

REPORT REPRINT

Informatica brings 'CLAIRE-ity' to partner strategy and embedded AI-based functionality

JUNE 12 2019

By Paige Bartley

The CLAIRE AI engine was front and center at Informatica World 2019, demonstrating maturation of capabilities. Announcements largely focused on infusing 'smart' AI-driven functionality into the company's suite of products, as well as expanded and strengthened partnerships to cement Informatica's neutral role in helping enterprises achieve enterprise-wide governance and integration.

THIS REPORT, LICENSED TO INFORMATICA, DEVELOPED AND AS PROVIDED BY 451 RESEARCH, LLC, WAS PUBLISHED AS PART OF OUR SYNDICATED MARKET INSIGHT SUBSCRIPTION SERVICE. IT SHALL BE OWNED IN ITS ENTIRETY BY 451 RESEARCH, LLC. THIS REPORT IS SOLELY INTENDED FOR USE BY THE RECIPIENT AND MAY NOT BE REPRODUCED OR RE-POSTED, IN WHOLE OR IN PART, BY THE RECIPIENT WITHOUT EXPRESS PERMISSION FROM 451 RESEARCH.



Introduction

Informatica World, the company's flagship user conference, has been the public venue for ushering in many significant changes for the vendor, including the company's complete rebranding and strategic overhaul in May 2017 after going private in 2015 to focus on long-term business objectives. The conference has traditionally been the venue for major product announcements and focus on functionality, but this year's event underscored business partnerships more than specific new product features: the ostensible maturation of a revamped partnership strategy that was established shortly prior to the 2017 rebranding.

But one should not be fooled by the relatively few announcements of 'shiny' new capabilities. The CLAIRE AI engine is becoming fully embedded into the entire Informatica suite and is gradually powering increasingly powerful capabilities that drive 'smart' functionality such as next-best-action recommendations and intelligent tagging across products. More than the sum of its parts, it is Informatica's application of AI at the enterprise-wide metadata layer and general product neutrality – e.g., the 'Switzerland of data management' – that sets it apart from other data-governance players that are attempting to put their own spins on AI and ML rooted in their own proprietary repositories.

451 TAKE

The CLAIRE AI engine is hitting its stride and now delivering on the vision and promises originally outlined in 2017. Fully integrated into the suite of Informatica offerings, there is nary a place where AI-driven 'smart' functionality cannot be found. The point is that CLAIRE should not be a discrete product or interface itself, but rather embedded within the entire Informatica suite, driving features such as predictive recommendations and schema inference. Operating on a diverse, enterprise-wide layer of metadata is what gives CLAIRE its omnipotent strength.

Partnerships were at the center stage of the event, underscoring Informatica's stance as a neutral layer for data integration and management, regardless of the chosen cloud provider or other enterprise technology tooling. This neutrality, and ability to maintain it, will continue to be Informatica's strength, particularly for offerings such as the Enterprise Data Catalog (EDC) that depend on leverage of diverse, enterprise-wide data sources. Announcements with AWS, Databricks, Google, Microsoft and Tableau at the event often focused on making access to Informatica's capabilities more 'native' to existing end-user environments, enabling more effective leverage of data by helping users evaluate and find the informational resources they need. Diverse partnerships – playing nice with others – are what will continue to make Informatica highly viable for enterprise-wide data management and governance capabilities.

Context

Informatica has undergone considerable changes over the past four or so years. The dominos began to fall in the spring of 2015 when the firm was taken private in a deal valued at roughly \$5.3bn. The rationale, in part, was to focus on long-term strategic goals that would be difficult to achieve given the pressure to financially perform to the strict tempo of a quarterly cadence. The strategy seems to be paying off. In the time since that deal, Informatica revamped its partner program and sales-incentive structure, successfully shifted to a subscription model, rolled out a number of industry-specific and targeted offerings, and rebranded in 2017 with an accompanying revamp of marketing and messaging that sought to clarify and streamline the stack of products.

REPORT REPRINT

So in this sense, the announcements at the Informatica World 2019 conference were not so much a list of blockbuster new product features but, rather, the natural evolution and maturation of a strategy that was set in motion a few years ago. Yes, CLAIRE was of course front and center at the event: underpinning the intuitive features that now make Informatica's array of products more accessible and useful to the growing audience of data-savvy business users. And multiple partner announcements underscored the importance of neutrality in enterprise-wide information governance efforts given the structure of modern hybrid and multi-cloud architectures.

Though perhaps most known for its data integration heritage, Informatica today focuses on seven core areas of functionality: data integration, big-data management, iPaaS, data quality and governance, master data management (MDM), data catalog, and data security and privacy. The ambition – and increasing ability – to infuse AI-enabled capabilities into all of these, from the enterprise-wide metadata layer up, is Informatica's intended signature.

Partnership announcements

Announcements at the event were largely focused on the use of business partnerships to enable the effective governance and leverage of data across heterogeneous IT environments in a hybrid and multi-cloud era. Given Informatica's strengths in data integration, this strategic logic is very simple: the utility of the company's offerings increase proportionally to the number of data sources they can connect to, and its enterprise-wide metadata layer (which the CLAIRE AI engine operates on) is most useful when it sources information from all existing enterprise repositories.

