

Kraken surfaces: Tableau sheds light on next visual analysis release, business progress

Analyst: Krishna Roy

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Code-named Kraken and currently in beta, Tableau 8 is the annual major refresh of Tableau Software's eponymous visual analysis software. Designed from inception with ease of use in mind, the latest cut continues to focus on this arena. However, it also contains some notable new capabilities, which could have an impact on the company's target market and business, such as APIs for embedding it into third-party offering - and Web-enabled access to Tableau Server.

The company has also started on the road of building in advanced analytic functions - a route it will continue down in subsequent releases. The nine-year-old VC-backed firm continues to grow profitability and expand into territories beyond its US heartland. It reported \$58m in bookings in the first half of 2012, and now claims 10,000 customers and approximately 700 employees.

The 451 Take

Tableau could be gearing up to go public in the next year since it is approaching a size where an IPO is no longer just a possibility but a reality. The firm continues to show stellar growth, and has laid down the groundwork for a more global presence in the last 12 months. Tableau 8 contains some notable advances as it moves beyond a largely desktop and server-based offering to one that can be used over the Web - and furthermore embedded into third-party offerings. Both these capabilities are already provided by some rival offerings, and are likely to be welcomed by Tableau devotees. We also like that it is adding advanced analysis, since various types of basic statistical analysis are increasingly required in line-of-business roles. However, we think the competitive environment has gotten tougher over the last year for

Tableau, which is still a one-product company, with a largely US-based revenue stream.

Context

Like any major software refresh, Tableau 8 contains a slew of enhancements and new capabilities too plentiful to fully explore here. We are therefore going to focus on those features we think are the most significant either from a business or competitive perspective – or both.

Usability falls into this camp because it has enabled the company to build up an audience of Tableau faithful who love the product and, equally importantly, recommend it to others. In Tableau 8 the company has, for example, improved 'show me' – a longtime feature that automatically visually depicts data in up to 16 most appropriate visuals – with new features including the ability to keep and exclude visualizations. Folk are also now able to apply attributes within the Marks card – another longstanding feature used to drag and drop dimensions – and see an immediate visual impact.

The debut of a JavaScript API is noteworthy because it opens the door to Tableau being integrated into websites, corporate portals and other third-party applications. That could, in turn, pump up its channel business, which is reportedly witnessing double-digit revenue growth. Tableau 8 also sports a Tableau Server API and an API to its Data Engine, which acts as a kind of data mart, and enables the creation and sharing of the metadata layer, with or without storing the data.

A makeover to Tableau Server – which handles sharing, collaboration, scheduling and graphic refreshment – is another significant move. The company has, in essence, unleashed authoring capabilities from Tableau Desktop to the Web so folk can create charts, manipulate them and perform other authoring tasks in a browser. It also means Web-based users now get independent dashboard capabilities for the first time.

The company is focusing increasingly on the types of analytics that users can perform, which now extend to predictive analytics, forecasting, cohort analysis and visual graphing. The end game is not to morph the offering into a hard-core statistics package, but rather to use some basic statistical techniques to provide new windows into data.

Tableau 8 will also be able to hook into Cloudera's Impala real-time query engine for Hadoop, which is part of the company's big-data play, which also extends to other environments including MapR

(which was added in August), Teradata (which is a reseller), Cloudera, Cirro Data Hub, EMC Greenplum and IBM Netezza databases and Digital Reasoning. Tableau 8 also supports a number of other big-data environments including Google BigQuery, SAP HANA, Hortonworks and Hadapt.

The forthcoming release also supports new visualizations such as treemaps, bubble charts and word clouds, and sports improvements to existing ones. For example, there is now more flexibility in polygon-shaded maps. The software is designed to perform faster data retrieval and rendering of visualizations courtesy of a rewrite to the Tableau Desktop engine.

On the business front, geographic expansion has been a core focus area for the past year or more, and is largely responsible for a headcount increase to 700 employees from approximately 350 staff at the beginning of 2012. Tableau has been adding local language support, with the result that it now has Latin America and continental Europe covered in terms of languages supported. That said, the company's revenue is still US-dominated. It has added roughly 3,000 accounts since the start of the year, when it had approximately 7,000 customers.

Competition

Tableau is still undoubtedly a bellwether when it comes to visual analysis. However, it has been joined by an increasingly large number of vendors that are also on a mission to bring user-friendly visualization and analysis to non-technical folk. Where two years ago Tableau's name was said in the same breath as QlikTech International and TIBCO Spotfire (by dint of the fact all three tout a user-friendly in-memory approach to visualization and data discovery), these days just about every BI player peddles a visual analytic offering – although they are not all equal, by any means.

This year IBM jumped into the desktop visual analysis fray with Cognos Insight, SAS Institute introduced Visual Analytics, Microsoft served up Power View inside SQL Server 2012 and Jaspersoft added visual exploration to its BI stack. Actuate became one of the latest players to buy its way into the sector, also adding advanced analytics by reaching for Quitarian. We expect ADVIZOR Solutions to be the next visual analytic software player to be acquired.

We have seen a gaggle of young guns emerge with a mission to bring data visualization, discovery and analysis to a similar audience to the one Tableau targets. US startups RJMetrics and Chartio are gunning for similar opportunities, as is Israeli-based SiSense, which recently landed funding to move into the US. SAP BusinessObjects, MicroStrategy, Pentaho, Birst and GoodData have bumped up visual analysis capabilities to get a piece of the action, making the landscape increasingly crowded and competitive.

SWOT Analysis

Strengths

The company has built a strong and loyal following, which has enabled it to become a leader in its category. It is one of few vendors that have talked about going public, and it has the real possibility of doing so.

Opportunities

Tableau 8 primes the company for an increase in channel business and broader Web adoption. Good connectivity with a variety of big-data environments also makes it shine as a visual analysis offering for big-data sources.

Weaknesses

Tableau is a one-product vendor still best known in the US. It's up against some leviathans and smaller players, which may not offer quite what it does but have global reach, a broader product portfolio and oftentimes, an incumbent status on their side.

Threats

IBM, SAS and Microsoft are three heavyweights that have entered Tableau's realm in 2012. Vendors are approaching visual analysis on all sides including a desktop on-premises approach, cloud BI and open source-based BI models, making it harder for Tableau to achieve differentiation.

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