

Panorama Software and Google cozy up: What are the fruits of this tie-up?

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Sector: Enterprise Software

Panorama Software's relationship with **Google** dates back to 2006, when it first started working with Google Spreadsheets to deliver extranet-over-firewall features by enabling access to the spreadsheets through the interface of its flagship NovaView reporting, analytics, dashboard and scorecard platform. But the two vendors have now gotten a lot closer and are working on joint development of product as well as customer opportunities. The objective is to furnish a whole host of wares within Google's portfolio with business intelligence (BI) capabilities – a route it continues to tread with its other partners, **Microsoft** and **SAP**.

We're told Panorama now has about 30 paying customers using NovaView for SAP Business Information Warehouse (BW) – one BI component within NetWeaver BI. Revenue from supporting SAP BW reportedly accounts for 50% of new business, with the remainder coming from its support of Microsoft's OLAP server, Analysis Services.

The 451 Take

Although the tie-up with Google provides the chance to build a new revenue stream, we feel Panorama is treading somewhat of a tight rope. Why? There's no love lost between Google and Microsoft, yet Panorama needs Microsoft since NovaView for Analysis Services still brings in the bulk of its sales – if maintenance and historic recurring revenue are included. Although new revenue is reportedly almost equally split between Analysis Services and SAP BW, we still feel the relationship with Google is important. With Business Objects now in the fold, SAP plans to phase out all the BI tools inside NetWeaver BI, including Business Explorer, which NovaView is designed to enhance and complement. That said, we believe Panorama is a solid player in the analytics fray with a product that can run across an increasingly broad back-end infrastructure at a time when independent BI tools are an increasingly rare thing.

Context

Microsoft and Panorama were pretty close until 2006, when the Redmond giant bought **ProClarity** for an estimated \$40m. Panorama's first claim to fame, after all, was to develop OLAP technology, which it sold to Microsoft and re-branded as Analysis Services ten years earlier. Until the ProClarity acquisition, Panorama's sole raison d'être was to develop front-end BI tools for Analysis Services. But with ProClarity, another BI partner, under its wing, Microsoft could now play in the front-end BI arena, leaving Panorama in a vulnerable position.

Undaunted, Panorama quickly aligned itself with SAP. Right about the time that Microsoft announced the ProClarity acquisition, which had been rumored since fall 2005, Panorama

publicly declared that it would develop a version of its BI front end, which had previously only been available and optimized for Analysis Services, for SAP BW.

But SAP's \$6.7bn acquisition of **Business Objects** in October 2007 called for Panorama to have yet another strategy rethink since the Business Objects acquisition gave SAP a far stronger and broader BI portfolio than of old. Doubts were also raised for a second time over Panorama's OEM deal with **Cartesis**, which furnished the performance management pure play with an analytics component, since Cartesis was now owned by SAP, having been acquired by Business Objects in April 2007.

Panorama's management tells us that the OEM deal with Cartesis – now inside SAP – is still in place. Furthermore, we're told its relationship with SAP is still solid since NovaView for NetWeaver is going after a different market than Business Objects. Panorama positions NovaView for NetWeaver for midmarket and the lower-end of the enterprise deals. These customers don't want to make a full investment in Business Objects' stack, including its Universe foundation architecture, but instead want a tactical BI product that will increase the query performance of BW and provide other complementary features too.

We're told Panorama has added 20 additional customers for NovaView for SAP BW since July 2007, such that it's now used by approximately 30 accounts in total. Panorama also reportedly closed last year with a 79% grow in its so-called enterprise business (deals that are \$500,000 and above) and a 13% rise in sales to SMBs, its traditional heartland.

Strategy

Initiating a strategic partnership with Google is Panorama's latest move. Executives are unable to be any more specific about the exact nature of the relationship, except to say that both development teams are working together and that the two are also actively working with customer as well. Panorama's vision for the relationship is to deliver analytics as a service by pairing what it regards as the best player in on-premise and internet-based services – Google – with the best hybrid BI solution – Panorama NovaView.

