



ETECH TARGETING

A Study Sponsored by  LRS
IT SOLUTIONS

STATE OF BUSINESS ANALYTICS STUDY

STUDY OBJECTIVE

Eat or be eaten. Corporate Darwinism. These are just ways of saying that the strongest will survive. Companies that digitally transform stand the best chance of overcoming and anticipating competitive, market, natural, and regulatory barriers. Digital transformation is the foundation by which data-centric enterprises make more, better, and faster decisions, and provides trusted data from a single source that can be accessed by any person on any device from anywhere.

One thing that is crystal clear is that data and analytics are at the heart of digital transformation, which in turn are reducing cost, driving faster product development, and increasing customer lifetime value.

This study is designed to examine the key trends fueling the need for analytics, and how it's being used as a competitive tool. From a view of the benefits, challenges, and planned investments, to the trends around analytics, we hope you find the results of this survey beneficial as your company evolves through its own digital transformation.

SUMMARY DATA PRESENTED

This summary report includes the results of 14 survey questions across **100** respondents.



SUMMARY OF STUDY RESULTS:



100 companies participated in this **study**

72 percent of respondents consider **analytics** to be a very important part of their **digital transformation initiatives**.

72 percent of respondents use **data analytics** to drive process efficiencies and reduce costs, followed by, to **develop new products and services**, at **46 percent**, and acquire and **retain customers**, at **43 percent**.

In the coming year, **54 percent** of respondents indicated that they **expect to invest more** in analytics initiatives.

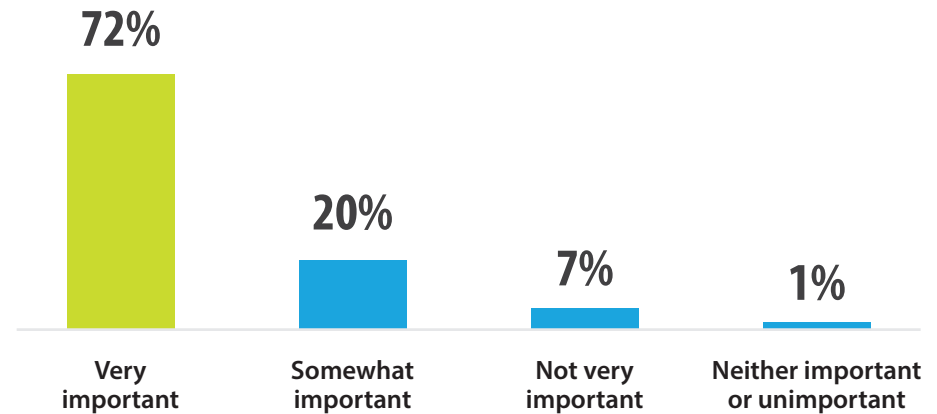
In terms of **technology trends**, over the next five years, the **majority of respondents** expect **AI/Machine learning, Cloud Computing** and **Big Data** to have the greatest impact on their adoption and use of **analytics**.

Q1. HOW IMPORTANT IS ANALYTICS TO YOUR DIGITAL TRANSFORMATION INITIATIVES?

INSIGHT

As the pace of digital disruption accelerates, 92% of organizations said analytics is either very or somewhat important to their company's digital transformation.

The key ingredient to digital transformation is having a data-driven culture. When all employees can see the current state of the business and understand where it needs to go, improvement, change, and fresh ideas leading to new business models are more likely to happen. That is how data and analytics drives digital transformation.

