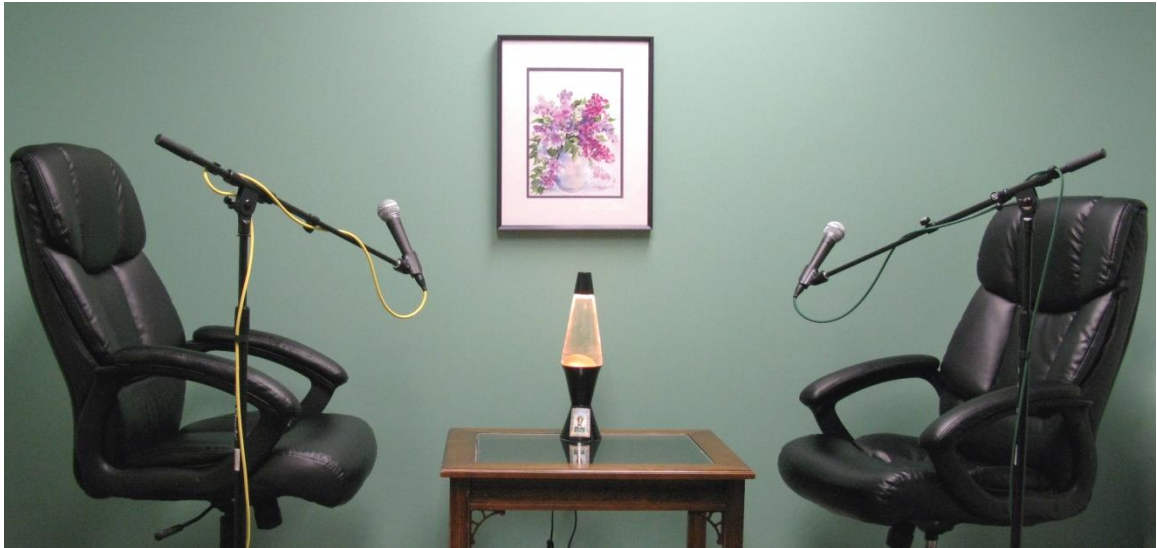




BBBT Podcast Transcript



About the BBT

The Boulder Business Intelligence Brain Trust, or BBT, 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 BBT provides a variety of services, centered around vendor presentations.

For more, see: www.bbbt.us.

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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 pleased to introduce my good friends, they are Francois Ajenstat and Suzanne Hoffman. Francois is the Senior Director of Product Management and Suzanne is the Senior Director of Analyst Relations for Tableau. Welcome to you both.

Suzanne Hoffman: Thank you, Claudia. I'm glad to be here.

Francois Ajenstat: It's great to be here again for the third year in a row.

SH: Fourth year.

CI: Fourth, yes, for you the third year, fourth year for Tableau.

Let me start with you, Suzanne. It's been kind of a remarkable year, actually, for Tableau. You've had a lot of growth. Why don't you tell me about what's new, what's happened in the last year.

SH: In the last year, of course, the highlight of the year was going public. In the two and a half years that I've been with Tableau, I've watched the growth. It's been the product, and the product, and the product, and our customers loving our product.

CI: Excellent.

SH: We went public. We completed the year at 232 million with 17,000 customer accounts, with product 8.1 out in the GA world, with the expectation of a lot of new software to come.

We've got a little over 1,200 employees at Tableau today. We're an award winning company, not only from the standpoint of new awards from the



Motion Picture industry, new awards for the company itself as best workplace in Seattle and Puget Sound in 2012 and 2013. We're doing well.

CI: Let's drill into that a little bit. I'd like to know what you attribute that growth to? Because it has been remarkable. I love the picture, the happy picture, at the ringing of the bell for when you went public. I love the best place to work for two years in a row. You've also won Academy Awards. My gosh, this has been a heck of a few years for you. What do you attribute it to?

SH: Historically, when you look at the industry and the adoption rate of software, the piece that's been missing is the real viral adoption. It's the ability for a software package to really enable a class of users, a brand new class of user, a greenfield opportunity to move in to delight the users, show them the way forward with their own business, their own data, and then have that spread virally in organization.

What we've seen with Tableau is the ability to go in and put a footprint. Just a single user, maybe a couple of new users and it spreads so that the entire enterprise is using it. We have enterprise class software that people find fun to use. They do that with great alacrity.

FA: I think also the market has shifted. The whole BI market has evolved where now the concept of data discovery and visual analytics isn't just something that's niche. It's become the de facto way that people work with data.

Tableau's been now recognized by Gartner, again, as being in the leader's quadrant, but it's also recognized that visual data discovery is the wave of the future. Tableau's leading that change.

