

Location intelligence: a supply-side analysis

Reference Code: OVUM051255
Publication Date: 12 August 2009
Number of page: 24
Price: USD 1150

Enterprises now have access to ever-increasing volumes of business data. But to get maximum value from this, they need to make better use of the location element in order to drive deeper business insights that improve their competitiveness and business performance. Geographic information systems (GIS) have helped to change corporate perspectives of maps, moving mapping from its historical role as input provider to an active role in the throughput processes of decision-making. But they have yet to break into mainstream business computing.

However, this is changing. Thanks to several technical, user and economic breakthroughs, GIS can be applied to solve various business problems across multiple industries. Convergence with BI has evolved GIS into a new breed of location intelligence (LI) tools. Enabling hardware, software and data management technologies have stepped in to enhance the development, application and visibility of location data in enterprise applications and decision support processes. Significant opportunities are to be gained by IT vendors of all kinds. Yet LI is one of those applications that cannot be bought out of the box from a single vendor (despite the hype and rhetoric). It requires technologies and integration skills that straddle multiple domains and skill sets.

This report is the second part of a two-part introductory report series on LI. Whereas part one – **Location intelligence unlocks the 'where' in BI** – looked at the demand side of the market, this report assesses the supply side, describing the major application areas that LI technology vendors should be focusing on and outlining the fragmented state of the vendor landscape. It also assesses the market drivers and barriers pushing and hindering wide-scale LI technology adoption.

- **Executive summary**
 - In a nutshell
 - Key messages
 - LI opportunities abound: plan to support growing demand
 - Don't try to shift boxes: sell solutions to business problems
 - Look to embed LI into applications rather than offer tools for end users
 - It's critical to get the data layer right first
 - Make sure you support access to all appropriate data sources
 - Understand what your LI-enabled business users really want and need
 - Make LI a natural extension to traditional BI
 - The enterprise market favours 'stack-centric' LI/BI vendors
 - But LI also needs to be differentiated from BI
 - Work with, not against the existing IT infrastructure
 - SOA is a key market driver

- Keep a close eye on technology and development trends
- **Targeting LI at the business mainstream**
 - The need to address real business problems
 - Slicing up LI vertically
 - Supply chain, logistics and transportation
 - Government
 - Retail
 - Insurance
 - Telecommunications and utilities
- **Who sells LI technologies?**
 - It's a highly fragmented vendor landscape
 - LI specialists
 - Pitney Bowes/MapInfo: demonstrating strong breadth and depth
 - ESRI: building on its leadership in GIS
 - GeoVue: opting for a narrow application focus
 - Integeco: a partner-friendly approach
 - MetaCarta: pulling unstructured location data into the mix
 - Safe Software: exclusive focus on spatial ETL
 - SRC: complex spatial data management in a seamless workflow
 - BI vendors
 - IBM Cognos: BI just one of several LI integration points
 - Information Builders: an eye on mashups
 - MicroStrategy: maintaining a close alliance with PBBi
 - Netezza: pre-bundling spatial as a function of an appliance
 - Pentaho: an open source option
 - SAP BusinessObjects: betting on ESRI, for now at least
 - SAS Institute: potential to fulfil a high-end LI gap
 - Tibco Spotfire: visualisation prowess ideally suited to LI
 - Database and ERP suppliers
 - Oracle: leading the spatial charge among database vendors
 - IBM: starting to pepper spatial across its vast portfolio

- Microsoft: continuing to commoditise LI
 - SAP: using partners to bring geospatial capabilities to ERP applications
- Systems integrators
- **Market dynamics**
 - Influencers
 - Better availability of geographical information sources
 - More mobile devices, more location data
 - Consumer mapping tools have set the standard for commercial use
 - SOA starting to address sticky integration and interoperability issues
 - Mashups now offer a quick, easy and cheap way to LI
 - Data standards are starting to gel
 - Market challenges
 - LI still viewed as a highly specialised niche
 - Making location data more accessible and affordable
 - Data quality remains a hurdle
 - Slowly evolving standards
 - The old perceptions of maps and complex technology