

EXCERPT

Worldwide Business Analytics Software 2007-2011 Forecast Update and 2006 Vendor Shares: Business Intelligence, Data Warehousing, and Analytics Applications Forecasts Point.. (Excerpt from IDC #208699)

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IN THIS EXCERPT

The content for this excerpt was taken directly from the IDC Market Analysis Report, Worldwide Business Analytics Software 2007-2011 Forecast Update and 2006 Vendor Shares: Business Intelligence, Data Warehousing, and Analytics Application Forecast Point to Continued Strength, by Dan Vesset, Brian McDonough, Kathleen Wilhide, Mary Wardley, Robert McCullough, and David Sonnen (Doc # 208699). All or part of the following sections are included in this excerpt: IDC Opinion, In This Study, Situation Overview, Future Outlook, Essential Guidance, Learn More, Methodology, and Synopsis. Also included are Table 1, 2, & 6 and Figure 1-4.

IDC OPINION

The business analytics software market comprises performance management (PM) tools and applications and data warehouse (DW) platform software. This software is used to access, transform, store, analyze, model, deliver, and track information to enable fact-based decision making and extend accountability by providing all decision makers with the right information, at the right time, using the right technology. In 2006, the business analytics software market reached \$19.3 billion, representing a growth rate of 11.2%. The worldwide business analytics software market is expected to continue to grow at a healthy compound annual growth rate (CAGR) of 10.3% over the next five years. Several trends will characterize the market over the forecast period:

- Business analytics solutions will increasingly incorporate functionality for unified access and analysis of structured data and unstructured content, business process management, collaboration, and workflow management functionality.
- A broader set of organizations (in all geographic regions and of all sizes) are beginning to look at business analytics not only as a set of reporting functions but as a means to gain competitive advantage through better decision management and process optimization.
- As consolidation among the leading business analytics vendors continues, a new generation of software vendor will target specific market segments with innovative new solutions. These solutions will include not only functionality

innovation but also business model innovation, with such offerings as open source and software-as-a-service (SaaS) business analytics.

IN THIS STUDY

This study examines the business analytics software market for the period from 2005 to 2011, with vendor revenue trends and market growth forecasts. Worldwide market sizing is provided for 2006, with trends from 2005. A five-year growth forecast for this market is shown for 2007–2011. Revenue and market share of the leading vendors is provided for 2006.

This document updates the forecast published in *Worldwide Business Analytics Software 2007–2011 Forecast: The Growth Cycle Continues* (IDC #206071, March 2007).

Changes to Methodology from Previously Published Business Analytics Studies

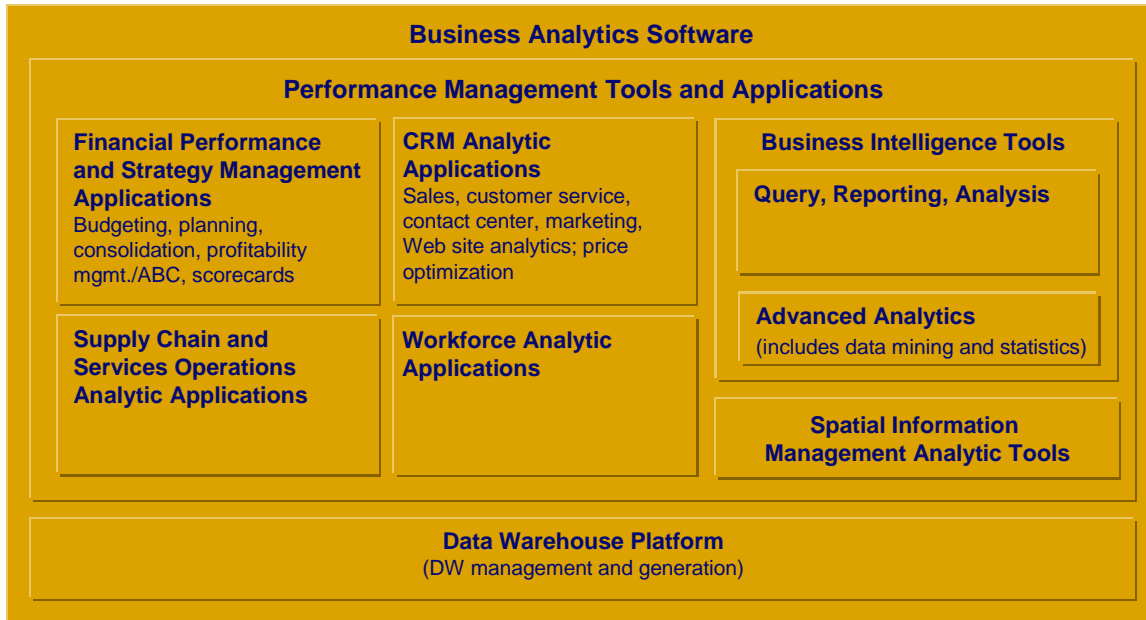
- ☒ In last year's *Worldwide Business Analytics Software 2006–2010 Forecast and 2005 Vendor Shares* (IDC #203468, September 2006), IDC included the supply chain production planning market segment as a key analytic component of the PM applications market category. As 2006 was the first year we included supply chain production planning, IDC included this market sizing as a separate table. The current document rolls up supply chain production planning into the overall business analytics market. This change affects both the base year 2005–2006 market size and 2007–2011 forecast by increasing the total market.
- ☒ To continue to differentiate between supply chain production planning and other supply chain analytics software (e.g., logistics, manufacturing, procurement, inventory analytics), IDC has split the overall supply chain analytics market into two segments: supply chain production planning and other supply chain analytics. For more information, please see *Worldwide Supply Chain, Services Operations, and Workforce Analytic Applications 2006 Vendor Shares* (IDC #208116, August 2007).

