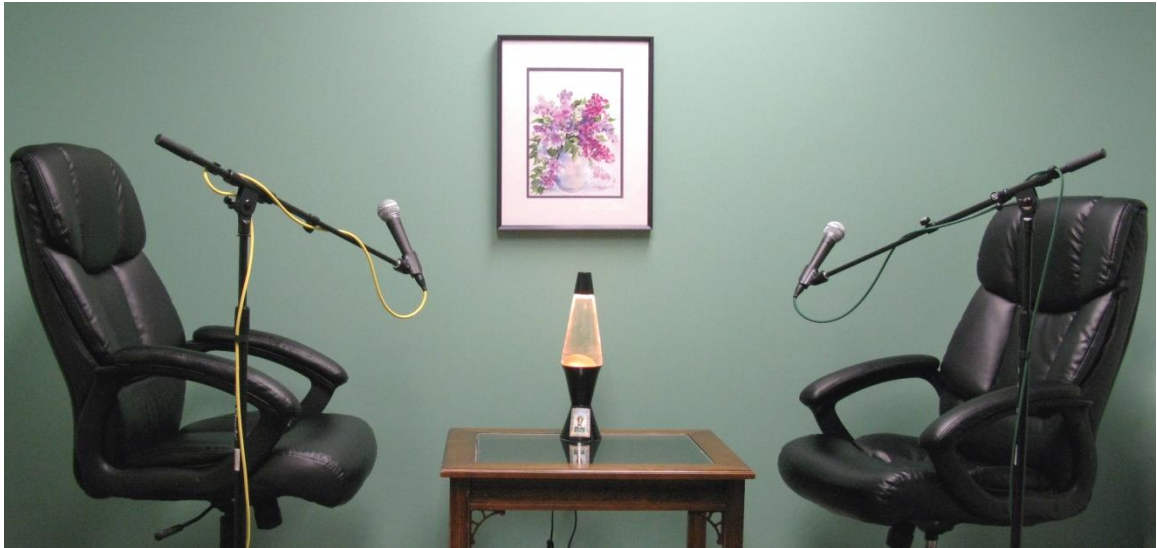# BBBT Podcast Transcript

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.

For more, see: www.bbbt.us.

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Host:	**Claudia Imhoff**, President, BBBT
Guest(s):	**Sandy Steier**, CEO and Co-founder
	Jed Alpert, Vice President of Marketing
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Transcript:	[See next page]

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 pleased to introduce my guests today. They are Sandy Steier and Jed Alpert. Sandy is the CEO and co-founder, and Jed is the vice president of marketing for 1010 Data. Welcome to you both.

Sandy Steier: We're happy to be here.

Jed Alpert: Thank you, pleasure to be here.

CI: Sandy, let me start off with you. The session was really interesting. I do hope people watched the video. It was very interactive. It was very, in some ways, controversial. I think you started us down that path with your first slide that we're now in a sea change situation in terms of the data world. What do you mean by that?

SS: I think that given new technologies, which are spurred on by the advent of new data sources, the approach to managing and analyzing data is changing. I think there's a lot of new data coming on the scene that didn't exist before and I think that people want to do all sorts of things with data that they've never done before.

That combination means that we need a more flexible, a more usable, a more democratic approach to data analysis.

CI: Yes. New sources, machine data, sensor data, volumes of data that we've never seen before, right? These are some of the things that you're talking about.

SS: Exactly and people want to take that new data and combine it with their old data and data from all sorts of other sources potentially that they might think of, and do some interesting things with it that they've never done

before. That means that you need tools that allow you to do that sort of, what I call, "off road analysis."

CI: Let's talk about that a little bit. You gave us a little history lesson, if you will, that we have had these two paths of business intelligence. On the one hand, we built traditional data warehouses, where we took the data out of operational systems.

We integrated it. We cleaned it up. We popped it into a data warehouse. We created data marts, whatever. We slapped some of an analytical BI tool on top of that and said, "OK, here you go."

On the other pathway, people took something like a spreadsheet or spreadsheet technology and sort of did their own thing.

There were significant differences. There were significant benefits and significant challenges to each of these pathways. Let's go down the history path.

SS: Just to be brief, I think that on the one hand you do have the formal database data warehouse world with, as you said, BI tools mixed in there. That is very valuable because it handles large amounts of data. It does it in a controlled way. It has other advantages.

