THE Planning Survey 16 – The Results

The world's largest survey of planning software users

This report features an overview and analysis of the most important findings and topical results
Table of contents

Introduction ...........................................................................................................................................3
The Results ........................................................................................................................................4
  Software in Use and Usage Scenarios ..............................................................................................4
  Business benefits from Planning Products .....................................................................................7
  The Software Selection Process ......................................................................................................12
  Satisfaction and challenges ............................................................................................................18
  Trends ........................................................................................................................................22
About BARC ...................................................................................................................................24
  BARC — Business Application Research Center .........................................................................24
  BARC research reports bring transparency to the market ..............................................................24
Introduction

The market for planning products is highly competitive. This report summarizes the strengths and challenges of most of the leading vendors in the space as well as many smaller vendors that ordinarily don’t get much press but which, in many cases, offer outstanding value to their customers. THE Planning Survey also provides a detailed quantitative analysis of why customers buy planning tools, what they are used for, what problems they experience with the tools and how successful they are.

THE Planning Survey 16 features 13 planning products from 12 different vendors. It includes not just products from well-known global giants, but also specialist tools from much smaller vendors.

THE Planning Survey 16 is the second edition of THE Planning Survey, and follows on from 13 successful editions of The BI Survey (formerly The OLAP Survey). Based on the real-world experiences of 1,245 respondents, the value of THE Planning Survey depends on us analyzing a sufficiently large, well-distributed and unbiased sample effectively. THE Planning Survey is the largest and most thorough fact-based analysis of the planning and budgeting market currently available, using more than 15 years of experience to analyze market trends and challenge some of the myths surrounding the planning and BI industry.

After data cleansing and removing responses from participants unable to answer specific questions about their use of planning products, we were left with a sample of 811 end-users, 167 consultants and 132 vendor and reseller employees. Participants from all over the world took part in THE Planning Survey 16. 45 percent of respondents stated they have a finance and controlling job function, 30 percent an IT job function while the rest perform various line-of-business roles.

THE Planning Survey 16 is not based on anecdotal accounts or personal opinions, unlike much analyst research, neither is it intended to be a measure of market shares. It does not attempt to forecast future trends – indeed it often provides evidence that undermines the reliability of many such forecasts.

The findings from THE Planning Survey 16 are presented in several documents, each focusing on a specific set of the survey results.

<table>
<thead>
<tr>
<th>Document</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>THE Planning Survey 16 – The Results</td>
<td>An overview and analysis of the most important findings and topical results from THE Planning Survey 16. Furthermore, the document provides advice to buyers of planning software as well as users of existing planning solutions based on the results of our analysis.</td>
</tr>
<tr>
<td>THE Planning Survey 16 – Sample, Products, Methodology and KPIs</td>
<td>Provides details of the sample, the products included and an overview of our methodology. Descriptions of the KPIs used in THE Planning Survey 16 are also provided, including details of our calculation methods.</td>
</tr>
</tbody>
</table>
The Results

Software in Use and Usage Scenarios

Planning is an important element of management control to align operational business with strategic corporate objectives. Successful planning processes require comprehensive business intelligence (BI) functionality. Since planning is almost impossible without reporting and analysis capabilities, the integration of planning with reporting, analysis and dashboards is essential. This fact is reflected in the usage of planning products for tasks besides planning. Figure 1 shows that standard/enterprise reporting, ad hoc query and reporting as well as data analysis are the main requirements for planning products today to satisfy companies’ needs. More than 70 percent of companies in our survey use their planning product for the three aforementioned tasks. However, new requirements like dashboards/scorecards, financial consolidation, predictive analysis and data mining are also emerging as requirements for the future. As our “visual” age (charts, emoticons, infographics) continues to permeate everyday activities, and insights from millions of records get condensed into a single icon, dashboards - as opposed to traditional reports - are certain to move up this chart. Financial consolidation is not just a common requirement in group financial planning scenarios. There is often a need to not only consolidate actuals but also plan data to get a transparent, consolidated view on things at a group level. Interestingly, 57 percent of respondents plan to use their planning product to perform predictive analysis and data mining at some point in the future. Established forecasting techniques provide companies with possibilities to automate forecasting processes and shorten or automate at least some parts of planning processes, especially for forecasting activities and ‘predictive planning’.

