



What is Business Intelligence (BI)?

by sakar | Apr 3, 2023 | blog | 0 comments



Business Intelligence (BI) has become a popular term in the technology industry nowadays. While there are various interpretations of BI, the basic idea is to provide relevant and dependable information to the appropriate individuals at the appropriate moment. The aim is to make better decisions quickly. In essence, BI is a process driven by technology that employs data analysis insights to executives, managers, and other corporate users to make better decisions. BI encompasses a broad range of tools, techniques, and processes that enable organizations to collect data from both internal and external sources. Then, the data is prepared for analysis, queries are developed and executed on

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that data, and finally, reports, dashboards, and data visualizations are created to deliver analytical results to decision-makers and operational workers.

What Applications do we need for BI?

Business intelligence incorporates a broad spectrum of data analysis applications, which include:

- 1. Ad-hoc Analytics and Querying:** This Business Intelligence process is aimed at answering a specific business question. Users can generate reports that do not already exist or delve further into an existing report to obtain information about accounts, transactions, or records.
- 2. Enterprise Reporting:** Enterprise Reporting is an online Business Intelligence solution that transforms enterprise-wide data into insights for effective measurement and management, contributing to better business decisions.
- 3. Online Analytical Processing (OLAP):** OLAP is a powerful technology that underlies many Business Intelligence applications for data discovery. It offers features for extensive report viewing, complex analytical calculations, and predictive “what if” scenarios, such as budget planning and forecasting.
- 4. Real-time BI:** Real-time BI enables business users to access up-to-the-minute data by directly connecting to operational systems or feeding business transactions into a real-time data warehouse and Business Intelligence system.
- 5. Mobile BI:** This is the ability to access Business Intelligence data, such as KPIs, business metrics, and dashboards, on mobile devices.
- 6. Operational BI:** This is the process of reviewing and assessing operational business processes, activities, and data to make tactical and strategic business decisions.
- 7. Cloud BI:** Cloud Business Intelligence applications are hosted on a virtual network, such as the internet, providing organizations access to BI-related data, such as dashboards, KPIs, and other business analytics.

8. SaaS (Software-as-a-Service) BI: SaaS BI is a cloud-hosted application that uses recurring or subscription-based pricing to deliver BI tools, like dashboards to enterprises.

9. Open source BI: Open source BI is a free Business Intelligence software that supports reporting, OLAP, and data mining software, as well as dashboards, bundled data integration, and data profiling tools.

10. Collaborative BI: Collaborative Business Intelligence merges Business Intelligence software with collaboration tools, including social and Web 2.0 technologies, to support improved data-driven decision making.

11. Location Intelligence BI: Location Intelligence is a Business Intelligence tool that converts geographic contexts into business data.

Why is Business Intelligence Important?

In today's digital-first, customer-centric world, many business owners and managers are overwhelmed with information and urgently seeking ways to gain greater control, understanding, and intelligence from their organization's data. Adopting a Business Intelligence (BI) strategy is one of the best solutions to this growing problem, yet many companies have been slow to do so due to a lack of knowledge about what it involves, where to start, and how long it will take to see any benefits. However, BI should be an integral part of any business operation.

Here are some benefits of BI that can help you understand how it can positively impact your organization:



- 1. Smart Decision Making:** BI can convert scattered data into structured, analyzable insights that inform strategic decision-making across the company and contribute to superior financial performance.
- 2. Boost Sales and Marketing Goals:** BI can provide in-depth analysis to kickstart sales and boost marketing performance by identifying customer behavior trends and exploiting cross-selling opportunities. It can also improve the visibility of sales information to finely tune and target marketing campaigns, measure campaign effectiveness, and ensure future initiatives are as profitable and effective as possible.
- 3. Provides Customer Insights:** BI helps businesses understand how customers interact with them and how best to reach them, which is essential for adapting to the New Customer Journey and staying ahead of the competition.
- 4. Delivers an Outstanding Customer Experience:** BI provides an up-to-date, at-a-glance view of each customer, which enhances customer service response and allows businesses to spot buying signals and manage any potential danger points where a customer service failure risks undermining CX. It also helps businesses conduct segmentation work to identify their most profitable customers and attract the right type of prospects to meet their growth targets.
- 5. Increases Productivity:** BI has the potential to release inefficiency bottlenecks, refine existing business processes, automate routine tasks, and bring new levels of

organization and prioritization to everyone's work. The efficiency and productivity gains can be considerable, including more responsive customer service, better use of salespeople's time, and closer measurement of product development cycles and marketing campaigns.

6. Improves Data Accuracy and Compliance: BI centralizes data to improve transparency and expose inaccuracies and gaps that can lead to wasted marketing spend and potential brand damage caused by sending insensitive or mistargeted communications. It also helps businesses meet data protection regulations that require accurate and up-to-date data, grounds for processing data, and clear privacy policies for improved transparency.

7. Accelerates Return-on-Investment: BI can vastly improve a business's return-on-investment by managing day-to-day efficiency, sales deal conversion metrics, and customer experience, analyzing, modeling, and crafting future growth strategies. Without the right insight and discipline, companies risk falling back on old ways of doing things and setting themselves on entirely the wrong course.

In the future, BI systems will be more integrated with the workflow than ever, with endless possibilities for implementation and evolution. BI will play crucial roles in product development and business strategies, and managers and decision-makers will have clearer insights and data. Collaborative BI systems may emerge, where systems can seamlessly integrate and share data, keeping it out of reach from interference and exploitation. Finally, the complexity of systems such as Machine Learning will be reduced, bringing out more experts in the industry.



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