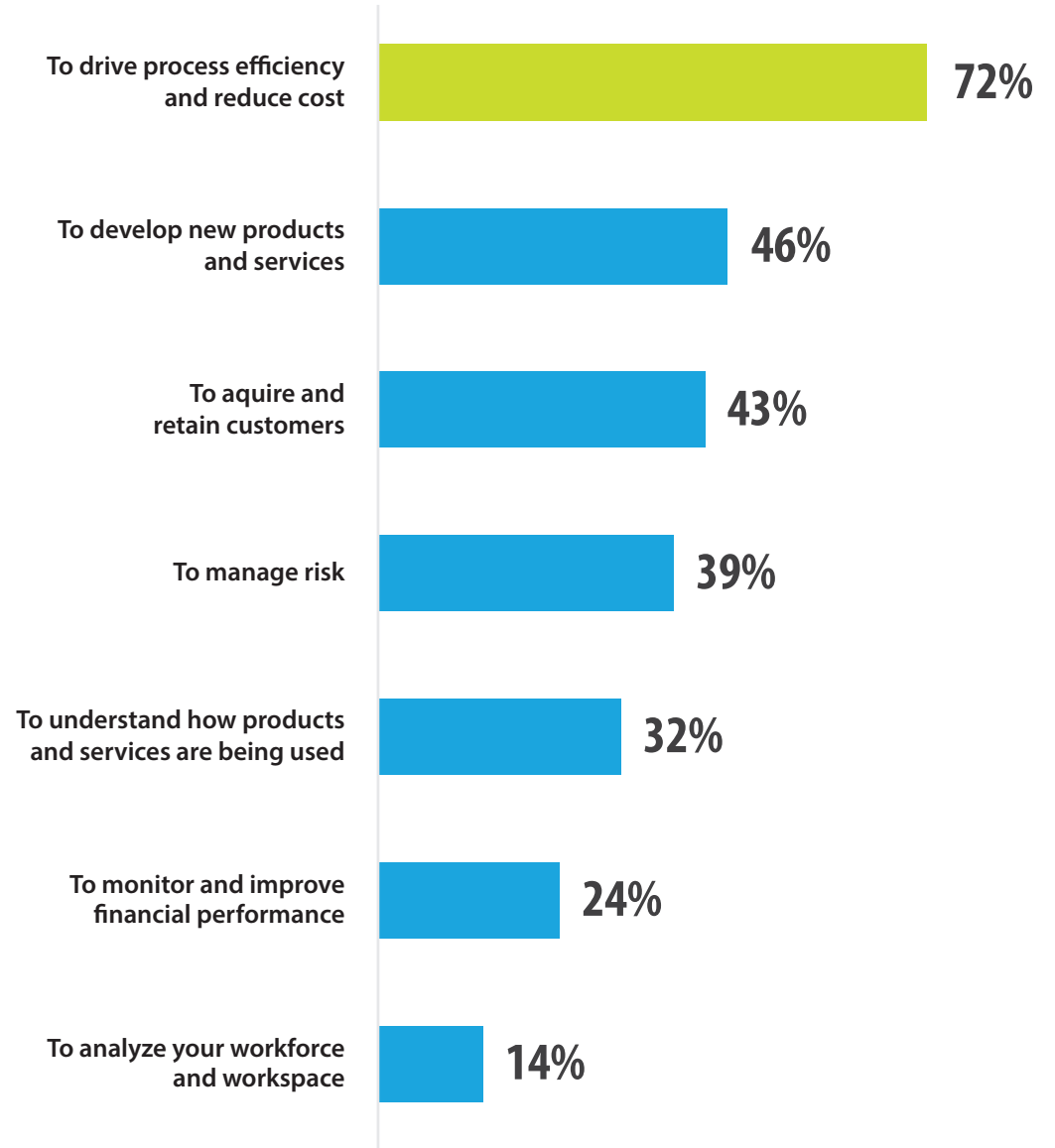


Q2. HOW DOES YOUR ORGANIZATION USE DATA AND ANALYTICS TO CREATE BUSINESS VALUE?

INSIGHT

72 percent of respondents said that the business value of data and analytics for them was process efficiency and cost reduction, followed by 46 percent developing new products and services and 43 percent for customer acquisition and retention.

Measuring the return of an analytics project is not always easy, but the good news is that almost three quarters of respondents recognize a tangible return in efficiency and cost reduction. This suggests a good starting point for companies or departments trying to figure out the best use case for analytics.

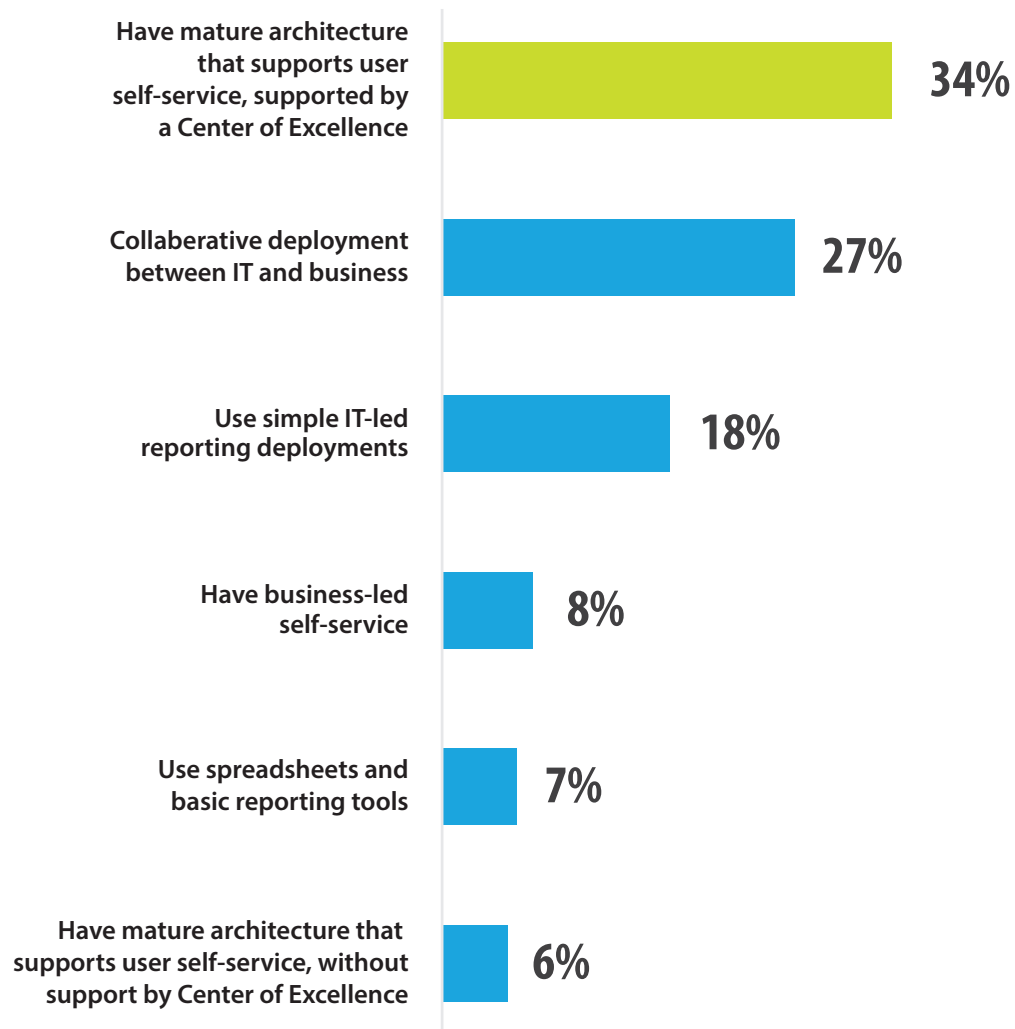


Q3. HOW MATURE IS THE ANALYTICS STRATEGY AND ARCHITECTURE OF YOUR ORGANIZATION?

INSIGHT

34 percent of respondents have a mature architecture with a Center of Excellence, closely followed by 27 percent having a collaborative deployment between IT and business. A similar number (26 percent) have analytics initiatives led by either IT or the LOB. Only 7% of companies that responded are still using spreadsheets and basic tools.

Alignment between IT and the business is extremely important in analytics. Without it, unmanaged shadow IT proliferates or data that that doesn't help answer the most critical business questions is provided. A CoE can enforce decisions around data management and tools, while balancing the needs of all groups by prioritizing new projects.

