BBBT

Boulder BI Brain Trust

Leveraging Business Intelligence

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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Vendor:	**1010Data**
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Host:	**Claudia Imhoff**, Founder, BBBT
Guest(s):	**Sandy Steier**, CEO
	Jed Alpert, Senior VP of Marketing
Run time:	**00:14:52**

Claudia: 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 Jed is the senior vice president of marketing for 1010data. Welcome to you both.

Sandy: Thank you.

Jed: Thank you for having us back in Boulder.

Claudia: Yeah, beautiful Boulder today. You've picked a good time of the year to be here. Jed, let me start with you. A lot has happened since you were last here. That was, what? A couple of years ago. If you don't mind, briefly tell me about the updates to the company.

Jed: A lot has happened since we were last here. I think the most significant thing that's occurred is we were acquired in August of 2015 by Advance/Newhouse. We were acquired for a pre-money valuation of $500 million.

There's a couple of different aspects to this, which were very important and very beneficial to the company. First of all, it's a very good acquisition for us. Most importantly, it's left us as an independent operating subsidiary under the Advance/Newhouse umbrella.

We were able to continue to execute on our vision. As important, they're investing additional capital into 1010 to help fuel our continued growth, investing in the product, the marketing and the sales teams to really bring us to the next level.

We've also continued to evolve the product in many, many different ways. We've updated our application. We've increased the flexibility for building quick apps and other parts of our technology. It's just continued to improve. We talked a lot today about where we're going in the future.

Claudia: Yeah, a lot going on in the future. Your tag line is that you are the only out-of-the-box, fully scalable, self-service, inter-enterprise data analysis platform. Sandy, would you explain what you mean by that?

Sandy: I think everyone knows that there is a certain goal that people would like to reach, which is this notion of a single version of the truth, where a company's data is on one place and everybody can analyze it and it's wonderful. Everybody is looking at the same data, and it's very efficient.

By inter-enterprise platform, what we mean is that we take it to the next level. Not only can you do that within an organization, but you can do it across organizations. Imagine that this is a shared enterprise data warehouse that has all of each other participant's information in one place. They can all analyze it together. That is something that really does not exist today.

Just very quickly for the other adjectives in the sentence. It's self-service. It's very easy to set up. This is not something, which is a complicated engineering thing. It works this way out of the box, as we say.

It's fully scalable. It means it works on any size data problem. You can have Fortune 100 companies or any company have all their data in this, and then another company have all their data, and they can work collaboratively.

Claudia: I think the important part of that is the data. In other words, if I run an analysis, I don't have to have a subset. I'm running against all of the data all of the time.

Sandy: Yes. That's the distinction between our product and a lot of the data discovery products out there and things like that. They're working on samples of the data, on extracts, on aggregations. They aren't really working on the entire thing.

First of all, it means you have to move data around. It means you have lineage potential issues. It means that it's not efficient and people don't have access to everything. In our case, people have access to everything and everyone is working on the same version.

Claudia: Jed, let me go back to you. If you don't mind, tell me how some of your customers are using your technology.

Jed: Sure. That's a great question. Our customers are using 1010data in really a number of different ways – that spreads across different industries. At our heart, in our core, we're an analytical platform. Let me give you a couple of examples of how people use us today.

First, in the retail industry, we've become an analytical platform for analyzing everything from their merchandising operations to their store operations, to their supply chain. It's had tremendous impacts on the company.

Typically, we'll start with a department. It could be, let's say, merchandising. Maybe they're interested in understanding, when a customer walks into the store, what products do they buy together. This goes to the heart of how a retailer operates, where things are placed on the shelf, what's the average basket size, are they able to increase it.

They'll work with someone like 1010 to allow them to understand that on a line item basis. Instead of the older worlds, where they look at aggregate data or summary data, they're using 1010 to look at their most raw and granular data, every line item of every receipt.

This can get into the billions of rows of data. The analysis that you're doing to do market basket analysis is actually complex.

If you look at it over time and start to do affinity analysis, it becomes even more complex from a processing and calculation perspective. Retailers have used us to do that and seen significant increases in their sales or average order sizes as they make adjustments to their store.

Another example for retail is they actually share data with their partners. A retailer, just to give you an example, let's say, one of their suppliers is Coca-Cola. Another supplier is Pepsi. They're actually partners of theirs because the goal of the retailer and the goal of suppliers often align in terms of wanting to be able to sell more of the product.

The challenge for retailers is that their margins are so slim, they don't often have the ability or the budget, I should say, to fund large analytics departments.

They want Coca-Cola, they want Pepsi to be able to do analysis to say, "Hey, this type of promotion works. If we use this type of pricing strategy in this market or pair our products on the shelves with these other products, this is going to help you get the most from what you're doing in the store."

We allow retailers to actually share data with their suppliers. They control what they're sharing. It can be data for a particular category. It can be data across the store. It can be their loyalty data.

It's every type of data. It's from sales to merchandising to inventory levels. The supplier, in this case Coca-Cola or Pepsi, can help a retailer become much more efficient and better at merchandising promotions, store operations.

Claudia: Sandy, let me return to you. You mentioned the support for intercompany collaboration, and Jed just gave us an example of that as well. If you don't mind, talk about it a little bit more in detail.

Sandy: Sure. I think that sharing data between companies is really nothing new, but outside of 1010data, it means something very different.

Historically, and even today, when companies share data, they do it under very controlled circumstances.

