



GoodData

# Redefining Data as a Service

When every business decision becomes  
a data-driven decision, Data is a Service

The next data frontier is upon us — and the companies that emerge victorious will be those who use cloud technology not simply to power their software and infrastructure, but also to transform their data.

One thing is abundantly clear in today's business ecosystem: Cloud is the great unifying technology driving innovation today. In fact, [93% of enterprises](#) have a multi-cloud strategy in place. And as companies move their operations to the cloud (or multiple clouds), they reap its benefits: their software, platforms, and infrastructure all become “as a service” tools. But there's a fourth pillar of “as a service” they need to capitalize on: Data as a Service.

Just as Y2K forced modernization and created new standards for software, the massive adoption of cloud provides an opportunity for businesses to change the way they use data: away from a fractured, complicated practice, to a more seamless, all-encompassing approach. It's time for companies to rethink not only how they manage and organize their data across their cloud strategies, but also how it can work for them across every aspect of their business — making every business decision a data decision.

Data is a powerful tool. [94% of enterprises](#) say data and analytics are important to their business growth and digital transformation. But there's a disconnect: The same report found that only 14% of companies make their data widely accessible to employees. There's a great fissure between the data companies have at their disposal in the cloud and their ability to utilize it.

[According to IDC](#), the amount of data projected to be produced in the next three years will surpass the amount created over the last 30.

How will we mend this fissure? Meet data as a service.

## DaaS as we know it

Data as a Service (DaaS) isn't a new term, but to this point, its definitions have been disparate. There are two common understandings of Data as a Service:



**DaaS means purchasing relevant data sets (from a provider like LexisNexis) and disseminating that data into insights.**



**DaaS revolves around the storage and dissemination of data.**

While these definitions describe data services, they don't describe data as a service. In the same way that infrastructure and software as a service are scalable to everyone in an organization, DaaS is ubiquitous.

And DaaS is more than a reactive approach to data: It encompasses everything from storage to insights and it reaches beyond the data science or IT teams. Perhaps most importantly, in today's definition of DaaS the insights are cohesive and consistent. Today, data is digested in siloes, but with DaaS, it becomes a more holistic revenue generator.

### Definition of DaaS:

**Data as a Service is an end to end service that aggregates, stores, cleans, and cohesively interprets data allowing for enterprises to embed analytics into workflows and processes. It is centered on insights consumption, analytics development, and turning data into a revenue generator.**

The data value chain (from extraction to storage) is already changing. [Snowflake's massive IPO](#) made clear that centralization of data in one cloud-based warehouse is appealing to the enterprise. Now, the challenge becomes what happens next? This is where the bridge between storage and insight comes in: We call this the **consumption layer**.



#### DaaS is...

- Managing and interpreting data
- Building relationships between data sets
- Building data accessibility and literacy



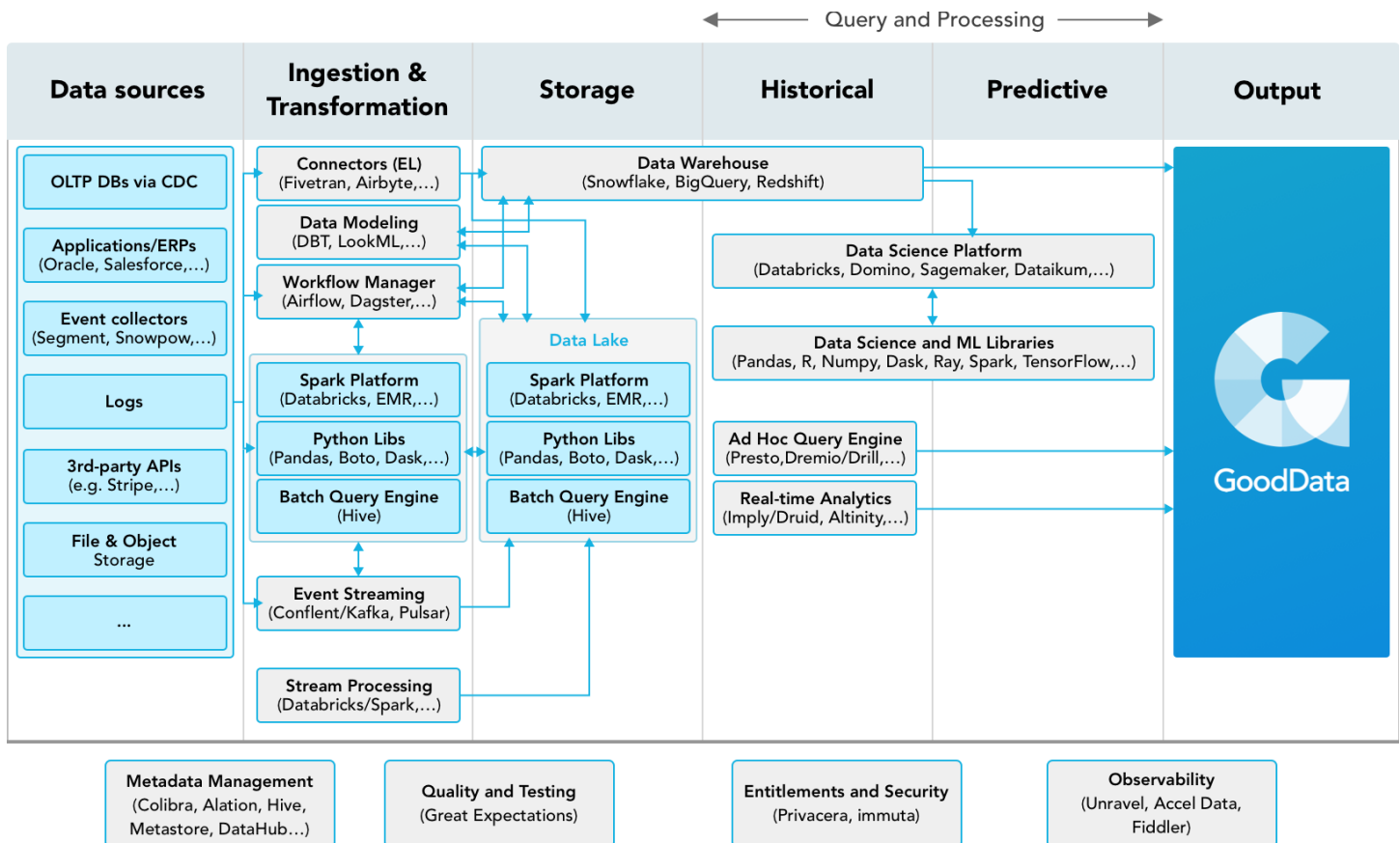
#### DaaS isn't...

