

Vendors and clients realign in data warehousing revolution

Data warehousing, as we know it, may be on its last legs, writes **Helen Meredith**.

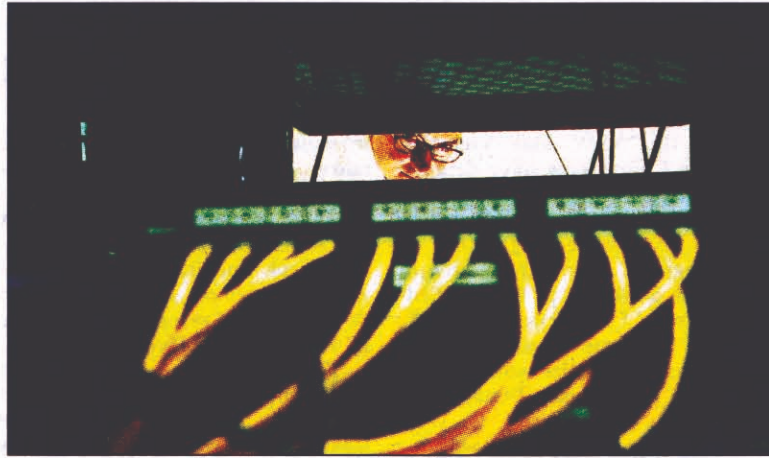
Data warehousing is at the crossroads. In spite of less expensive storage and networking tools, small to mid-sized businesses (SMBs) are still disadvantaged when it comes to managing information.

Large enterprises have their own problems. They're dealing with huge volumes of data. As well, they are warned that trying to consolidate their storage infrastructure and extend it to branch or remote offices, particularly those spread out over large areas, will be costly and complex.

There are other issues emerging too as organisations examine the potential of so-called "active" or real-time data warehousing, smarter analytics and the degree to which they might be harnessed to the benefit of their specific businesses.

Then there's the choice of deeply embedded analytics or conversely the use of "edge" methods to draw value out of data, with some experts suggesting that traditional data warehouse tools can be replaced with systems that employ a new generation of edge appliances.

So when commentators talk of the imminent death of data warehousing as we know it, what do they mean?



What might replace it and who stands to benefit? When IBM recently announced a nanotechnology breakthrough that will eventually allow ultra-tiny storage devices, were we seeing the way of the future?

The pundits warn that such a future could be a very long way off, leaving organisations to face the reality of today's evolving technology landscape. How best then to manage an increasing data load, compliance issues and the need for sharp business intelligence practices?

When it comes to vendors, it should be no surprise that there's a data warehouse war breaking out. Market leader Teradata has split from NCR and is flexing its muscles in the marketplace, while Oracle,

Dell and EMC have teamed up to challenge the market leader. Hewlett-Packard has also entered the fray with its Neoview data warehouse and has started to crack open some of the bigger customers.

For its part the newly independent Teradata has struck a strategic partnership with business intelligence vendor SAS to collaborate across the board, in sales, marketing, services and product integration. As Ovum notes, both companies still compete in each other's home markets but clearly they have decided that the demand from customers to work more closely together is too important to ignore.

Analysts see the relationship as a cultural fit. From a technology point

of view the relationship looks fine too, providing a richer integration of SAS's analytical tools with the Teradata warehouse. As Ovum says, this pushes SAS functions and algorithms deeper into the Teradata warehouse and lessens the need to move data out of the warehouse environment for analytical purposes.

Then there's the concept of an out-of-the-box data warehouse. To this end Oracle has announced the Optimised Warehouse which combines its own Oracle Database with preconfigured hardware from Dell and EMC, namely Dell's PowerEdge servers and EMC's Clariion networked storage systems. They are sold as a single product.

Oracle's vice-president, Ray Roccaforte, says customers will no longer need to choose between proprietary data warehouse solutions and Oracle-based solutions that are custom-built on leading hardware platforms.

Gavin Cooke, chief executive of Altis Consulting, an Australian business intelligence and information management company, says the role of data warehousing is bound to change as organisations recognise the potential of information to bring greater value to their business.

"They are increasingly looking before they leap, thinking in advance about their specific needs," he says.

"Ultimately the technology is less relevant than the information and how it is to be used. That means

they're doing more strategic stuff than years ago – looking towards business outcomes and how analytics can work for them."

Cooke notes the varying relationships between customers and vendors, saying that when there is critical mass, as in large US businesses like WalMart, there's a high level of sophistication and ability to keep a tag on their own supplies, with large dedicated teams employed to do this.

"We don't have that to the same extent in Australia. The return on investment may not be there," he says.

On the other hand smaller companies are often very careful about data management and according to Cooke, many SMBs do it well.

"They can get a better view," he says.

There is also a different emphasis within organisations that are relatively static compared with businesses like telcos which are highly dynamic and competitive and must deal with an explosion in new products such as text and video messaging.

"We work with every telco in Australia and New Zealand and we know the pressure on them to stay on top. They need to engage with their customers," Cooke says.

Airlines are similarly dynamic and very creative with products – frequent flyer schemes being a case in point.