Furnishing the entire Google Application portfolio, including Google Docs, Google Analytics and Google AdWords, with BI features is one planned deliverable from the tie-up. A second, which is currently being rolled out, is an SMB offering providing tight integration with Google's productivity suite. The third, also currently a work in progress, is a free analytic consumer application that enables end users to analyze a variety of data, including personal expenses, bank statements and other records.

Products

The initial offering out of the Panorama and Google stable, which first became available in March 2008, is Panorama Analytics for Google Docs, which in effect furnishes Google Spreadsheets with Pivot Table and charting capabilities. This offering has been followed by Panorama Analytics for Google Applications, which is currently in beta – even though we're told it is currently being used by 'thousands' of end users. It's designed to enable Google Docs users to visualize and analyze data from cubes generated by Analysis Services or relational data from the Microsoft Dynamics application portfolio and is currently being extended to other OLAP servers and hosted data sources. Support for analyzing **Salesforce.com** data, for example, will be added in July with support for SAP BW to follow by year-end.

Panorama Analytics for Google Applications utilizes a newly developed analytic server for the web that is designed to automate, create and manage cubes and relational data sources. It also sports metadata features as well, which form part of its patent-pending technology for understanding relational data content. PowerApps uses a blend of different OLAP technologies including open source code (from an undisclosed project) and proprietary code. It's also multi-tenant, which is why Panorama refers to it as an 'Analytics as a Service/Cloud OLAP' offering. Panorama also plans to make PowerApps available as an ISV play in the coming months so that developers can extend their applications with analytical functionality that is 'cloud-based.'

Panorama Analytics for Google Applications is being positioned as an enterprise BI offering. It's available as a free version or a paid-for premium version where it is hosted by **Data Intelligence**. Data Intelligence hosts the Analysis Services cubes, provides live access to them and offers customers some consulting services, such as advice on the most secure way to run the offering.

Competition

Panorama is pretty up front in its mission to make Google the fifth biggest player in BI behind the other four big guns of the sector – SAP/Business Objects, **IBM/Cognos**, **Oracle/Hyperion** and Microsoft. Panorama Analytics for Google Docs, for example, aims to close the gap between Google Spreadsheets and Microsoft Excel in the area of analytics. But Panorama also harbors ambitions to go one stage further by morphing it into a BI offering that can be used by third parties, such as **NetSuite**, and an analytic platform for other applications within the Google stable, such as Google AdWords.

That said, Cognos and Business Objects are still the players that Panorama encounters most frequently in bake-offs, followed by Microsoft. Market consolidation has meant that Panorama is now one of only two independent BI players that provide BI tools for both Analysis Services and SAP BW. The other vendor is **arcplan**, which is a rival, albeit one with issues since acquisition rumors continue to surround it. We believe arcplan is of similar size to Panorama, unlike its three main competitors. Two of these (Business Objects and Cognos) are now in far larger entities as a result of being acquired by SAP and IBM respectively, and the other, Microsoft, continues to gun hard to increase its share of the BI sector.

Open source BI and hosted BI are the emerging contenders, particularly in Panorama's traditional midmarket heartland. But Panorama tells us it doesn't encounter players in the first camp such as **Pentaho** and **JasperSoft**. However, it may start to see competition from software as a service BI startups, which include **PivotLink**, **LucidEra**, **Cloud9 Analytics** and **Oco**, as a result of its work with Google, particularly once integration with Salesforce.com data for analytics occurs, since some SaaS BI startups already provide analytics for Salesforce.com, as do on-premise BI vendors such as JasperSoft as well.

Strengths	Weaknesses
Panorama is now a veteran of the analytics sector and one of very few independent players capable of fully supporting multiple back-end OLAP servers.	Analytics and visualization are increasingly niche markets as most vendors provide this functionality as part of a broader suite of BI and/or performance management applications.
Opportunities	Threats
Cuddling up to Google should bring Panorama a third revenue stream beyond Microsoft and SAP.	Google's hosted application portfolio aims to do what Microsoft's has done for the world of client/server end-user-focused productivity tools – but it's still a work in progress. Management may contend that extensive consolidation in BI last year hasn't affected its business, but it's now a minnow competing against ever larger BI big fish.

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