

# Case Study: Business Intelligence Market Opportunity Research

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## 1. Identifying the issue

A business unit of a \$5B enterprise software vendor hired Isurus to help identify the market opportunity for a new portfolio of Business Intelligence (BI) software tools and professional services.

Isurus led the client through a process to define their informational needs, set priorities and outline the business decisions that the research would inform. This process consisted of a series of in-person meetings and conference calls with the project team. This process revealed that the project team lacked consensus regarding potential opportunities and also lacked insight into key aspects of the market's maturity and needs related to BI tools and services.

Through this process Isurus and the client determined that in order to meet the client's business objectives the research needed to:

1. Define and segment the market in terms of BI maturity
2. Prioritize the client's diverse list of possible BI offerings to those with the most potential in the short- to mid-term
3. Estimate market demand and pricing for the offerings with the most potential

## 2. Research approach

Based on the client's needs, Isurus recommended a two-phased methodology: A qualitative phase to frame the issues followed by a quantitative phase to provide projectable market demand estimates.

### Phase 1: Qualitative

The qualitative phase of research provided an understanding of the market's basic parameters in terms of:

- The BI solutions already in place
- Satisfaction with existing BI tools and solutions
- Future BI investment intentions
- Barriers and obstacles to implementing BI generally and to new purchases specifically

The qualitative phase consisted of 40 telephone, in-depth interviews with executive decision-makers in North America, Latin America and the Middle East.

Isurus used the data from the in-depth interviews to develop a BI market maturity segmentation scheme and to identify the types of offerings most likely to gain traction in the marketplace. The client used these insights to select the three offerings it felt had the most potential and refine the definitions of these offerings.

### Phase 2: Quantitative

The objectives of the quantitative phase of the research were to validate the market maturity level and segmentation derived in the qualitative research, and also to provide projectable estimates of market demand for several potential BI offerings. Data were collected using a telephone survey of functional decision-makers and IT decision makers in North America and Latin America. The Middle East was dropped from the study due to the political unrest in the region in 2011.

The survey, developed in conjunction with the client, was based on Isurus' protocol for new product/service testing which includes an assessment of the market's needs, barriers, past behaviors/investments, interest in the offer and adjustments to account for the delta between survey results and actual behavior in the marketplace.

## 3. Analysis and reporting

Isurus' final analysis of the qualitative and quantitative data produced two key outputs: A

market segmentation and market demand estimates.

- The market segmentation validated the scheme developed in the qualitative research and provided size estimates for each of the individual segments. It also provided insights into which offer would resonate best with each segment as well as the unique marketing challenges and hurdles to selling BI to each segment.
- The market demand estimates provided estimates for the volume of potential sales in the next two years. It also profiled the market's pricing expectations and tolerance for each of the three offers tested.

Isurus delivered the results, conclusions and recommendations in a PowerPoint style report followed by three presentations. The first presentation was a round table session with the core project team. The second presentation was to a wider group of stakeholders. The objective of this presentation was to provide stakeholders with an overview of the results and answer any questions they had regarding the findings or the research. The third and final presentation was a Q&A session that occurred a month after the stakeholder presentation. The objective of this meeting was to answer questions that arose as the team began to interpret and apply the research results.

#### 4. Actions taken

The research provided clear guidance on the market's overall appetite for BI solutions and willingness to pay. Based on the insight gained through the research, the client determined that it could move forward with two of the three BI offerings with minor tweaks and used the market demand data to inform sales estimates in its business case to corporate management. The client determined that the third offering, as structured, was priced outside of the market's tolerance and has engaged in a product review to determine how the offer can be modified to fit within the market's expectations.