On the other hand, what is simpler than a spreadsheet or other data discovery tools, some of the newer tools.

CI: Or ubiquitous.

SS: They're ubiquitous. They obviously have tremendous appeal. I don't have to sell them. I think that there's an undeniable appeal to tools like spreadsheets.

If one could combine the appeal, and the simplicity of a spreadsheet, and the robustness, and enterprise level seriousness of the data warehouse, you end up with something very, very interesting.

CI: The challenges obviously in the traditional data warehouse world, it's a schema on right. The database, itself, is already set. It makes it somewhat

inflexible. I'm not going to change the way my data is stored because it's a huge effort to do something like that.

However, it does have the robustness to handle massive volumes of data and massive sets of users, as well. The spreadsheet, on the other hand, it has its own set of challenges. We all know what they are.

We go into spreadsheet hell. Within the chaos of everybody's got their version of the truth. They're happy with their version of the truth.

The company, overall, is not very happy with that. It doesn't handle the trillions of rows of data that a proper database actually can.

With those two things in mind, enter 1010data. Tell me a little bit about the company and how you solved this dilemma of these two paths.

SS: Again, it's really taking the experience of a spreadsheet. I hesitate to use the word, "spreadsheet" because...

CI: Maybe the ease.

SS: ...it has certain appeal. The experience of people using a spreadsheet is undeniably, as I said, appealing, and therefore, if one could take that, and beef it up, and basically make it more robust.

Get rid of some of the problems associated with spreadsheets and increase the ability to do more things with it. In particular, to deal with more data, then you can end up with very nice things.

CI: All right, history of 1010.

SS: This idea is really, I would say, a direct result of the history. My co-founder and I were on Wall Street for many years. We started out really as technologists. We very quickly moved to the business side.

Even as people on the business side, we were doing our own technology. We'd spend half of our day doing banking work and half our day doing programming in support of that work.

To do that, you needed this ease of use simplicity type of paradigm otherwise there would be no way for one person to be able to do both things.

We knew how effective that was in our jobs on Wall Street. We were always ahead of the competition. We could always get things done more quickly and innovate more quickly.

Therefore, when we left Wall Street, we thought to ourselves, why don't we bring that idea to the rest of the world, and that's what we actually did starting way back in 2000, and have been pursuing that path ever since.

Slowly but surely, getting a lot of people to see that that is in fact a better way of doing things, and our customer count is now quite high.

CI: Yes.

JA: Just to add one or two things about our history. Our roots were in financial services, and we've mostly focused on financial services for the first set of years, but we've since then branched into many other verticals, so retail, consumer goods, Telco, gaming, health care, and even doing some stuff in government.

CI: Before we talk about some case studies, and Jed, I'd like to stay with you and talk about a couple of case studies.

What struck me is that your typical customers are these very large companies that have large amounts of data. First of all that's a characteristic that seems to be across the board. They have a fairly large number of users, perhaps, that want to get at this data, and many of them are fairly sophisticated in their analytic capabilities. They know how to manipulate the data.

The third thing is they have fairly complex analytics that they actually do develop. They're not simple reporting, they're not simply doing comparisons, they're doing some fairly sophisticated analytics on these things, would you agree?

JA: I think that's generally the case, but I think as with anything, there are some exceptions. For instance, we work with some trading desks on Wall Street

where we may have a handful of users that are doing sophisticated analysis.

We work with retailers, where there may be large numbers of users, but they may be doing just some inventory and sales reporting, so it's just again, large volumes of data.

Depending on the specific customer, the use cases can really range the gamut, but we definitely have customers that are a number of users. We have customers where we have very few users. We have customers where they're doing very sophisticated analysis, and other customers that are just doing basic things.

CI: Which is nice, you go across the board then.

JA: Absolutely. We've really seen that at our core, we're an analytical platform, and so we can be generically applied to many, many different verticals or analytical challenges.

As Sandy mentioned earlier today, everyone likes to think that they're unique in their analyses and what they do specifically for that company or for that industry varies so much from what anyone else is doing, but when you boil it down, a lot of the analytics are very, very similar.

CI: There probably are some unique things to an industry, but you're right. Everybody wants to know profitability, they want to know inventory. They want to know, fill in the blank, whatever it is. Let's talk about some specific examples, some case studies, that you've presented today.

JA: Sure. The first one, Sandy had mentioned, we do some work with the New York Stock Exchange. They're our largest and longest customer. What the New York Stock Exchange does is they use 1010data to manage, host, and share all of their market data with their partners.

