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SPOTLIGHT

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Enterprises strive to improve their ability to make data-driven decisions and maximize their return on data and analytics technology investments, particularly related to AI/ML. Leveraging technology partnerships helps customers use best-of-breed solutions without the complexity of bespoke integrations.

Strategic Partnerships Help Enterprise Intelligence

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Written by: Chandana Gopal, Research Director, Future of Enterprise Intelligence

Introduction

Enterprise intelligence enables better decision making in organizations, improving business outcomes (e.g., market share and profit margin), and increasing productivity and enabling growth. IDC's framework for enterprise intelligence has four main pillars: information synthesis, insights delivery, collective learning, and data culture (see Figure 1).

Our research has shown that organizations with the highest levels of enterprise intelligence have three to four times better business outcomes than their counterparts with poor enterprise intelligence. What do these leading organizations do better than their peers? They derive more value from their data.

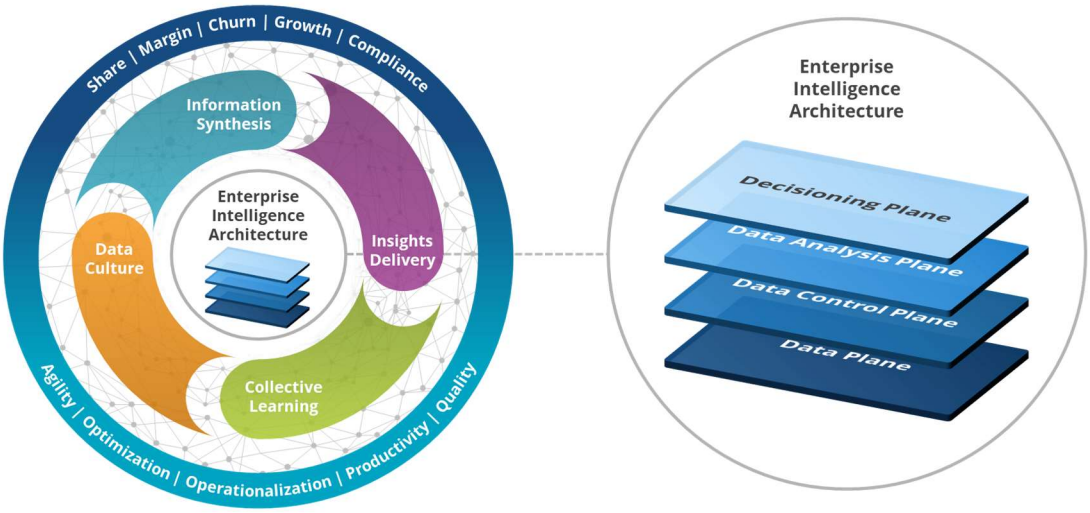
AT A GLANCE

KEY STATS

Enterprise data is more distributed and complicated than ever before. According to IDC's research:

- Organizations spent more than $290 billion in 2022 on data and analytics software (including AI/ML), infrastructure, and services.
- More than 40% of organizations say that they are not getting enough value from their data.

FIGURE 1: ***IDC's Framework for Enterprise Intelligence***



Source: IDC, 2023

Enterprise data is more distributed and complicated than ever before. Organizations spent more than $290 billion in 2022 on big data and analytics software, infrastructure, and services. Despite all those investments, organizations still struggle with managing their data technology debt and more than 40% of organizations say that they are not getting enough value from their data. Trusted, curated data must be made available to decision makers contextually and in a timely manner to be useful. IDC's recent *Global Data Valuation Survey* showed:

- Data decay — 75% of decision makers say that data loses its value within days.
- Data waste — 33% of executives say they often don't get around to using the data they receive.
- Data disconnect — 61% of executives say that data complexity has increased as compared with last year.

Organizations can improve their data landscape by leveraging advances in technologies that remove the friction between data and decision makers, allowing data to remain at the source, minimizing data migration and duplication, embedding powerful analytics capabilities in business applications, and exploring use cases for embedded AI. Organizations need to simplify their data, analytics, and AI technology footprint to ensure that data is treated as an asset that can be leveraged to improve enterprise intelligence and drive business outcomes.