They understand that they need to see data for a certain particular reason, whether it's supply chain management or some sort of analysis. Hence, they build a system. They build an application around that need. They'll do all the necessary technology work and programming and everything to put together things so they can accomplish that particular task.

What we're talking about is something very different. We're saying we don't necessarily know what the problem is ahead of time. We just know that company A has a lot of very interesting data, potentially hundreds of billions of rows of interesting data.

At the same time, company B might be able to use that data. They may be in different industries. We don't even know how company B would like to use the data. Company B may not know how it would like to use the data because it's never seen it before.

What we're talking about at 1010data is that company A can simply throw open its doors and say, "Here's my data. Here's my 500 billion rows of data. Would you like to play with it?" Using our tools, it makes it very easy to do that. They may find out all sorts of new insights that they never began to imagine before.

Claudia: That's certainly one of the prime differentiators for 1010data, but what else differentiates your company from your competitors?

Sandy: Again, that's the big idea, but on a more prosaic level, we are an end-to-end platform that works at scale so that you can do everything within this single tool, everything from ingesting data, doing ETL, analyzing the data, building applications, the whole gamut.

Others allow you that as well, but we do it in such a way that you can basically replace an enterprise data warehouse with it. You can replace the entire data management and analysis stack, an

Page 6 of 10

application-building stack, with 1010data. We're the only ones, I think, who do it at that scale.

We also do one other thing, which is a little bit tangential to this, is we bring our own data sets to the mix. When somebody uses our platform to do this analysis on potentially their own data or their partner's data per the data-sharing thing, we act as another partner, bringing our own data to the mix and offering very interesting data, some of which is public, but we make it more accessible, some of which is unique to 1010data. We actually go out and source very interesting data sets for people to analyze.

Claudia: Can you give me an example of a data set, let's say, a public one?

Sandy: Sure. There are a lot of companies that collect information about people. Some of it, we don't necessarily want to talk about, but some of it is very upfront. It's anonymous, first of all. Customers are opt in. There's no potential harm to the customer, but it's very interesting information about a lot of people.

One example is that, for a panel of five million people, again it's anonymous, we don't know who these people are. We know their credit and debit card purchases.

Why do we care about that? Not because John Smith bought this or that. We care about it, in fact, because in aggregate, they're buying things in this retailer versus that retailer. They're buying different products potentially.

We'd like to know these things. The retailers would like to know it. The market in general would like to know it. That's something that we add to the mix, which I think is very hard to get.

Claudia: You can get buying behaviors. You can get trends and purchases and that sort of thing.

Sandy: I think it's very innocuous. It's innocuous in the sense that when you look at, let's say, Google Maps, they tell you where the traffic is. They're looking at people's cellphones, presumably.

They don't care about the fact that I happen to be driving down the street at this speed. They care about what people are doing in general. That's a very legitimate use of the data, I think. We do a lot of that.

Jed: To make it interesting for our customers and easy and useful, we also make sure that the data is current. We're continually updating it. We make sure it's analytic ready so that it's cleansed and uploaded and kept current in a useful manner.

The customer doesn't have to do any of that additional work, versus if they just went to the website themselves or tried to acquire the data and cleanse it and prep it, they'd be doing a lot of reworks. We're bringing efficiency to the process as well.

Claudia: Jed, let me stay with you. What types of persona do you see are best for using your technology efficiently?

Jed: Our platform is really good for a number of different types of users. I think that's because, as Sandy said, it's an end-to-end platform. It offers something for most types of users that you would encounter in an analytic environment.

Let me start with the business analyst, the person who's really crunching the numbers. 1010data, because of its Excel-like interface, offers them the ability to crunch numbers and use a paradigm that they're very comfortable with.

They can create simple or sophisticated analysis using everything from simple tabulations all the way through to machine-learning algorithms. When you get to that level, it's probably more of a data scientist that's using our solution.

For an executive, a business analyst can create dashboards. They can create reports. They can create tools that allow them to work with the platform in an interactive manner. Going beyond dashboards, they can also create interactive applications that include things like workflow. This is all done on the same platform.

For the technical developer, we also offer a suite of SDKs and APIs and data-loading tools that allow them to do things in very sophisticated manners that need to be customized for their particular company.

Claudia: It's not just acquiring the data. You also allow them to do certain levels of integration and some data quality processing as well.

Jed: Absolutely. An essential process to doing analysis is being able to make sure that the data is clean, is prepared, and is in a useful manner.

Because we have all their data, someone can actually even go back, if it's been prepared, to look at how it's prepared to understand what the actual outcome of that is. If they need to change that, they can create their own view of that data as well.

Claudia: Sandy, you get the last question. What does the future look like for 1010data?

Sandy: I hope bright. I certainly think it's bright. I think we'll continue to do the things that we've been doing. We know we have an end-to-end solution. We're always improving how people work with it, make it easier, make it more powerful.

The notion of an intercompany type of hub is an incredibly important thing. I would like to see some competition in that field, in fact, because it is a category that I think is under populated. We'll hopefully do this better because we'll have better backing in terms of capital from Advance/Newhouse. I think we are looking for a very exciting future.

Claudia: I think it is, indeed. Unfortunately, we're out of time. That's it for this edition of the BBBT Podcast. Again, I'm Claudia Imhoff. It's been a great pleasure to speak with Sandy Steier and Jed Albert of 1010data today. Thanks to you both for speaking with me.

Sandy: You're very welcome.

Jed: Thank you, Claudia.

Claudia: 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!