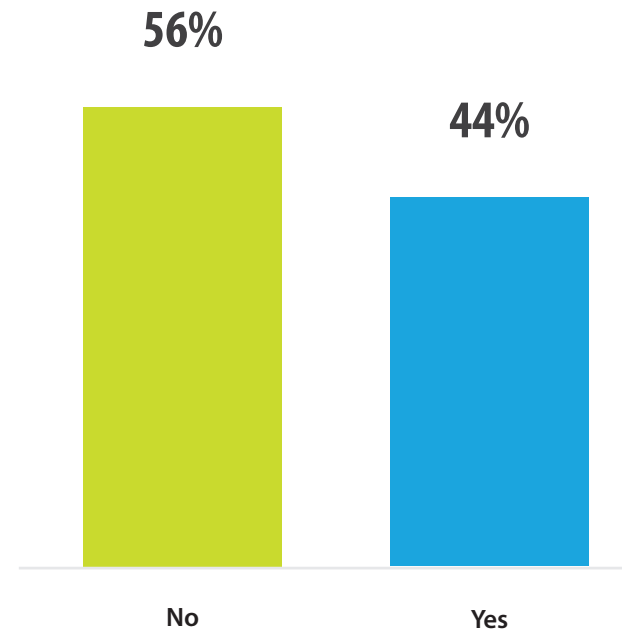


Q4. IS YOUR ORGANIZATION USING DATA AND ANALYTICS AS EFFECTIVELY AS IT COULD BE?

INSIGHT

44% of respondents feel they are maximizing their use of data and analytics, while enjoying the first wave benefits of faster and better decision making. Members of this group are ready to advance their analytics to include predictive, prescriptive, and AI to provide even more valuable insights.

In question #2 of the survey, we saw that respondents are using analytics to reduce costs and add efficiencies, develop new products, and understand their customers better. The 56% of respondents who are not using their data and analytics are leaving money on the table and not growing revenues as fast as they could.

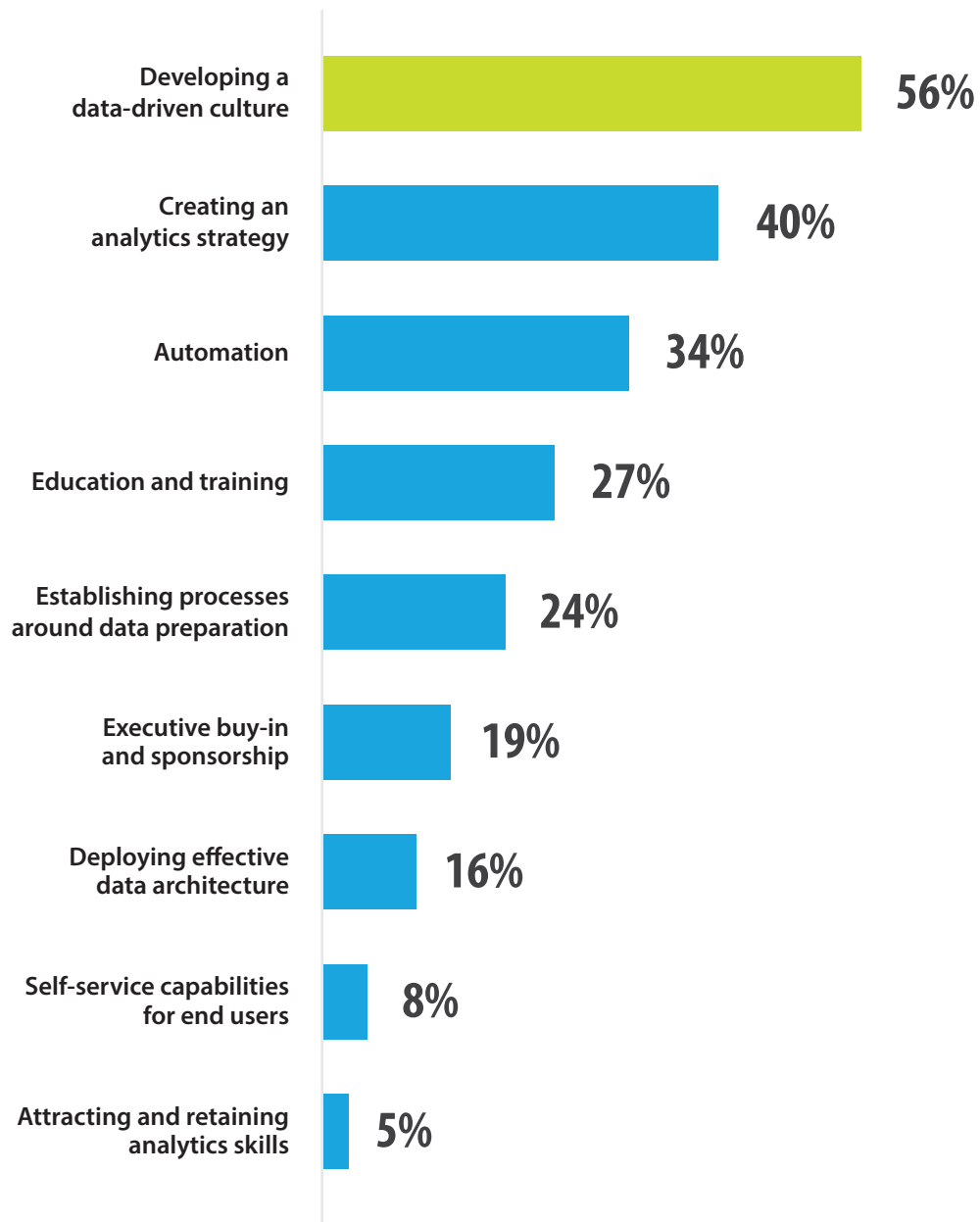


Q5. WHAT HAS HAD THE LARGEST POSITIVE IMPACT ON THE SUCCESS OF YOUR ANALYTICS INITIATIVES?

INSIGHT

56 percent of respondents revealed that developing a data-driven culture increased their analytics success. 40 percent achieved positive results with an analytics strategy, and 34 percent say that automation in analytics is a key driver of success.