Definitions

IDC's enterprise intelligence architecture provides a conceptual view of the technologies that enable organizations to execute their data and intelligence strategies. It is made up of four planes (as previously shown in Figure 1):

- The **data plane** is where data and the attributes associated with the data — such as how it is distributed, how diverse it is, and how dynamic it is — are located at the lowest level.
- The **data control plane** includes data intelligence, data governance, and data engineering.
- The **data analysis plane** includes business intelligence, AI, location analytics, and generative AI (GenAI). Data is analyzed to generate insights and knowledge.
- The **decisioning plane** is where people and systems use insights from the data analysis plane to make data-driven decisions.

In today's software market, no single vendor has technology that spans all four planes in one packaged software solution. Vendors will often forge partnerships with other technology providers to create a more complete offering for their customers. Furthermore, organizations with leading enterprise intelligence look for best-of-breed technologies in their enterprise intelligence architecture stack and often integrate these technologies themselves. Strong partnerships between vendors with integrated technologies can provide best-of-breed capabilities without the need for complex custom integrations.

Benefits

Organizations that leverage the data in their data stores and systems of record to increase enterprise intelligence experience have several quantitative and qualitative business benefits. Organizations with excellent enterprise intelligence receive three to four times more quantitative business benefits as compared with organizations with poor enterprise intelligence. Embedded analytics and AI are key drivers of enterprise intelligence.

The 2023 CIO word of the year was *efficiency.* Technology solutions that unify data from multiple sources by reducing the number of different tools and technologies and that minimize the need for data duplication and replication will provide several benefits. Reducing the number of disparate components also simplifies implementation and operations, thus reducing data security and governance risks, improving data management efficiencies, and providing more opportunities for reuse out of foundational definitions and services built on top of data.

Investing in more analytics technologies may be a difficult business case to make, but doing so strategically offers many benefits. IDC research has shown that organizations that have implemented modern data technologies and methods have reported a 40% reduction in the number of exceptions occurring in pipelines and nearly a 50% improvement in the ability to deliver solutions on time. Organizations that have invested in modern data technologies to improve data trust through better data cataloging, governance, and engineering have seen 2.5 times better improvement in their data management outcomes. IDC's *Data Management Survey* has further shown that organizations that lead in data management see 2 times better improvement in financial and operational metrics.

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Trends

There are a few key technology trends that are impacting organizations of all types today:

- **Influence of GenAI across all areas of the enterprise:** GenAI has simultaneously captured the attention of and raised red flags for technology and business leaders. Its wide-ranging applicability, from software development to marketing content creation, and its industry specific use cases are a harbinger of many benefits. But data teams are all calling attention to the risks that bad training data brings to GenAI. GenAI is a fast-moving freight train that will not be stopped, and organizations are doing their best to identify opportunities to leverage this disruptive technology and put in guardrails to ensure responsible use.
- **Increasing complexity of the data landscape:** The complexity of the data landscape can be captured by the increase in the three Ds of data: how diverse it is, how dynamic it is to changes, and how distributed it is. IDC's 2022 *Future of Enterprise Intelligence Survey* showed that 70% of organizations have substantial shortcomings in their ability to synthesize internal and external data into actionable information in the flow of their work.
- **Importance of decision intelligence:** Increasingly, organizations are thinking in terms of the types of decisions they make and the data needed to make those decisions. Information delivery, even in the form of the best dashboards and reports, is not dynamic. Data complexity continues to grow, and business users are constantly under pressure to increase decision velocity. Decision intelligence is a growing discipline that helps people and organizations design, engineer, and orchestrate decisions by fully or partially automating all steps in the decision-making process.
- **Uncertain macroeconomic environment:** IDC's research on enterprise intelligence shows that data-driven organizations are better able to adapt to changing market conditions as compared with their lower-performing peers. Leading organizations were almost 80% better at making better data available to their users in the workflow.

Considering Google Cloud and Salesforce

The Salesforce Data Cloud and Google BigQuery integration allows users to access data seamlessly across both platforms. This integration virtually unifies data across both ecosystems and results in a bidirectional data architecture that can leverage AI models across the combined offering, which has the following advantages:

- Sharing data between Salesforce Data Cloud and Google BigQuery with zero extract, transform, and load (ETL) reduces costs, improves efficiency, and simplifies data architecture and engineering needs.
- Leveraging Google BigQuery on customer data in Salesforce Data Cloud improves time to insight.
- Sharing customer profiles in Salesforce with Google Cloud, with the required security and governance, enables more trust.
- Leveraging Google Vertex AI, including PaLM 2, with Salesforce Data Cloud allows customers to bring custom AI modes into Salesforce.
- LLMs are deployed on Google Vertex AI into the Salesforce Einstein 1 platform.

