GOODDATA
EMERALDCUBE SOLUTIONS

ANALYST
Barbara Z. Peck

THE BOTTOM LINE

EmeraldCube deployed GoodData to provide business intelligence (BI) services to its customers through a white-labeled solution, EmeraldVision. The company chose GoodData over a self-built solution, saving an expensive investment in capital and personnel, as well as two years' worth of work. Within three months, EmeraldCube was able to offer its customers a cost-effective BI solution that readily delivers visibility into business operations and automates manual processes. As a result, EmeraldCube has increased its revenue, improved customer satisfaction, and avoided infrastructure costs and hiring additional staff necessary to support a self-built system.

ROI: **1273%**
Payback: **less than 1 month**
Average annual benefit: **$433,188**

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THE COMPANY

EmeraldCube Solutions provides services and solutions for Oracle's JD Edwards enterprise resource planning (ERP) application. The company was founded in 2013 and is headquartered in Alpharetta, GA. Within its managed services and project services offerings, the company offers support for the JD Edwards application, development support, Oracle BI support, and support for upgrades and migrations. EmeraldCube also provides proprietary third-party solutions for JD Edwards, including solutions for system monitoring, encryption, and fraud detection. The

company's most robust proprietary solutions include EmeraldCloud, a managed cloud for JD Edwards through Amazon Web Services (AWS), and EmeraldVision, a BI solution for JD Edwards through GoodData.

THE CHALLENGE

EmeraldCube wanted to provide its users with an embedded BI solution that was affordable, usable, scalable, fast to deploy, and quick to deliver visibility into business operations and automate manual processes. The company knew that an on-premise solution would be costly to its customers – in terms of capital investment, personnel, time to build, and management costs – and that it would not deliver significant returns to EmeraldCube itself. The company also realized that cloud offerings are the logical option for the analytics industry and that, at the time, there were no cloud BI solutions in the JD Edwards space. Therefore, it wanted to develop a way to offer a software as a service (SaaS), cloud-based solution to its customers.

Cost : Benefit Ratio | **1 : 2.2**

At first, EmeraldCube considered building its own BI solution. However, the company found that it would have taken two years, four employees, and an enormous investment to build its own solution. As a result, the company started looking for cloud-based BI solutions.

THE STRATEGY

The company considered several cloud-based BI solutions including Tableau, Domo, and OpenText Actuate. Ultimately, the company chose GoodData for four main reasons:

▪ End-to-end solution. EmeraldCube did not want to have to put together a piecemeal solution. GoodData offers an end-to-end solution that can support the entire data pipeline from data ingestion to insights delivery, including data warehousing and data extract-transfer-load (ETL).

▪ Embedded analytics. EmeraldCube wanted to provide its customers with an intuitive, scalable, and actionable BI solution that would readily deliver insights that increase the visibility into company operations and automate business

processes. GoodData's embedded analytics do this by providing users with actionable insights at the point of work.

- Subscription model. EmeraldCube wanted to provide its customers with analytics through simple deployment and a convenient subscription model. With GoodData, EmeraldCube customers get a cloud-based BI without any capital investment. The deployment is fast and easy, and customers pay through a monthly subscription fee.

- Continuous platform improvement. EmeraldCube did not want to have to deal with time-consuming and disruptive platform upgrades. Instead of upgrades, GoodData offers a continuous improvement model, where the platform is enhanced every 2 to 3 weeks. These enhancements are not disruptive and are included in the subscription price of GoodData.

TYPES OF BENEFITS

Direct 59% | 41% Indirect

EmeraldCube started its deployment of GoodData in March 2013. Two employees worked part-time for three months to complete the deployment of EmeraldVision, EmeraldCube's white-labeled GoodData solution. Today, EmeraldVision is supported by the part-time work of two employees. The company has a solid base of customers on EmeraldVision, and it continues to add more customers on a regular basis.

KEY BENEFIT AREAS

Deploying GoodData through EmeraldVision helped EmeraldCube increase revenue, avoid the significant costs of a self-built solution, increase customer satisfaction, and improve its customer to employee ratio. Key benefits of the project included:

- Increased revenue. All EmeraldVision customers are net new business for the company. Because the implementation cost and total cost of ownership (TCO) of GoodData is low, there is a fast time to value for customers. For the company, there is a high margin on the recurring revenue that comes in from its customers' subscriptions to EmeraldVision.

- Avoided costs of a self-build. By deciding to buy and white label GoodData rather than building a solution itself, EmeraldCube avoided the significant costs and time investment of a self-build. A self-built project would have taken two years, and the costs would have included a significant upfront investment as well as the costs for 4 developers and 1 data architect to build the solution and support it on an ongoing basis.

