



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.bbt.us

Vendor:	GoodData
Date recorded:	07-15-2016
Host:	Claudia Imhoff , Founder, BBT
Guest(s):	Jeff Morris , Vice President of Data Product Strategy Emily Rugaber , Director of Sales Enablement
Run time:	00:17:31



Claudia: Hello, and welcome to this edition of the Boulder BI Brain Trust, or the BBT. 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 BBT podcasts are produced by my company, Intelligent Solutions.

I'm please to introduce my guests today. They are Jeff Morris and Emily Rugaber. Jeff is the Vice President of Data Product Strategy and Emily is the Director of Sales Enablement for GoodData. Welcome to the podcast.

Jeff: Thanks very much, Claudia. It's great to be back.

Emily: Thanks.

Claudia: Jeff, let me start with you. You have a new mission. It's the idea of an umbrella category for GoodData. The idea is to help enterprises build smart business applications. Why the change? What does that mean?

Jeff: The new category that we're trying to develop, this idea of smart business applications, is geared around helping an organization, an enterprise, or a software vendor, an ISV, target analytics out to their customers, their partners, their suppliers – whatever business network exists with whom they're doing business to help them contribute to the revenue generation process.

They could be directly generating revenue like building a data product, or it could be using a packaged analytics solution to affect revenue indirectly.

Claudia: What's interesting about it, your business network idea, is that it is a tiered environment, if you will. There's the mothership, for example, the hotel name itself. Then you can distribute these work products out to each individual hotel, store, or department like you said.



They can then look at their performance in their own little space and be able to compare it to each other and so forth, right?

Jeff: It's exactly that. They can look at their individual performance against what we might call an index or a benchmark of their peers. It doesn't necessarily even have to be their peers if they're a series of stores or franchises. They can look at different territories or, in some cases, if we help them gather external data like market data from their area, they can look at competitive performances. How is that franchise performing against myself because we're fighting for the same customer to come inside?

We can help them do that kind of activity, as well.

Claudia: Emily, I'm going to bring you in. Talk a little bit about this subscription model that you have. It's quite different.

Emily: Because we operate in a SaaS environment and because we have a subscription model, we live and die on how successful our customers are. If our customers are not successful then neither are we.

In this market, it is very difficult to be successful, particularly bringing these data products outside your firewall and commercializing them. We license our platform based on not the number of users that are using it or the databases. We are looking to price based on your success and how quickly you can grow.

We're priced based on the number of business entities that are leveraging the technology.

Claudia: So many SaaS companies do base it on per user, or amount of data, or whatever it is. It's almost a punitive model. To reduce the cost, they're going to limit how many users and how much data they can analyze. That seems like the complete antithesis of what you want, right?

Emily: That's exactly right. The way to build a successful data product is to make it sticky and to make people come back for more. When we



think about building a data product or when we think about helping our customers be successful, we think about the hook. How can we get them to come in? What can we do to make them come back for more?

As they ask questions of the data, what new questions are being generated? Can they discover their own insights?

One of the unique differentiations about our platform is our ability to provide ad hoc analytics and discovery to our end users, not just the hotel but also the hotel operator.

Claudia: We've mentioned customers. Let's talk about a few of these customers. I did hear some remarkable case studies from you. If you don't mind, tell me about a few of them.

Emily: I'll talk first about HIMSS. HIMSS Analytics provide market intelligence for the healthcare market, specifically hospitals. They've developed a number of data products with us. The first one was a replacement for an archaic reporting, manual effort through PDFs and Excel reports that they were providing to their customers. Their core business is market intelligence. The way that they were providing it was through emailed PDFs.

They generate 80 percent of their business from this part of their product. They recognized that they needed something that would allow them to enable some of these ad hoc discovery things. They ended up using GoodData, rolled out their first data product in, I think it was three to four months.

The value that was provided is their salespeople were able to sell better. They actually were stealing market share back from their competitors at a rate that blew everyone's mind. They said it was almost not even fair.

They've had enormous success. One of their key metrics, they say it's their favorite metric, is that they have 40 percent adoption daily on their platform.