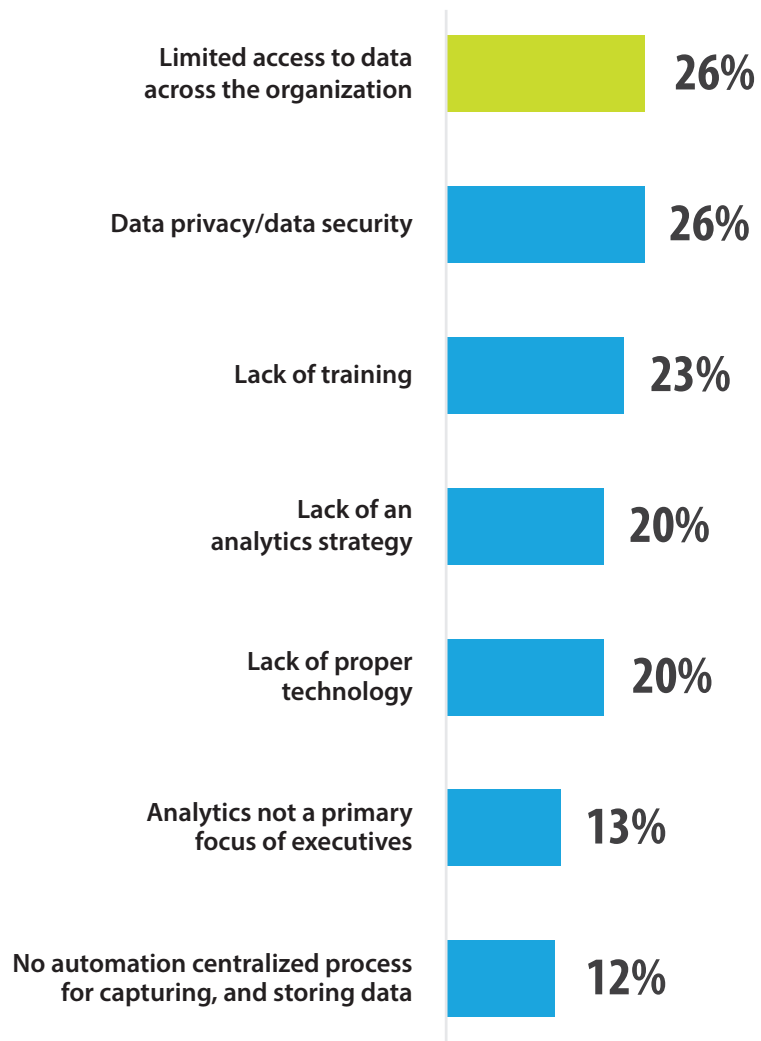
While these results show that having a strategic plan, infusing intelligence throughout an organization, and reducing batch and manual data processes are most likely to generate success in analytical initiatives, it was surprising that less than 20% feel executive sponsorship and having an effective data architecture are important to their initiatives. CXOs and LOB executives typically sign off on funding for analytics projects, and providing secure, trusted data with an effective data architecture can produce an immediate ROI.



Q6. WHAT ARE THE LARGEST BARRIERS TO MORE EFFECTIVELY USING ANALYTICS IN YOUR ORGANIZATION?

INSIGHT

Organizational data silos are the #1 issue preventing companies from becoming data driven. The value is in the data, and if you can't find it, access it, or share it safely, you can't answer the questions you need to ask in order to drive improvement. 26 percent of respondents say that limited data access and data security issues are preventing them from using analytics more effectively in their organizations. 23 percent pointed to training as a barrier, showing the importance of providing developers and users with the education and certifications they need to be successful.

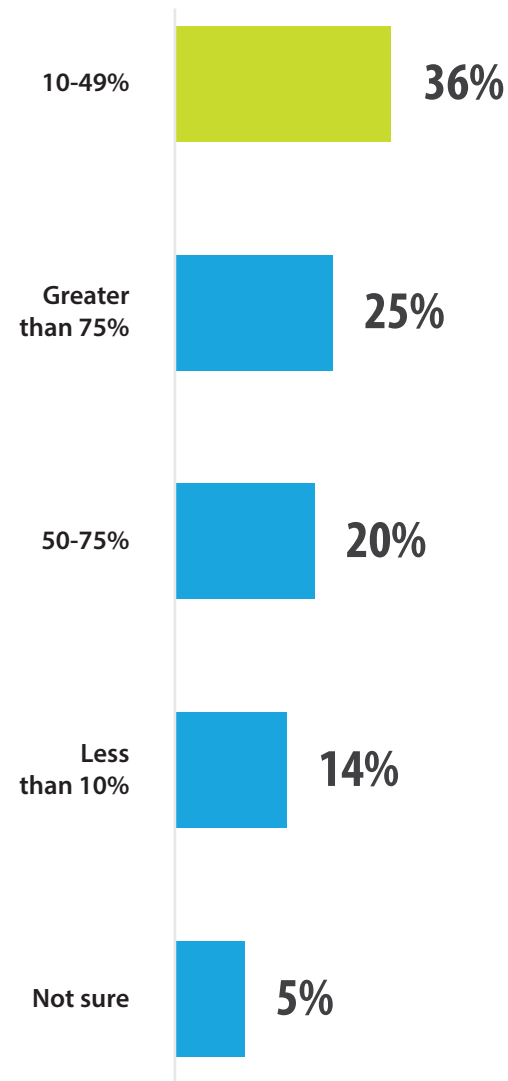


Q7. WHAT PERCENTAGE OF YOUR ORGANIZATION HAS ACCESS TO DATA AND ANALYTICS?

INSIGHT

36 percent of respondents indicated that only 10 to 49 percent of their organization had access to data and analytics, while only 25 percent said it was more than 75 percent.

Companies that do not have a strategy to distribute data and the accompanying insights are missing out on the benefits that can be gained. It is best to take a step back, strategize with the executive team and implement distribution to key staff to ensure business objectives are supported.

