BBBT Podcast Transcript

About the BBBT

The Boulder Business Intelligence Brain Trust, or BBBT, was founded in 2006 by Claudia Imhoff. Its mission is to leverage business intelligence for industry vendors, for its members, who are independent analysts and experts, and for its subscribers, who are practitioners. To accomplish this mission, the BBBT provides a variety of services, centered around vendor presentations.

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Claudia Imhoff: Hello and welcome to this edition of the Boulder BI Brain Trust, or the BBBT. We're a gathering of international consultants, analysts, and experts in business intelligence, who meet with interesting and innovative BI companies here in beautiful Boulder, Colorado. We not only get briefed on the latest news and releases, but we share our ideas with the vendor on where the BI industry is going, and help them with their technological directions and marketing messages. I'm Claudia Imhoff and the BBBT podcasts are produced by my company, Intelligent Solutions.

I'm Claudia Imhoff and I'm pleased to introduce my guest today. He is Brad Peters. Brad is the CEO and founder of Birst, so welcome Brad.

Brad Peters: Thanks, Claudia. It's great to be here.

CI: It's nice to have you here, I have to admit. You haven't been here for four years!

BP: I know. It seems like a long time.

CI: It has been a long time! Let's start off with that, because you've made quite a bit of progress, in the last four years. You've got a good track record going, and that sort of thing. Why don't we talk about that? What do you attribute the growth of the company to?

BP: A couple of things. There's stuff that we're doing, and then there's general market stuff. I think we've been able to really figure out how you make a model which is pretty complex, that is BI and analytics work in the cloud, and it's not an easy thing to do. It takes a lot of learning, and it takes a lot of technology, it takes a lot of process, and people and getting that stuff together. We've had several years under our belt to get that tuned and performant. That's a big part of it. I also think that the overall market and environment has changed to really look at the cloud as a fundamental enabler.

CI: It's not a novelty anymore.

BP: It's not a toy anymore. It's something that... We're seeing a significant re-platforming of infrastructure. It used to be just for mid market or smaller

companies, but now, we're seeing the biggest of the big go that way. It's really mainstreamed. As a result, I think there's a real sense that we're ready now. It's here. It's now.

CI: That's wonderful. Let's position Birst, if you don't mind, a little bit. You stated that there are really two business analytics camps. There's the, as you put it, "the big and slow," and the "small and shallow." The big and slow being, of course, the big name guys like IBM and so forth.

BP: With enough money, and enough time, you can launch a space shuttle.

CI: Then the small and shallow, again your words, not mine, being the QlikTechs and the Tableaus, and so forth. Where do you see Birst falling into these camps?

BP: I come from the enterprise world. I come from the world where those enterprise suites were there to solve real problems, and they grew up around a whole variety of rich enterprise problems that exist. It seemed to me that discovery tools were built to solve very... "Let's simplify the problem so we can make it easier to put on a desktop." That's fine, but it doesn't really actually solve those core problems that those enterprise tools were originally built for.

What we said is, "If we can combine those tools with the speed and dexterity of the cloud, and pre-integrate a lot of the connections, and really conceive of this thing as single, integrated process, as opposed to a discrete bunch of point solutions, we can attack that problem."

We believe that enterprises do deal with rich and complex problems, but the goal is to not deny that, not pretend that, "You really didn't actually have that problem, it really is a simpler problem. You really could have just done that in one spreadsheet." I don't believe that, and I don't think most practitioners realize that either.

CI: I don't think anybody does.

BP: There's a lot of marketing out there that suggests, "It's much simpler now, you don't have to do all that stuff." Our belief is there is a lot of stuff that needs to get done. You've got to bring together a bunch of components.

We think that the legacy vendors had the components right, they just pulled them all together through acquisitions, as opposed to building a single, integrated solution for that.

CI: But you still want the light touch of the cloud version, and so forth?