Business Analytics Market Definition

As shown in Figure 1, the business analytics software market is divided into two categories: PM tools and applications and DW platforms. There are 11 market segments: DW generation, DW management, query/reporting/analysis, advanced analytics, spatial information management analytics, financial performance and strategy management applications, CRM analytics, workforce analytics, supply chain production planning, services operations analytics, and other supply chain analytics.

FIGURE 1

IDC's Business Analytics Taxonomy, 2007



Source: IDC, 2007

SITUATION OVERVIEW

The Business Analytics Software Market in 2006

In 2006, the worldwide business analytics software market grew at a rate of 11.2% to reach \$19.3 billion. The PM tools and applications category came in at \$13.6 billion, and the DW platform category garnered \$5.7 billion. Vendor shares for the two major categories of the market are shown in the Appendix.

Performance of Leading Vendors in 2006

Market shares of leading vendors in the overall business analytics software market are shown in Table 1. This data excludes all mergers and acquisitions completed in calendar-year 2007, which has been characterized by such continued corporate events, most notably Oracle's acquisition of Hyperion (see *Business Intelligence and Performance Management Consolidation Round Two: Oracle Acquires Hyperion*, IDC #IcUS20585607, March 2007), Business Objects' acquisition of Cartesis (see *Business Objects Rounds Out Its Performance Management Strategy with the Acquisition of Cartesis*, IDC #IcUS20662207, April 2007), and Cognos' acquisition of Applix.

TABLE 1

Worldwide Business Analytics Software Revenue by Leading Vendor,
2005 and 2006

	Revenue (\$M)		Share (%)		2005–2006 Growth (%)
	2005	2006	2005	2006	
Oracle	2,441.9	2,753.7	14.0	14.2	12.8
SAS	1,399.0	1,594.6	8.0	8.2	14.0
SAP	1,231.6	1,387.3	7.1	7.2	12.6
IBM	1,176.2	1,317.0	6.8	6.8	12.0
Microsoft	1,041.0	1,297.2	6.0	6.7	24.6
Business Objects	955.1	1,033.1	5.5	5.3	8.2
Cognos	701.6	767.3	4.0	4.0	9.4
Hyperion	594.0	667.4	3.4	3.5	12.4
NCR Teradata	428.6	450.3	2.5	2.3	5.1
Fair Isaac	393.7	401.9	2.3	2.1	2.1
Subtotal	10,362.7	11,669.8	59.60	60.30	12.6
Other	7,023.7	7,672.5	40.40	39.70	9.2
Total	17,386.4	19,342.3	100.0	100.0	11.2

Notes:

This table does not take into account any mergers and acquisitions that closed after January 1, 2007.

This table shows vendors with \$75 million or more in 2006 business analytics software revenue.

The difference in market size and forecast figures is due to the inclusion of the supply chain production planning software segment in calculating the total business analytics software market.