![Figure 1: Do you use or plan to use your product (beside planning) for the following tasks? (n=588)](image)

To examine correlations between what the most successful companies do differently to less successful ones, we have introduced the classification of best-in-class companies and laggards in this year’s Planning Survey. Best-in-class companies comprise the top 10 percent of companies (approx.), based on their achievement of business benefits, while laggards are defined as the lowest 10 percent (approx.) of companies in terms of their achievement of business benefits.
Figure 2 reveals that best-in-class companies use their planning product in a far more extensive way than laggards. Best-in-class companies are well aware of the importance of integrating planning with comprehensive BI functionality, ideally into a single integrated platform. In contrast, many laggard companies use different software products for planning and BI tasks like reporting or analysis. Therefore, additional and sometimes error-prone data transfer processes are necessary to get plan data from the planning product to actuals in the BI product (e.g. for reporting purposes). Figure 2 indicates that best-in-class companies are on a higher maturity level than laggards, not only in terms of planning but also BI.

In many companies, especially laggard companies, Microsoft Excel is still the tool of choice to support planning processes (see Figure 3). Specialized planning products and Excel are each used separately or in combination for planning in 74 percent of companies. Other non-professional software products follow some distance behind.

Figure 2: Do you use or plan to use your product (beside planning) for the following tasks?
- BiC (best-in-class) (n=132)

Figure 3: Which software tools do you use for planning and budgeting in your company? (n=984)
Refining the answers in Figure 3 to show the main software tool used for planning reveals that 52 percent indeed use specialized planning software to support their planning processes (see Figure 4). These companies have recognized the added value specialized planning software can provide with professional functionality to efficiently support and improve planning processes. However, 33 percent still use Excel as a spreadsheet without an underlying database or specific planning functionality as their principal planning product. As we will see in the following chapters, problems, dissatisfaction and a low level of achievement of business benefits are among the inevitable consequences of using Excel as a planning product in many companies.

![Figure 4: Which software tools do you use mainly for planning and budgeting in your company? (n=971)](image)

Separating best-in-class companies from laggards in Figure 4 reveals that more than 80 percent of best-in-class companies use specialized planning software for planning and budgeting, whereas 40 percent of laggards standardize on Excel (see Figure 5). Just 48 percent of laggards use specialized planning software as their main planning product. Something we often discover in BARC’s consulting projects is that the choice of software product for planning often reflects the appreciation of planning in general in companies. While planning is an essential element of management control to align operational business with strategic corporate objectives for many best-in-class companies, it is often regarded as a chore that has to be done at least once a year in laggard companies.

![Figure 5: Which software tools do you use mainly for planning and budgeting in your company?](image)

- BIC (best-in-class) vs. laggards, (n=133)
Business benefits from Planning Products

There are many reasons why organizations adopt planning and BI products, and many ways these solutions are put to work. All projects, however, have common goals – to increase understanding of the forces shaping markets and businesses, and to be able to act on that understanding in a beneficial way. Ultimately, the hope is to be able to outsmart and out-deliver competitors, while proactively addressing customer needs.

In general, all planning and BI products are used to achieve benefits in various areas and to make better decisions based on data. ‘Business benefits’ is possibly the most important KPI in THE Planning Survey 16, focusing on the bottom-line benefits of planning and BI projects. Planning and BI that does not deliver business benefits is superfluous. Unlike core transaction systems, planning and BI projects are optional, not mandatory, so they must pay their way in terms of delivering business benefits.

