## Let's talk about

# BIGIDATA

## ~ Neha Mehta

## What does Big Data look like?

What we know or see

-What's actually there

#### WHAT IS

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- Wikipedia : In information technology, big data is a collection of data sets so large and complex that it becomes difficult to process using on-hand database management tools. The challenges include capture, curation, storage, search, sharing, analysis, and visualization.
- IDC : Big data technologies describe a new generation of technologies and architectures, designed to economically extract value from very large volumes of a wide variety of data, by enabling high velocity capture, discovery, and/or analysis.
  - IBM says that "three characteristics define big data:"
    - Volume (Terabytes -> Zettabytes)
    - Variety (Structured -> Semi-structured -> Unstructured)
    - Velocity (Batch -> Streaming Data)

### **How BIG is Big Data?**



WHAT DOES THE FUTURE LOOK LIKE?

## Worldwide IP traffic will quadruple by 2015.

## By 2015, nearly **3 billion people**



will be online, pushing the data created and shared to nearly **8 zettabytes.** 

HOW IS THE MARKET FOR BIG DATA SOLUTIONS EVOLVING?

A new IDC study says the market for big technology and services will grow from \$3.2 billion in 2010 to \$16.9 billion in 2015. That's a growth of 40% CAGR.

\$16.9 billion

\$3.2 billion











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#### Big Data = Transactions + Interactions + Observations



Increasing Data Variety and Complexity

Source: Contents of above graphic created in partnership with Teradata, Inc.

The "three V's", i.e the Volume, Variety and Velocity of the data coming in is what creates the challenge.



## Volume



And Big Data will only get bigger as traffic from smartphones and tablets outpaces traditional devices.



## Variety



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#### Time Spend by Average Social networking user per month



## Value : Follow the money!



## Going in: How Supply Chain is affected

#### Big data levers can deliver value along the manufacturing value chain in terms of cost, revenue, and working capital

		Impact	and the second		
	Lever examples	Cost	Revenue	Working capital	Subsector applicability
R&D and design	<ul> <li>Concurrent engineering/PLM<sup>1</sup></li> <li>Design-to-value</li> <li>Crowd sourcing</li> </ul>	+20-50% PD <sup>2</sup> costs +30% gross margin -25% PD <sup>2</sup> costs	-20-50% time to market		High – Low complexity High – Low complexity B2C – B2B
Supply chain management	<ul> <li>Demand forecasting/ shaping and supply planning</li> </ul>	+2-3% profit margin		-3-7% onetime	FMCG <sup>3</sup> – Capital goods
Production	<ul> <li>Sensor data-driven operations analytics</li> <li>"Digital Factory" for lean manufacturing</li> </ul>	-10-25% operating costs -10-50% assembly costs	Up to +7% revenue +2% revenue		Capital intense – CPG <sup>3</sup> Capital intense – CPG <sup>3</sup>
After-sales services	<ul> <li>Product sensor data analysis for after- sales service</li> </ul>	-10-40% maintenance costs	+10% annual production		Capital intense – CPG <sup>3</sup>

3 Fast-moving consumer goods and consumer packaged goods.

SOURCE: Expert interviews; press and literature search; McKinsey Global Institute analysis

#### 4.8 US\$2.1 BILLION SPENT IN U.S. ON MOBILE ADS US\$83.2 230 100 MILLION TWEETS TERABYTES OF DATA UPLOADED 294 BILLION EMAILS ONLINE AD SPEND EMAIL **BIG DATA = BIG OPPORTUNITY**

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#### Monthly Visits on Top Social Networking Websites

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#### Age Demographics of Social Networking Users



#### Estimated User Worth of popular Social networking sites



#### Challenges



#### CHALLENGES TO USING BIG DATA

Given that nearly one-third of retailers are in the dark about their available data, it makes sense that silos are the primary hurdle in using this information.



## What will they gain?

#### **GOALS FOR USING BIG DATA**

Based on where retailers are investing (or are planning to invest) their resources, they see the value in creating more sophisticated omnichannel marketing efforts.

#### Retailers plan to focus their Big Data initiatives on improving: Merchandising Marketing Ecommerce/Multichannel Supply chain Store operations Operations Marketing Store operations Marketing Store operations Marketing Marketin

#### But they expect to deploy their first Big Data projects in:





## The GAME PLAN for "Big" gain

#### **HOW TO DEVELOP A BIG DATA GAME PLAN**

Keeping up with today's demanding customers and analytics-savvy competitors (it's not just Amazon and Expedia anymore) means putting data at the heart of the retail business. Get started with this five-step plan:



Determine the maturity level of your company's approach to Big Data, then implement proof of concepts to guide your ongoing investments.



Make sure your data strategy encompasses customer data/master data management, policy and process rules, and data collection usage and sharing.



Zero in on business functions for which Big Data can drive the greatest improvement, and create detailed use cases for these projects. Three key areas to investigate first are pricing, segmentation, and marketing effectiveness.



Size up your data management and analytics capabilities, identifying gaps and developing the necessary recruitment and training plans.



Anticipate the hiccups that accompany business process change, helping teams adjust to this new way of incorporating Big Data and analytics into decision-making.