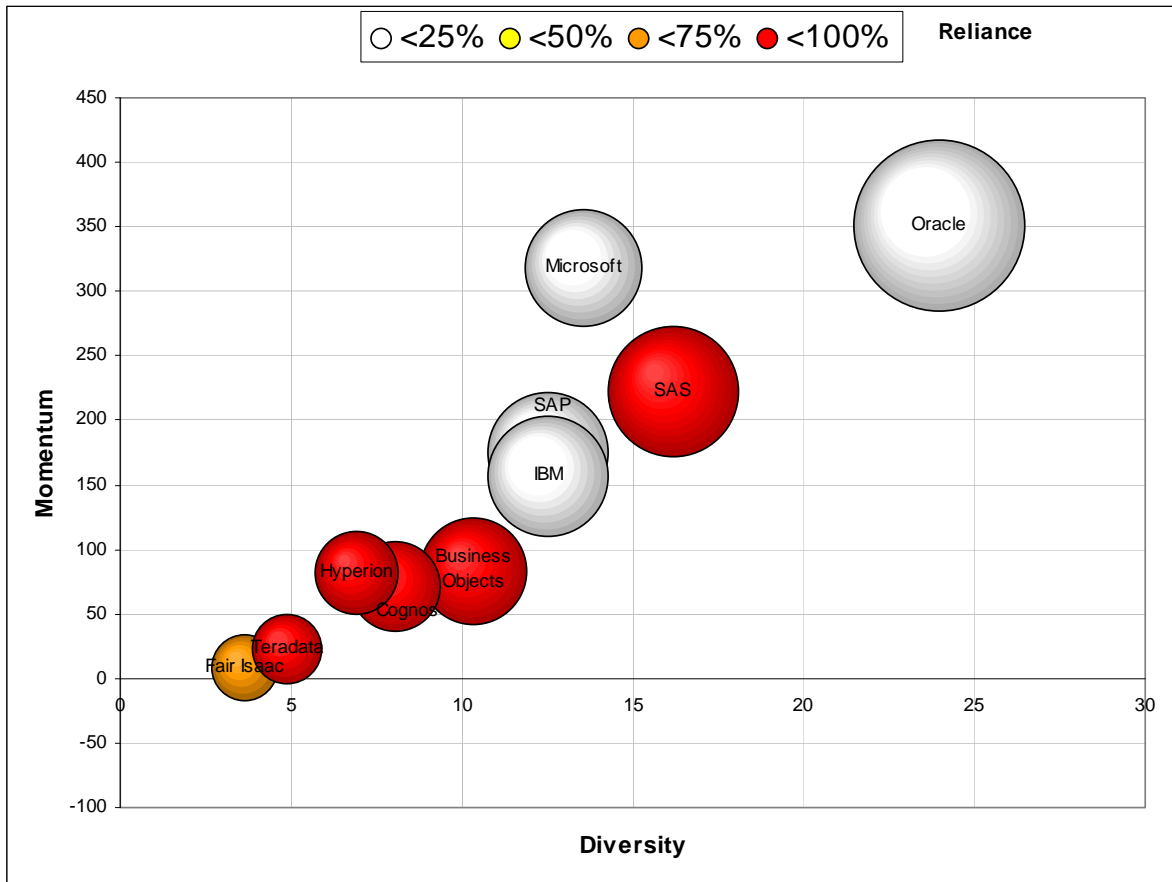
Source: IDC, September 2007

Business Analytics Competitive Market Map

To evaluate the competitive market dynamics among the leading vendors in an increasingly complex market, IDC presents the 2006 business analytics Competitive Market Map (CMM) in Figure 2.

FIGURE 2

Business Analytics Software Competitive Market Map, 2006



Notes

- Size is the measure of a vendor's software revenue in the selected market.
- Momentum is the size-adjusted annual software growth rate for the selected market.
- Reliance is a vendor's dependence on selected software revenue.
- Diversity is the measure of the breadth and depth of product offerings within the selected software market.

Source: IDC, 2007

Definition and Methodology of the Competitive Market Map

The goal of the CMM is to present a quantitative software vendor comparison tool based on IDC's rigorous software taxonomy and the depth and breadth of software market data collected and analyzed by IDC. The CMM depicts the competitive positioning of the leading software vendors based on the four dimensions discussed in the following sections.

Size

Company size is shown by the size of the bubble, which is based on current year's software revenue in U.S. dollars. Total software revenue is a combination of license and maintenance revenue and excludes any other company revenue such as services or hardware.

Momentum

Momentum, shown on the vertical axis, represents the growth rate of each vendor weighted by vendor's size. Momentum is a function of a vendor's annual software revenue growth rate and the company's size (i.e., revenue) in the software market. It is calculated as a one-year growth rate of software revenue multiplied by the company size.

Growth is an important measure of software vendors that is available from the vendor share tables in IDC's competitive analysis studies, Software Market Forecaster databases, and trackers. However, momentum offers an alternative metric that considers both growth and company size in the same context.

Reliance

Reliance refers to the extent that a vendor's total software revenue is dependent on the selected software market segment's revenue. Shown through color coding, reliance represents each vendor's focus on the selected software segments being evaluated. On the other hand, it indicates dependence on the selected software market segments.

Diversity

Diversity, shown on the horizontal axis, represents the breadth and depth of product offerings of each vendor across the selected software market segments. Diversity is weighted by the total size of each individual market segment among all segments along the selected dimension. Diversity is calculated as follows:

$$\text{Diversity}_k = \sum_{\text{market segments } j} W_j * (1 - (1/10^{\text{share}(k,j)})), \text{ for all vendors, } k$$

Where:

- ☒ Diversity(k,j) is the share of vendor k in market segment j
- ☒ W_j is the share of market segment j among all segments along the selected dimension

Comments on Leading Vendors

SAS is the second-largest business analytics vendor and the only one of the top 5 that focuses almost exclusively on business analytics (as shown by the red color of its bubble, as opposed to the white color for the other top 4 vendors). SAS ranks number 1 or 2 in 3 out of the 11 segments of the business analytics market, which strongly

contributes to its number 2 ranking on the solution diversity scale. Finally, SAS had the third-highest momentum in the market in 2006.