The following business benefits were evaluated by survey participants:

- Improved integration of planning with reporting/analysis
- Increased competitive advantage
- Improved integration of different sub-budgets (sales, production, HR, financials, etc.)
- More precise/detailed planning
- Better quality of planning results
- Increased planning frequency (shorter planning cycles)/Faster planning
- Saved headcount (business and/or IT departments)
- Improved integration of strategic and operational planning
- Increased transparency of planning
- Improved employee satisfaction
- Reduced resource requirements for planning
- Reduced planning complexity

Figure 6 demonstrates that ‘increased transparency of planning’, ‘improved integration of planning with reporting/analysis’ and ‘better quality of planning results’ are the top three benefits companies achieve with the use of their planning products. All specialized planning products analyzed in our survey are based on integrated data storage for actuals and plan data (‘single point of truth’). Moreover, comprehensive functionality for centralized and decentralized - as well as top-down and bottom-up - planning approaches is available as standard to support individual planning processes. Integrated functionality for reporting, analyses and dashboarding typically rounds off the range of functions found in specialized planning software.

In contrast to the main benefits, ‘saved headcount’ and ‘increased competitive advantage’ are seen as relatively minor benefits for planners, which is understandable. Even with the best planning products, the task of planning requires a lot of effort for any company and the tools used can only support them in the process, not entirely automate it. However, planning tools save a lot of time compared to other approaches, and the hours previously invested in manual efforts can be used for more value-adding activities. From BARC’s point of view, companies can certainly earn a competitive advantage with
planning products by gaining deeper insights into their data and being more agile, enabling them to react to current and future developments in their businesses.

<table>
<thead>
<tr>
<th>Benefit</th>
<th>High</th>
<th>Moderate</th>
<th>Low</th>
<th>Not achieved</th>
<th>Do not know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased transparency of planning</td>
<td>57%</td>
<td>29%</td>
<td>7%</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Improved integration of planning with reporting/analysis</td>
<td>57%</td>
<td>27%</td>
<td>6%</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>Better quality of planning results</td>
<td>53%</td>
<td>32%</td>
<td>6%</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>More precise/detailed planning</td>
<td>51%</td>
<td>31%</td>
<td>10%</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Increased planning frequency/Faster planning</td>
<td>43%</td>
<td>37%</td>
<td>11%</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>Improved integration of different sub-budgets</td>
<td>43%</td>
<td>28%</td>
<td>11%</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Reduced resource requirements for planning</td>
<td>34%</td>
<td>41%</td>
<td>13%</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Reduced planning complexity</td>
<td>32%</td>
<td>38%</td>
<td>17%</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Improved integration of strategic and operational planning</td>
<td>28%</td>
<td>36%</td>
<td>16%</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Improved employee satisfaction</td>
<td>28%</td>
<td>42%</td>
<td>13%</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>Increased competitive advantage</td>
<td>16%</td>
<td>29%</td>
<td>17%</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>Saved headcount</td>
<td>10%</td>
<td>26%</td>
<td>26%</td>
<td>18%</td>
<td></td>
</tr>
</tbody>
</table>

Figure 6: To what level have you achieved the following benefits with your planning product? (n=613)

Drilling Figure 6 down to product level reveals the individual business benefits that companies achieved with their planning products (see Table 1). To calculate our business benefits index (BBI) per product, we asked users to judge benefits based on real measurements the company has made. Our BBI is calculated by weighting the responses to this question. The KPI displayed in Table 1 is an aggregated version of this index (see the ‘BBI’ value in the final column).

The main source of competition for all planning products is the widespread use of the simple spreadsheet in Excel, which many business users have preferred as their straightforward, quick-to-deploy planning and BI tool. However, Figure 7 shows clearly that companies using specialized planning products achieve far higher BBI scores than companies using Excel as their main planning tool, proving that Excel is not entirely suitable as a planning product. Notably, the top three benefits (‘increased transparency of planning’, ‘improved integration of planning with reporting/analysis’ and ‘better quality of planning results’) are less likely to be achieved with Excel.
It is interesting to see that companies achieve varying levels of business benefits with different planning products (see Table 1). Whereas Jedox and prevero customers benefit from ‘increased planning frequency/faster planning’, macs customers benefit more from ‘improved integration of different sub-budgets’. Overall, Anaplan users enjoy the most business benefits in THE Planning Survey 16, closely followed by prevero and Jedox users. Excel ranks last in this table.
Table 1: To what level have you achieved the following benefits with your product? Products (n=442) and Excel (n=275)
Not least because of the advantages cited above, specialized planning products have a much higher recommendation rate than Excel for planning purposes. While 80 percent of users of specialized planning software would probably or definitely recommend their planning product to other companies, one third of Excel users state they would probably not or definitely not recommend the use of Excel as a planning tool to other companies (see Figure 8).

