

The Business Intelligence Revolution: Making Money with Insights

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June 2008

Agenda

- The “Revolution”
- Background
 - Media industry
 - Forbes
- Information: the beating heart of our plans
- Our project
- Success factors
- What’s next



Where is the Revolution?

- Business Intelligence the first time around (the **CUBES era**, 2000- 2004): simplifying complex reporting and real-time information
- Business Intelligence 2004-2007 (call it **DEMOCRACY**): pushing information into the hands of our non-IT employees through dashboards and simplified analysis and reporting tools
- Business Intelligence 2007 and beyond is the **CAPITALIST REVOLUTION**: focused on driving new revenue from information that pervades our organizations. What are you going to do about it?

My Background

- IT and Corporate Development, Forbes Media
 - Second CIO gig, this time with the “+”
 - Carried a bag with sales and marketing jobs
 - Some venture capital advisory
 - Split personality, ENTREPRENEUR and MANAGER
- Upon hiring, was told “forget the 90-day plan thing. Make this project happen.”

The Media Industry

- Rapid and painful redistribution of ad dollars
- Movement to online from ... everything else (print, radio, TV)
- Redefining what “engagement” means
- The \$1.8 trillion dollar question: How do content companies capture (and retain!) your attention, while slipping in effective marketing from advertisers?
- The landscape changes daily, with acquisitions and dispositions (too much ego in media for mergers!)

About Forbes: Past, Present, and Where We're Going

- History – our legacy
- Status check
 - Our assets (brand, audience, properties, and relationships)
 - Our core capabilities (content, stability, brand-building)
- Where we're going
 - Scale, deeper relationships with advertisers, diversification

What Must We Do To Be Successful?

- Expand market share in existing markets
- Understand, predict, and address the needs of our advertisers
 - CMOs have the shortest C-suite lifespan (<2 years)
 - Demonstrate effectiveness of advertising dollars (eliminate waste)
- Find new revenue sources
- Wisely choose and integrate acquisitions

Information: The Beating Heart of Our Plans

- Beat our competitors with more and deeper beneficial insight about our audience
- Eliminate marketing waste by identifying trends in advertising effectiveness
 - Demographics
 - Psychographic information
- Find new revenue sources based on audience activities
- Select acquisitions that enhance the value of the resulting total audience

Hurry Up and Deliver

- Prequel (2006 and early 2007)
 - Several executives get idea; Board buys into it
 - Project doesn't get off the ground without the right person (technology and business mix)
- Mid-May 2007
 - Start date
 - Confirmed as head of the program and project
 - 5 people
 - IT and consumer marketing

- June 2007
 - Develop program strategy, confirm expectations and prior history (landmines) - Buy box of books
 - Set November 15th completion date
- July 2007
 - Requirements, vendor selection (Business Objects and data)
 - Board moves up completion date by 45 days, to October 1
- October 2007
 - Completed on-time and under budget

Building a Roadrunner

- How did we pull this off so quickly?
 - Intense vendor collaboration: daily call, on-site interaction, active oversight and management of their work
 - Decisiveness – quickly sent one vendor PM packing, 80/20 rule on design choices
 - Focus from the top (weekly executive briefing)
 - Burning bush
 - Short timeline created focus
 - Even shorter timeline made us maniacal

Some Technology

- Requirements
- Buy versus build considerations
- Platform
 - BusinessObjects for BI reporting package and ETL (considered everything else)
 - Microsoft SQL for the database, data quality
- Core systems the system pulls in from

The Data

- Sources
 - Outside vendor (data append)
 - Forbes databases
 - Magazine
 - Social register
 - Forbes.com
 - ...and more
- Data quality

Making Money with Insights

- **Objective:** Increase the percentage of people who renew their subscription to our magazine
- **Problem:** What more can we say other than “please give us your money again”?
- **Solution:** By understanding our sub-audiences, we create different renewal campaigns to speak to them “individually”

Doing It Right

- Absolutely no surprises - PowerPointed our internal stakeholders to death (or very close) to manage expectations
- Governing while running for office – installed a temporary dictatorship
- Relentless focus on ROI, even if the organization didn't yet want it
- Bench strength – It took a strong #2 and a committed (or committable) team to make this happen

End Result

- A BI program with results
 - Enhanced existing and potential customer targeting
 - Increased strategic decision-making of several business units
- A foundation for new product development, including 3 exciting (but stealth) initiatives



Where is the Revolution?

- Business Intelligence the first time around (the **CUBES era**, 2000- 2004) was about simplifying complex reporting and real-time information
- Business Intelligence vintage 2004-2007 (call it **DEMOCRACY**) was about pushing information into the hands of our non-IT employees through dashboards and power-users who used simplified analysis and reporting tools
- Business Intelligence 2007 and beyond is the **CAPITALIST REVOLUTION**, focused on driving new revenue from information that pervades our organizations. What are you going to do about it?