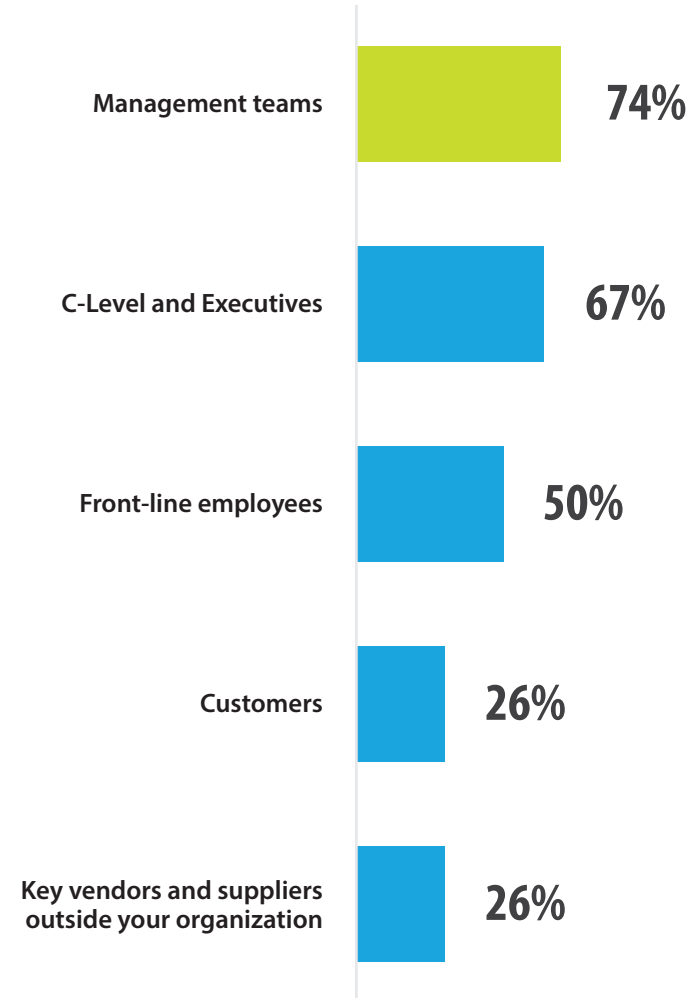


Q8. WHICH OF THE FOLLOWING ROLES CURRENTLY HAVE ACCESS TO YOUR ORGANIZATION'S DATA AND ANALYTICS?

INSIGHT

The key to achieving digital transformation is having intelligence everywhere. This means putting insight into the hands of all employees and using analytics for all decisions. Most respondents say that Management Teams and Executives have a data-driven view of the business, but 50% of front line employees do not. Employees in sales and customer service without real-time access to trusted metrics may rely on stale information or guess work for answers instead, which can affect a company's bottom line.

Also notable is that only 26 percent of respondents are sharing insights with those outside of their organization. Data is more valuable when more people can consume it, including customers and suppliers. Data sharing requires strict security and lineage to understand who has accessed and consumed your data, which is part of having a comprehensive analytics strategy that so many respondents cited as being a key driver to successful analytics initiatives.

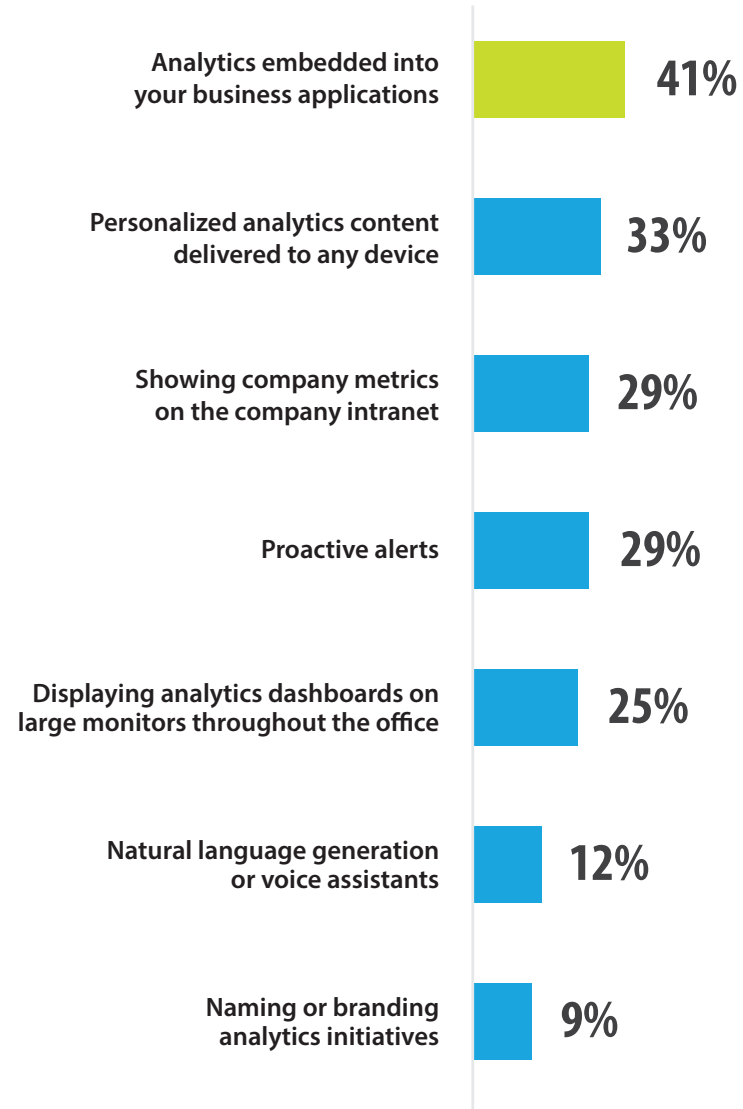


Q9. WHICH OF THE FOLLOWING WOULD HELP DRIVE GREATER ADOPTION OF ANALYTICS WITHIN YOUR ORGANIZATION?