Performance Management Tools and Applications Competitive Market Map

The main categories of the business analytics software market include performance management tools and applications and data warehouse platform software. The latter segment is discussed in greater detail in *Worldwide Data Warehouse Platform Tools 2006 Vendor Shares* (IDC #207851, July 2007).

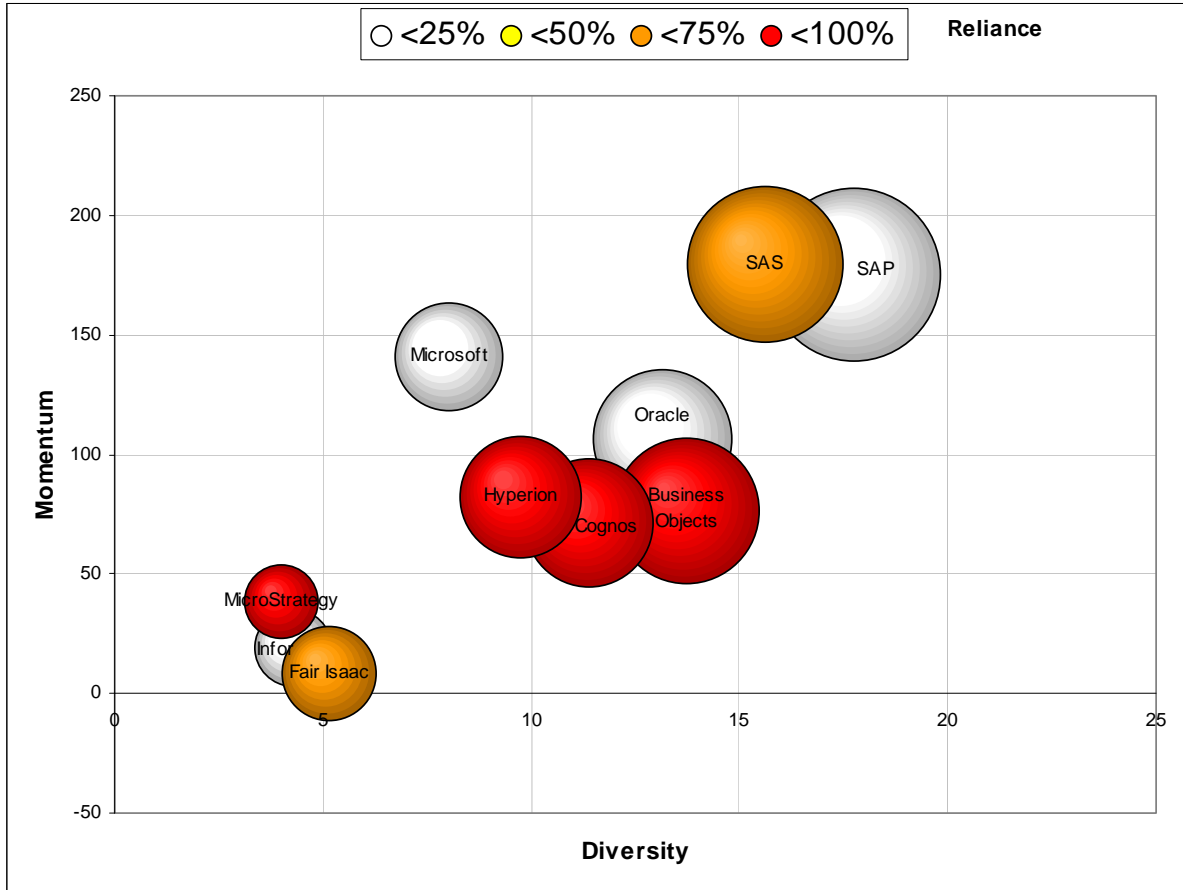
Figure 3 shows the Competitive Market Map for the PM tools and applications market, excluding DW platform software.

Vendor shares for both categories are shown in the Appendix.

The competitive picture changes when DW platform software vendors are excluded and only the PM tools and applications vendors are shown (see Figure 3). The strong correlation between size and both diversity and momentum is less clear in this view.

FIGURE 3

Performance Management Tools and Applications Competitive Market Map, 2006



Notes

Size is the measure of a vendor's software revenue in the selected market.

Momentum is the size-adjusted annual software growth rate for the selected market.

Reliance is a vendor's dependence on selected software revenue.

Diversity is the measure of the breadth and depth of product offerings within the selected software market.

Source: IDC, 2007

FUTURE OUTLOOK

Forecast and Assumptions

The business analytics market continues to be driven by the need for improved performance management and compliance. The fundamental goal of the technology is to empower all stakeholders with the right information, at the right time, using the

right technology to enable better decision making across all business functions, including revenue or profit improvement, cost containment, innovation, and risk mitigation. In this context, organizations deploy business analytics technology to find or discover information, describe historical or predict future trends, conduct scenario planning, and disseminate information to relevant stakeholders.