![Bar Chart]

**Figure 8: Would you recommend your planning product to a similar company?**

All products (n=611) vs. Excel (n=273)
The Software Selection Process

Selection Method

A formal competitive software selection process before purchasing is the best approach to choosing a software product and we highly recommend selecting software products in this way. First and foremost, it is essential to evaluate in detail whether a product fits the technical and functional requirements of a company. Comparing different products in a detailed evaluation (e.g. a proof of concept) before purchasing also reduces the risk of choosing the wrong product.

As Figure 9 shows, many companies are aware of the necessity of a competitive software selection process in order to select the right software product. 74 percent of respondents say their company conducted a formal product selection process before acquiring planning software. However, as Figure 10 displays, laggards somewhat underestimate the importance of such a process. As a consequence, the satisfaction level that laggards experience with both vendor and software is way behind that of best-in-class companies. Laggards also face many more problems than best-in-class companies during implementation and when using their planning software.

Figure 9: Did your organization conduct a formal product selection before acquiring your planning product? (n=508)

<table>
<thead>
<tr>
<th>Method</th>
<th>Best-in-Class</th>
<th>Laggards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitive evaluation</td>
<td>74%</td>
<td>81%</td>
</tr>
<tr>
<td>Single product evaluation</td>
<td>13%</td>
<td>5%</td>
</tr>
<tr>
<td>No formal evaluation</td>
<td>13%</td>
<td>14%</td>
</tr>
</tbody>
</table>

Figure 10: Did your organization conduct a formal product selection before acquiring your planning product? BiC (best-in-class) vs. laggards, (n=106)

Products evaluated

According to respondents, of all the products covered in THE Planning Survey 16, IBM Cognos TM1 was the most evaluated product for acquisition, appearing in 29 percent of selection decisions (see Figure 11). From an analyst perspective this is not a big surprise considering that TM1 has been around since the early 1980s and IBM, with its Cognos product line, is well known worldwide for BI and performance management software.
The remaining top five positions are mostly occupied by planning products with a global reach like SAP BPC (25 percent), SAP BW IP (21 percent) and Oracle Hyperion Planning (19 percent). Slightly surprisingly, Corporate Planning - a more DACH-focused performance management specialist - is placed third, appearing in 21 percent of selection decisions. However, Corporate Planning is one of the largest planning vendors in Germany, Austria and Switzerland. It was founded in 1989 so has a long history and quite a big footprint, especially in the DACH market. Aside from the products covered in detail in THE Planning Survey 16, there are many other well-known products on the market that are evaluated for acquisition by companies. Note that Figure 11 only covers products that generated more than 30 responses in this year's Planning Survey.

![Bar chart showing planning products by market share](image)

**Figure 11: Which of the following planning products did your organization evaluate for acquisition? (n=528)**

When drilling Figure 9 down to product level, additional insight emerges into which products are chosen more often without a formal evaluation and which are regularly challenged in competitive situations. As Figure 12 shows, with the exception of Jedox, planning products from the big global vendors like SAP, Infor, Oracle and IBM are the most likely to be selected without a competitive software selection process.

One reason for not conducting a formal evaluation might be that companies have pre-existing enterprise agreements with these vendors to use their products throughout the whole enterprise. However, satisfaction levels are often quite poor and problems regularly occur when a formal evaluation is not carried out. SAP BW IP provides a good example of this phenomenon. SAP BW is a widely used data warehouse application technology deployed in many companies worldwide. Companies that use SAP ERP often choose SAP BW as their data warehouse application, and SAP BW IP was for a long time the integrated planning component in BW so was effectively free to existing BW customers. As a result, many companies chose SAP BW IP as their planning product without a formal evaluation. Problems and dissatisfaction with the product arise as an inevitable consequence because the product does not necessarily fit all companies' needs.
Figure 12: Did your organization conduct a formal product selection before acquiring your product? by product (n=371)