The following are examples of how the combined offering of Salesforce Data Cloud, Google BigQuery, and Google Vertex AI can help customers:

- Retailers can build a custom AI model around a customer's past purchases, browsing behavior, and demographic information. They can then present a unique selection of products tailored to each customer's unique style and preferences, boosting conversion rates, customer loyalty, and revenue growth. With unified data from Salesforce Data Cloud, Google Vertex AI can even help retailers predict future buying behavior and lifetime customer value.
- Financial institutions can use Salesforce Data Cloud and Google Vertex AI together to personalize services for customers by using a custom AI model that leverages a customer's transaction history, credit score, and financial goals. With the unified data from Salesforce Data Cloud, Google Vertex AI can work with financial professionals to provide personalized financial advice or product recommendations to increase customer satisfaction, engagement, and cross-selling opportunities.

Examples of use cases supplied by Google Cloud and Salesforce include the following:

- A large consumer goods company is looking to drive better marketing decisions by extracting its first-party and second-party data from Google BigQuery into Salesforce Data Cloud. Source categories such as purchase behavior, product information, geographic attributes, and others are all collated in Google BigQuery and utilized in Google Vertex AI to make purchase predictions. These predictions are shared back with Salesforce to create richer segment definitions.
- A large automotive company is using Salesforce for campaign activation and personalization to increase customer propensity. It does this by sending sensitive information from the data hosted in Google BigQuery to Salesforce. The results of the campaign are then sent back to Google BigQuery for visualization. The company can now leverage the data sharing capabilities of the partnership to reduce the complexity of developing and managing pipelines between Google BigQuery and Salesforce.

Challenges

The path toward progress is never without its challenges. Organizations invested almost $290 billion in big data and analytics technologies, hardware, and services in 2022 but still struggle to break down silos and make data accessible in the right context and at the right time. In addition, the challenging macroeconomic environment has made organizations more circumspect with their spending. They are looking to do more with less, and that creates opportunities for technologies that allow them to get more returns on their investment.

The other big challenge that organizations face is operationalizing AI at scale. IDC's March 2023 *Future Enterprise Resiliency and Spending Survey, Wave 2,* shows that only 21% of organizations indicated they were operationalizing their AI/ML models at scale and that the topmost challenge was the required data availability and quality.

New partnerships take time to develop and coalesce, and the complexity in data and analytics architectures introduces added challenges in integrations.

Conclusion

Enterprise intelligence has a strong foundation that comprises many different technologies. No single vendor has all the components of the technology stack that make up the enterprise intelligence architecture, so vendors forge partnerships to create offerings that are the most valuable to their customers. As customers evaluate their own data and analytics stack, they should consider what decisions their business users make and the data required to drive those decisions. Finding technology providers with solutions that are easy to deploy, manage, and scale in their existing technology landscape and that reduce friction from data to insight to decision so that their business users can improve their decision velocity is the key to success in this volatile digital economy.

About the Analyst

Chandana Gopal, *Research Director, Future of Enterprise Intelligence*

Chandana Gopal is research director for IDC's Future of Enterprise Intelligence market research and advisory practice. Her core research coverage involves factors that influence enterprise intelligence, including technologies such as AI, business intelligence, and data intelligence as well as cultural elements such as data literacy and knowledge sharing.

MESSAGE FROM THE SPONSOR

Unlock the possibilities of AI, data, and CRM with Salesforce and Google Cloud. Together, we empower our customers to make more insightful decisions, act faster, and drive better business outcomes using all of their customer data. The expanded partnership between Salesforce and Google Cloud helps companies:

- Bring their own language models to drive hyper-personalization
- Create a single view of trusted data all in real time

With best-of-breed technology, Salesforce breaks down technology silos between departments, helping companies build strong, lasting customer relationships. At the same time, Google Cloud's long history of AI innovation and commitment to security, privacy, and compliance provides joint customers with comprehensive joint solutions to transform their business. To learn more, contact us.

IDC Custom Solutions

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IDC Research, Inc.
140 Kendrick Street
Building B
Needham, MA 02494, USA
T 508.872.8200
F 508.935.4015
Twitter @IDC
idc-insights-community.com
www.idc.com