BP: There's too much unnecessary plumbing that needs to get done. When you go to an auto dealership, you want to buy a car. You don't want to buy an engine, a transaxle, a hub cap and a gear shift. That's really what those legacy vendors buy, because they bought a bunch of companies that did those things, and they have a nice price list to have all that stuff on there. But people want to buy cars. Right now, you have a choice between buying parts or buying a scooter. What we wanted to do is build a car.

CI: Nice analogy. Let's talk about the SaaS model a little bit. It's a fairly sticky one, in terms of customer churn. Once you get a customer, you tend to hang onto them for a while, but there is some churn. Why don't you tell me a little bit about why customers would leave a SaaS environment, and then turn it around and tell me why customers stay with your technology?

BP: The interesting, and the challenge about our business, thing is, if you look at BI in general, we're in an industry where the ongoing usage of BI applications that are constructed using the traditional tools is not that high. Forget SaaS for a second, if you look at most BI projects two, three years out, how many people are actually continuing to still use those projects? The retention rate of those projects is well below what would satisfy a SaaS company. Our challenge as a business is to create higher retention rates for BI applications than is broadly seen in the industry in general.

The way we've done that is by building not just product, but we've also had to build process and people systems in the company as well, to help our customers not only use the tool, which is important, but if they don't get value out of it, or they don't engage their business users the right way, and they don't think about it as a process, they think about it as a project, there's a whole bunch of pitfalls that come into BI that many of the other

vendors don't have to worry about, because once they've sold the software, it's not their problem.

It is our problem still, so we are investing in our customers. If they don't make good decisions about what their business users want, we pay the price, too, so we want to partner with our customers, and we work very hard. Sometimes it's an unusual model for them, because that's not what they're used to seeing from other vendors, but it really is important to us, because our interests are so aligned with their longer term success that we chart a path to their success so we can both be successful together. We put people with them, and we manage processes over the long term, not just the sale.

CI: You have the customer...

BP: Customer success function. We have a review process, we have an engagement process, we have an executive outreach program, and we have a bunch of programs that try to engage our customers in the dialogue about, "What is the value of BI to you? Forget about Birst for a second. If you don't appreciate what BI is doing for you, and what business questions it's answering for you that are going to drive business value, it doesn't matter what solution you're going to use, you're going to stop using it."

CI: OK. Let's go into a little bit more detail about this process. You've mentioned it a couple of times now. It's a five step process for building an analytic application. Why don't you walk me through the process briefly, and tell me about how Birst is making this process easier?

BP: Some of the steps are obvious, and the ones on the ends are the ones that are most obvious. I think everybody does, and they assume that if you do those, you're good. Obviously, you've got to connect to data, get it out of whatever system it is [in]. The "E" in ETL is kind of important. Then you've got to put pixels on screens. Generally, in the market universe that's out there, that's what people tend to focus on.

Our challenge is, it's all that stuff in between that's actually where the land mines are. There are actually several steps in between that we think are pretty critical. We start in the middle. We don't start at those extremes.

We start with the middle piece, which is really the business model, the logical model, the data that you're trying to deal with, or the business problem that you're trying to deal with, and then we map that onto sources. We go from connecting to data to de-normalizing it into something that you can actually then do analysis on. Doing the type of cleansing and integration and dimensional-izing of data, so that you can ask broad, multidimensional business questions. Those are the most interesting ones. "How many of X did I do?" is interesting, but "How much did X change over time, and how much does that compare to Y?" is more interesting.

And then, ultimately, putting a layer on top of that, a semantic layer, so that a business user doesn't have to interact with a physical database or physical structure, or a proprietary system. They can actually write their own queries and do their own analysis. That's a big part of it.

Lastly, obviously, you need to be able to provide some sort of pixels on a screen, so that people can see visualizations, and see reports and those sorts of things.

CI: Let's talk about the architecture a little bit more. You mentioned a logical data model, and yes, you do have that. You do have a database, you physically do store the data. It's not in memory, or virtualized, or anything like that.