Reasons to buy

Unsurprisingly ‘coverage of planning specific requirements’ is the main reason why companies buy a planning product (68 percent chose their product because of its planning functionality). However, there are other reasons why companies choose planning products. The other top five reasons are as follows:

- ‘coverage of additional reporting/analysis requirements’ (47 percent)
- ‘flexibility of the software’ (44 percent)
- ‘price-performance ratio’ (34 percent)
- ‘predefined data connection’ (32 percent)

According to BARC’s Advanced Planning Survey in 2015, integrated planning is the most beneficial planning approach in terms of improving the quality of planning results for many companies. In BARC’s opinion, integrated planning covers not only the integration of strategic planning with operational planning, or the integration of different sub-budgets with financial results planning, but also the integration of planning and BI. Therefore, the importance of additional reporting/analysis functionality within a planning product is paramount here. Planning is almost impossible without reporting and analysis capabilities, so the integration of planning with reporting, analysis and dashboards is essential. To address integrated planning properly, a planning product has to have a degree of flexibility to cover all facets of the integrated approach. Price-performance ratio is also important in most software selection projects, especially in a highly competitive area like the planning and BI tools market. Offering flexible and feature rich software at an attractive price point can be a key factor in convincing customers.

Interestingly vendor-related reasons like ‘size/financial stability of a vendor’ (6 percent), performance in a proof of concept scenario (9 percent) and ‘vendor/product reputation’ (10 percent) seem to play a minor role for many companies when selecting a planning product.
Excel, the most widely used BI and planning product in the world, is rarely evaluated in a formal software selection process but chosen because the product is available and many users are already skilled in working with spreadsheets. Price-performance ratio is the top reason why companies use Excel as their planning product (52 percent) because in most cases it's already installed so no licenses need to be purchased. However, the increase in manual effort and problems with various aspects of planning that come hand-in-hand with Excel usually lead to higher total costs in the end.

Laggards do not carry out their software selection projects as thoroughly as they should compared to best-in-class companies. Figure 14 indicates that laggards seem to underestimate the need for a thorough software selection process, affording undue importance to criteria like ‘vendor listed as corporate standard’ and ‘bundled with another product’. In BARC’s opinion, based on 15 years of guiding customers through software selection projects, a thorough requirements analysis – including the definition and prioritization of needs – is essential as the basis for every project.

**Figure 13: Why was your product chosen? (n=565)**

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coverage of planning specific requirements</td>
<td>68%</td>
</tr>
<tr>
<td>Coverage of additional reporting/analysis</td>
<td>47%</td>
</tr>
<tr>
<td>requirements</td>
<td></td>
</tr>
<tr>
<td>Flexibility of the software</td>
<td>44%</td>
</tr>
<tr>
<td>Price-performance ratio</td>
<td>34%</td>
</tr>
<tr>
<td>Predefined data connection</td>
<td>32%</td>
</tr>
<tr>
<td>Ease of use for planners</td>
<td>26%</td>
</tr>
<tr>
<td>Convincing performance</td>
<td>24%</td>
</tr>
<tr>
<td>Ease of use for developers of planning applications</td>
<td>19%</td>
</tr>
<tr>
<td>Large data handling capacity</td>
<td>18%</td>
</tr>
<tr>
<td>Support of large numbers of concurrent users</td>
<td>15%</td>
</tr>
<tr>
<td>Availability of local support</td>
<td>15%</td>
</tr>
<tr>
<td>Availability of people skilled in toolset</td>
<td>14%</td>
</tr>
<tr>
<td>Vendor/product reputation</td>
<td>10%</td>
</tr>
<tr>
<td>Innovative capacity of the vendor</td>
<td>10%</td>
</tr>
<tr>
<td>Vendor listed as corporate standard</td>
<td>10%</td>
</tr>
<tr>
<td>Proof of concept faster or better</td>
<td>9%</td>
</tr>
<tr>
<td>Size/Financial stability of the vendor</td>
<td>6%</td>
</tr>
<tr>
<td>Vendor relationship</td>
<td>6%</td>
</tr>
<tr>
<td>Bundled with another product</td>
<td>6%</td>
</tr>
<tr>
<td>International focus of the software</td>
<td>4%</td>
</tr>
<tr>
<td>Deployment option</td>
<td>3%</td>
</tr>
</tbody>
</table>
Thoroughly evaluating software products with regard to these technical and functional requirements guarantees that the wrong product is not chosen. Of course, criteria like ‘vendor listed as corporate standard’ and ‘bundled with another product’ have to be considered for simple financial reasons. However, greater importance should always be attached to technical and functional requirements than to how much the product costs. When selecting a suitable software solution, always focus on your company’s requirements and how each solution fulfills them.

