



## BBBT Podcast Transcript



### About the BBBT

The Boulder Business Intelligence Brain Trust, or BBBT, was founded in 2006 by Claudia Imhoff. Its mission is to leverage business intelligence for industry vendors, for its members, who are independent analysts and experts, and for its subscribers, who are practitioners. To accomplish this mission, the BBBT provides a variety of services, centered around vendor presentations.

For more, see: [www.bbbt.us](http://www.bbbt.us).

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**Guest(s):** Paul Clark, Senior Director, Product Marketing

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Claudia Imhoff: Welcome to this special edition of the Boulder BI Brain Trust podcast. I'm Claudia Imhoff and I'm here in Grants Pass, Oregon, at the Humphrey Strategic Communications annual Pacific Northwest BI Summit. I'm pleased to have the opportunity to interview each of the vendors attending this event.

CI: With me is Paul Clark. He's the Senior Director of Product Marketing for SAP. Welcome, Paul.

Paul Clark: Thank you. Nice to be here.

CI: It's good to have you here. I'm really so excited to talk with you. We had a really interesting session this morning on big data and big-data analytics.

PC: Right.

CI: Not so much the fact that we can store the data, but what can we do with it. SAP has certainly been doing a tremendous amount of work, in terms of supporting big data, coming up with the technology to analyze it, to support it, to store it, and everything else -- in particular, HANA. If you don't mind, I'd love to hear a few of the examples of how your customers are using HANA.

PC: It was interesting this morning, because it triggered a few thoughts about how people are using HANA. I think that, often, the discussions around HANA may be triggered by things like big data. Either they're looking for an improvement in speed or performance, or they feel like they've got more data than they used to have, that they can't handle it, or they're using mobile devices more than they were -- people don't accept the two-second delay on a mobile device...

CI: Boy, no kidding.

PC: Whatever the driver, there's often an association with speed. I think that it gets more interesting when you look at what have people done with that, because, if you just look at the numbers, you see, OK, there's been a thousand-times improvement or a hundred-thousand-times improvement.

CI: It's kind of dry.



PC: We have big numbers, but they don't really mean much until you look at the business. I looked at some of the examples of what people have really done and how did they take that technology and what was the impact on the business. I picked out a couple which I thought were of interest. The first one was in the area of genome analysis. When you get into that field, there are really two steps.

There's the genome extraction and then there's the analysis itself, and both of those steps are big and complex and costly. I think one of the things that happened was the extraction piece used to be so expensive so that it was really limited to very, very particular use cases, like research.

It's a million dollars to do the extraction, but over time, that dropped to a \$1,000. Suddenly, when it's only \$1,000, it starts to become something that they can consider using in hospitals and things like that.

CI: Sure. In everyday cases now instead of the very special ones.

PC: You can imagine somebody in the hospital and they say, "We're going to do an analysis of your genome." Having removed that first hurdle, you then start to look at the second one, which is the analysis piece. The analysis, historically, takes about three days. This is a big, complex analysis. You've got three days of analysis before you get the results back.

One of our customers, MKI, started to look at that and say, "How can we change the way that we interact with the patients if we could reduce that down to something more manageable?"

That's where they brought in HANA, and they managed to take it from three days to 20 minutes.

CI: Oh, my.

PC: We're not talking sub-second, but we're talking somebody can wait for 20 minutes in the bed or in the waiting room before their results.

CI: Dramatic difference.

PC: When they're looking for things like DNA variations associated to cancer, they can do that analysis right away and then have the conversation with



the patient before they've even left the hospital. That really changes the patient's experience. The other one that caught my eye was McLaren, the Formula One team.

CI: Tons of sensors on those cars.

PC: Yeah, exactly. That whole business, it's all about the driver and the machine, and so they do as much as they can with the machine to constantly optimize it. They've got sensors absolutely all over the place. At every given moment within the race, they're tracking what's the temperature of the tires, how's the engine performing, how are the brakes doing, how fast are we going on each piece of the track. They gather something like 14 billion records during the course of a race, across their two cars.