IDC continues to evaluate the market in 15-year market cycles, as shown in Figure 4, with the first cycle occurring from 1975 to 1989, and the second occurring from 1990 to 2004. Most markets experience a typical S-curve pattern, with different levels of growth along the S-curve. We expect such a pattern to continue in the current (or third) 15-year market cycle.

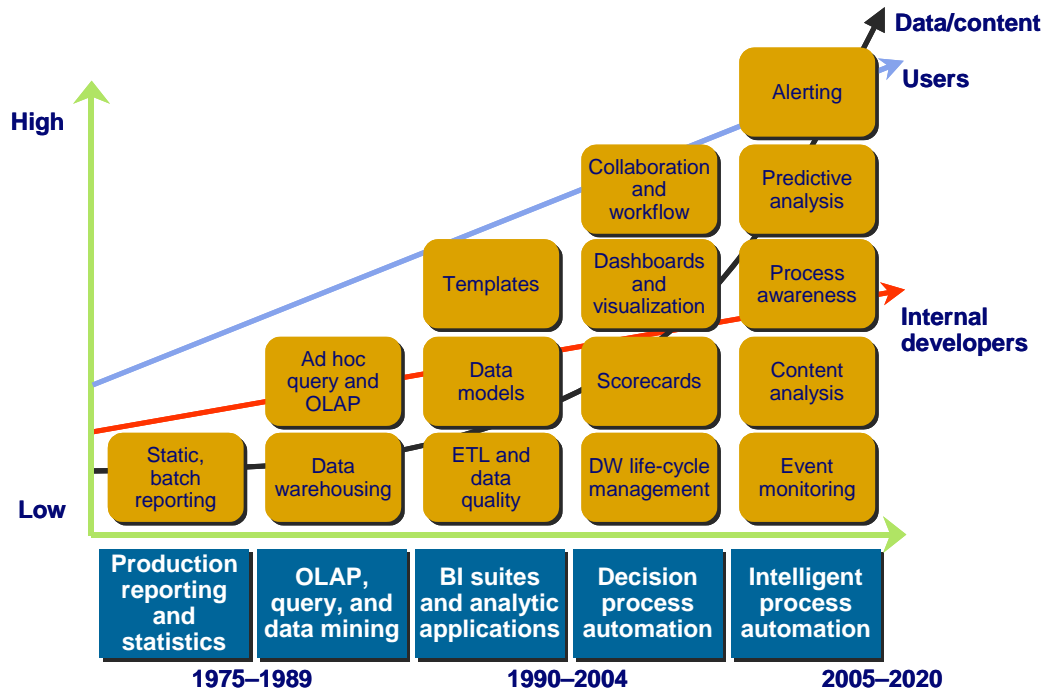
This analysis suggests that we are at the beginning of a new wave of business analytics deployments that will materialize over the next decade and will be focused on addressing two primary demands:

- ☒ **More data.** The black arrow in Figure 4 represents the rapid growth of information available for decision support projects. As the awareness of the potential of business analytics solutions to influence performance increases, the need to combine structured transactional data with various other forms of unstructured, semistructured, and rich media content becomes more acute.
- ☒ **More users.** The blue arrow in Figure 4 represents the continued growth in the number of decision makers with access to some type of decision support technology. Traditionally, the business intelligence tools market has addressed the needs of business and quantitative analysts, with less attention paid to managers and supervisors, line-of-business staff, and stakeholders external to an organization. To achieve pervasive business intelligence, end-user organizations and technology vendors will have to rethink their approaches to technology deployment by taking into account expectations that users have for information access and interactivity on the Web and by embedding business analytics functionality into operational applications.

At the same time, the number of internal IT developers and analytics experts (represented by the red arrow) doesn't seem to be keeping pace with the increased demand from end users. The widening gap between supply and demand shown in Figure 4 will need to be filled with automation, external services firms, hosted/SaaS solutions, or outsourced business analytics solutions.

FIGURE 4

Business Analytics Market Trends



Source: IDC, 2007

Worldwide Business Analytics Software Forecast, 2007–2011

IDC's estimate of the growth of the business analytics software market through 2011 is presented in Table 2. The worldwide CAGR for the market through this five-year period is expected to be 10.3%. However, the growth of individual segments of the market varies from 7.4% for other supply chain analytics to 14.8% for data warehouse generation.

