

India a global analytics hub as cos dig for data

Corporates Use Info To Study Consumer Behaviour, Plan Marketing Strategy

Shilpa Phadnis & Sujit John | TNN

Bangalore: Most Indian parents push their children to do well in mathematics. That push is now paying an unexpected dividend. India is becoming one of the big global hubs of analytics, a field that has math and statistics at its core. And everybody from MNCs to Indian startups is tapping into this capability.

Analytics is becoming important globally thanks to the explosion of data. Corporates have their internal data, but increasingly, they now have to deal with related external data, coming from social media, blogs, image and video sites, sensors and more. Companies have to find all that is being said about them in these spaces, organize this data deluge, generate insights, make predictions, and finally produce recommendations for action.

"Corporate leaders today need to know more than how to run a data warehouse or build a dashboard. There is demand for people who have that uncanny knack of knowing which metrics are valuable for the organization they serve," says C K Guruprasad, search consultant for the technology practice at global executive search firm Heidrick & Struggles India.

Pradeep Nair, director in IBM India's software group, uses the delightful example of Pele to explain the new analytics phenomenon. Dribble skills in football, he says, is something that many players have. "Pele had in addition this uncanny ability to know where the ball would be before it got there. Now companies want that kind of capability," he says.

Analytics solutions involve technology, as also human intervention to further refine the results that technology provides. IBM, which has a major analytics centre of excellence in India that services the globe, recently announced that its analytics is enabling Jet Airways to accurately calculate, track and report aircraft emissions, and optimize its fuel usage by detailed analysis of each flight. HCL Technologies is creating a digital lobby for an MNC bank that can track what account holders are

LOOKING FOR EDGE

➤ Organizations that apply analytics to data for competitive advantage are 2.2 times more likely to substantially outperform their industry peers

➤ Companies adept at analytics enjoy 1.6 times more revenue growth, 2 times more profit growth and 2.5 times more stock price appreciation than their peers



Pele had this uncanny ability to know where the ball would be before it got there. Now companies want that kind of capability

Pradeep Nair | DIRECTOR, IBM INDIA SOFTWARE GROUP

Source: IDC | Thinkstock Photos/Getty Images



talking about it on Facebook and LinkedIn. This will help bank staff to serve their customers better.

IBM, Accenture, Genpact and the big Indian IT companies all have fairly broad analytics practices today. Numerous startups too have emerged, with proprietary analytics technologies and methodologies. Startups tend to be more focused.

Mu Sigma focuses on marketing, supply chain and risk analytics. AbsolutData, founded by Indians in California but which has its delivery centre in Delhi, helps optimize marketing spends and fine tune marketing strategies by analyzing customer behaviour.

Fractal Analytics, also founded by Indians in California and with its delivery centre largely in India, focuses on building customer loyalty and reducing waste in corporate operations.

TREND Inc

Among its many successes is one where it helped a customer to establish the right level of unit price discounts needed to influence shoppers to purchase more expensive large product packages and thus increase total sales for these product categories.

iCreate is today a well-known name in banking analytics. So is Manthan Systems in retail. Manthan develops analytics solutions for global retailers like McDonald's and Lowe's to understand things like where to locate stores, how to lay out stores, which items to keep in each store and which items are best kept together.

Capillary Technologies, also in retail analytics, focuses on capturing a customer's profile and purchases to make appropriate offers at appropriate times.

Nabler analyses digital trails left behind by people through their activities on websites to help companies understand their customers better and improve their product offerings. Activecubes provides analytics services in areas such as sales, marketing, supply chain, operations, and risk management. Redwood Associates has an online analytical job product called Look Beyond Resumes that allows job seekers to understand what they are best suited for, and corporates to understand which candidate is the best fit for a vacancy.

In 2010, India is estimated by Aventus Capital to have delivered \$375 million of the total data analytics outsourcing of \$500-550 million. Aventus estimates a talent shortage of 140,000-190,000 professionals with analytical capabilities in the US by 2018, representing about 40% of the total demand. "This talent supply gap will create a \$20 billion offshore opportunity," says Amit Singh, executive director in the financial services provider.

Venkat Viswanathan, CEO of Chennai-based analytics company LatentView Analytics, says the growth in analytics in India is thanks to the IT sector. "Though Eastern Europe and China are attractive locations for analytics talent, companies are familiar with India's IT prowess, and hence look up to us to deliver analytics solutions," he says.