BPTrends ARTICLE

It's Time for More Data: How Big Data is Changing Business Software
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An Overview of a Changing Online Marketplace

Today the prospect of utilizing big data more widely to assist businesses in competing in the global marketplace generates considerable excitement. For the first time in human history, many processes now lend themselves to real time analysis and prediction. How will this new landscape impact companies in the near future? Very likely, the transformation will usher in an era of automation and streamlined processes unimaginable to previous generations of entrepreneurs.

Automating Information Flows

From the standpoint of conventional business practices, the advantages of big data offer an almost surreal commercial climate. Yet it remains important to consider that the Internet itself would have struck people from the early Twentieth Century as incredible and perhaps unrealistic.

To imagine offices located on distant continents exchanging emails in a matter of seconds defied the comprehension of most business leaders just a few generations ago. Commerce- even international trade- simply operated at a much slower pace. Snail mail ruled. Today, remote conferencing capabilities routinely allow face-to-face cyber meetings and the exchange of information in real time between branch offices located across vast distances. Technology has altered expectations about the exchange of information.

Big data's advent means that the pace of information flow will accelerate once again. Previously, business analysts lacked the power to accurately predict some mass events. Now, although infallibility remains outside their grasp, they possess more tools in their arsenal to acquire nearly real-time information about events occurring in a multitude of places; companies increasingly enjoy the ability to predict and respond to these developments in a flexible, agile way.

What Does Big Data Do?

Big data embraces macroeconomic concepts to some extent. None of us individually possesses the ability to accurately, on our own, compile a large nation's gross domestic product ("GDP"), for example. Yet with the power of mass communications, economic analysts today can assimilate data from a multitude of sources and crunch fairly reliable numbers. Big data offers the promise of performing this task in

(almost) real time.

Hedge fund managers who hire physicists to prepare complex predictive programs for monitoring the nuances of the marketplace operate on the cutting edge of this trend. And recently, impressive advances in database technology enabled big data analysis to penetrate other business markets, as well. Not surprisingly, big data already changes the way popular BPM software functions.

Three Concrete Examples

Three interesting cases illustrate the impact of this trend. The marriage of big data and business practice management promises to help organizations streamline and automate business processes much better. Companies will also acquire deeper insights into the behavior of their customer base.

Duetto: This firm markets software designed to optimize the profit margins of hotel and motel owners and the value received by patrons. It draws upon information about a customer's reported spending history in bars and casinos to furnish individual hotels with data that can help hospitality industry planners form a customized incentive price offer for individual customers. The hotel may extend a very low price to certain patrons because these folks will likely expend significantly more dollars on other hotel services.

SumAll: Online software developed by this startup allows business clients to monitor their social media campaigns more effectively. A single, convenient chart summarizes postings from 42 different social platforms. Clients obtain pings notifying them in real time whenever someone mentions them. Instead of depending upon social media as a static platform, the big data emphasis allows nearly real time monitoring to occur.

T-Mobile USA: Another company which reportedly utilizes big data very effectively in a BPM context is T-Mobile USA. The firm reportedly developed sophisticated programs which permits the company to use social media postings to anticipate and intercept customer dissatisfaction, enabling the company to reduce customer losses by as much as 50% during one fiscal quarter.

Author

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