

Chapter 5

Information Technology (IT) Analyst Vendors and Aggregators

Industry Background

In the previous chapter we examined the report offerings of a wide range of market research firms. These are publishers that study and produce reports on consumer, industrial, and business-to-business products and services ranging from adhesives to zinc, and virtually everything in between. But there is a certain segment of market

research providers that are in such demand, and so high profile, that they deserve their own treatment, which we do in this chapter.

These are the information technology or IT research firms, who employ analysts that study and cover the computing, Internet and information technology industries. They represent highly sought after, premium-priced, insider analysis reports—and are considered so valuable, in fact, that they traditionally could only be obtained by entering into a full subscription commitment with these firms that could cost tens or even hundreds of thousands of dollars. But the force of the Internet has blasted down yet another wall, and now these reports are becoming available on a pay-per-view basis, available to anyone, anytime, on the Web.

These studies are published by the firms you've probably heard of—the Gartner Group, IDC, Forrester, Jupiter. These firms' analysts turn out highly sought-after quantitative and qualitative forecasts and analysis, and their words and recommendations are relied on by companies risking hundreds of thousands, or sometimes millions, of dollars on their data and opinions.

These IT analyst firms are the names quoted frequently in the press, and who together earn the lion's share of the analyst industry revenue. The big names, and the firms that this chapter specifically focuses on, are Aberdeen Group, AMR, Dataquest, Forrester Research, Gartner Group (which owns Dataquest), Giga Information Group, International Data Corp. (IDC), Jupiter Communications, META Group, The Yankee Group, and Zona Research.

According to an *InformationWeek* survey, there are several reasons why firms sign up with an analyst firm, but the primary reasons are “to validate one's IT strategy and to choose the best products and technologies.”

Traditionally, IT analyst firms have made their expertise available only through a subscription service. Subscribers pay an up-front fee, which entitles them not only to the firm's extensive printed reports and shorter briefings, but, even more importantly, consultations with the analysts themselves, typically over the phone. According to Outsell Inc. (Burlingame, CA), a research and advisory firm that focuses on the information industry, the average company spends 2% of its IT budget on procuring this kind of research.

During the last few years, these IT analyst firms have raised their profiles even higher. The primary reason has been the explosion of interest among businesses in the Internet—specifically, implementing networks and intranets, creating Web sites, and setting up e-commerce capabilities. Virtually all businesses today want to know how to

make the right decisions in these areas, so they typically turn to an IT analyst firm for expert assistance and advice.

These pressures have all converged so that even these analyst firms are “unbundling” their studies, and making these reports available, either via their own Web site, or on a third party Web database or aggregator. Furthermore, although many of these reports are still quite expensive—easily running into the thousands of dollars, the firms have also introduced several less expensive product lines to meet the needs of their wider Internet audience. And, in fact, some of these reports are priced at under \$100.

Here are the profiles of the leading IT analyst firms:

Aberdeen Group

<http://www.aberdeen.com>

Aberdeen provides IT market intelligence, positioning, and market acceleration services to established and start-up technology companies. The firm helps their clients identify new market opportunities, and focuses on emerging market opportunities, market growth rates, industry trends, and customer buying patterns.

Special Strengths/Expertise:

- E-business (applications; Internet bill payment, collaborative product commerce, customer relationship management (CRM), Web analytics, mobile e-commerce)
- Platforms (application servers; database management)
- Carriers and enterprise communications (access, broadband, optical networking, service providers, wireless)
- Network and Internet services (Internet infrastructure, security, storage)

Aberdeen reports include forecasts, company profiles, market shares, and customer survey results. Coverage includes both the United States and the world.

Reports Available on Own Site:

Users can view a table of contents for no charge. Prices vary as follows:

Viewpoints and insights: Free

Company profiles and impacts: Free-\$25

Short white papers: \$495

Lengthy reports: \$1,500

There is also a free e-mail alert service.

Third Party Report Resellers:

Bitpipe, Intraware.com, MarkIntel, MarketResearch.com, Multex, Redherring, TechTarget.com.

Aberdeen Group
www.aberdeen.com

Due to the large size of this electronic file, web site screen shots have been omitted.
To view this site, visit the web address above.

Figure 5.1

AMR Research

<http://www.amrresearch.com>

AMR Research is a leading provider of research and analysis of e-business strategies and technologies. Its research covers the rapidly evolving business processes fundamental to success in the new economy. AMR Research focuses on industry-specific coverage of supply-chain management, customer management, enterprise management, business-to-business e-commerce, and all underlying enabling technologies.

The firm maintains research and analysis on over 2000 software, technology infrastructure, and service providers to assist global companies evaluate, select, and manage new systems. AMR Research also provides analysis, advice, and market data to software and service providers and members of the financial community.

Special Strengths/Expertise:

- E-business advice
- Contract negotiation
- Benchmarking
- Market analysis and review
- Enterprise management
- Customer management
- Supply chain
- B2B marketplace

Specific Industries Covered:

Aerospace and defense and complex manufacturing; automotive and heavy equipment; consumer packaged goods and food and beverage high tech and semiconductor; mill products; pharmaceutical and biotech; Telecommunications; Retail; Utilities.

