birst and other 'vendors' deployments.

LICENSES

This category includes the annual cost of licenses for the analytics solution. It is generally the largest cost area by absolute value, followed by internal personnel. The licenses are most commonly accounted for annually on a per-user basis, although increasingly large deployments are shifting towards consumption-based pricing.

Birst annual TCO is 25 percent lower than nearest competitor

We found Birst customers spend 47.53 percent of annual TCO toward platform licenses. The average customer across all deployments spends 35.76 percent on platform licenses. That said, Birst is an end-to-end platform including access to Birst OS, Coleman AI, and other platform services, enabling it to support the data pipeline from end to end. Product licenses and other supporting technologies make up 50.46 percent of total project TCO for Birst customers. In comparison, the average non-Birst customer across vendors spends 41.91 percent of total project TCO across all technologies.

OTHER TECHNOLOGIES

In this study, Nucleus considered the data pipeline from end-to-end, including data storage, integration and preparation, governance, analytics, visualization, and reporting. Some customers interviewed had integrated systems of individual solutions, while the majority either had integrated stacks or were to towards single platform consolidation to reduce system complexity and cost. In general, Nucleus predicts that this trend to consolidate on a single platform will continue its upward momentum. Our interviews revealed that customers choose vendors with more comprehensive end-to-end solutions to support their analytic requirements, from data to insight.

Birst customers direct 2.93 percent of their annual TCO toward other technologies, compared to the average customer, which directs 6.15 percent of annual TCO to other technologies. Generally, all the vendor deployments Nucleus interviewed committed less than ten percent of their annual spend towards other technologies. Notably, data governance and compliance tools are emerging as a need-to-have in enterprise environments. The regulatory penalties for non-compliance pose a significant deterrent to businesses of all sizes. Additionally, in the past year, we have noticed several major vendors investing in data integration capabilities, in some cases such as Birst and Oracle offering full-

blown iPaaS (integration platform as-a-service) solutions with the platform. Vendors without comprehensive tools will sacrifice customers and market share to vendors with end-to-end solutions.

CONSULTING

Consulting includes pre-start consulting services for initial configuration and system setup, as well as dashboard initialization, connecting to data, configuring reporting templates, and training new users. It also includes ongoing consulting services for continued customizations/development with the platform, applying updates, training for new capabilities, and sharing best practices.

Birst customers' average project consulting spend is 8.26 percent lower than other vendors in this report

Nucleus identified a bifurcation in customer behavior regarding the consulting spend; it seems approximately half of the organizations labored to keep consulting costs low by increasing the number and efforts of internal personnel. The remaining vendors were more inclined to keep the internal team small and outsource most major initiatives to external consultants. Regardless of which strategy was chosen, the key platform factors that drive TCO down include ease-of-use, consolidated functionality, pre-built reports, and explainability capabilities.

The consulting spend is one area where Birst stood out from competing solutions, with customers dedicating 10.94 percent of annual TCO toward consulting and professional services. One of the interviewed Birst customers has deployed and managed the instance for over 45 monthly users without requiring any external professional services or consulting. Although this is not the norm, across all the studied deployments, we found Birst customers spent approximately eleven percent less of annual TCO on consulting compared to non-Birst customers across vendors, which spent 21.31 percent of annual TCO on consulting and professional services.

INTERNAL PERSONNEL

This category includes the cost of internal personnel dedicated to implementing, updating, and supporting the analytics deployment. The annual personnel hours include the pre-deployment phase, where internal teams would work with consultants where applicable to define data models; manage connectors and API integrations for disparate data sources; establish naming conventions and user permissions/roles; configure fields, dashboards, and landing pages.

Nucleus quantified the personnel cost post-deployment once it is live in the business. This process includes applying updates and patches, configuring new functionality, handling user queries and requests, and creating new reports and dashboards, among other tasks.

The work required to implement a new analytics platform at an enterprise scale is significant, and the tasks listed above are only a small sampling. As such, there are significant personnel hours required to perform these tasks, and in many cases, specialized expertise. For this reason, most large enterprises choose to employ consultants to provide specialized knowledge and minimze disruption to internal teams. In other cases, organizations opt to take on the bulk of the load internally, forgoing the consulting in favor of developing hands-on experience or controlling project cost (although internal personnel hours and consulting hours are billable and dedicating teams of salaried employees to a project may be preferable to a capital expenditure with a third-party).

Birst deployments required 8.9 percent on average less personnel "effort" than competitors' deployments

The Holy Grail of enterprise analytics technology is a solution that can be deployed quickly and easily, requiring minimal specialized knowledge beyond core data strategy, with low maintenance and ease of use for end-users. Vendors are investing to create this vision with pre-built reports, dashboards, data schemas; drag-and-drop data preparation, transformation, and integration; and other self-service capabilities.