Claudia: One of the things that you've put up, and one of the things that's key I think to your customers' success is the way you help your customers. Tell me a little bit about how you help your customers reach the ultimate goal of distributed analytics.

Emily: What we find with being successful with data product development is it has as much to do with how great the product is as what your go to market strategy is and whether you've thought that through.

For example, what price should you offer this at? Should you offer multiple different tiers? What kind of marketing effort? Are there any legal implications? All the things that are required to bring a product to market.

When we look at solving this problem for our customers, we look at it holistically. We provide both the platform and the services to enable our customers to be successful in developing these data products.

Claudia: I like that. I like the fact that you start with a go to market strategy rather than, "Gee, what's the business problem?" because they've got to get it out to all these individuals, these B2Bs that you're talking about. How do they roll it out? I think that's a terrific way to start.

Emily: It definitely provides a lot of value in early conversations, which lends us a lot of credibility.

Claudia: It lends you a lot of credibility.

Jeff, back to you. What do you see as GoodData's differentiations?

Jeff: Let's think about exactly what we just described. We're trying to build an analytic package that is distributed to N number of business network members and number of organizations. Most other analytic products are not built to serve 1, 5, 10, 500 of these organizations at once through a template driven model. They're all built to serve one organization.



That was developed out of our multitenant nature as a SaaS provider, but then helping our downstream customers also become effective SaaS providers is what built out this idea.

Scaling this model of distributed analytics is one. Coming up with ways to secure that environment, making sure that the trust of that data package is in existence through its entire life cycle is key.

Coming up with a way to take advantage of the fact that we can look at, once we've delivered the product, how it's working. Having engagement monitoring capabilities built in that look across the business network to identify, as you just mentioned, the daily active usage rate of a product, that's things that Facebook talks about. That's things that Salesforce talks about.

Analytic vendors have no idea what that means because they don't measure the success and adoption rate of their entire customer community at once.

We do that. We do it through a whole platform that has everything that you would expect in an analytic product. It's got data discovery capabilities. It's got your KPI and dashboarding functionality. It's got basic report building and distribution. It's even got predictive functionalities built into it.

When you're looking at just the analytic package, we're very capable there but then when you roll in this need to distribute the analytics to a huge number of business networks as a data product that's key. Then that connected insights idea, it wraps the thing in a bow.

Claudia: Yeah, it does. It sure does.

Emily: What we found is you're not going to get your data product right the first time. Like any product you're going to bring to market, it's very, very common that the first iteration, maybe you didn't even gather any customer feedback or if you did, you missed the mark a little bit. You're going to need to rapidly be able to iterate and change.



When Jeff talks about the core distribution capability or the distribution service, as we like to call it, it's all about not just being able to provision new projects and new users, but to be able to maintain that over time.

As you make changes you can rapidly deploy those out to the business entities.

Claudia: You also mentioned some challenges. I thought they were pretty spot on. We all know what they are but why don't you go ahead and tell me what those challenges are. At the same time, tell me how GoodData helps to mitigate or actually eliminate some of these challenges.

Jeff: Again, let's look at what the audience is. Organizationally, it could be franchises. It could be stores. It could be customers who have day jobs. They're mortal and they have a variety of skills. Some are good at analysis. They might even be Excel experts. Some have no idea what analysis is.

You can't anticipate what their competency is going to be until we start deploying the data product. We've designed our environment to be as easy as anything on the market. Everyone says, "I'm easy to use," but this whole notion of not only being able to be simple but also iterate on that exercise and continuously make it simple and informative as the analytics skill set of that user grows. Everybody gets smarter as they get data, but that forces them to change their questions. That's one, is anticipating the core sets of users.

The next one is, "How do I scale that whole idea?" Dealing with 10 users, it's easy. Dealing with tens of tens of tens of thousands of users, it's very, very difficult. Making sure that we have that manageability in there is very important.

The third, especially with the IT side of the community that we're serving, is security. How do I take those analytic packages and make them trustworthy and make sure that when you're trying to



deliver that thing across the firewall that it is, indeed, something that you feel confident about?