CI: Boy, is it ever. I'll tell you what, again, what we talked about this morning was the incredible year you've had from a software point of view as well. It's not just the tremendous growth in revenues, and customers, and so forth. But it's also...my gosh, I don't know how you people sleep. Maybe, you don't sleep. You've got so much coming up.

Let's start out with the year of software, which is what this has been. Tell me what's been going on.



FA: In the last year, since we've been here. We've released a lot of new capabilities for our customers. It's actually part of the growth is we're delivering constant innovation value for customers. We released version 8.0 which added lots of capabilities around web and mobile authoring, new APIs, new data connectivity. We introduced a brand new product called Tableau Online, which is a version of Tableau server in the cloud. It's been extremely successful.

We kept off the year with Tableau 8.1 which added new capabilities around R integration, enterprise features, new data access capabilities. It's just been phenomenal to keep innovating, and keep pushing the boundaries of what's possible with software.

CI: We're now going to get into the next version. Before we do, how did you come up with what you needed to put into 8.1? How do you decide what goes in and what stays out?

FA: We're very customer centric. We love hearing from our customers. Our customers have become fans of the product. With 8.1, about 50 percent of the features that we added came directly from the customers. We have a public ideas form, where anybody anywhere can vote for ideas, submit things that they'd love for the product to see.

We look at that in a way, you can think of it as crowd sourcing product management, which makes my life easier. We look at that and we look at the features that customers want to see. We add that to the road map. 8.1 is a great testament of how we're responding to what our customers want.

CI: The last time you were here, we had a big NDA actually at that time, NDA discussion on the cloud. Back and forth; should you do this? How do you price it? Are people going to adopt it? Tell me how it went.

FA: It has been phenomenal, so exciting to see the momentum for this business. We introduced the new product, Tableau Online, just nine months ago. It's effectively a version of Tableau server in the cloud where people with little or no IT can easily share and collaborate on visualizations, and dashboards, and analysis.



What's been fascinating with that is not just seeing the adoption of that capability and seeing people that couldn't have access to Analytics now can use Analytics anywhere they want. What's also really fascinating about that is, it's built on Tableau server. The same product that our enterprise customers use.

As we operate the software in the cloud at scale, it helps us to improve the core product—because we needed to be secure, and available, and scalable just like our customers. As we operate the cloud technologies, we're putting in the same features in our corporate product. The overall capabilities that we deliver to our customers just gets better and better. That's been just so exciting to see.

CI: The cloud gives you such insight. You see every click. You see every move. You see when they hesitate. They stay somewhere for a long time, either they've lost interest or they don't understand it. You really do get a tremendous insight into how they're using your software, where on premises it's very difficult to do that, right?

FA: That's right. With a packaged product, you create a box, you ship it. You don't really know what happens.

CI: It's untethered.

FA: Exactly. With the cloud, we get to analyze how people use the system, how the system behaves at scale. Were there issues, in a way, that you never get in a packaged product environment? We don't get to see any of data. That's so secure.

What we get to see is the metadata understanding the behaviors. What features are popular? How often they update their data? How big is the data volume? That overall, again, makes the product so much better.

CI: Yeah, it does. Now, 8.1. Let's talk just briefly about that. 8.1 came out in November. One of the problems that many software companies have is when they release a new version, they've got to convince their customers, "You need to move to that version." Right?



It's been out for...I don't know...November is a silly season. December is kind of a silly season. It's actually only been out for, let's say, maybe three months if you add it all up together? How's it been?

FA: Incredible. When you build software that customers want, they move to it really quickly. We make the upgrade process seamless. There's no migration. You move to the new version. It just works.

It was really interesting. I've been in the enterprise space for a long time. When we introduced 8.1 in November, we looked at the data two months after the release. Two thirds of our customers had already upgraded to this version. I've never seen that in enterprise software.

CI: I've never seen that, either.

FA: There's no effort required. They just upgrade. Their previous work just migrates over. They automatically get access to the all-new capabilities. It's a 64 bit capabilities, R integration, improved performance. That's just automatic without work from our customers.

CI: Boy, that's terrific. It's good news. It's good to hear.

FA: It is exciting.

CI: You did really something that there was a lot of pin top need for. Let's turn to the latest one 8.2, which is coming out.

FA: Coming soon.

CI: Yeah, to a theater near you. Coming soon within the next few months. Now, to me, the most exciting thing that you announced about 8.2 is Tableau for the Mac. There's a lot more to it. Let's at least focus on the Mac side of it, to begin with. How difficult was that? Was it easy to do?

FA: It was a big effort. The Tableau for the Mac is probably the number one question that we get from customers. A lot of people use Tableau on the Mac, whether you've looked at the adoption of the Mac in the enterprise is not necessarily the point.