BIGDAIA

#### At IBM, big data is about the 'the art of the possible.' ....

#### What Big data should achieve:

**Volume:** Turn 12 terabytes of Tweets created each day into improved product sentiment analysis Convert 350 billion annual meter readings to better predict power consumption

**Velocity:** Sometimes 2 minutes is too late. Scrutinize 5 million trade events created each day to identify potential fraud Analyze 500 million daily call detail records in real-time to predict customer churn faster

**Variety:** Big data is any type of data - structured and unstructured data such as text, sensor data, audio, video, click streams, log files and more. Monitor 100's of live video feeds from surveillance cameras to target points of interest

Exploit the 80% data growth in images, video and documents to improve customer satisfaction

**Veracity:** Establishing trust in big data presents a huge challenge as the variety and number of sources grows.

#### Decisions

Big data is more than simply a matter of size; it is an opportunity to find insights in new and emerging types of data and content, to make your business more agile, and to answer questions that were previously considered beyond your reach.

Here are three key technologies that can help you get a handle on big data – and even more importantly, extract meaningful business value from it .

- Information management for big data. Manage data as a strategic, core asset, with ongoing process control for big data analytics .
- •High-performance analytics for big data. Gain rapid insights from big data and the ability to solve increasingly complex problems using more data .
- •Flexible deployment options for big data. Choose between options for on premises or hosted, software-as-a-service (SaaS) approaches for big data and big data analytics

## One Size Does Not Fit All



#### The big one's that have almost made it:

- Massively Parallel Processing (MPP) This involves a coordinated processing of a program by multiple processors (200 or more in number). Each of the processors makes use of its own operating system and memory and works on different parts of the program. Each part communicates via messaging interface. An MPP system is also known as "loosely coupled" or "shared nothing" system.
- Distributed file system or network file system allows client nodes to access files through a computer network. This way a number of users working on multiple machines will be able to share files and storage resources. The client nodes will not be able to access the block storage but can interact through a network protocol. This enables a restricted access to the file system depending on the access lists or capabilities on both servers and clients which is again dependent on the protocol.

#### The big one's that have almost made it (contd.):

- Apache Hadoop is key technology used to handle big data, its analytics and stream computing. Apache Hadoop is an open source software project that enables the distributed processing of large data sets across clusters of commodity servers. It can be scaled up from a single server to thousands of machines and with a very high degree of fault tolerance. Instead of relying on high-end hardware, the resiliency of these clusters comes from the software's ability to detect and handle failures at the application layer.
- Data Intensive Computing is a class of parallel computing application which uses a data parallel approach to process big data. This works based on the principle of collocation of data and programs or algorithms used to perform computation. Parallel and distributed system of inter-connected stand alone computers that work together as a single integrated computing resource is used to process / analyze big data.

- <u>HDFS</u>:
- Large files are split into parts
- Move file parts into a cluster
- Fault-tolerant through replication across nodes while being rack-aware
- Bookkeeping via NameNode
- <u>MapReduce</u>
- Move algorithms close to the data by structuring them for parallel execution so that each task works on a part of the data. The power of Simplicity!
- <u>noSQL</u>:
- Old technology before RDBMS
- Sequential files
- Hierarchical DB
- Network DB
- Graph DB (Neo4j, AllegroGraph)
- Document Stores (Lotus Domino, MongoDB, JackRabbit)
- Memory Caches

- Common Tools:
- Infrastructure Management:
  - Chef & Puppet from DevOps movement
- Grid Monitoring tools:
  - Operational insight with Nagios, Ganglia, Hyperic and ZenOSS
- Development support is a need of the hour
- Operational Tools:
  - Chef & Puppet from DevOps movement + Ganglia
- Analytics Platforms (DW Solutions, BI solutions and analytics)
  - Netezza, GreenPlum, Vertica
- Universal Data (All data storage needs at enterprise level)
  - Lily & Spire

#### Transformation of Retail

THEN...

# Sales BIG BALS BIG



Data driven pricing and recommendations



#### Transformation of Online Marketing

THEN...

Leads

Company	First	Last	Oppty	Created
Acme	Fred	Langan	\$250K	6/08/12
BigCo	Tom	Jones	\$100K	6/17/12
DealCo	Jan	Sedor	\$50K	7/01/12
Stor Works	Liza	Grear	\$750K	7/14/12
RF Group	Carl	Tomer	\$47K	7/18/12



Marketing and Sales Recommendations



#### **Transformation of Customer Service**

THEN...

#### Unhappy customers





Customer insight



#### **Transformation Of Fraud Management**

#### THEN...

#### Credit databases



#### Social profiles





#### Transformation of Law Enforcement

THEN...

#### Gut instinct



#### Crime hotspot prediction





#### **Big Data & Real Business Issues**

#### Key questions enterprises are asking about Big Data:

How to store and protect big data? How to backup and restore big data?

How to organize and catalog the data that you have backed up?

How to keep costs low while ensuring that all the critical data is available when you need it? Everyday business and consumer life creates 2.5 quintillion bytes of data per day.



2012 2011 2010

90% of the data in the world today has been created in the last two years alone.

#### IN THE AGE OF INFORMATION... IGNORANCE IS A CHOICE

## Source links and some more useful information...

- http://www.sas.com/resources/whitepaper/wp\_46345.pdf
- <u>http://wikibon.org/blog/big-data-statistics/</u>
- <u>http://wikibon.org/blog/big-data-infographics/</u>
- <u>http://www.marketingtechblog.com/ibm-big-data-marketing/</u>
- http://blogs.gartner.com/doug-laney/
- http://www-01.ibm.com/software/data/bigdata/
- <u>http://en.wikipedia.org/wiki/Big\_data</u>
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  - http://csrc.nist.gov/groups/SMA/forum/documents/june2012presentations/fcsm\_ june2012\_cooper\_mell.pdf
  - http://www.ramcoblog.com/big-data-technologies-a-quick-way-to-get-through-more