On 1010data, we have over one and a half trillion rows of data that we manage for the New York Stock Exchange and their partners can go in and perform different types of analyses. They can do back testing on all of the trade data, so it's every trade of every stock on every US exchange.

We also have quotes data that is available for them to do everything from simple descriptive analytics all the way through to machine learning algorithms and prescriptive analytics.

CI: All right. What else?

JA: The New York Stock Exchange, one customer. We do a lot of work in retail, as we mentioned earlier. There is, actually very interesting, because not only are the retailers using us for their internal analysis and using us as their enterprise data warehouse, they're also using us to share data with their partners as well.

The same data that's being used internally, the same data analysis that's being used internally, is also available to the partners. Let me go into a little bit more detail about that.

A retailer typically is going to have point of sale data, inventory data, pricing data. Anything that they could think of, they can put into 1010. It's even gone so far to have, actually, alarm data in certain instances, for their stores. What's happening with their stores gets fed into 1010data.

They can use us for a variety of things. It can just be for looking at sales and performance of individual stores. They can do more sophisticated analysis, in terms of doing market basket analysis or affinity analysis, to better understand customer behaviors and what customers are actually doing in the store, what products are they buying.

Using that information, category managers can take those types of analysis and better merchandise their products. It's not a mistake that milk is in the back of the store. This is the story that everyone knows, everyone buys milk and they want you to walk through the rest of the store.

Then, there's a lot of intelligence and analysis that goes into which products should be placed on the shelf next to which products. Which things do you want to put in an endcap? How do promotions and other things perform?

This data's obviously very valuable. These types of analytics are very valuable to the retailer. They want the flexibility, to be able to run them in

an ad hoc manner. That's one of the things that 1010data's providing to them.

Where it gets even more interesting is when a consumer goods company, let's say like Coca Cola, Procter Gamble, or any of the other large consumer companies, also have an interest in understanding that same data, because they don't really have that view into the customer and their actual behavior in any of the retailers that they work with.

The retailers have actually set up programs where they're allowing their partners, in this case the consumer goods companies, to actually get access to the same data that they're using internally and make it available externally. It's not just a data dump. There's actual insights, reports, and analytics.

The retailers have full control over what data they share with which partners. In some cases, it may just be basic data about how many sold in this store. They may have access at a higher tier to say, "Not only do I get to see what my products have done, I get to see the other products within my category, so I understand that from a category level."

Then, it could even go as far as to say they can see all the products that are sold in the stores. They understand their share of market basket, if they have a loyalty program, maybe even loyalty data, to be able to understand customer behavior over time.

That's just an example of what we're doing in retail. We also do other things in Telco, where people use us to model churn based on how people fit into their networks. Just a few examples for you.

CI: All right. Sandy, let me go back to you. We're almost out of time. Let me go back to, basically, your differentiators. You do have some very strong characteristics in your product that differentiate it from your competitors. I'd like to ask you to just touch on them a little bit if you would.

SS: Sure. I think that, to sum it up at the least on a high level, the way I would say it is, we are again performing the function of a traditional enterprise data warehouse and of data discovery.

If you look at the companies in the enterprise data warehouses space, they don't currently do data discovery by themselves. On the other side, people in the data discovery world cannot be an enterprise data warehouse. No one could ever use them in that capacity.

Since we do both, we're different than either side of the equation. One could argue that if you put two together, you could simulate what we do. In other words, if you have an enterprise data warehouse and you combine it with the data discovery tool, maybe you have what 1010data is.

However, then you'll have complexity. It means that data needs to be moved around. It means that the data discovery's not really being done on the original data source. It means that there are going to be limitations.

It's just more complicated, and complexity is one of the issues that we've always had in the technology world. To the extent that we are reducing or mitigating that complexity, I think we bring a lot to the table.

CI: Yes. I do, too. The demo, today, demonstrated moving from having the data to data discovery with ease. If I had to say anything, I would say that that is your differentiator. You have made a very complex environment relatively simple.

SS: I'm glad you think so.

CI: And on that, 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 Sandy Steiner and Jed Alpert of 1010data today. Thanks so much.

SS: Thank you very much.

JA: Thank you, Claudia.

CI: I hope you enjoyed today's podcast. You'll find more podcasts from other vendors at our web site, www.bbbt.us. If you want to read 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!