

# DataHabitat: Accessible and Adaptable Packaged Business Intelligence

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## The Opportunity

No matter what business a company is in, it is also in the business of data these days. Those companies with more data, cleaner data, accessible data and the business processes to exploit the data will emerge the winners in saturated markets that dictate that former competitive advantages are simply tickets to entry. This realization of the competitive advantage that data produces is reaching the midmarket as well as the Fortune 500 these days.

Most midmarket companies use software applications to “run their business”. The vendors of these applications usually provide crude means of reporting, often as an afterthought and most always directly from the data in the operational application. Unfortunately, data access outside of the software usually interferes with the running of the application itself, unless you access after hours (if you have after hours). This all assumes the data can be accessed at all – much data can’t be accessed due to an outdated technology base or a data model that cannot accept access. And if basic reporting is achieved, interactive access remains a major challenge.

These problems of access are more pronounced in the midmarket. Fortune 500 companies faced this dilemma and hence the data warehousing (a.k.a. business intelligence) concept was born and is now a business staple. These limitations are also becoming increasingly insufficient for most of these midmarket users, but they have “lived with it”, eschewing the more expensive and intimidating business intelligence (BI) efforts that comprise DataHabitat’s competition. They can no longer afford to. In many ways, DataHabitat’s customers will “self select” their way into a DataHabitat solution.

Data warehousing has emerged as the primary means to solve data problems. The process of data warehousing involves copying operational data to a separate environment optimized for data access. Components include data model, Extraction-Transformation-Loading (ETL) and data access layers. It has been 10 years since Bill Inmon’s seminal book on the subject of data warehousing and many vendors now are developing and promoting “packaged” approaches, which comprise prebuilt data models, ETL processes, and data access layers. This is a natural product line extension and cross-selling opportunity for vendors who historically have played in one of the data warehousing layers.

Custom Data warehousing has been fraught with difficulties over the years and according to DataQuest, the market for packaged business intelligence (PBI) will grow from \$602.3 million in 1998 to \$3.2 billion in 2003. It is the hottest submarket within BI today and provides numerous benefits over custom data warehouse approaches including overcoming the business distrust that IT can deliver, fewer vendors to deal with, lowered staff requirements, bounded ROI and the number one benefit – time to market.

Furthermore, the selling engines for these packages are focused completely on the business as risk-averse and overworked IT personnel support requirements are minimized. Business areas are concerned with maximizing the value of their information assets – finding ways to leverage

strategy investments in data warehousing and other data capturing solutions. They are less concerned about specific aspects of technology and more interested in finding a solution that will provide substantial productivity gain and competitive advantage.

## **Enter DataHabitat**

DataHabitat meets the Ralph Kimball (top 2 recognized name in the data warehouse space) definition of data warehouse – “A copy of operational data optimized for access”. DataHabitat addresses the biggest “bang for the buck” criteria for business intelligence - time to market – and does that extraordinarily well.

DataHabitat is a PBI offering comprising all BI components – data model, ETL and data access. While competition exists from third-party vendors for some of the chosen sources for DataHabitat (i.e., Professional Advantage for Great Plains), the DataHabitat model bears no special affinity for any particular source system. DataHabitat, the company, can leverage its competence in PBI across a variety of source systems found in a variety of operational areas and industries. DataHabitat is the midmarket answer to pure PBI plays in the upper market like Decision Point Applications.

For example, a suite of customer analytic (a.k.a. CRM or customer relationship management) reports and queries could be developed, empowering the midmarket with the same information on its customers as Fortune 500 players have with expensive CRM packages. This is an example of extension into operational areas. Call center analytics from a call center database and workforce management analytics from workforce management databases are other areas that come to mind that DataHabitat is in position to exploit.

Other benefits of robust data warehousing, again the “biggest bang for the buck” items, are also found in the DataHabitat solution including:

- Tackling those financial source systems that provide the 3 major data warehouse “subject areas” – sales, customers, products
- Providing “out-of-the-box” reporting capabilities that get a user started quickly as opposed to alternative solutions that initially present an intimidating blank interface
- During an ETL process, the capture of only data that has changed since the last data ETL (i.e., DataHabitat does not have to do complete data replaces)
- Prompts user when changes occur in the source system that would impact the ETL
- Ability to do transformations, changing the data from its operational representation if necessary
- The ability to bake into the ETL process the calculation of derived fields and the display of the formulas at runtime should a user require it
- The propagation of formula changes throughout the database for consistency
- The easy build of summary tables which improve performance of most access requirements
- Good performance for access throughout the data warehouse
- Easily manageable security at both row and column levels

DataHabitat is not a best-of-breed product for any of its components. Its overall offering, however, has a compelling value proposition that will get noticed. DataHabitat is well positioned to be a dominant business intelligence player for the midmarket. It addresses the needs of a midmarket business person who needs more access to operational data and it is a solid foundation on which the customer can build on for years to come.

Competitive data access tools for the midmarket include Crystal Reports, Brio and Cognos. All also are strong players in the Fortune 500 market and are priced accordingly. Their interfaces have more comprehensive features but they do not have data model and ETL components like

DataHabitat. There are few "out of the box" data warehouse offerings for the vast majority of midmarket operational systems.

The sophisticated end-user in a Fortune 500 environment, whose job responsibility is data analysis and report development and who expectantly receives training in the reporting tool would find these tools "user friendly." The mid-market is different. Business personnel wear multiple hats and need inexpensive, truly user friendly reporting that does not require much IT support, which they have little of anyway.

### **The Future for DataHabitat**

The planned changes for early 2002 (using an ODBC database and a Web interface) begin the process of addressing those requirements that you find in more IT-intensive and/or Fortune 500 shops. However, the major way DataHabitat will increase its market share is to continue the build of predefined ETL for midmarket operational systems, especially those with data access difficulties, which is most of them. The opportunity increases as the realization of the need for data increases. Source system selection is critical for application of DataHabitat resources.

DataHabitat will also make inroads into the Fortune 500 with its simple, but inexpensive, approach to providing data warehousing for complex ERP source systems like SAP and Peoplesoft. Once implemented at any level, DataHabitat will be difficult and costly to "unimplement" or replace.

Threats come mainly in the form of homegrown approaches to data warehousing. One should not discount the Microsoft factor, with bundled ETL at a comparable low price to DataHabitat. Again, though, this is a build versus buy option. And the buy sentiment is strong, especially in the midmarket.

The other major threat is the data warehousing solutions from vendors like SAP and Peoplesoft for their ERP systems, but considering price, these solutions are not comparable.

### **Summary**

All things considered, DataHabitat has done an excellent job in filling a critical need with a cost-effective foundation in a market whose data needs are likely to grow significantly.

About the author:

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