BP: It can be in memory.

CI: It can be, it depends on the technology you use. Why don't you talk about the architecture, then?

BP: You can think of Birst as the layer that's everything except the database. We work with a variety of databases depending upon the customer's needs. They can be in memory ones, they can be disk-based ones, they can be MPP scalar, columnar databases, they can be Amazon Redshift, they can be a whole bunch of different things that are out there. The point being, a BI application, or an analytical application, is far more than the physical database itself. What Birst does is look to provide the logical data model and the presentation layer, and the automation layer on top

of that database, so that you can get much more agile results out of that system than if you just had a bunch of coders throwing SQL at it.

CI: I think the part that does make it very agile is the fact that you have an intelligent engine that, not only does it read the data, but it'll start to build the data model. I think that's an important piece that you should talk about.

BP: Thank you. I know. Our whole view is that the way to make BI more agile, and this is unique, was to bring automation to BI. We saw two main areas where we could bring automation to BI. One was around the data modeling itself. Could we help with data model automation? Could we help with the construction of that dimensional model in the first place? If we understand the source structure of data, can we figure out what hierarchies might be appropriate in the data, and what the granularity of various data is, and how the measure content and the cardinality and the time series nature, could we help that construction?

It's interesting, if you look at most BI practitioners, a lot of that stuff is best practice that the software can really assist with.

The second area of automation is, once I've figured out what my data model is how do I automate the physical construction and implementation of that? That bit of plumbing, of making that a physical reality, of building a data monitor or a data warehouse... There's a lot of physical stuff that needs to get done, and that's not where the high value is. If we can help you much more rapidly create a data model through automation, and help you make that data model a reality physically through automation, we can have you focusing on the higher level business questions, and spending most of your time there, less time on the "How do I plug wire A into socket B?" kind of thing.

CI: Yeah, and I think that's probably the strength of Birst right there.

Last question for you are your deployment options. The last time you were here, you had one. Now you have three. Why don't you talk about the three?

BP: There are three, but they're really three flavors of the same thing. Ultimately, Birst is available as an appliance, an integrated appliance that has all of the elements of the BI and analytics stack in a single component, a single integrated tool set. It's available in our cloud. We run it in our data center. We manage it. You don't have to manage anything, all that's taken care of for you. You can actually run that same appliance yourself in your own private cloud, in your own data center, on premise, wherever you want, and we have folks that do that for a variety of reasons. But it's the same software, the same build, we have one build.

We also run that in Amazon's environment, directly on top of their Redshift instance. In that case, you can manage it in Amazon or we can manage it for you as well. It really comes down to "What do you want to do?" Some folks like managing these things, and some folks don't, so it really depends.

CI: It's nice. You've given them options. The on premises version, as I understand it though, you still control the software, right?

BP: No. We give them complete control, and in many of the cases our customers...

CI: I meant from an update, or...

BP: Yes. We provide them the mechanisms to upgrade, to manage, and to get the benefits of a SaaS implementation but within their four walls, under their management, under their regulations, under their security policies, all that sort of stuff. They can meet whatever compliance issues that they need to satisfy.

CI: All the benefits of SaaS without the pitfalls.

BP: They get a multi tenant SaaS instance, but under their rules.

CI: I think we could talk about that for quite a while, but unfortunately, we are out of time. That's it for this edition of the BBBT podcast. Again, I'm Claudia Imhoff, and it's been a great pleasure to speak with Brad Peters today, of Birst. Thanks so much, Brad.

BP: Thanks, Claudia. I appreciate it.

CI: I hope you enjoyed today's podcast. You'll find more podcasts from other vendors at our web site, www.boulderbibraintrust.org. If you want to learn more about today's session, please search for our hash tag on Twitter. That's #BBBT. And please join me again for another interview. Good bye, and good business!

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