GoodData

Data as a Service: Transform data from cost center to revenue generator

Fast, reliable, and secure data pays dividends

Every company needs quality, accessible data to make decisions and drive their business forward. But the cost of that data can often be a drain on budgets and already stretched-thin IT resources. Data as a Service (DaaS) platforms turn the costs associated with data and insights into an opportunity for revenue generation and the power to provide added value to customers and partners.

The shift to Data as a Service

Although data and insights are critical to the success of modern business — they are also seen as costly, expending precious resources without direct return.

Leaders that see the value in data but want to see less cost and more ROI are shifting to a data as a service model (DaaS), which makes insights accessible company-wide and to your customers. In a recent **Gartner survey**, 58% of CIOs said they were increasing their investment in business intelligence (BI) and data analytics in 2021. A DaaS approach to analytics will also open up entirely new revenue streams, build a bridge internally between tech and business and increase value to customers. Read on for a closer look at how DaaS can drive this kind of value and revenue.

What is a DaaS platform and why invest in one?

A DaaS platform is an advanced analytics engine that sits in between data lakes or warehouses and the user — it analyzes the data and then allows business users to access those same data assets in order to make day-to-day decisions. In addition, because everyone uses the same assets with the same governing principles, decisions can be made based on consistent information across the organization.

In the enterprise today, insights and analytics should no longer reside solely within the purview of a data science team or even the IT team. But for many companies, if someone in a business unit has a data request, the process is slow and manual, and the data is often outdated by the time they receive that .csv or Excel file. A DaaS platform changes that paradigm: it creates a digestible, consistent, and secure stream of data to your customers. It's an offering that would benefit many companies that are awash in data.

It's also a departure from today's BI tools, which are unconstrained and therefore complex and difficult for non-data experts to use. These BI tools also allow users to manipulate data sets in a way that isn't standardized — so different departments using the same data can reach very different conclusions. As a result, they make it much more difficult for businesses to quickly and easily use insights to take meaningful action.

Why not DIY?

For those considering "build vs. buy" consider first asking yourself the following questions:

- Do we have the right talent in-house to build a distributed analytics system?
- If we need to hire a new team, is that where our resources are best spent?
- Do we have the time to build a new platform from scratch?
- What is the revenue potential of adding a new platform, and does that figure into our time to market?
- Can I trust a partner to handle my customer data with sensitivity and security?

Case study

Why Mercatus decided to invest in DaaS

Mercatus sells cloud-based asset and investment management software, which is designed for global funds that invest in alternative assets like renewable energy, real estate or infrastructure. Their software helps customers manage assets across an entire life cycle (from origination to divestiture). But Mercatus's customers began asking for more instant access to insights to see how assets were performing.

"The tipping point came when customers started requesting custom reports on a weekly basis for their executive team or board of investors," says Jason Adams, Vice President of Product and Engineering. "One customer could have 50 projects or more going at the same time, each of which was subject to change at any time and required its own up-to-the-minute report. The inability to access real-time insights created a huge opportunity for us to add substantial value within our platform." Mercatus opted to work with GoodData's team, which has the expertise to move quickly, getting them to market in six weeks. Once the DaaS platform was deployed, users across the company could immediately access the insights they needed — with little training or onboarding required.

DaaS adds value for customers — and drives revenue

Many companies are challenged to provide data to customers. It's an arrangement characterized by bottlenecks that doesn't benefit either party: companies are strained by the number of requests they recieve for different types of data from customers, and customers in turn are unable to access timely data due to long wait times.

Implementing a DaaS platform allows companies to give customers easy access to the data they want — while actually creating revenue in the process.

DaaS has the potential to strengthen a customer relationship in a number of ways:

- **Offer dynamic pricing:** A DaaS platform gives you the opportunity to introduce tiered product pricing. As an introduction, you may want customers to have a free version with limited insights.

- **Build data literacy:** When data analytics are broadly accessible to employees and customers and no longer solely within the purview of a small group, everyone becomes more data literate. And the more data trust exists within your customer's organization, the more value they will find in the DaaS platform.

- **Prioritize security:** When making data available to your customers, it's imperative to ensure data integrity by offering enhanced security and monitoring tools, with compliance regulations like HIPAA and GDPR top of mind.

- **Stand out among competition:** A DaaS platform gives you the ability to help your customers in a meaningful way, by providing data that can answer questions and help them make better decisions. "By implementing an analytics solution, we were able to fill a void that our competitors hadn't and take on a leadership role in our industry as a whole," says Mercatus's Adams.

