

Dell Digital Business Services showcases its 'managed analytics as a service' offerings

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Dell Digital Business Services offers several compelling 'managed analytics as a service' products for markets such as marketing and IT support. The division has developed a broad technology framework to support advanced analytics, but the conversations always begin with business issues and never with infrastructure. Ankur Pawa leads advanced analytics for Dell Digital Business Services and has been incubating the practice for three years as the company has invested in this area. He says the conversation begins with 'can you solve this business problem for me?' Customers, especially business buyers, rarely have a defined requirement or a specific request for information, and while they may have heard of analytics offerings hosted in the cloud, they are not interested in the underlying technology; they simply want results in the form of business outcomes.

The 451 Take

Dell Digital Business Services has developed several compelling 'managed analytics as a service' offerings targeting diverse markets such as marketing and IT support. Having a small consultancy arm, it provides access to its services via online Web pages from which some of its large customers with long-term contracts can select their preferred engagement model. However, its capabilities range beyond straightforward analytics as a service to the procurement of lab services; thus it caters to a wide range of buyers. But to properly capitalize on its investments in advanced analytics, the division needs ongoing stability, a characteristic that is being eroded by industry speculation around the ramifications of Dell's acquisition of EMC.

Context

Ever since Dell announced the acquisition of EMC in October, there has been speculation around the prospective sale of the company's professional services business, Dell Services, led by Suresh Vaswani. Dell has recently announced its intention to sell the business to NTT Data for \$3.1bn to help raise cash to pay down the \$50bn of debt it will incur to buy EMC. Dell Services will continue to operate under the leadership of Vaswani, reporting to Michael Dell, until the

transaction closes – probably at the end of the calendar year – at which point the Dell Services brand will be phased out. In the meantime the Dell Digital Business Services division is continuing to develop innovative services, including those in the advanced analytics area.

Strategy

Companies typically engage Dell's advanced analytics team to provide a specified business output or outcome. Dell Digital Business Services then bundles the software and the services required to build that output or outcome, which can be delivered via the SaaS model. The technology stack either sits at the customer's premises or in the cloud. A company can then access the service to discover, say, which of its 100,000 customers are those most likely to churn. To deliver this insight, Dell will agree on four or five areas to examine for a fixed price. There is also a variable pricing element around, say, each customer retained and an on-demand charge of \$1-5 for each item accessed in the solution set.

There are three main types of advanced analytics service available:

- Express Insight uses existing tried and tested algorithms so that customers can upload their data sets in the right format to rapidly generate insight.
- Custom analytics where Dell Digital Business Services will develop custom analytical models based on input to a questionnaire.
- Analytics lab on hire is available for short-, medium- and long-term engagements charged in per-hour bundles.

The 'lab on hire' capability is for customers with unique requirements specific to their business, so they need access to infrastructure and technology, as well as a skilled team including developers, technologists and data scientists. This is all priced as one unit – 'the lab' – and Dell typically charges customers several hundred thousand dollars up-front for a custom project.

Dell finds that only large customers require the 'lab hire' option, and banks are its most common customers because they tend to be more sophisticated analytics users and do not want standardized apps. Its smaller customers tend to be more interested in a SaaS-style service.

Dell offers managed services around predictive modeling, where it has a library of eight apps that are pseudo products, and then another 20 or so patterns or templates that are 80-90% ready for customer use. As part of the service, customers get their own library of apps to use.

Services

Dell rolled out its IntelliDesk packaged ITSM analytics service at the beginning of the year. It provides infrastructure and cloud computing management for the IT support function, the applications division and level three support engineers. As part of the service, Dell provides the analytics behind the support or helpdesk, areas where there is often a high turnover of staff who take knowledge with them when they go. Helpdesk professionals already spend about half their time looking at analytics reports on tickets and SLAs, but with IntelliDesk, they can incorporate log and email data into their analysis. In this way, the IT Support desk can use the service to improve efficiency and bring down costs.

IntelliDesk has five modules:

- Predictive incident and request management provides ticket-volume forecasting and a ticket-allocation system that helps users better predict and manage resourcing/staffing, consequently lowering risk while managing costs effectively. This also helps IT to predict high, medium or low risk of business impact based on an understanding of the whole environment, including IT releases, business event correlation, application maturity and HR data.
- End-user experience – customer satisfaction measurement and management analysis to better understand forward-looking end-user experience around SLAs. This is run from text-based analytics that judges negative sentiment for various components, such as the network or software, which means that user satisfaction can be correlated with SLAs.
- The ability to integrate with all relevant data sources, including multiple sources in IT operations, chats and even social platforms such as Chatter.
- Auto resolution of tickets via rules-based workflow and recommended resolutions. Issues can be identified by analyzing historical patterns and previous resolutions that were identified.
- Early event warning to proactively reduce level one and level two incidents across applications and end-user devices using application log data.

Dell claims that combining these modules can help to reduce helpdesk costs by 7-15%. The predictive ticketing and end-user satisfaction modules are the most popular among customers and prospects as the first step to lowering costs and improving net promoter scores. Customers of all sizes can have their own analytics reports using on-premises technologies such as SAS, R and Statistica or via Dell-hosted or public cloud delivery. The IntelliDesk platform architecture is technology-agnostic, and the outputs are consumed through the customer's reporting system. Data can be brought in from Teradata or open source technologies. Dell has four paying customers for IntelliDesk and is onboarding another 12. The service currently has a fixed price, but the intent is to move to a subscription service model.