![Chart showing reasons for product choice between Best-in-Class (BiC) and laggards.](image)

**Figure 14: Why was your product chosen? BiC (best-in-class) vs. laggards, (n=121)**
Time needed

As a rule of thumb, software selection projects (excluding the implementation phase) should not take longer than six months. Requirements can change in a short timeframe so the choice of product should be made within six months of beginning the requirements analysis. The general goal for completing the subsequent implementation project should be anything between three and twelve months, depending on company size, geographical distribution and the scope of the project. Figure 15 shows that 80 percent of companies take between one and twelve months to implement the planning aspect of a product from purchase to initial rollout.

Best-in-class companies outrun laggards when it comes to project term (see Figure 16). 96 percent of best-in-class companies implement the planning aspect of their product from software purchase to initial rollout in under a year. In contrast, only 63 percent of laggards complete their implementation project in twelve months, meaning that 37 percent need more than a year.

Less than 1 month 8%
1 to 3 months 23%
3 to 6 months 32%
6 to 12 months 25%
1 to 2 years 9%
2 to less than 3 years 1%
3 years or more 1%

Figure 15: How long did it take to implement the planning aspect of the application from software purchase to initial rollout? (n=531)

Implementation time less than 1 year...

Best-in-Class

Laggards

Less than 1 month 15% 6%
1 to 3 months 30% 18%
3 to 6 months 32% 39%
6 to 12 months 18%...

...longer than 1 year

4%

24% 6%

Figure 16: How long did it take to implement the planning aspect of the application from software purchase to initial rollout? BiC (best-in-class) vs. laggards, (n=104)
Satisfaction and challenges

Satisfaction

In general, companies are satisfied with their planning products. The majority of respondents in this year’s Planning Survey said they were ‘very satisfied’ or ‘somewhat satisfied’ with their specialized planning software products (see Figure 17). However, Excel, a non-specialized product, has the highest level of dissatisfaction with nearly one third of users claiming to be ‘somewhat dissatisfied’ or ‘very dissatisfied’ with the product as a planning tool. In contrast, Anaplan, Jedox and prevero have the highest degree of satisfaction with their planning products, based on the total percentage of ‘very satisfied’ and ‘somewhat satisfied’ customers.

<table>
<thead>
<tr>
<th>Product</th>
<th>Very satisfied</th>
<th>Somewhat satisfied</th>
<th>Neither satisfied nor dissatisfied (neutral)</th>
<th>Somewhat dissatisfied</th>
<th>Very dissatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anaplan</td>
<td>71%</td>
<td>29%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jedox</td>
<td>55%</td>
<td>45%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>prevero</td>
<td>50%</td>
<td>50%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Planning</td>
<td>53%</td>
<td>42%</td>
<td>3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Software4You</td>
<td>57%</td>
<td>33%</td>
<td>7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>macs Controlling</td>
<td>64%</td>
<td>21%</td>
<td>14%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BOARD</td>
<td>60%</td>
<td>23%</td>
<td>14%</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>IBM Cognos TM1</td>
<td>32%</td>
<td>49%</td>
<td>11%</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Oracle Hyp Plan</td>
<td>19%</td>
<td>61%</td>
<td>19%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SAP BPC</td>
<td>8%</td>
<td>67%</td>
<td>21%</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>Infor</td>
<td>29%</td>
<td>45%</td>
<td>18%</td>
<td>5%</td>
<td>3%</td>
</tr>
<tr>
<td>SAP BW IP</td>
<td>11%</td>
<td>62%</td>
<td>19%</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>Cubeware</td>
<td>30%</td>
<td>41%</td>
<td>11%</td>
<td>19%</td>
<td></td>
</tr>
<tr>
<td>Excel</td>
<td>6%</td>
<td>27%</td>
<td>34%</td>
<td>25%</td>
<td>7%</td>
</tr>
</tbody>
</table>

