Business Intelligence's social evolution Mark Bannerman, Country Manager at MicroStrategy

In this information age, the businesses that have the best relationship with their data are the businesses most likely to succeed. And over a very short space of time as the amount of data has grown exponentially and the ability to access information becomes more urgent, this relationship between businesses and data has shifted from being quite simple and straightforward, to something potentially extremely complex. So, the companies getting business intelligence (BI) right are at a significant competitive advantage over their peers.

Since the initial phases of BI – five to 10 years ago – it has changed beyond recognition. And the evolution of BI has been driven by some of the massive technological developments taking place around us, the latest being social media and big data.

But in the early-2000s when BI was in its infancy, operational reporting was the name of the game. BI consisted of line-by-line items in its raw state, with little trending and analysis. The next step was to shift the view of the data from this detailed state, to a more strategic 1,000-foot level. This gave companies summary views of key performance points, rather than a mass of data too detailed to have much meaning.

This was a significant shift for BI as a sector: because senior management was now being served with useful information they could base decisions on, the value of BI for them shot up tenfold.

The next big step for BI was shifting it out of the hands of IT, and into the hands of the business owners who needed and used the information. Traditionally the business relied on the IT department to deliver on their data needs: IT would receive the request, schedule the work and build intensive queries in order to provide the data. All too often, by the time it was delivered, the query would be out of date, or the relevance would have been forgotten.

In the meantime, IT had been diverted its other priorities.

The solution was to give business managers the ability to run ad hoc themselves via a simplified front-end to extract the data they needed then and there. By putting the BI capability in management's hands, they could develop reports and gain understanding on the fly – massively shortening the decision making process.

This last step truly unlocked the value of data and information in an organisation, providing management with the intelligence to make informed decisions to drive the business forward.

But BI still had a way to go, despite this watershed development. Surveys carried out in 2007 showed that 50% of key business decisions were still being made by "gut feel". This was often due to excessive data but insufficient analysis, or, conversely too little information to support informed decision-making. The root cause of this was often a siloed deployment of BI in companies, resulting in no single view across the entire organisation. Over the next two years, this was remedied with enterprise-wide standardised services.

Bringing us to today, when hardware continues to decrease in relative cost, giving us a greater capacity to store data. In addition, thanks to massive progress in the mobility space, we now have the ability to collect and consume detailed BI data on the go via our smartphones and tablets, making accessing information and subsequent decision making as close to real-time than ever before.

Simultaneously we have seen the massive amounts of customer data being generated on social media platforms, where people are sharing their likes, dislikes, location, brand preferences and a host of additional information previously never available on such a scale, in real time, to brands and businesses. This offers businesses the largest opportunity we have ever seen to align sales and marketing efforts to customer preferences.

Companies can now gain deeper than ever insight into their customers by cleverly working the data the consumers have voluntarily shared with them, via platforms such as Facebook and Twitter, if their BI service provider has social media capabilities. This insight can then be used to interact with customers in more relevant, timely and appropriate ways, as well as measure the impact of any engagement activity.

Looking ahead, the charmed partnership between mobile, social and BI is going to remain critical to driving competitive advantage in successful businesses around the globe.