Reports Available on Own Web Site:

Not currently. One free report is typically made available on the Web site.

Third Party Report Resellers:

Industry Standard, CNET enterprise, MarketResearch.com, Multex.com.

AMR Research

www.amrresearch.com

Due to the large size of this electronic file, web site screen shots have been omitted.
To view this site, visit the web address above.

Figure 5.2

Forrester Research

<http://www.forrester.com>

Forrester Research is a leading emerging technology research firm, analyzing technology change and its impact on business, consumers, and society. The firm produces three main types of research products: strategy research, technographics research, and assessment tools.

Strategy Research: Forecasts over a five-year period, which include dozens of vendor and user interviews, primary research, some market sizing, and some company case studies.

Technographics Research: Consumer survey data of over 100,000 North American households. **Business Technographics:** Based on surveys of 2,000 senior business and IT executives from companies with revenues over \$1 billion. **E-business TechRankings Research:** Detailed product analysis, user/vendor interviews and primary research. Updated monthly.

Forrester's research is specific to either a geographical region or is global in scope. The specific report series also vary in coverage; Strategy Research primarily focuses on North America, and Europe; Consumer Technographics focuses on North America and Europe, E-business TechRankings include North America and Europe.

Forrester Research

www.forrester.com

Due to the large size of this electronic file, web site screen shots have been omitted.
To view this site, visit the web address above.

Figure 5.3

Special Strengths/Expertise:

Industry strategy research areas include: automotive, B2B consumer packaged goods, financial services, health care, media, retail, and telecom technology strategy. Research areas include applications and services, infrastructure, and site technology. Core skill areas include: customer service, digital marketing, Internet economy, Internet policy and regulation, organization and skills, and Web design.

Reports Available on Own Web site:

Certain reports are available via Forrester's Research Store. Prices for the Baseline Research Reports range from \$595 to \$2,495. Registered users can view titles and brief abstracts for free. A free e-mail alert service is offered as well.

Third Party Report Resellers:

CNET.com, FT.com, Hoovers.com MarketResearch.com, The Standard.com.

The Gartner Group

<http://www.gartner.com>

The Gartner Group is considered the de facto industry leader in the IT analyst arena. The firm was founded in 1979 and is headquartered in Stamford, Connecticut. In the year 2000, Gartner employed 1,400 research analysts and consultants in 80 locations worldwide and had revenue of \$859 million.

Gartner also owns two other major research firms: Dataquest, a leading IT forecasting firm that publishes market intelligence for the high tech and finance industries on the semiconductor, computer systems and peripherals, communications, document management, software, and services sectors; and Datapro Research, which has been a long-time leader in assisting firms in analyzing and making better purchasing decisions of high-end office equipment and high-technology items.

Gartner's geographic scope covers Asia/Pacific, Europe, Japan, Middle East, United States, and the rest of the world.

Special Strengths/Expertise:

Gartner provides high-level strategic advice and is known for its exacting research methodology. Its analysts cover computer hardware, software, communications, emerging technologies, e-business, and all related IT industries.

A typical Gartner report includes a table of contents, executive summary, introduction, the study's scope and methodology, a technology review, current product characteristics, end user/application analysis, competitor market shares and profiles, revenue by class, capital spending, research spending, and related data.

The Gartner Group

www.gartner.com

Due to the large size of this electronic file, web site screen shots have been omitted.
To view this site, visit the web address above.

Figure 5.4

Reports Available on Own Web Site:

Most research is available on the site, and report prices range from \$95 to over \$5,000. Reports have a free table of contents and some have a free executive summary. There's also a very interesting knowledge map that provides graphical clues as to what kinds of reports are most likely be found under which Gartner specialty area, after you perform a search. Basic searching is permitted to all users, though only registered users may search the entire database, perform more advanced search functions and actually purchase reports. Free e-mail alerts are available on the Web site.

Third Party Report Distributors:

DataStar, Dialog, FT Profile, InfoEdge.com, Intraware, LexisNexis, MarkIntel, MarketResearch.com, Multex, Profound, Tech Republic.

Giga Information Group

<http://www.gigaweb.com>

Giga Information Group, Inc. provides e-business advice via research and consulting. The firm emphasizes close interaction between analysts, advisors and clients, and stresses the objectivity of its reporting. Giga Information Group has 120,000 user clients from 1,200 organizations.

Giga was the first of the IT analyst firms to begin aggressively selling its reports on a full-featured Web site and today continues to have a full service search and purchase site for users.

Special Strengths/Expertise

E-business

Information Technology

Web site evaluation

Economic assessment of IT programs

Objectivity standards and principles

Reports Available on Own Site:

Yes, via the Eshop. Short Ideabundles sell for \$250 and shorter Ideabytes cost \$49; Giga Collaboration products are \$250 and the Research Digest is \$599. Planning Assumptions are \$499. There are also a few free reports on the site.

Third Party Resellers:

Eshaman.com, MarketResearch.com, TheStandard.com.

Giga Information Group

www.gigaweb.com

Due to the large size of this electronic file, web site screen shots have been omitted.
To view this site, visit the web address above.