Figure 17: To what degree are you satisfied with your planning tool? Products (n=426) and Excel (n=264)

Drilling down into more detail reveals that user satisfaction with the implementation of the business aspects (70 percent ‘good’) and technical aspects (64 percent ‘good’) of products, as well as completion within the timeframe originally specified (60 percent ‘good’) and budget originally set (57 percent ‘good’), is quite high. Best-in-class companies are far more satisfied with these aspects of their planning projects (see Figure 18). Compared to laggards, thoroughness in software selection projects and tighter project management in implementation projects seems to pay off for best-in-class companies.
More than 80 percent of best-in-class companies are satisfied with implementation of business and technical aspects as well as completion of planning projects within the set timeframe and budget, compared to approximately 20 percent of laggards.

**Figure 18: Please rate the following aspects of your project with your product - BiC (best-in-class) vs. laggards (n=134)**

**Challenges**

The most serious problems encountered during planning implementations are directly related to the planning product itself. Figure 19 offers evidence that Excel users experience many more problems than users of specialized planning software products. Only 10 percent of Excel users say they have no significant problems at all, compared to 44 percent of specialized planning software users. Moreover, Excel users struggle with general problems like ‘lack of planning specific functionality’ (which is a declaration of bankruptcy for a product intended to be used for planning purposes), ‘product cannot handle data volume’, ‘product cannot handle number of users’ and ‘lack of reporting/analysis functionality/integration’. These results clearly underpin the importance of a thorough software selection process with a detailed analysis of requirements and a comprehensive study of the market. Choosing the product that most closely matches these requirements will help to avoid many of the aforementioned problems.
Figure 19: What, if any, are the most serious problems your business users have encountered in the use of your product? Products (n=566) vs. Excel (n=269)

An impressive 74 percent of best-in-class companies say they have encountered no significant problems in the use of their planning product (see Figure 20). By contrast, only 21 percent of laggards, who often use Excel as their main planning product, have no significant problems.

Problems such as ‘software difficult to use/not user-friendly’, ‘slow query performance’ and ‘lack of reporting/analysis functionality/integration’ point to cardinal mistakes in the software selection process.
Figure 20: What, if any, are the most serious problems your business users have encountered in the use of your product? BiC (best-in-class) vs. laggards, (n=121)
**Trends**

Integration of strategic and operational plans (42 percent), predictive planning (42 percent), value driver-based planning (33 percent) and mobile BI/planning (32 percent) are seen as the most important trending topics for the future by many companies (‘planned within 12 months’ plus ‘planned in long-term’, see Figure 21). On the other hand, 58 percent of respondents state that they do not require mobile BI/planning at all, while over one third say the same of value driver-based planning and predictive planning.

BARC’s customer projects reveal that planning approaches within companies, as well as the planning market in general, are constantly maturing and many organizations now possess profound expertise in this area. So it is no surprise to us that advanced planning topics like integrating long-term strategic planning with short-term operational planning, predictive planning and value driver-based planning are gaining in importance as many companies strive to achieve the next level in planning maturity. Furthermore, software vendors are reacting to trends in the market, providing more and more advanced planning functionality to support customers’ needs. The aforementioned topics can be of particular help to companies seeking to address common issues in planning processes such as:

- Poor quality of planning results (as measured by effort invested)
- Planning processes take too long / planning results are outdated when adopted
- Planning processes are too detailed and complex

Cloud BI is a trend that should not be underestimated and could become the next big wave for planning. However, despite the many advantages the cloud offers (e.g. near-immediate availability of software, no internal hardware and only limited IT resources required, needs and usage-based flexible invoicing), relatively few organizations are currently using their planning product in the cloud. Only 8 percent use a cloud-based planning product right now, while 19 percent are planning to use one. These figures contrast sharply with the 74 percent of respondents who state they would not use a cloud-based planning product (‘not required’).