TABLE 2

Worldwide Business Analytics Software Revenue by Segment, 2005–2011 (\$M)

	2005	2006	2007	2008	2009	2010	2011	2006–2011 CAGR (%)
Performance management tools and applications								
Advanced analytics software	1,119	1,245	1,364	1,498	1,646	1,809	1,990	9.8
End-user query/reporting/analytics	4,487	5,007	5,634	6,334	7,107	7,992	8,981	12.4
Spatial information management analytics	563	616	671	729	792	859	930	8.6

TABLE 2

Worldwide Business Analytics Software Revenue by Segment, 2005–2011 (\$M)

	2005	2006	2007	2008	2009	2010	2011	2006–2011 CAGR (%)
CRM analytics	1,153	1,308	1,479	1,670	1,878	2,109	2,362	12.6
Financial performance and strategy management applications	1,594	1,756	1,952	2,159	2,386	2,635	2,909	10.6
Other supply chain analytics	1,228	1,337	1,442	1,550	1,663	1,784	1,913	7.4
Supply chain production planning	928	1,002	1,067	1,137	1,212	1,292	1,376	6.5
Services operation analytics	1,149	1,261	1,372	1,496	1,633	1,782	1,945	9.1
Workforce analytics	94	108	118	129	139	151	163	8.6
Subtotal	12,315	13,639	15,100	16,702	18,455	20,412	22,569	10.6
Data warehouse platform								
Data warehouse generation	1,180	1,330	1,563	1,784	2,036	2,323	2,650	14.8
Data warehouse management	3,892	4,374	4,745	5,115	5,510	5,927	6,375	7.8
Subtotal	5,072	5,703	6,308	6,899	7,546	8,250	9,025	9.6
Total	17,386	19,342	21,408	23,601	26,001	28,662	31,595	10.3
Growth (%)	NA	11.2	10.7	10.2	10.2	10.2	10.2	

Notes:

See Table 4 for key forecast assumptions.

The other supply chain analytics market includes inventory, logistics, procurement, and manufacturing analytics.

The difference in market size and forecast figures is due to the inclusion of the supply chain production planning software segment in calculating the total business analytics software market.

Source: IDC, September 2007

ESSENTIAL GUIDANCE**Advice for Technology Buyers and End-User
Decision Makers**

There is increasing evidence that the use of business analytics solutions can improve competitiveness. IDC has been conducting research to this effect for several years, including a 2003 study titled *Financial Impact of Business Analytics* that examined the

return on investment (ROI) from various business analytics projects from private and public sector organizations in North American and Western Europe.

More recently, emphasis on competing on analytics was further highlighted by Thomas Davenport in his *Harvard Business Review* article, "Competing on Analytics." Of course, the idea of using information to gain competitive advantage is not new to business leaders. Aristotle Onassis said "The secret of business is to know something that nobody else knows." What is new, however, is the focus on automating decision processes.

End-user needs can be divided into two broad categories:

- Ad hoc query/analysis and advanced analytics by those for whom analysis of information is part of their job
- Prescriptive analytics provided at decision time in operational settings to the rest of the employees, especially those on the front lines

When dealing with the ad hoc query and analysis needs of analysts, the only viable method for successful deployment of such solutions is for IT to create a self-service environment in which end-user access to quality data is controlled centrally, while the analytic techniques, methods, and user interface are controlled by analysts/end users themselves.

The same strategy would not work for projects in which the primary goal is to follow the intelligent process automation strategy of embedding business analytics in operational applications for line-of-business employees. In this case, IT needs to take full control of the solution because end users' use-case scenarios will include little if any ad hoc querying. Instead, organizations will be looking to deliver prescriptive decision support to users at operational decision time. In too many cases, wasteful data manipulation is still being done under the auspices of "analysis" where automated systems can and should be used to optimize decision-making processes.

The traditional excuses for not using more of such systems have included both business and technology issues:

- On the business side, there has been a lack of executive vision and sponsorship for business analytics projects, undefined business processes, a lack of well-defined key performance indicators and other metrics to manage these processes based on analytics, and turf wars by business units unwilling to share information.
- On the IT side, there has been pushback from IT groups that fear being disintermediated by the technology. IT groups must overcome this perception given their existing and future high and potentially unsustainable workload requirements. The outcome of further intelligent process automation is not that IT staff will be eliminated due to automation. Instead, IT groups will be freed to perform the higher-value-added tasks of developing new applications and enhancing existing applications to support innovation and internal process efficiencies. Greater automation must be viewed by IT as a means to show its true value to the organization. To be fair, some internal IT staff is likely to be

adversely affected by further automation. However, it is just as likely that they will find a new role within outsourcing, systems integration, and consulting companies — all of whom continue to search for new business analytics staff.

Therefore, organizations should expand their view of business intelligence and analytics beyond traditional query and reporting tools to include advanced analytics, search and discovery, business process automation, collaboration, and workflow management. As the overall solution expands, an iterative development and deployment strategy becomes increasingly important.