INSIGHT

41 percent of respondents believe embedding analytics into business applications will drive greater adoption. Embedded analytics seamlessly integrate analytics capabilities into business portals, applications, or websites. This allows users to integrate insight into their natural workflows without having to switch to a different interface for analytics.

Respondents also said personalized content on any device, and displaying company metrics on the company's intranet are responsible for greater adoption of analytics. The top three responses show there is a huge demand for analytics in the workplace and that digital transformation can be accelerated through analytics workflow, personalization, and sharing of corporate results.

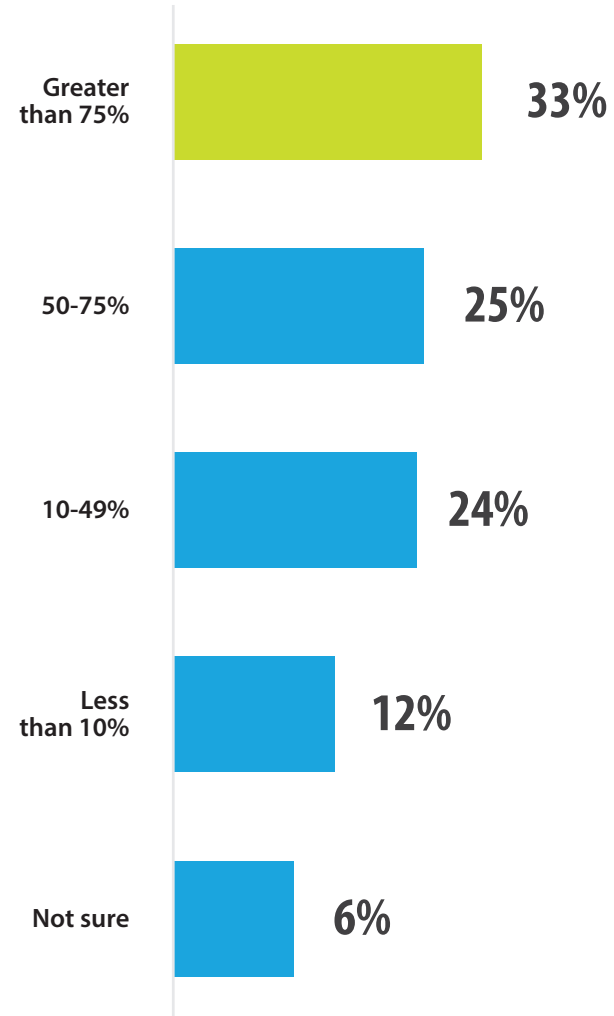


Q10. HOW MUCH OF YOUR DATA IS GOVERNED (FOLLOWS CORPORATE POLICIES OR IS OVERSEEN BY A GOVERNING BODY TO PROVIDE A SINGLE VERSION OF THE TRUTH?)

INSIGHT

33 percent of respondents revealed that more than 75 percent of their data is governed. However, at least 36 percent of respondents shared that less than half of their data was governed.

These results indicate that many enterprises are still struggling with data governance, which requires support of both technology and the cultural changes that result in ceding control of data to an managing body, such as a Center of Excellence.

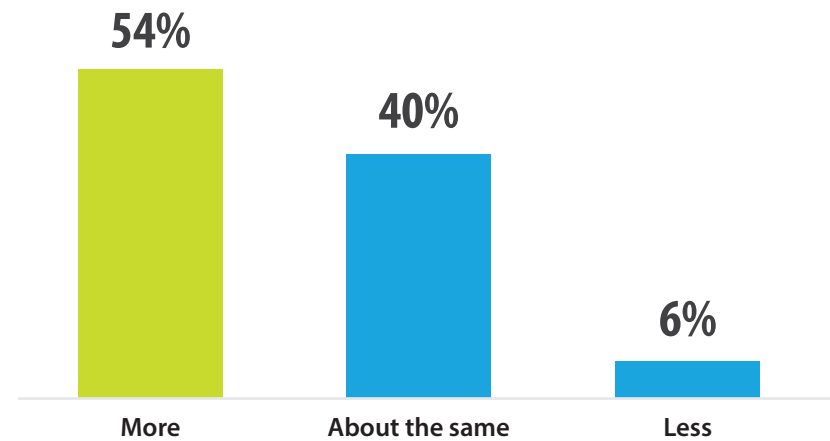


Q11. IN THE COMING YEAR, WILL YOUR ORGANIZATION INVEST MORE, LESS, OR THE SAME IN ANALYTICS INITIATIVES, INCLUDING PRODUCTS AND SKILLS?

INSIGHT

Investment in analytics and data is accelerating. 54 percent of respondents indicated their organization will spend more in analytics in the next year. Only 6 percent states that their investment would decrease.

In today's hyper-competitive environment, continuous innovation is a must, and those organizations who are able to understand customers' expectations and needs the fastest will drive higher revenues, lower costs, and improve efficiency. This can only be accomplished with a strong data foundation, which requires an investment in technologies and skills.