There's many people that use Mac whether it's at home, in education, in media and entertainment, in technology. The OS that you choose shouldn't



dictate whether you have access to data or not, or Analytics. We've actually ported the entire the product to work natively in the Mac.

The exact same capabilities that people have on Windows work on the Mac. There's not a new product to buy. You don't have to re-write your content. Your content from Windows works on the Mac and vice-a-versa. Your license works on the Mac or on Windows. It will just be seamless. It will open up Analytics to a whole new group of people that couldn't do it before because the technology wasn't available on their platform.

CI: I mentioned during the event, I think you're going to sell a lot of Macs.

You ought to buy some more stocks in Apple or something. I'm not sure. What else is new in 8.2?

FA: The Mac is exciting. It's going to open up Analytics to more people. I'm actually most excited about our story telling capabilities. Something that we call story points, because as I look at the evolution that we've gone through, we've gone from reports to visualization. Really, we all do it for the purpose of sharing and collaborating and telling stories with data.

We are introducing story points in 8.2 where people can create data driven, interactive stories with just a few clicks. No more creating reports, cutting and pasting the images, and putting them in PowerPoint. You can now just assemble the stories in a few clicks, capture your snapshots, and create this dynamic story line for communicating with others. That's going to be really, really exciting.

CI: I think you hit on a word that does describe it dynamic.

FA: Dynamic. Absolutely.

CI: It's the ability to, on the fly, I can add a new graph and add new slide, if you will, if it were a PowerPoint type thing. I can select a particular product or a particular geographic location and everything changes. It really is truly telling a story of here's what's going on in our business.

FA: That's right. It's interactive so that when you're presenting the data, there's always somebody that says, "Well, what about this?" In the past, you'd have to say, "I'll get back to you on that." Now, you can engage with that data



right there on the screen. That, I think, will really change our work spaces and will also change how people communicate in the future. That's very, very exciting.

CI: It was actually a beautiful demo.

FA: Thank you.

CI: Thank you for that. Last question, a bit of a different change, I guess, in the messaging from Tableau in terms of your approach to BI. It was a very interesting part. Ellie Fields gave us an overview of what that was. It has so much to do with change management. How do we get BI deeper into the business? I think the bigger change there was we also have to engage IT. We have to make sure that there is this partnership between IT and the business. We can't do it without one or the other. We have to have them both. Why don't you explain that approach and tell me how you got there to begin with?

FA: It's really interesting when we talk to customers every single day. There's this common thread that comes up. People see the technologies. They love it. They're dealing with culture change issues. They don't know how to drive it and be successful. We've been studying actually how various customers drive success in their organizations. What's the difference between a successful customer driving this change in their business compared to a non-successful one.

It's not about the technology, technology is just an enabler. It's about change management. It's about the partnership between business and IT. We're going through this process, right now, of documenting and providing guidance and a way for people to work in a more agile analytics environment, essentially giving them a pathway to say, "If you want to go down this journey, here are some ways for you to get there successfully," by studying what has worked in other organizations, staying away from the pitfalls, and ensuring that every discipline within the organization, between IT and business, are working together to drive the success.

It's not just about features. It's about enabling customers to be successful and driving that change management around the culture as well as the operational change that's required.



CI: You had a slide up. Let's talk a little bit about the pitfalls. Ellie put up a slide that said, "This is going to be a tough road to hoe if you are in these positions." They were about four or five bullet points. Why don't you talk about them a little bit?

FA: One of the things that we don't want to hear is if the customer says, "I can't start the analytics project until I have all my data normalized in a data warehouse." We all know that's a three year project, if not longer. That's not the right approach. If somebody says...

CI: They'll build it and they will come in ideas.

FA: That's right. It doesn't work. That's why BI projects have failed, or if you have the other side of things where people say, "I don't need IT. This is about self-service. It's all about the business." You hear those two things that's a certain path to failure. What you need is a collaboration between the IT and the business. It's a move into this agile approach.

Thinking about agile, not necessarily the methodology, but the approach of doing things in a much more iterative, prototyping way where you're moving faster, you're getting feedback faster, and really understanding the role of IT in data governance and security, and providing the infrastructure with the business, driving the requirements and understanding questions. They're really the drivers for that side things. It's not one versus the other. It's the two together.

CI: I love that message.

FA: It's really exciting to actually start helping people to drive that success independent of technology that they use.

CI: I love it.

FA: Me too.

CI: Next year, I want to hear all about it. Unfortunately, we're out of time. Boy, that went by so quickly. That's it for this edition of the BBBT podcast. I'm Claudia Imhoff. It's been such a pleasure to speak with Francois Ajenstat and Suzanne Hoffman of Tableau. Thanks to both of you.



FA: Thanks for having us here.

SH: Thank you.

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!