IBM's Digital Insights Platform leads with business outcomes delivered by data management for the new era

Ovum view

Summary

The delivery of technology-powered business outcomes as a service is emerging as a major trend to help satisfy the growing discretionary IT budget power line-of-business managers have in meeting their own targets. IBM's Global Business Services (GBS) unit has developed the Digital Insights Platform, a package of data management, analytics, and cognitive technologies matched to skills and industry-specific processes necessary to offer clients outcomes-focused services. In Ovum's view, the Digital Insights Platform meets the challenge of data management in the modern era, opening new possibilities for exploiting data for business value. Its differentiation comes in the ability it gives IBM's GBS to engage both with businesses and IT stakeholders in a conversation rooted in outcomes, not technology.

Buying outcomes is the smart way for business stakeholders to engage with new technology

IT budgets are, depending on who you believe, either declining, staying flat, or growing so slowly that they are barely perceptible. But the IT department is not the only check-signing power for IT spend in enterprises, and recently Ovum has observed an expanding range of line-of-business managers directing IT spending. This is primarily happening in marketing, but HR, supply chain, and customer services are also beginning to develop some serious spending power. In an enterprise context, this could be a bad thing for the standards of governance that IT – and hopefully the wider business – has invested considerable time, effort, and money in (the industry minted the term "shadow IT" for a reason). The driving force behind these "non-IT IT investments" was the need to meet specific business requirements that were underserved by currently deployed IT solutions – along with a healthy dose of skepticism about IT's ability to meet them in a timely and cost-effective manner. Enterprises can be tempted to acquire technology because it is new and promises to solve all problems. But these problems are rarely well defined, creating an impossible tangle of unclear use cases and high expectations – the perfect foundation for failure.

With new buyers emerging, the market is evolving quickly, leading to IBM's GBS unit developing the Digital Insights Platform. The Digital Insights Platform is a packaging of technology, skills, and industry IP which can be targeted at both business and IT outcomes use cases. The "… business and IT…" is important because it is a step in the right direction in building better links between business investments and IT-driven investments; the two are not incompatible yet the trends discussed above threaten to drive a wedge between what should be an inseparable, symbiotic relationship.

Advanced data management is at the heart of the GBS Digital Insights Platform

In Ovum's view, ingestion, storage, and management capabilities are at the heart of the GBS Digital Insights Platform. Built around a tiered data lake concept, the Digital Insights Platform is designed to handle just about any type of data an enterprise might encounter (which can broadly be categorized as structured, semi-structured, and unstructured data). In providing the capability to tackle this

challenge, the platform provides new opportunities for surfacing better and more complete data for the business to use.

The platform is built on a blend of open source projects (Hadoop and Spark, primarily) complemented by IBM's own technology. It has the following three distinct data tiers to meet different requirements:

- **Raw data layer:** This acts as both a staging zone for receiving data from multiple sources and a repository of data in its original format. It offers potential data science use cases for those expert in handling multiple, unstructured data sources.
- **Conformed data layer:** This introduces structure to the data using IBM's Industry Data Models for the purposes of meeting use cases that require multiple sources of data to be in a common format.
- **Data access layer:** This provides the interface for analytic, cognitive, and other uses of the data. It can be thought of as the primary point of data access for the majority of enterprise use cases.

Surrounding these data tiers is a range of other services, such as, on the data side, ingestion and curation services, platform management (systems, resource, and metadata management), and security services (authorization, access, audit, and encryption). It is through the data capabilities of the Digital Insights Platform that many of the IT-focused outcomes use cases are likely to be met. This could include enterprise data warehouse augmentation or replacement; data storage compliance requirements; and the ingestion, management, and revealing for use of a host of new data types (e.g. streaming or IoT). The platform has been architected to allow for multiple deployment types, further broadening its appeal by helping to meet the myriad enterprise IT requirements that exist around on-premises, cloud, and hybrid deployments.

The Digital Insights Platform opens new outcomes-based opportunities for business stakeholders

The technical challenges of the new world of data may be interesting to those with a professional interest in them, but many senior business executives are likely to see them as someone else's problem. This is where the flexibility IBM's GBS has strived for comes into play, as the platform can be delivered as an on-premises, hybrid, or cloud solution, and pivotally as a service aimed at tackling the data necessary to achieve a specific business use case. IBM rightly highlights how enterprises don't need to acquire the whole stack, but rather only the parts they require – which could also be delivered as a service – for the task in hand. This means, in theory, that a senior marketing executive could engage with GBS for, say, building customer 360-views, without acquiring any technology or even being aware that the Digital Insights Platform was the delivery mechanism for that work.

Complementing the data services already discussed, IBM offers a range of routes to access that data, again using a blend of open source, IBM, and even the client's own preferred technology to analyze and act upon it:

- Cognitive & Data Science Services bring together open source and IBM data science and cognitive capabilities such as the IBM Data Science Experience. They can deliver packaged applications for business users including Next Best Action and Behavior Based Customer Insight.

- Reporting & Analytic Services serve typical enterprise needs for ad hoc query, dashboarding, and performance management. They can either make use of IBM's own technology or work with existing investments in competing BI tools.
- Orchestration Services serve as the primary interface for real-time audience management and other digital marketing activities, working with a customer's data management platform (DMP) or IoT devices/sensors for events-based interactions.

In each of these cases, we see how challenges around customer insights, real-time campaign management, faster and more complete performance management, and emergent business opportunities in IoT can all met by technology composed to a customer's own requirements and delivered as a service, on premises, in the cloud, or at the points in-between.

IBM is well positioned to participate in the spectrum of business and IT conversations that digital transformation is creating

Although this research note covers some of the technical ground of the Digital Insights Platform, it is important to understand that digital transformation is a services-led conversation. A conversation about what the enterprise is trying to achieve in terms of growing revenue, increasing profit, reducing cost, and managing risk. The Digital Insights Platform underpins this conversation, giving IBM the means to engage with the market through business outcomes, backed by a stack of technology, supporting skills, and IP which can be tailored to meet individual requirements and delivered in whichever model the customer prefers.

There are challenges IBM will face in taking the Digital Insights Platform to market, not least because it is not the only contender providing this type of capability. Large systems integrators and major enterprise software vendors are investing heavily in similar outcomes-led approaches, backed by portfolios of technology, often in the cloud, which can be adapted into client-specific solutions and delivered as a service. IBM must also strike a difficult balance: The nature of the technology components that create the Digital Insight Platform is inherently complex – as is the orchestration of it. Match this to IBM's heritage and strong presence in IT departments and a potential block to those business stakeholders it wants to grow presence with could arise.

Appendix

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Ovum Consulting

We hope that this analysis will help you make informed and imaginative business decisions. If you have further requirements, Ovum's consulting team may be able to help you. For more information about Ovum's consulting capabilities, please contact us directly at consulting@ovum.com.

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