What they did do is they took that information and then just modeled it and analyzed it to work out, "How can we take the results of that and then feed it back into the next race?" That took about two days, typically.

What they've done now, by bringing HANA into the equation, is they're taking all of those events, the monitors from the race, as the race is happening. They're monitoring all of that and analyzing that in real time and then using that to feed back, either to the driver or to calling the car and making a change, while the race is happening.

Suddenly, they can actually make a change on the fly rather than waiting for...

CI: Real-time analytics.

PC: Yeah, real-time analytics.

CI: Yeah.

PC: Then the other one, which was in the manufacturing space. This is actually a mid-size company, about 1,300 people, a company called Sheron in Germany, and they manufacture sophisticated, big pieces of equipment, that are in turn used in the manufacture of things like cars.

CI: The robotic machines...



PC: Yeah. These are big, complicated machines. With a machine like that, they've got to do everything they can to eliminate any kind of errors and any kind of quality issues. They're constantly monitoring their own manufacturing process to try and catch things as soon as they can, because the difference between catching it within a second and catching it within an hour means there's an associated cost with going back and correcting it.

The worst-case scenario for them is to actually ship something that has a problem. They end up having to send engineers to the other side of the world to go fix it, which is bad for the customer experience and is bad for the cost of correcting it.

CI: Extraordinarily expensive.

PC: They're trying to roll back the detection as far as they can, down to catching something the instant it happens. They brought HANA in to monitor, because they've got monitors right the way across the entire manufacturing process. They're monitoring that in real time, again, to catch things in a sub-second interval, to intervene and stop the manufacturing process and correct it.

CI: Which is phenomenal to me, because two of those, at least, were very, very close to real-time analysis.

PC: Yeah, really close.

CI: As it's streaming in, they're actually able to analyze those feeds off of the machinery, or the sensors or whatever it is, and make adjustments. Thank you very much for not doing just the traditional, "customer, I want to sell you something else" type of scenario. These are really quite different...

PC: Right. Yeah.

CI: ...and show a dramatic increase, I think, in the level of sophistication in terms of the analytics. Do you see what I mean?

PC: Completely. Yeah, absolutely. There's actually one more, which is, I think, another good example of real-time, and it's completely different, again.



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It's a company called Bigpoint, and they're in the online gaming business. They have these games. One of their games is "Battlestar Galactica."

CI: I would like to do that one.

PC: The business model is it's free to play. They get people in, they play the game, and they make all their money, all their revenue, by selling things to people inside the game.

CI: Ah.

PC: In that particular example, they've got, I think it's nine million players. They're generating, I think it's 5,000 events per second. They're tracking everything. They're tracking, "What did that player do in previous times they played the game? Where are they right now in the game?"

An example of an event would be your spaceship gets blown up, and you have to wait three seconds before it can regenerate and you can carry on in the game. What they've done is they've taken all that information.

They take that three-second window and they go analyze your history as an individual player and then combine that with where you are right now in the game and come back with an offer to buy something inside the game.

CI: When you were here the last time and you got blown up, maybe you want to buy this now so that you don't do it again.

PC: Yeah. They end up with these offers that are completely personalized to your history and based on where you are.

CI: Oh, yeah, and very relevant to the second.

PC: Yeah. That is real-time analysis. Also, it ends up being something useful to the players, rather than just being some advert that's popping up in your face. By doing that, they're driving revenue per player, which is their entire business model anyway, so they're increasing their revenue.



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CI: Fascinating. Absolutely wonderful case studies, an incredible technology that you're bringing to bear on big data. Every single one of these is big data, but a very different view of big data. I really want to thank you for these very different kinds of case studies.

PC: Thanks for the opportunity.

CI: Again, I'm speaking with Paul Clark. He's the senior director of product marketing for SAP. Thanks so much, Paul.

PC: Thank you.

CI: Thank you for listening to this special edition of the BBBT podcast, and thanks to Scott Humphrey for giving me this opportunity and for hosting the Pacific Northwest BI Summit.