Figure 5.5

IDC

<http://www.idc.com>

IDC is one of the world's largest providers of technology intelligence, industry analysis, and market data in information technology. The firm specializes in worldwide forecasts and analysis of trends, business strategies, technologies, and vendors, and employs primary research and in-depth competitive analysis. IDC is a division of IDG, a leading IT media, research, and exposition company.

Special Strengths/Expertise:

Application service providers, collaborative computing knowledge management, communications technologies, computer hardware, CRM, data warehousing and information access, document and content technologies, E-business, e-commerce software, ERM, Internet technology, intranet strategies, software market, supply chain applications, worldwide coverage.

Reports Available on Own Site:

Yes, via "IDC Research Store". Price range: Free-\$16,000. Free sample reports available in addition to the 60,000 reports available in searchable catalog. Visitors can browse, search or read an abstract and table of contents. You need to register to actually make a purchase.

Third-Party Resellers

Bitpipe, MarketResearch.com, Multex, The Standard.

IDC

www.idc.com

Due to the large size of this electronic file, web site screen shots have been omitted.
To view this site, visit the web address above.

Figure 5.6

META Group

<http://www.metagroup.com>

META Group is a leading research and consulting firm, focusing on information technology and business transformation strategies. META group is organized into seven “core technology advisory services”:

- Application delivery strategies (ADS)
- Electronic business strategies (EBS)
- Enterprise data center strategies (EDCS)
- Global networking strategies (GNS)
- Server infrastructure strategies (SIS)
- Service management strategies (SMS)
- Web and collaboration strategies (WCS)

Special Strengths/Expertise:

Personal interaction and consultation; on-site briefings. Discounts for small businesses.

Special focus on these industries: energy and utilities, insurance, state and local government, health care, retail and distribution.

Special programs on: commerce change management, customer relationship management, data warehousing and ERP; enterprise architecture and program management; human capital management; infrastructure development; operations excellence; security; sourcing and value management.

Reports Available on Own Site:

Yes, via META’s store. Can browse by subject or conduct keyword searches with excellent advanced features (under “power search” option). Price range of reports: Interactive reports with full-text transcripts of analyst presentations: \$395. Other reports: \$995-\$5,500. Research Snapshots: \$199. Some reports available to any visitor, others to subscribers only. Formats include PDF as well as hard copy.

Third Party Resellers:

CNET, EarthWeb.com, MarkIntel, MarketResearch.com, TheStandard.com.

META Group
www.metagroup.com

Due to the large size of this electronic file, web site screen shots have been omitted.
To view this site, visit the web address above.

Figure 5.7

Yankee Group

<http://www.yankeegroup.com>

The Yankee Group is a leader in research and consulting services, focusing on the Internet, electronic commerce, communications, wireless mobile, computing, and enterprise applications. The firm specializes in providing strategic planning assistance, technology and market forecasting, and cross-industry analysis. It is particularly well known for its focus on network infrastructure and communications. The Yankee Group also stresses its personalized one-to-one analysis and personal attention to clients.

Special Strengths/Expertise:

Communications, wireless and mobile computing, e-business technologies. Reports include forecasts, company profiles, market shares, customer survey results and more. Coverage is global.

Reports on Own Site:

Not to the public, only to current clients. You can, though, register to view reports' tables of contents and executive summaries.

Third Party Resellers:

MarketResearch.com, MarkIntel.

The Yankee Group
www.yankeegroup.com

Due to the large size of this electronic file, web site screen shots have been omitted.
To view this site, visit the web address above.

Figure 5.8

Zona Research

<http://www.zonaresearch.com>

Zona Research provides market research and strategic consulting for the Internet industry. The firm analyzes and interprets industry events and offers recommendations on Web- marketing and business strategies.

Key research reports include: Zona Assessment Papers (ZAP), which are analyst reviews on the evolving trends and technologies that directly impact vertical and horizontal industries. Some company profiles and market shares are covered in these studies; and Zona Market Reports: which are qualitative in-depth reports that combine analysis and primary research (surveys) and address the most significant issues in the Internet industry. Company profiles and market shares are covered in-depth in the Zona Market Reports. Reports are primarily U.S.-focused.

Special Strengths/Expertise:

B2B e-commerce, ASP market, Ubiquitous computing, wireless, broadband and portable Internet access.

Reports on Own Site:

Yes. Reports and prices vary: Zona Assessment Paper (analyst commentary on a certain industry trend): \$49, Zona Market Reports (significant trends and issues in the Internet market, accompanied by primary research): \$895 single user, \$1,395 multi-user edition, \$1,895 enterprisewide distribution

A listing of tables of contents and a list of figures are available for free as well as an abstract on each report. There is also an e-mail alert service, which is free for one month.

Third Party Resellers

InformationWeek.com, MarketResearch.com, RedHerring, TheStandard.com, TechTarget.com, Thomson Financial, Internet.com.

Zona Research
www.zonaresearch.com

Due to the large size of this electronic file, web site screen shots have been omitted.
To view this site, visit the web address above.

Figure 5.9