Key considerations when evaluating, developing, and deploying business analytics technology include:

- ☒ **Identifying analytic projects with a clear impact on business goals.** Building data warehouses and hundreds of reports for their own sake will assure project failure, a lack of trust in IT's capabilities, and a withholding of funds for future projects. Executive management must set in place a culture that embraces analytics, and line-of-business management must clearly identify which of their decisions are not being optimized and can benefit from business analytics technology.
- ☒ **Identifying performance metrics.** Not all performance indicators are "key." Select only those that are actionable and impact the business. Albert Einstein said it best: "Not everything that counts can be counted, and not everything that can be counted counts."
- ☒ **Identifying users and their specific analytics needs.** Rethink which members of your organization are the decision makers. You will likely find that line-of-business managers, front-line staff, suppliers, and distributors make many more operational decisions on a daily basis than executives or top managers. Each user group will have their own needs and require access to different metrics — at different intervals and using different technology. An organization's business analytics solution must be ready to address all of these issues.
- ☒ **Identifying frequencies of data capture and delivery.** Very few business processes require true real-time data capture. However, organizations may need to track data in real time but deliver it at different intervals.
- ☒ **Identifying data needs.** The definition of data should be expanded to include not only structured data but also unstructured, semistructured, and rich media content — all of which can be used to arrive at performance metrics used to optimize business processes. Evaluation of data needs should also include the level of granularity required to support the business analytics solution — a decision that will impact data warehouse scalability requirements.
- ☒ **Identifying IT requirements.** Finally, all of the above variables will dictate what specific software and hardware technology will be required at any given point in time to support the decision making needs of end users. These IT components will span all of the segments of the business analytics market and those in other related IT markets.

LEARN MORE

Related Research

- ☒ *Worldwide Financial Performance and Strategy Management Applications 2007–2011 Forecast and 2006 Vendor Shares* (forthcoming)
- ☒ *Worldwide Customer Relationship Management Analytics 2007–2011 Forecast and 2006 Vendor Shares* (forthcoming)
- ☒ *Emerging Business Analytics Vendors Attract Venture Capital Attention* (IDC #IcUS20829207, August 2007)
- ☒ *Worldwide Supply Chain, Services Operations, and Workforce Analytic Applications 2006 Vendor Shares* (IDC #208116, August 2007)
- ☒ *Worldwide Data Warehouse Platform Tools 2006 Vendor Shares* (IDC #207851, July 2007)
- ☒ *Worldwide Business Intelligence Tools 2006 Vendor Shares* (IDC #207422, June 2007)
- ☒ *Business Intelligence Software: Buyer Priorities and Preferences* (IDC #206814, May 2007)
- ☒ *Business Objects Rounds Out Its Performance Management Strategy with the Acquisition of Cartesis* (IDC #IcUS20662207, April 2007)
- ☒ *Business Intelligence and Performance Management Consolidation Round Two: Oracle Acquires Hyperion* (IDC #IcUS20585607, March 2007)
- ☒ *Worldwide Business Analytics Services 2007–2011 Forecast: Increased Growth in BA Software Drives Growth for Related Services* (IDC #206107, March 2007)
- ☒ *Worldwide Business Analytics Software 2007–2011 Forecast: The Growth Cycle Continues* (IDC #206071, March 2007)
- ☒ *IDC's Software Taxonomy, 2007* (IDC #205437, February 2007)
- ☒ *Worldwide Information Access 2007 Top 10 Predictions: The Last Great Computing Platform Arrives* (IDC #205154, January 2007)

Methodology

The IDC software market sizing and forecasts are presented in terms of packaged software revenue. IDC uses the term *packaged software* to distinguish commercially available software from "custom" software, not to imply that the software must be shrink-wrapped or otherwise provided via physical media. Packaged software is programs or codesets of any type commercially available through sale, lease, rental, or as a service. Packaged software revenue typically includes fees for initial and continued right-to-use packaged software licenses. These fees may include, as part

of the license contract, access to product support and/or other services that are inseparable from the right-to-use license fee structure, or this support may be priced separately. Upgrades may be included in the continuing right of use or may be priced separately. All of the above are counted by IDC as packaged software revenue.

Packaged software revenue *excludes* service revenue derived from training, consulting, and system integration that is separate (or unbundled) from the right-to-use license but does include the implicit value of software included in a service that offers software functionality by a different pricing scheme. It is the total packaged software revenue that is further allocated to markets, geographic areas, and operating environments.

The market forecast and analysis methodology incorporates information from five different but interrelated sources, as follows:

- ☒ **Reported and observed trends and financial activity.** This study incorporates reported and observed trends and financial activity in 2006 as of the end of April 2007, including reported revenue data for public companies trading on North American stock exchanges (CY 1Q06–4Q06 in nearly all cases).
- ☒ **IDC's Software Census interviews.** IDC interviews all significant market participants to determine product revenue, revenue demographics, pricing, and other relevant information.
- ☒ **Product briefings, press releases, and other publicly available information.** IDC's software analysts around the world meet with hundreds of software vendors each year. These briefings provide an opportunity to review current and future business and product strategies, revenue, shipments, customer bases, target markets, and other key product and competitive information.
- ☒ **Vendor financial statements and related filings.** Although many software vendors are privately held and choose to limit financial disclosures, information from publicly held companies provides a significant benchmark for assessing informal market estimates from private companies. IDC also builds detailed information related to private companies through in-depth analyst relationships and maintains an extensive library of financial and corporate information focused on the IT industry. We further maintain detailed revenue by product area models on more than 1,000 worldwide vendors.
- ☒ **IDC demand-side research.** This includes thousands of interviews with business users of software solutions annually and provides a powerful fifth perspective for assessing competitive performance and market dynamics. IDC's user strategy databases offer a compelling and consistent time-series view of industry trends and developments. Direct conversations with technology buyers provide an invaluable complement to the broader survey-based results.

