



Nick's Corner

What's Up with Big Data? Let's Look at the Trends

While there's no question that the buzz of "big data" is still going strong, how well is big data actually catching on? To summarize, here are the four trends:

- The big data market is growing.
- The success rate of big data implementations is average.
- People issues are trumping technology issues.
- Analytics is what keeps them coming back.

Trend 1: The big data market is growing. Today, Wikibon estimates that the big data market is going to grow to over \$61 billion by 2020 and \$84 billion by 2026. This represents a 17% CAGR over the 15-year period starting in 2011. In 2014, Wikibon estimated the breakdown as follows:

- 40% is for professional services
- 38% is for hardware
- 22% is for software

The professional services revenue is notably higher for two reasons: (1) Many big data technologies are open source, which implies the software licensing is free and the vendor business models include more services; and (2) organizations need additional help with these new technologies.

Trend 2: The success rate of big data implementations is average. In Capgemini Consulting's report, *Cracking the Data Conundrum: How Successful Companies Make Big Data Operational*, 27% of the organizations surveyed, or approximately 1 in 4 considered their implementations a success. The report also showed that:

- 13% of the organizations had big data in full-scale production
 - 35% were in partial production
 - 29% were doing a proof of concept (POC)
 - 24% had not implemented big data yet or had no plans to implement
- Some would consider a 27% success rate "good" since we're dealing with newer technologies, while a 1-in-4 chance of success could send others running.

Trend 3: People issues are trumping technology issues. This trend is interesting. The Capgemini Consulting report and TDWI's just-released Best Practice Report, *Hadoop for the Enterprise: Making Data Management Massively Scalable, Agile, Feature-Rich and Cost-Effective* told the same story: About 2/3rds of the issues cited as barriers to success were focused on *people (and process)*, and not necessarily the technology. Some of the common issues reported were:

- Inadequate skills or difficulty of finding skilled staff
- Lack of compelling business case – for funding and implementation
- Lack of business sponsorship
- Ineffective coordination of big data and analytics teams across the organization
- Lack of or ineffective data governance models for big data and analytics

None of these issues are new to big data. Big data is just amplifying these discussions.

Trend 4: Analytics - what keeps them coming back? The simple answer is big data analytics. In the TDWI report mentioned earlier, when survey respondents were asked about the benefits of implementing big data in their organizations, the top 5 responses were:

- Advanced analytics (data mining, statistics, complex SQL, etc.) – 48%
- Big data source for analytics – 45%
- Exploratory analytics with big data – 44%
- Good complement of our data warehouse – 37%
- Information exploration and discovery – 36%

Despite the challenges organizations are facing in this growing big data market, they're (hopefully) in it for the right reasons—i.e., to discover new insights that will keep them in the game for many years to come.

Extracted from article May 12, 2015 [Tamara Dull](#) By Henrik Bresnan

Best Wishes

Nick Baikoff

Managing Director

Client Services

The next Operations Committee Meeting will be held on **Tuesday, 02nd June 2015**. Please note the difference in time, which is from **11h00 – 12h00**. Venue details have been emailed in the meeting request.

Please join us for some refreshments and snacks after, as we celebrate FinSwitch's new look and feel!

Best Wishes

Tasneem Gydien

Client Relationship Manager

News from the IT Desk

It's with great excitement that we unveil our new website to you!

We realized that our old website, while giving information about our core services, was not as dynamic as we have become. The updated look, perfectly represents FinSwitch and our approach to all things within the industry.

From our previous communication (Newsletter March 2015) we are very pleased to inform you that we managed to complete all pages in this rollout.

Our next major delivery point that is receiving traction is the implementation of our archiving and data warehouse solution. The fruition of strengthening and enhancing delivery on business intelligence.

Our scheduled release is expected in July, but we will provide more accurate dates once development is concluded. Though not as big as November 2014 release, but nevertheless significant in that minor industry related and security audit features will be prevalent in this delivery.

Another bumper quarter to look forward to...

Best Wishes

Ismail Allie

Head: Development

BBEE Certificate



Our BBEE Certificate for 2015-2016 is now available. FinSwitch has achieved a **QSE level 3 with 110% recognition**. Please download the certificate [here](#).