We deliver that through not only a secure architecture but also we're adherent to compliance regulations. We're HIPAA compliant, not in our data center but through and through the whole company, which is a big difference.

Finally, it is that ability to iterate, that ability to change the application once it's in the field because you know the requirements are going to change.

Claudia: Let me pursue that a little bit more, in a little more detail because I thought the way you explained your security was quite good, and how it was different from, let's say, the big database in the cloud.

Jeff: When you look at the way other analytics products or our traditional model of how we build a data warehouse or we create that super valuable series of assets with all my customer information in it and all my data and demographic information in it as a warehouse, you're almost creating a vault. It is the crown jewel of the organization. Obviously, you're worried about publishing anything from the vault to the Internet.

What we end up doing is our workspace-based model is akin to delivering safe deposit boxes on a customer by customer basis or an organization by organization basis to make sure that whatever's getting published is only for that particular organization.

When you consider, "Which is more attractive to the outside world?" because, of course, the attacks are not coming from inside of the organization. They come from the Internet. Ask the NSA. Ask Home Depot. Ask Sony or Target or the CIA, even. It's coming from the Internet inbound.

What's the more attractive target? It's the vault, not the safe deposit boxes. You could argue even that the safe deposit boxes are something that are equally susceptible. A practical example is one



of the users leaves their phone on the bus. Of course, it has an unprotected password file sitting on your phone.

Maybe that safe deposit box is compromised. The rest of the community is not compromised. That's equally as important. Even when everyday occurrences like that happen, the model is designed with this defense in depth capabilities. It's set up so that everything is safe the whole time through.

The last piece of this is, of course, think of as a SaaS provider rather than someone who's building their own bespoke environments where they're responsible for hardware, and operating system, and all the software. The SaaS provider is responsible for that on behalf of our customers.

When there are Internet events, zero day events, those activities are things that we take responsibility for and we resolve on behalf of all 50,000 of our tenants.

Claudia: Let's end on what are the advantages of going to GoodData? You gave us a number of pretty interesting advantages. I'd like to hear you talk about them again.

Jeff: The first one is, once you try this and once you try to build a data product and decide that you have an opportunity to take your data, and publish it to a business network, and you can do so very, very quickly, 90 days, let's say, to get that minimum viable product to market and then iterate upon that. Guess what? You get hooked on it. That fast time to market is one big value.

Removal of all of the headaches of operating an analytic product and building an analytic product, which is completely different if you're a software vendor or even an enterprise than building the core application you were going to make. The analytics is a different animal. Its requirement to change is much, much higher than that.

The third one is actually, as I just mentioned, the security aspect and publishing analytics at scale. All of those challenges, and the



manageability of that, making sure that you can deploy changes to customers. That's a key differentiator there.

Finally is that expertise that we offer. Most of our customers, even the most visionary customers, don't have any experience in building a data product. They don't know how to define personas. They don't understand what a go to market strategy is or the analytic componentry. They don't understand how to build it. They don't understand what's going to happen once it's deployed.

What if it works? What if it succeeds? How are you going to tackle your success? We help you through all of that exercise.

Of course, like I said earlier, once it works you get hooked on it. The ideas start popping of there's a data product here. There's a data product there. I can make one for my customers. I can make another one for the merchants. I can make another one for the hotels, the franchises.

The opportunities there are immense. Even one of our customers, was awarded an ROI Award. This is Metagame. They saw a 1,024 percent return on the GoodData investment. That's a huge, huge impact on their organization.

The final thing is if you're thinking about generating revenue and tapping that information asset and unleashing its value, GoodData's the way to do that.

Claudia: I agree. You've done very well. Unfortunately, we are out of time for this edition of the "BBBT Podcast." Again, I'm Claudia Imhoff. Such a pleasure to speak with Jeff Morris and Emily Rugaber of GoodData. Thanks so much for speaking with me.

Jeff: Thanks very much, Claudia.

Emily: A pleasure.

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!