Key partnership announcements were as follows:

Amazon Web Services and Cognizant

Many organizations are looking to modernize their data warehouse architecture by moving to the cloud, and AWS Redshift is a popular option. However, simply lifting and shifting all on-premises data does not necessarily make sense from either an economic or data management perspective. Informatica and AWS have partnered to offer a free data-migration assessment that uses the Informatica EDC, leveraging CLAIRE AI capabilities, to accelerate the migration of on-premises data into Redshift. An advanced (fee-based) assessment and services via a partnership with Cognizant aim to systematically catalog and understand data assets to forge an optimal migration strategy.

Google

In the multi-cloud era, enterprise organizations look to avoid cloud lock-in and want to have options for where they deploy and manage data virtually. At the conference, Informatica announced an extension in the partnership with Google that expanded connectivity to all Google Cloud Platform (GCP) data stores and introduced new support for Google Cloud Dataproc. Moving forward, the strategic collaboration between the two companies will aim to bring Informatica's enterprise integration platform as a service (iPaaS) to GCP, including the Integration Cloud, MDM Cloud and Governance Cloud.

Databricks, Microsoft and Tableau

The value of a data catalog is proportional to the variety of data sources that it can connect to, ideally facilitating enterprise-wide discovery and leverage of data for end users. But another challenge is making that catalog easily accessible to end users within native applications so that workflows are seamless and uninterrupted by toggling between product interfaces. Building on its existing partnership with Tableau, Informatica's announcement of the Tableau Dashboard Extension brings EDC directly into the Tableau platform interface, helping users find and understand the relevance of data directly in

REPORT REPRINT

the context of Tableau dashboards. Announcements with Databricks and Microsoft bring Informatica EDC metadata scanners to Databricks' open source project Delta Lake and Microsoft Azure Data Lake Storage Gen2, respectively.

In sum, the partnership announcements and accompanying functionality seek to leverage Informatica's AI-driven capabilities, particularly the Enterprise Data Catalog, to evaluate and govern data across an expanding array of enterprise data repositories. A focus on embedded functionality, as with the Tableau integration, looks to make governance an enabler of self-service activities across all enterprise data sources by further facilitating rapid access to relevant and timely data.

Competition

Informatica is best known for its established name in the data integration space, and its most direct competition reflects this. Household names such as IBM also offer data integration capabilities, and Oracle's Fusion Middleware seeks to address similar issues by helping integrate data into the Oracle Autonomous Database offerings while facilitating governance. Hitachi Vantara, Dell Boomi, SAP and Syncsort all have integration capabilities as well. Newer, cloud-centric comers to the market such as Talend have sought to modernize the perceptions of data integration, and have rolled out lightweight tooling – to complement their more complex offerings – to accelerate integration of data for a broader audience of users. SnapLogic, another integration specialist, is also in the running.

The major cloud players all now offer ETL + data catalog options to address some of the most common data integration use cases. AWS, with its Glue offering, pairs ETL with a catalog. Google, at its Next conference earlier this Spring, announced similar functionality with managed ETL via the Cloud Data Fusion project and an accompanying catalog. Microsoft has had ETL and catalog capabilities available for some time. It should be noted that major cloud providers all provide these services with the general purpose of moving data into their own cloud repositories and lack some of the neutrality that Informatica aims to provide.

Independent catalogs compete with Informatica's Enterprise Data Catalog and Axon data governance offerings. The major stand-alone providers are generally considered to be Alation, Collibra and Waterline Data. However, broader data management platforms are also baking in native data catalogs and are using the associated metadata layer to apply AI-driven governance capabilities. Examples include Unifi Software, which focuses on self-service enablement up to the point of export/integration with an analytics or visualization environment and leverages a catalog (among other features) infused with AI functionality. Oracle has announced a data catalog for its ecosystem of offerings, although it is targeted toward more technical users, and data lake management providers such as Zaloni also offer stacks that enable smart surfacing of data across multiple sources.

SWOT Analysis

STRENGTHS

Informatica's strength is its neutrality in integrating and managing data from the increasingly diverse and distributed IT ecosystem of data sources, across on-premises, hybrid and multi-cloud environments. Diverse partnerships bolster this approach, and its AI capabilities feed off of an enterprise-wide metadata layer, giving a holistic perspective of informational assets.

WEAKNESSES

Longevity is a double-edged sword. Despite the company rebranding in 2017, Informatica still struggles with some market perceptions that it must occasionally overcome in the sales cycle. Perceived expense and a perceived lack of seamless integration with its acquired product offerings in prior releases can be a talking point to overcome in early-stage sales discussions. Informatica has made extensive progress integrating its products by virtue of the common metadata layer in newer releases.

OPPORTUNITIES

The CLAIRE AI engine can theoretically feed off an enterprise-wide metadata layer. As more AI functionality is rolled out, customers will have more incentive to connect additional repositories using Informatica, to enrich this metadata layer and improve the performance and utility of the AI. Cross-sell and upsell opportunities abound since CLAIRE's utility in governance increases with the number of data sources and products being used.

THREATS

Practically every data management vendor today, including the major US cloud players, wants to be known as a data catalog provider. This leads to rebranding of basic metadata management capabilities as 'catalogs' and rampant muddying of the market. Informatica's catalog capabilities are built to be enterprise-wide, offering accompanying governance functionality powered by AI, but everyone else is apparently saying the same thing, leading to confusion.