Dell Single Score is customer and marketing-intelligence framework that offers marketing and consumer analytics based on data that organizations already have in their CRM systems, which is then augmented by syndicated data sources, social media data and other data sources to predict how a consumer might behave. The idea is to get a one-stop

integrated view of the customer's profile, including unique needs and wants, to drive upsell, cross-sell, loyalty and greater levels of service. The service creates a dynamic view of the customer by capturing all the customer views together to help with marketing and outreach programs. In this way, each customer receives a single score based on old and new data sources in one platform.

The Dell Single Score platform works by capturing different types of data and pushing them out to the Hadoop cloud. Dell acts as the data orchestrator using Boomi to collate both structured and unstructured data and push it out to Hadoop cloud or on-premises. The result is a dashboard where marketing professionals can assess individual customer needs and interests, including life events through social media, and then have a far more personalized conversation with each customer.

Dell has five paying customers (one in insurance, one in healthcare, two in education and one in commercial industries) for Dell Single Score. It has only recently launched the Single Score platform. It charges an up-front fee and then per output or outcome. Dell Digital Business Services sells both IntelliDesk and Dell Single Score as stand-alone managed services.

Competition

Dell Services sees different competitors for its advanced analytics services depending on the vertical. In healthcare, it competes most closely with TCS and Cognizant, while in financial services, it encounters IBM and Accenture most frequently. In retail, Dell Services encounters Accenture along with Chicago-based Mu Sigma, which delivers services from Bangalore.

The managed-analytics-as-a-service market has many new entrants because the entry cost is low since there is no need to invest up-front in infrastructure. Players such as Cloudwick Technologies, Avalon Consulting Group, Search Technologies, Data Intensity and Trace3 are all in a position to win business.

Dell's IntelliDesk service will compete with the US Fortune 2000 customer base, including providers such as Unisys with its ITSM data product library and Bell Techlogix with its BEAM DataCube offering.

SWOT Analysis

Strengths

Dell Digital Business Services is taking a business-first approach with its advanced analytics capability to target consumer and marketing professionals with Single Score while keeping part of the service line focused on its more natural IT support constituency with IntelliDesk. It offers managed analytics as a service and can develop custom analytics depending on what the customer wants.

Weaknesses

Dell Digital Business Services is not alone in facing constraints around skillsets in the big-data and advanced analytics areas, but this year will be particularly challenging for recruitment as it moves across to its new owner.

Opportunities

The biggest opportunity for Dell Digital Business Services could well come from Dell Single Score as it targets the most mature buyer of managed analytics as a service: the marketing professional, and is going after a different budget: the marketing budget.

Threats

It is difficult to keep service innovation and go-to-market momentum strong when you are being acquired, although to its credit, Dell Services continues to make progress. In the short term as it integrates with NTT Data, competitors will take advantage of any customer or prospect doubts about its future.

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M&A ACTIVITY BY SECTOR

Cloud / Platform as a service (0) (https://makb.the451group.com/results?basic_selected_sectors=909)

IT services & distribution / Systems integration (2201) (https://makb.the451group.com/results?basic_selected_sectors=257)

Information management / Info retrieval (226) (https://makb.the451group.com/results?basic_selected_sectors=125)

M&A ACTIVITY BY ACQUIRER

Accenture Ltd. (67) (https://makb.the451group.com/results?basic_acquirers=Accenture+Ltd.)

Cognizant Technology Solutions [aka Cognizant] (20) ([https://makb.the451group.com/results?basic_acquirers=Cognizant+Technology Solutions \[aka Cognizant\]](https://makb.the451group.com/results?basic_acquirers=Cognizant+Technology+Solutions+aka+Cognizant))

Data Intensity LLC (1) ([https://makb.the451group.com/results?basic_acquirers=Data+Intensity LLC](https://makb.the451group.com/results?basic_acquirers=Data+Intensity+LLC))

Dell Inc. (35) (https://makb.the451group.com/results?basic_acquirers=Dell+Inc.)

Dimension Data Holdings plc [NTT] (51) ([https://makb.the451group.com/results?basic_acquirers=Dimension+Data Holdings plc \[NTT\]](https://makb.the451group.com/results?basic_acquirers=Dimension+Data+Holdings+plc+NTT))

EMC Corporation (77) (https://makb.the451group.com/results?basic_acquirers=EMC+Corporation)

IBM Corporation (163) (https://makb.the451group.com/results?basic_acquirers=IBM+Corporation)

Tata Consultancy Services (8) ([https://makb.the451group.com/results?basic_acquirers=Tata+Consultancy Services](https://makb.the451group.com/results?basic_acquirers=Tata+Consultancy+Services))

Teradata (15) (https://makb.the451group.com/results?basic_acquirers=Teradata)

Unisys Corporation (2) (https://makb.the451group.com/results?basic_acquirers=Unisys+Corporation)

Figures shown indicate number of transactions

COMPANY MENTIONS (PRIMARY)

Dell (</search?company=Dell>)

COMPANY MENTIONS (OTHER)

Accenture, Avalon Consulting Group, Bell Techlogix, Boomi, Cloudwick Technologies, Cognizant, Data Intensity, EMC, IBM, Mu Sigma, NTT DATA, Search Technologies, Tata Consultancy Services, Teradata, Trace3, Unisys (</search?company=Unisys>)

CHANNELS

Business Applications, Cloud Transformation, Data Platforms & Analytics, Enterprise Mobility, Service Providers, Systems & Software Infrastructure (</dashboard?view=channel&channel=3>)

SECTORS

All / Information management / Info retrieval (</search?sector=125>)

All / Cloud / Platform as a service (</search?sector=909>)

All / IT services & distribution / Systems integration (</search?sector=257>)