Gartner

Press Release

CONTACTS:

Janessa Rivera
Gartner
+ 1 408 468 8312
janessa.rivera@gartner.com

Robert van der Meulen
Gartner
+ 44 (0) 1784 267 738
rob.vandermeulen@gartner.com

Gartner Says CIOs Will Need to Manage Both Technology and Business Innovation to Gain Competitive Advantage with Big Data

Gartner to Discuss Emerging Trends in 2013 at Gartner CIO & IT Executive Summit 2013, 17-18 June, Frankfurt, Germany

Gartner Special Report Examines Long-Range Trends, Scenarios and Planning for Business Executives and CIOs

STAMFORD, Conn., 7 May, 2013 — CIOs must realise that innovation needs to go well beyond the technology used to manage big data, according to Gartner, Inc. To get maximum value, organisations will need to seek and embrace innovation in the way business problems are analysed with big data.

"Big data requires an organisation to embrace innovation on two levels," said Hung LeHong, research vice president at Gartner. "First, the technology itself is innovative. Second, organisations must be willing to innovate in the way they perform decision support and analytics. This second reason is not a technology challenge, but rather a process and change management challenge.

"Big data technologies bring innovative ways of analysing existing business problems and opportunities. New data sources and new analytics can improve the organisation in ways that have never been used before."

Big data's ability to analyse unstructured data in large volumes and from disparate sources leads to innovative opportunities. In most cases, there has been very little precedence for the ways big data can add value to an organisation. It was never possible to run these kinds of analyses or access these new types of data. Seeking value from big data technologies requires innovative thinking and a willingness to accept and trust these sources and methods. CIOs should treat big data projects as innovation projects that will require change management efforts. The business will need time to trust new data sources and new analytics and organisations should start small with pilots that allow full transparency on the data, the analytics and the resulting insight.

However, big data isn't just about the large sources of external data, such as public social network data. Creative CIO thinking can unearth valuable information sources already inside the organisation that are underused.

"Perhaps CIOs feel more comfortable starting with internal data sources, because the thinking is that much of it is already being managed by IT," said Mr LeHong. "However, in many cases, these internal data sources are not controlled by IT at all. For example, call centre recordings, security camera footage and operational data from manufacturing equipment all represent potential internal sources of data to investigate, but they are usually not under the control of IT."

Therefore, CIOs and their teams will need to work with the business to fully understand the pockets of data that are available. With some creative thinking, even data that is already captured can be made richer. Organisations that use big data technologies can afford to keep the full, raw data, building up rich sources

-more-

of data that can provide new insight. However, CIOs will need to ensure that there is always a clear business purpose and outcome for storing this new data.

Internal data has an additional advantage. It is a good starting point for big data projects because the organisation already owns the data, and it may be easier and/or less costly than accessing external data sources. Also, compared with external sources, the organisation will be more likely to trust the internal data because it comes from its own systems, logs and other assets.

Some organisations have used big data technologies to make existing analytics faster. Although technology may enable faster speed, getting business value from that speed often requires process changes.

Gartner research shows early adopter organisations that implemented faster analytical capabilities changed their processes to get the maximum benefit from the speed. For some organisations, the speed in analysis provides the ability to include a full week of sales data when running analytics, such as price/promotion/markdown optimisation. In the past, because these optimisations would take a day to run, Sunday's sales data often did not make it into the calculations. Now, with the ability to run the optimisations in minutes, organisations can include the full week's data — making their optimisations immediately up to date with market activity.

"CIOs must ensure that big data projects that improve analytical speed always include a process redesign effort that aims at getting maximum benefit from that speed," said Mr LeHong. "Before pursuing big data investments, ensure that the evaluating team has a clear understanding of how faster analytics will lead to an improved business outcome — and build this into the business case."

More detailed analysis is available in the report "CIO Advisory: Getting Value from Big Data Requires Innovative Business Thinking and Process Change." The report is available on Gartner's web site at http://www.gartner.com/resId=2293217.

Additional information is available in the Gartner Special Report "Long Range Trends, Scenarios & Planning for Business Executives & CIOs." The special report can be viewed at http://www.gartner.com/technology/research/cio-trends/ and includes links to reports and video commentary that examine long-view scenarios, perspectives and advice to help CIOs harness business shifts before their competitors.

Gartner will examine the business trends and implications for IT during the complimentary webinar, "Chief Executive Concerns and the IT Implications" taking place today, 7 May at 2:00pm and 5:00pm BST. To register for the webinar, please visit http://my.gartner.com/portal/server.pt?open=512&objID=202&mode=2&PageID=5553&resId=2392415&ref=Webinar-Calendar.

About Gartner
Gartner, Inc. (NYSE: IT) is the world's leading information technology research and advisory company. Gartner delivers the technology-related insight necessary for its clients to make the right decisions, every day. From CIOs and senior IT leaders in corporations and government agencies, to business leaders in high-tech and telecom enterprises and professional services firms, to technology investors, Gartner is a valuable partner in more than 13,000 distinct organisations. Through the resources of Gartner Research, Gartner Executive Programmes, Gartner Consulting and Gartner Events, Gartner works with every client to research, analyze and interpret the business of IT within the context of their individual role. Founded in 1979, Gartner is headquartered in Stamford, Connecticut, USA, and has 5,500 associates, including 1,400

research analysts and consultants, and clients in 85 countries. For more information, visit www.gartner.com.

# # #