

Gartner Says Worldwide Business Intelligence, Analytics and Performance Management Grew 22 Per Cent in 2008

Despite Tough Economic Conditions and Industry Consolidation, Overall Revenue Surpassed \$8.8 Billion

STAMFORD, Conn., June 12, 2009 — Worldwide business intelligence (BI) platform, analytic applications and performance management software revenue reached \$8.8 billion in 2008, a 21.7 per cent increase from 2007 revenue of \$7.2 billion, according to Gartner, Inc.

“Industry consolidation has led to an increase in growth, despite the necessary product rationalisations and organisational changes,” said Dan Sommer, senior research analyst at Gartner. “The large stack vendors, especially the application vendors, have put a lot of focus and sales power behind their newly acquired BI products, with accelerated migrations and upgrades in the installed base as a result.”

Following SAP’s acquisition of Business Objects, the company was the No. 1 vendor in combined worldwide BI, analytics and performance management software revenue in 2008, accounting for 24 per cent of the market (see Table 1), followed by SAS Institute, Oracle, IBM and Microsoft.

“Most, but not all, of the midtier independent BI vendors targeting businesses struggled more, which indicates that there is bifurcation in buying to either more stack-centric behaviour, or smaller tactical departmental projects,” Mr Sommer said.

Table 1
Worldwide BI, Analytics and Performance Management Revenue Estimates for 2008 (Millions of US Dollars)

Company	2008 Revenue	2008 Market Share (%)
SAP	2,096.0	23.8
SAS Institute	1,286.6	14.6
Oracle	1,284.0	14.6
IBM	996.5	11.3
Microsoft	681.5	7.7
MicroStrategy	280.0	3.2
Others	2,177.1	24.7
Total	8,801.6	100.0

Source: Gartner (June 2009)

Both the BI platform and the analytic applications and performance management (including corporate performance management) areas performed strongly (see Table 2) with growth rates of 20.4 per cent and 24.3 per cent, respectively.

Table 2**Worldwide BI, Analytics and Performance Management Revenue Estimates for 2008 by Subsegment (Millions of US Dollars)**

Segments	2008 Revenue	2008 Market Share (%)	2007 Revenue	2007 Market Share (%)	2008-2007 Growth (%)
Analytics Applications and Performance Management	3,055.1	34.7	2,458.6	34.0	24.3
BI Platforms	5,746.4	65.3	4,773.7	66.0	20.4
Total	8,801.6	100.0	7,232.4	100.0	21.7

Source: Gartner (June 2009)

“In tough times, the first step is to increase transparency which helps identify cost-centres, and then to more tightly align strategy with execution,” Mr Sommer said. “This is why demand for BI, analytics and performance management is relatively strong even in a bearish economy. However, we don’t expect these two markets to sustain the same high growth rate in 2009, as much of it came from the lowest-hanging fruit in up-selling products of an acquired company to an existing installed base and because the first half of 2009 was softer due to the recession.”

Additional detail is available in the Gartner report “Market Share: Business Intelligence, Analytics and Performance Management Software, Worldwide 2008.” The report is available on Gartner’s website at http://www.gartner.com/DisplayDocument?ref=g_search&id=1016420&subref=simplesearch.

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