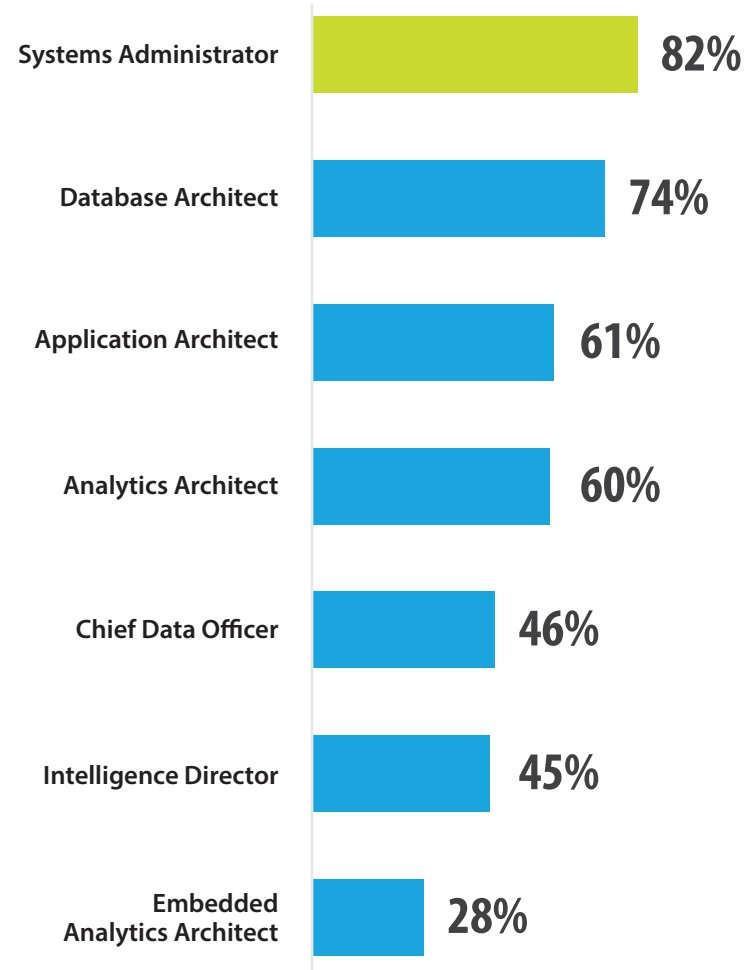


Q12. WHICH OF THE FOLLOWING ROLES CURRENTLY EXIST WITHIN YOUR ORGANIZATION?

INSIGHT

Many organizations struggle with not only the selection of analytics tools that drive digital transformation, but also with bringing in the right talent and skills to support and grow the environment. Companies are doubling down on hiring data-specific skills and cultivating those roles from in-house where possible.

The position of Chief Data Officer is a growing role in companies that strive to democratize data. In our survey, almost half of the respondents said this role now exists in their organization. In addition, 60 percent of respondents have an architect role dedicated solely to providing trusted data to knowledge workers.

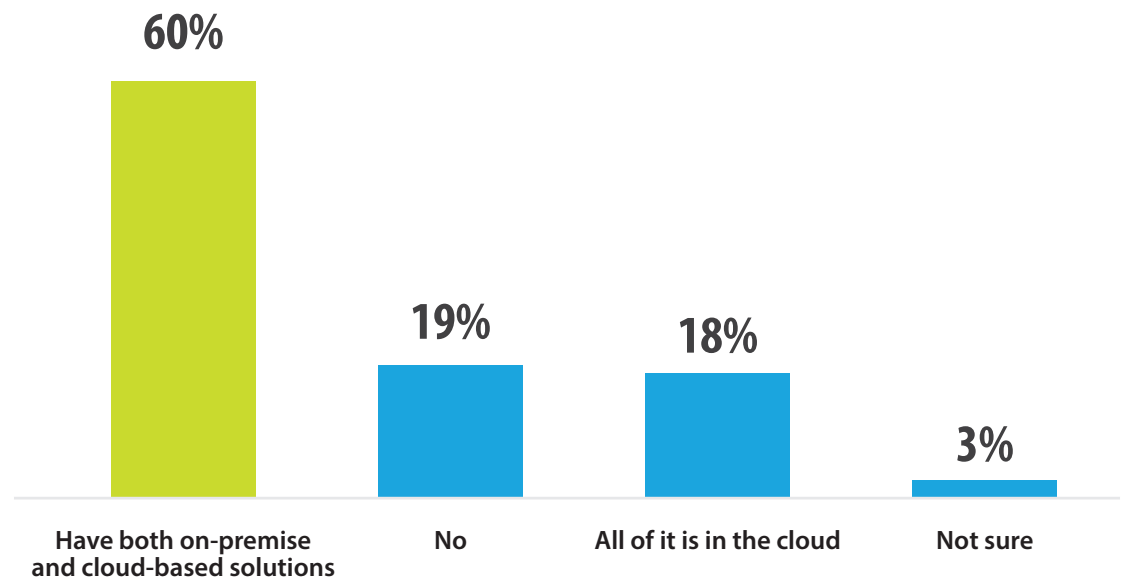


Q13. IS YOUR COMPANY'S ANALYTICS SOLUTION CLOUD-BASED?

INSIGHT

Adoption of the cloud for analytics is growing. 78 percent of respondents have all or part of their analytics solutions in the cloud.

There is still some resistance to hosting both data and applications in the cloud, but companies are leveraging the cloud for quick POCs, DR environments, and running various components of their production analytics applications while keeping data on premise.