Case study

Why DaaS is the #1 reason Zendesk customers upgrade

Software company Zendesk is in the business of high-quality customer experiences (CX). This customer focus led Zendesk to look for ways to do better by its own customers. "To deliver great customer service, our customers require a deep understanding of their own customer interactions and internal support workflows," says Sam Boonin, VP of Products at Zendesk. Although Zendesk had already been providing insights to its customers, they recognized the need for deeper insights that, for the customer, could propel decision-making, and for Zendesk, could fuel it's trial-to-pay business model and build customer loyalty and trust. They knew they wanted to partner with a cloud-based provider that could handle the scale of their business. The GoodData team had them up and running in 90 days, building an advanced analytics engine seamlessly into Zendesk's UI. Today, Zendesk's Plus and Enterprise plans include their Advanced Analytics platform as a value add, and is the number one reason customers upgrade their plan.

DaaS empowers your customers — and your team — to scale

The events of 2020 were a reminder that enterprise organizations need to be prepared for the unexpected, use resources wisely, and move fast without sacrificing security. Layer on industry competition and the need to scale, and it's clear that companies must lead with an innovation mindset, like focusing on investments that help the business grow. And for your customers, it means providing the tools that will allow decision makers across the company to have the most actionable insights available to them.

Benefits of DaaS for product innovation:

- **Strategic deployment of resources:** Once your team is up and running with a DaaS platform, it is plug-and-play, requiring fewer resources to maintain it. In the case of Mercatus, a four-person team is all it takes.

- **Prioritizing the future:** With fewer resources dedicated to your revenue-producing advanced analytics engine, your engineers can focus their attention on core features and initiatives that might otherwise be put on the back burner. This also allows your data science team to turn their attention to meaningful projects and longer-term forecasting instead of one-off customer insight requests.

- **Reduced data duplication and infrastructure costs:** Part of moving data from expense to revenue is reducing some of the investment costs associated with innovative projects. With a DaaS platform, Mercatus shortened their sales cycle by 80%, mitigating the upfront investment associated with platform integration to see a tangible ROI.

Benefits of DaaS for customer growth:

- **Less time wasted:** The old, manual way of pulling insights often leads to inaccurate forecasting, reports filled with errors, and insights that are inconsistent across the organization. In addition, users don't get value from seeing data in isolation; they want it correlated with other data sets. A DaaS platform mitigates all of these issues, making insights and analytics accessible, accurate and easily synthesized for anyone in the organization.

- **More autonomy:** A DaaS platform with a simple interface and predetermined data assets turns insights into a business strategy that anyone can tap into. "Our customers no longer have to depend on our analytics teams or customer success teams to build their data visualizations or extract insights," says Mercatus's Adams.

- **Daily actionable insights:** In order to scale a business, decision makers need the ability to move with speed and accuracy. **More than 80% of Zendesk's premium customers use the platform daily.**

- **Governance across all data:** DaaS removes user error and inconsistent insights that commonly occur with other BI tools. When everyone is working with the same assets, insights become much more powerful, giving all of your customer's users the confidence to make decisions based on the analysis provided by your DaaS platform.

Conclusion

The current way that most companies manage and share data is onerous, time-consuming — and expensive. Rethinking these processes and embracing DaaS will lead to a clear opportunity to leverage data analytics and insights for revenue generation.

For customers, DaaS ensures data is trustworthy and actionable, so that more executives can rely on data, not just their gut, to make decisions. In addition, the more people who have access to data without the need to read complex spreadsheets or manipulate formulas and tables, the more data will be trusted and utilized for decision-making in an organization. Ultimately, the companies that have the ability to move quickly but deliberately, and are driven by data, will succeed in this increasingly sophisticated digital environment.

This kind of service is a game changer — both for the customer and the enterprise.

Want to learn more about how GoodData can enable your data as a service infrastructure?

Schedule a demo

Let's keep in touch! Join the conversation
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About GoodData

What is it that we do?

At GoodData, we believe that traditional data tools are no longer enough. Our Data as a Service (DaaS) infrastructure is the future of analytics: real-time, open, secure, and scalable. GoodData's leading cloud native analytics platform gives our customers the flexibility to build and scale any of their data use cases; from self-service and embeddable analytics, to machine learning and IoT — while maintaining the performance, cost-efficiency, and easy change management of such a central and integrated solution.

GoodData has teams and data centers in the USA, Europe, and Asia, with customers including leading software companies (SaaS), global financial and payment institutions, and multi-brand e-commerce platforms.

The GoodData advantage

Business:

1. One platform for all: Internal teams, client companies, external partners

2. Self-service analytics for business users

3. Your own branding

4. Predictable pricing to suit your business, no pay-per-user

5. The highest data privacy and security certifications

Technical:

1. Automated scaling to different departments and companies

2. Embedded dashboards in your application or software product

3. Streamlined multi-tenant change management

4. Abundant data-source options

5. Fully hosted or deployed as a container in your application