![Figure 21: Which of the following does your company do/use with your product for planning and budgeting? (n=577)](image-url)
A comparison between best-in-class companies and laggards (see Figure 22) shows that best-in-class companies are generally more open to trending topics. In particular, their higher level of planning maturity and more solid grasp of the planning basics puts them in a better position to address advanced planning topics and benefit from their advantages. Some examples of these topics include:

- Better integration of strategic with operational plans, as well as of different sub-budgets with financial results planning, lead in many cases to a significantly higher quality of planning results.

- Concentrating on the real drivers of a business with a moderate level of detail couples significance with efficiency. Using a value driver-based planning approach can often lead to a reduction of complexity and a shortening of planning processes.

- In a volatile economic environment, companies have to react to changes quickly. Simulation and the analysis of scenarios (best case/worst case) provide companies with the ability to replace their ‘best guess’ with objective assessment criteria to minimize the risk of making bad decisions.

- Predictive analytics and prognosis are major trends in the market that also affect planning (‘predictive planning’). In particular, the automation of forecasting processes with consolidated estimates using statistical predictions offers the possibility for companies to shorten or automate at least parts of planning processes.

Many companies BARC speaks with say that the main problem they face when addressing trending topics is a lack of expertise. This is especially so in laggard companies where essential planning basics are often absent or planning is only established at a very rudimentary level. In these organizations, expertise in the topic and experience of how to proceed are the main limiting factors.
About BARC

BARC — Business Application Research Center
A CXP Group Company

BARC is a leading enterprise software industry analyst and consulting firm delivering information to more than 1,000 customers each year. Major companies, government agencies and financial institutions rely on BARC’s expertise in software selection, consulting and IT strategy projects.

For over twenty years, BARC has specialized in core research areas including Data Management (DM), Business Intelligence (BI), Customer Relationship Management (CRM) and Enterprise Content Management (ECM). BARC’s expertise is underpinned by a continuous program of market research, analysis and a series of product comparison studies to maintain a detailed and up-to-date understanding of the most important software vendors and products, as well as the latest market trends and developments.

BARC research focuses on helping companies find the right software solutions to align with their business goals. It includes evaluations of the leading vendors and products using methodologies that enable our clients to easily draw comparisons and reach a software selection decision with confidence. BARC also publishes insights into market trends and developments, and dispenses proven best practice advice. BARC consulting can help you find the most reliable and cost effective products to meet your specific requirements, guaranteeing a fast return on your investment. Neutrality and competency are the two cornerstones of BARC’s approach to consulting. BARC also offers technical architecture reviews and coaching and advice on developing a software strategy for your organization, as well as helping software vendors with their product and market strategy.

BARC organizes regular conferences and seminars on Business Intelligence, Enterprise Content Management and Customer Relationship Management software. Vendors and IT decision-makers meet to discuss the latest product updates and market trends, and take advantage of valuable networking opportunities.

Along with CXP and Pierre Audoin Consultants (PAC), BARC forms part of the CXP Group – the leading European IT research and consulting firm with 140 staff in eight countries including the UK, France, Germany, Austria and Switzerland. CXP and PAC complement BARC’s expertise in software markets with their extensive knowledge of technology for IT Service Management, HR and ERP.

BARC research reports bring transparency to the market

The BI Survey 15 is the world’s largest annual survey of BI users. Based on a sample of over 3,000 survey responses, it offers an unsurpassed level of user feedback on 35 leading BI products.

The BARC Big Data Use Cases Survey explores the usage of big data in companies worldwide. 559 business and IT decision-makers completed the survey in the first quarter of 2015.

The new BI Trend Monitor 2016 reflects on the trends currently driving the BI and data management market from the user perspective. We asked close to 2,800 users, consultants and vendors for their views on the most important BI trends.