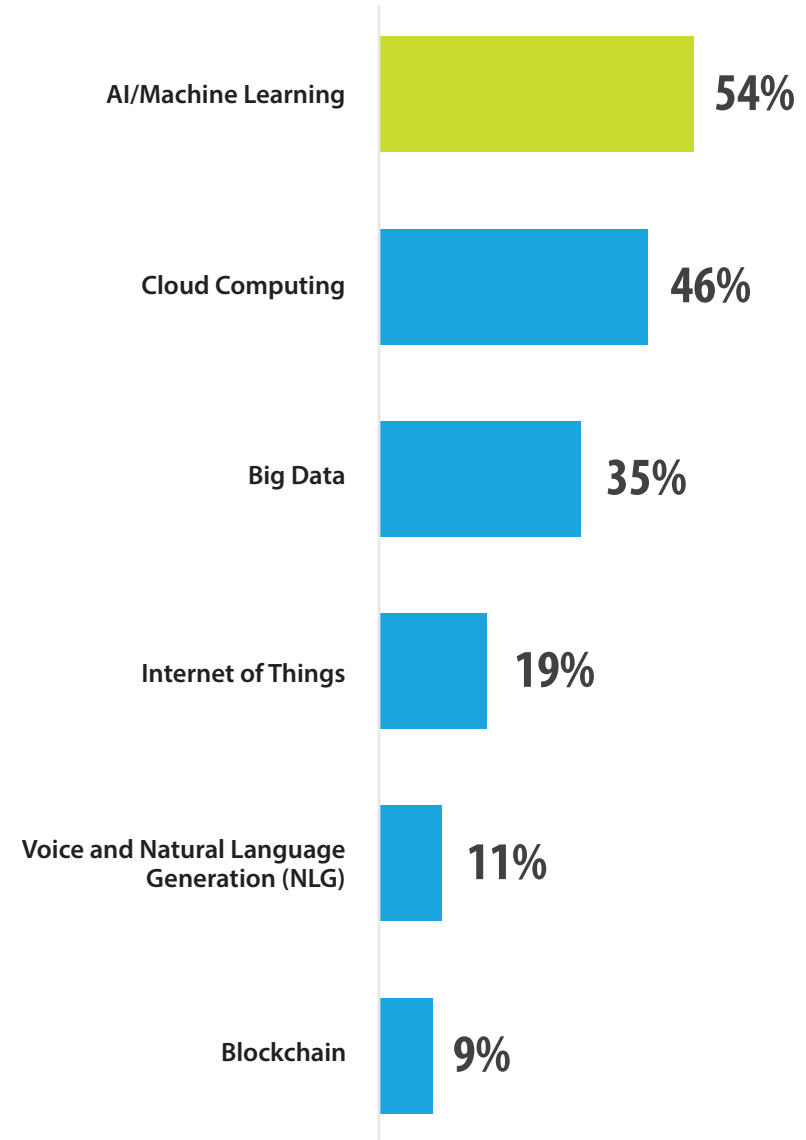


Q14. OVER THE NEXT FIVE YEARS, WHICH TECHNOLOGY TREND WILL HAVE THE GREATEST IMPACT ON YOUR ANALYTICS INITIATIVES?

INSIGHT

54 percent of respondents indicated that AI/Machine Learning will significantly impact their analytics over the next five years.

Few companies have yet deployed AI at scale, and doing so requires a flexible, standardized, and automated data foundation.



71%



of surveyed business leaders say they are creating new forms of economic value from insights.

Perhaps more than ever, digital intelligence, fueled by information and insight, is key to competitive advantage and long-term business viability. But to get and stay ahead, organizations will need the ability to access, analyze and act on increasingly more data.

42%



of surveyed business leaders say data-driven insights will be a significant contributor to company revenues over the next three year.

When people and technology are able to think together in this way, analytics becomes an even more powerful tool for your organization, closing the gap between data and insight, and insight and action.

88%



of all available data is dark to most organizations.

To realize the promise of cognitive business, you need to remove the current challenges around data so that it is easy to access, analyze and use no matter where it comes from or what form it takes.

72%



of survey respondents say organizational silos are the number one inhibitor to decision making.

By removing the traditional constraints of data and analytics, you can empower your organization to outthink limitations and what's possible for your business.

COGNITIVE BUSINESS = DIGITAL BUSINESS + DIGITAL INTELLIGENCE

Individuals, organizations, and industries thrive on insights, it helps them improve how they experience, learn, and operate in the world. This requires the ability to access all available sources of data within your organization and then infuse those insights into systems, processes, and apps to elevate business efficiencies and results. Here are some key results from a Gartner survey, funded by IBM, on analytics for a cognitive business.

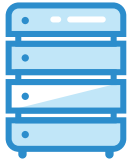
ACCELERATE YOUR SUCCESS

Nearly every business today has tons of data. Terabytes, petabytes, and exabytes of data are stored in your data center. Because of the sheer volumes of complex and disconnected business processes, along with the vast amounts of data you have, it has quickly become a business imperative for companies to leverage analytics to improve decision-making and agility. The journey to become a cognitive business is different for every company, but LRS makes it easier to help you identify and pursue the right path to success.

The LRS Analytics Team are technologists who understand the top drivers and metrics for customers in any industry. We offer a comprehensive portfolio of business analytics solutions that will provide your organization with the ability to turn Big Data information into actionable insights. Whether you are looking to extend the power of the solutions you already have or implement new solutions that will help you find the value in your data to drive better business outcomes.



Our Big Data and Analytics team offers solutions in:



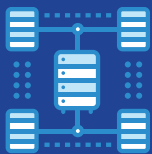
Data Warehousing

Our team focuses on the business problem you are trying to solve so we can help you create a flexible, dynamic data warehouse that quickly adapts to the changing requirements of your users and customers. If you've already got a data warehouse that isn't meeting the needs of the business, our consultants can review its data model and performance and optimize its operations.



Data Discovery

The self-service capabilities of today's BI solutions can help your users quickly create guided drag-and-drop dashboards from a desktop or mobile device. The interactive content can be personalized for each consumer and can be delivered to any user at device so that analytics is always at their fingertips. Our Big Data and Analytics team can show you how.



Predictive and Cognitive Analytics

Predictive and cognitive technologies help you understand what is likely to happen and what your next action should be. Our Data Science team can remove the barrier of data issues while giving you a foundation to perform operational and forward-looking analytics when needed.



Information Management

Your organization needs to utilize enterprise-class information management capabilities as part of your data warehouse solution. Doing so can help lower overall project risk, enhance confidence in the quality of your information, and reduce costs through less development effort.

ABOUT LRS IT SOLUTIONS

LRS IT Solutions Group offers comprehensive technology solutions encompassing analytics, cloud, security, and infrastructure. Founded in 1979 and grounded in the heartland, LRS strives to earn the trust of our clients by helping them determine the right deployment model for their data, whether it be a public, private or hybrid cloud, or an on-premise environment.

LRS IT Solutions provides complete business solutions designed to address the dynamic nature of today's competitive environment. We can help you find the value in your data to solve your most challenging problems and achieve corporate goals; all the while leveraging industry-leading security solutions to close critical vulnerabilities and manage cyber threats, whether that is on-premise or in an LRS cloud. We can also help you transform your IT infrastructure for greater agility and easier management.

Our highly trained, certified experts can design business solutions built upon best-of-breed technologies from companies such as IBM, SAS, Microsoft, AWS, Proofpoint and others.

We specialize in the design, implementation, and optimization of applications in the following areas, and also offer strategy-based planning services:

- **Analytics**
- **Cloud**
- **Security**
- **Infrastructure**