Birst customers spent 41.53 percent of annual project TCO on internal personnel. The average non-Birst customer spent 40.06 percent of annual project TCO on internal personnel. Combined with the cost of consulting to consider the total personnel effort that went into deploying and supporting the analytics technologies, Birst customers spent 52.47 percent of project TCO, compared to the average 61.37 percent for non-Birst customers.

KEY VALUE DRIVERS

In addition to quantifying the annual costs and effort required to support enterprise analytics, Nucleus examined the use cases, adoption rates, and new process/capability enablement (using analytics to drive decision-making or enable a value-add service that was not possible before adopting the technology) to identify the key value drivers. Once Birst determined to have the lowest TCO option, we looked to identify the factors and value drivers contributing to that outcome. Nucleus identified the following areas as value drivers: rapid deployment time, minimal/low consulting costs relative to 'competitors' deployments,

and the platform's extensibility with Infor OS to enable complex use cases including AI/ML and enterprise performance management (EPM).

RAPID DEPLOYMENT TIME

Minimizing costly pre-start period expenses and delivering the technology into the hands of end-users to drive decision-making is critical to obtain a low-TCO, high-value deployment. Many essential tasks and processes are required to implement the technology; however, we found that Birst required about seven percent less TCO to deploy and manage its platform than the other vendors, where effort is defined as the percentage of annual TCO dedicated to consulting and personnel. Additionally, the average Birst deployment was completed within three months of the start date, compared to the average deployment across non-Birst vendors, of about five months to complete. Customers identified the platform data management and integration capabilities as well as pre-built, industry-specific templates for reports, dashboards, and visualizations as key functional areas that enabled this rapid deployment time compared to competing solutions.

LOW RELATIVE CONSULTING COSTS

Birst customers dedicated nearly 11 percent of annual TCO toward consulting, compared to approximately 21 percent for the average analytics deployment. This factor is driven in part by shorter-than-average deployment time (fewer total hours to bill), but also due to the self-service capabilities of the platform. Infor's Value-Based Design (VBD) principles and end-to-end functionality enable a single administrator or team to manage the analytics pipeline fully without needing to train users on or integrate disparate technologies. Common consulting tasks like defining data schemas and initializing dashboards are abbreviated or eliminated entirely. One of the interviewed Birst customers reported that a single IT director managed the entire instance from deployment to ongoing maintenance without consulting, leveraging only customer success resources from Birst. The capability of an enterprise-scale, cross-functional deployment managed in-house can markedly reduce project TCO. In the case of this report, where the average annual TCO across vendor deployments is $194,930, the nearly ten percent reduction of consulting costs for Birst customers translates to $19,493 in annual avoided spend.

PLATFORM EXTENSIBILITY ENABLING HIGHER ROI PROCESSES

Aspects including modern data architecture, governance capabilities via the networked BI model, AI/ML capabilities from Infor Coleman, and data management and preparation tools from Infor OS allow end-users to enable high-value processes for their businesses. Since the entire stack leverages the common data model and does not require additional applications

to fill in capability gaps, end users can complete more complex cross-functional analytics, create and train predictive models using data from multiple sources, and reduce liability from non-compliance with data privacy and fair usage regulations with enterprise-grade data governance tooling, among other applications. An enterprise analytics solution that delivers real value to users should enable automation of those processes. Those platforms require integration with third-party applications or web services and introduce an additional element of potential workflow while adding unnecessary complexity to the user. Birst enables a single administrator, or team of administrators, to oversee the entire data pipeline/analytics instance. With Birst, the development of these highly complex analytic workflows will require significantly less developer overhead, allowing Birst customers to deliver these processes and workflows more quickly, at a significantly lower cost. Customer interviews support these metrics wherein a single administrator or small team oversaw the entire instance, even where so-called advanced capabilities were employed such as predictive modeling, AI/ML-based alerting, or integrations with other enterprise applications. External consultants were minimally required, if at all, and the effort to deliver the service was described to be relatively low.

THE GUIDEBOOK METHODOLOGY

The Nucleus methodology is based on assessments developed utilizing Nucleus's in-depth interviews with enterprise analytics customers. Nucleus developed a framework to compare the associated costs of supporting enterprise analytics across vendors. This framework can be used by potential and existing customers to understand the factors that impact the overall TCO of analytics deployments and the key value drivers to maximize their return.

The Nucleus Guidebook development process includes:

Technology review. Nucleus interviewed Birst product managers and subject matter experts, participated in product demonstrations, and conducted a full review of technical documents and data sheets to gather data on Birst analytics.

Customer interviews. Nucleus analysts conducted in-depth interviews with five organizations that were using Birst to understand their business challenges, their decision and deployment processes, the costs incurred, and benefits achieved, and best practices learned from their deployments.

TCO assessments. Based on the data collected from customers, Nucleus completed a TCO assessment of each customer's deployment and validated that TCO audit with each customer's project team leadership.

Value guidance. Based on the variability and clustering of use cases and benefits in the aggregate, Nucleus provides appropriate averages, ranges, and estimation factors to guide other customers in using the framework to understand how to maximize the value of their analytics technology investments.

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