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Gartner Says Worldwide Business Intelligence, Analytics and Performance Management Software Market Surpassed the \$10 Billion Mark in 2010

STAMFORD, Conn., April 20, 2011 — Worldwide business intelligence (BI) platform, analytic applications and performance management (PM) software revenue reached \$10.5 billion in 2010, a 13.4 per cent increase from 2009 revenue of \$9.3 billion, according to Gartner, Inc.

“In 2010, the global resurgence from stimulus packages, general improvement in the macro-economy, and new product releases contributed to a surge in BI software spending,” said Dan Sommer, principal research analyst at Gartner. “BI spending has far surpassed IT budget growth overall for several years, and it is clear that BI continues to be a technology at the centre of information-driven initiatives in organisations. Vendors aggressively market their capabilities in this area, so revenue growth is as much a function of vendor push as a demand pull.”

The four large "stack" vendors (SAP, Oracle, IBM and Microsoft) continue to consolidate the market, owning 59 per cent of the market share. In the BI platform and CPM suite segments, they hold close to two-thirds market share, while in analytic applications, SAS dominates the market. There is ongoing BI tools consolidation in the IT-department, while, paradoxically, a new wave of lighter footprint data discovery tools and analytic applications are proliferating in business units. Business users care less about who they buy from; they want domain-specific functionality and usability that meet their needs.

There was little change year-on-year in terms of vendor rankings. SAP remained the No. 1 vendor in combined worldwide BI, analytics and PM software revenue in 2010, accounting for 23 per cent of the market (see Table 1), followed by Oracle, SAS Institute, IBM and Microsoft.

Table 1
Worldwide BI, Analytics and Performance Management Revenue Estimates for 2010 (Millions of US Dollars)

Company	2010 Revenue	2010 Market Share (%)	2009 Revenue	2009 Market Share (%)	2009-2010 Growth
SAP	2,413.1	22.9	2,066.2	22.3	16.8
Oracle	1,645.8	15.6	1,350.5	14.6	21.9
SAS Institute	1,386.5	13.2	1,324.6	14.3	4.7
IBM	1,222.0	11.6	1,135.6	12.2	7.6
Microsoft	913.7	8.7	739.5	8.0	23.6
Other Vendors	2,940.6	27.9	2,661.5	28.7	10.5
Total	10,521.8	100.0	9,277.9	100.0	13.4

Source: Gartner (March 2011)

All three subsegments of BI showed growth (see Table 2). "In 2009, the difficult environment forced companies to focus on the 'bread and butter' BI projects they had already started, hence, upgrades in the more-maintenance-heavy BI platform segment took priority and grew faster, while sales of CPM and

analytic applications suffered. In 2010, packaged application functionality returned in a big way," said Mr Sommer.

Table 2
Worldwide BI, Analytics and Performance Management Revenue Estimates for 2010 by Subsegment (Millions of US Dollars)

Subsegment	2010 Revenue	2010 Market Share (%)	2009 Revenue	2009 Market Share (%)	2009-2010 Growth
BI Platform	6,705.1	63.7	5,954.5	64.2	12.6
CPM Suites	2,167.3	20.6	1,921.7	20.7	12.8
Analytic Applications and Performance Management	1,649.4	15.7	1,401.7	15.1	17.7
Total	10,521.8	100.0	9,277.9	100.0	13.4

Source: Gartner (March 2011)

In 2009, many strategic projects were put on hold. Tactical buying, largely in business units, took prominence, forcing vendors to focus on smaller deals. This benefited open-source sales and data-discovery vendors. While the trend toward smaller projects in business units continues, 2010 saw some of the delayed and prolonged strategic discussions finally close, giving those vendors that can do larger scalable projects a boost.

Additional details are available in the Gartner report "Market Share Analysis: Business Intelligence, Analytics and Performance Management Software, Worldwide, 2010" and "Market Share: All Software Markets, Worldwide, 2010." The reports are available on Gartner's website at <http://www.gartner.com/resId=1639015> and <http://www.gartner.com/resId=1611814>.

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