Ultimately, the data presented in this study represents IDC's best estimates based on the above data sources as well as reported and observed activity by vendors and further modeling of data that we believe to be true to fill in any information gaps.

The data in this study is derived from all the above sources and entered into the Software Market Forecaster (SMF) database, which is then updated on a continuous basis as new information regarding software vendor revenues becomes available. For this reason, the reader should note carefully the "as of" date in the Methodology discussion within the In This Study section (near the beginning of this study) whenever making comparisons between the data in this study and the data in any other software revenue study.

Appendix: Vendor Shares for PM Tools and Applications and Data Warehouse Platform Software

Table 6 shows the shares of leading vendors in the performance management tools and applications category of the business analytics market.

Table 7 shows the share of leading vendors in the data warehouse platform software category of the business analytics market.

TABLE 6

Worldwide Performance Management Tools and Applications Revenue by Leading Vendor, 2005 and 2006

	Revenue (\$M)		Share (%)		2005–2006 Growth (%)
	2005	2006	2005	2006	
SAP	1,231.6	1,387.3	10.0	10.2	12.6
SAS	941.7	1,095.9	7.6	8.0	16.4
Business Objects	903.9	975.2	7.3	7.1	7.9
Oracle	788.8	883.8	6.4	6.5	12.0
Cognos	701.6	767.3	5.7	5.6	9.4
Hyperion	594.0	667.4	4.8	4.9	12.4
Microsoft	410.9	522.0	3.3	3.8	27.0
Fair Isaac	393.7	401.9	3.2	2.9	2.1
Infor	248.6	267.0	2.0	2.0	7.4
MicroStrategy	215.8	249.5	1.8	1.8	15.6
Subtotal	6,430.6	7,217.3	52.10	52.80	12.2
Other	5,884.3	6,421.5	47.90	47.20	9.1
Total	12,314.9	13,638.8	100.0	100.0	10.8

TABLE 6

Worldwide Performance Management Tools and Applications Revenue by Leading Vendor, 2005 and 2006

	Revenue (\$M)		Share (%)		2005–2006 Growth (%)
	2005	2006	2005	2006	

Note:

This table does not take into account any mergers and acquisitions that closed after January 1, 2007.

This table shows vendors with \$75 million or more in 2006 business analytics software revenue.

The difference in market size and forecast figures is due to the inclusion of the supply chain production planning software segment in calculating the total business analytics software market.

Source: IDC, September 2007

TABLE 7

Worldwide Data Warehouse Platform Software Revenue by Leading Vendor, 2005 and 2006

	Revenue (\$M)		Share (%)		2005–2006 Growth (%)
	2005	2006	2005	2006	
Oracle	1,653.2	1,869.9	32.6	32.8	13.1
IBM	1,112.2	1,245.1	21.9	21.8	12.0
Microsoft	630.1	775.1	12.4	13.6	23.0
SAS	457.3	498.7	9.0	8.7	9.0
NCR Teradata	400.6	418.8	7.9	7.3	4.6
Informatica	222.8	248.0	4.4	4.3	11.3
Sybase	88.0	94.1	1.7	1.6	7.0
Business Objects	51.1	57.9	1.0	1.0	13.2
Fujitsu	34.5	35.3	0.7	0.6	2.5
Netezza	22.8	32.3	0.4	0.6	42.0
Subtotal	4,672.6	5,275.2	92.0	92.3	12.9
Other	399.2	428.1	8.0	7.7	8.7
Total	5,071.8	5,703.3	100.0	100.0	12.5

TABLE 7

Worldwide Data Warehouse Platform Software Revenue by Leading Vendor,
2005 and 2006

	Revenue (\$M)		Share (%)		2005–2006 Growth (%)
	2005	2006	2005	2006	

Note:

This table does not take into account any mergers and acquisitions that closed after January 1, 2007.

This table was previously published as Table 2 in *Worldwide Data Warehouse Platform Tools 2006 Vendor Shares* (IDC #207851, July 2007).

There may be material changes between the historical data presented in this study and previous IDC studies on business analytics. Such changes are due to key new market information and subsequent vendor revenue model reassessment.

Source: IDC, September 2007

Synopsis

This IDC study examines the business analytics software market for the period from 2005 to 2011, with vendor revenue trends and market growth forecasts. In 2006, the business analytics software market reached \$19.3 billion, representing a growth rate of 11.2%. The worldwide business analytics software market is expected to continue to grow at a healthy compound annual growth rate (CAGR) of 10.3% over the next five years.

"The fundamental goal of business analytics technology is to empower all stakeholders with the right information, at the right time, using the right technology to enable better decision making across all business functions, including revenue or profit improvement, cost containment, innovation, and risk mitigation." — Dan Vesset, program vice president, Business Analytics Solutions.

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