Birth of Big Data solution providers in India

The past few years have seen an interesting trend — the birth of quite a few Big Data solution providers in India. What is the potential they see in the Indian market? What are some of the market trends that they have been observing in India? We talk to founders of two startups, who share their insights on the Big Data trend and the potential they see in this space

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BIG DATA: A DEVELOPED MARKET PHENOMENON

Big Data is the elephant in the room. Everyone has huge amounts of data; they just do not know what to do with it. According to a McKinsey report, all sectors in the U.S. economy had at least 200 TB of data in 2009.

There are companies across sectors like financial services and online retailing that have copious amounts of data about their customers, which can potentially unlock new business strategies. Traditional data analysis techniques come up really short in analyzing this huge amount of data.

Currently, Big Data is more of a developed market phenomenon, which is still being adapted to the Indian market. Corporations in mature markets are constantly looking for innovative ways to use existing information to drive business growth. That said, sectors like telecom, which have grown at a breakneck speed in India are at the forefront of using huge amounts of customer data to customize offers, manage campaigns and improve processes. Increasingly, Indian arms of MNCs are looking at adopting best practices from their parents. We have seen these trends take shape in credit scoring, technology and insurance industries. With retailing set to be the next growing sector in developing economies, players like Walmart will bring in a set of advanced practices of using data to sell more and better. This is just the start.

INDIAN ORGANIZATIONS NOW SEEKING MORE FROM DATA

As recently as five years ago, selling the idea of analytics to India-based clients was very difficult. Over the last few years, by a combination of ideas injected by MNCs and a latent demand coming up, we have seen Indian corporations asking for more from their data. The next decade will see a great growth in demand of Big Data and analytics skills in India.

We currently work with clients across insurance, CPG and technology sectors. Whether it is predicting policy lapsation rates for millions of insurance holders, or predicting the number of product returns (at a Stock Keeping Unit level) for a consumer packaged goods major, clients are increasingly seeing value in using existing data to improve operations, product design, marketing strategies and service responsiveness.

Big Data is an upcoming trend across a breadth of traditional and upcoming sectors. Industries like financial services, both conventional banks and online payment engines are realizing the value they can unlock using decades of customer data by making it easier for customers to avail their services, offering them customized products and improving their product offering.

On the other hand, relatively newer businesses like online retailing, being offshoot of the technology revolution, increasingly see Big Data as core to their business. We see the trend starting with newer businesses, like online retailing, web services, e-commerce and then being adopted by more conventional businesses, like telecom, technology services, retailing, financial services and even manufacturing.

There are three major trends emerging in the Indian markets. Firstly, as more MNCs set up big bases in India to harness the volume potential in the Indian market, we will see an increased focus on the usage of Big Data and analytics. Secondly, as industries mature and get more competitive (take telecom for an example), having accurate data and the ability to use it smartly will become the next competitive advantage. Thirdly, stricter regulation could even drive more conventional businesses like banking to use more and more analytics.

Analytics and Big Data are set to go

through the life cycle of starting with being a competitive advantage and eventually becoming a hygiene factor, much like technology.

We have been working with some of our clients in the U.S. market in the Big Data analytics space. We work intimately with large volumes of real-time transactional data, including web data and search analytics data. Having been a part of solving some of the Big Data problems for our clients using technologies like Hadoop and Apache Mahout has prepared us for facing Big Data challenges across industries. This has helped us develop a unique understanding of challenges that Big Data poses and an appreciation of how to leverage the cloud for large volume data computation.

Along the way, we have recognized the need for, and have been working to nurture and create data scientists —folks with strong analytical skills, who can derive robust conclusions from data. At LatentView, our people have developed the capability to translate seemingly humongous data — from disjointed sources — into business led solutions.

We are looking at developing advanced capabilities in the Big Data space; by a combination of enhancing in-house capabilities, executing Big Data projects for some of our clients and growing our team of dedicated data scientists with a deep understanding of how data can impact the business value chain.