- Purchasing data sets
- Storing data
- Dissemination of data in a vacuum

# Bridging the gap between storage and insight

By inserting a layer along the data journey that we call “insights consumption,” data becomes a service. This layer is the bridge between storage and cohesive, needle-moving insights for the entire enterprise—not just a select few with deep technical expertise.

## A unified data infrastructure architecture



Today, many companies have accepted data as a differentiator, but they’re not sure where to go from there and they face many questions and challenges: How do we ensure our data is reliable? If we outsource, how do we know the third party can be trusted? How do we maintain and update this system to stay agile? Our data is in lots of different places, how do we overcome this distribution challenge? How can we use our data as a revenue generator without losing the trust of our current and future customers?

All of these questions and challenges can be answered in what we like to call “the last mile” of the data journey, the moment between the backend and the frontend where the data is churned through an engine that works for the enterprise across all departments rather than a series of disparate queries with insights that serve a specific person or team rather than the organization as a whole.

## Finding value in the last mile

As enterprises continue the move to the cloud, data is created, stored and cleaned, but once it enters a data lake or warehouse it's rarely accessed. [According to a 2020 survey from Seagate and IDC](#), respondents estimated their organizations collected only 56% of the data potentially available through their operations, and that out of that 56%, 43% of it went largely unleveraged.

Actually leveraging data — and uncovering data that is usable — is part of the premise of data as a service. It solves for the last mile of analytics, the point at which data becomes a true differentiator. According to a [McKinsey](#) report, nearly 90% of breakaway companies devote more than half of their analytics budget to this “last mile” — working to embed analytics into processes and workflows.

The consumption layer is what transforms data that once seemed unusable (remember that underleveraged data from the Seagate and IDC report?) into actionable, unified, governed insights. With this governance comes the ability to transform decisions across departments, all unified, working off of collective insights. With the consumption layer, siloes are removed and access is heightened. With the consumption layer every decision (from the tactical to the strategic) becomes a data-driven decision.

## How DaaS solves for the last mile

DaaS can embed data into every decision. DaaS democratizes data. But in order to make every decision a data-driven decision, access is fundamental. And access relies heavily on data literacy across a company. Data literacy will drive DaaS forward—and the onus is on the data provider to achieve this.

First, what do we mean by data literacy? Simply, it's the ability to understand and interpret data effectively. Data analytics can't be relegated to the data scientists or IT departments alone, so by presenting data not only consistently across the organization, but also in a way that's easily digestible, broad data literacy becomes achievable. Data literacy is what separates DaaS from traditional business intelligence. Adding data literacy to the consumption layer allows all departments, no matter how technical, to understand and query data. There is no requirement of a deep knowledge of databases.

By driving this last mile of data and by democratizing data literacy, DaaS drives significant ROI for companies. European e-commerce giant Zalando [helps partners understand the demographics and behavior of their audience in precise detail](#). While the data and computational engine behind Zalando's dashboards are complex, they're translated by GoodData's consumption layer into easily digestible metrics and insights, which allows users across their organizations to make decisions and plan for the future.

Similarly, McKinsey found that when a major retailer armed its sales managers with demographic data on a daily basis and gave them the approval to make decisions based on that data, sales increased significantly.

These examples provide an important distinction: the sales managers — or partners in Zalando's case — didn't have to input a specific query for these insights nor did they need highly technical expertise to interpret them. Instead, both companies invested in the last mile and proactively packaged the data in a way that allowed the managers and partners to take clear and significant action. Data, here, is not only a service for the managers, but also for their customers. DaaS' reach is far and wide so long as data literacy is adopted and implemented.

## DaaS and the future of the enterprise

The next frontier of data consumption will transform our data from something we gather and store to something we use to catalyze growth. It's usefulness will not be dipirate or one-off, it will be the throughline to business plans and the bottom line. Just as businesses' infrastructure, software and platform drive their approach to business, so, too, will data.

As the deluge of data continues in the coming years, companies have the opportunity to turn that data into a very meaningful differentiator rooted in insights that are utilized across every function of the business. Acceptance and development of DaaS within organizations is table-stakes. Will you join us?

**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**

Follow along on: [LinkedIn](#) and [Twitter](#)