CUMULATIVE NET BENEFIT
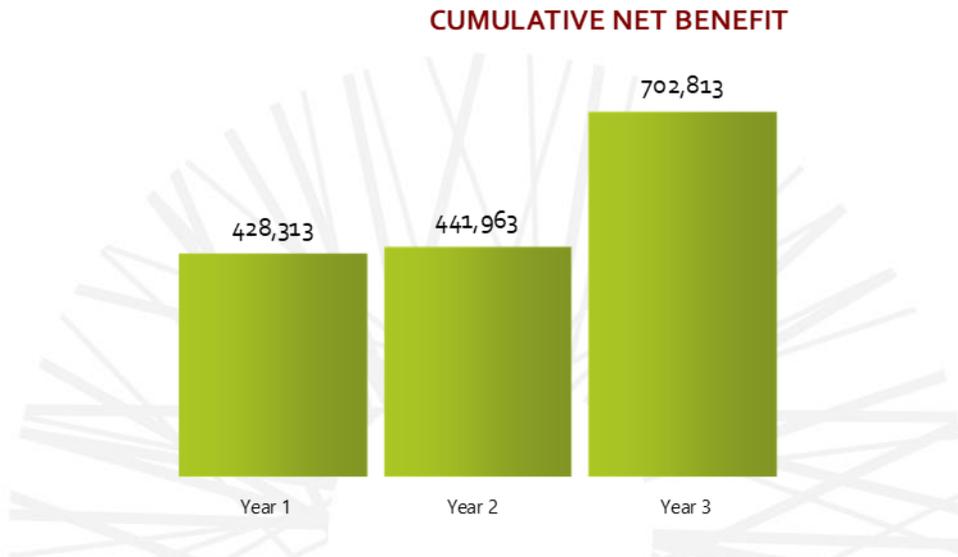
- Increased customer satisfaction. There has been a zero percent churn rate of all EmeraldVision customers. End users get insights delivered in an average of one minute, while competing solutions can take as long as 10 minutes. Customers benefit from the low implementation time for EmeraldVision – deployment can take anywhere from a few days to a month – and the fact that it is an end-to-end solution that requires minimal support. Customer success stories include one customer who has saved significant amounts of time by automating a manual sales lead follow-up process, and one manufacturing customer who has increased company performance by producing on-demand branch reports and regularly assessing performance relative to quarterly goals.

- Improved customer to employee ratio. Because EmeraldVision is SaaS-based, it typically only requires the support of one employee per deployment. As a result, the company is better able to offer fast, individualized support to its customers. This has enabled the company's employees to support more customers and to focus their time on other high-value aspects of their work.

KEY COST AREAS

Costs of the project included monthly software subscription fees and initial and ongoing personnel time to deploy and support the application.

NET CASH FLOWS

	447,213		
			260,850
		13,650	
(18,900)			
Initial	Year 1	Year 2	Year 3
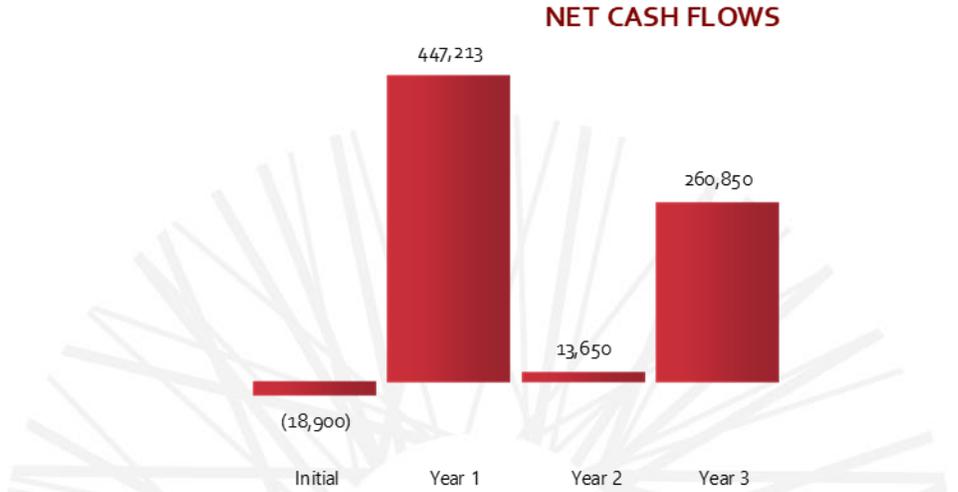
LESSONS LEARNED

Deploying EmeraldVision as a white-labeled version of GoodData allowed EmeraldCube to revolutionize its go-to-market BI strategy. With GoodData, EmeraldCube was able to deploy BI to its customers quickly and cost-effectively through EmeraldVision. In turn, its customers benefit from a low TCO and the ability to access insights quickly to improve company performance.

CALCULATING THE ROI

Nucleus quantified the initial and ongoing costs of software subscription fees and initial and ongoing personnel costs to quantify EmeraldCube's total investment in GoodData. The company did not start paying subscription fees until it went live, and in the third year it got a discount on subscription fees.

Direct benefits quantified included the revenue from EmeraldVision customers. Indirect benefits quantified included the avoided costs from the self-build that EmeraldCube considered before deploying GoodData.

FINANCIAL ANALYSIS
EmeraldCube Solutions

Annual ROI: 1273%
Payback period: 0.0 years

BENEFITS	Pre-start	Year 1	Year 2	Year 3
Direct	0	48,000	240,000	480,000
Indirect	0	531,563	0	0
Total per period	0	579,563	240,000	480,000

COSTS - CAPITALIZED ASSETS	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
Total per period	0	0	0	0

COSTS - DEPRECIATION SCHEDULE	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
Total per period	0	0	0	0

COSTS - EXPENSED	Pre-start	Year 1	Year 2	Year 3
Software	0	50,000	144,000	136,800
Hardware	0	0	0	0
Consulting	0	0	0	0
Personnel	18,900	82,350	82,350	82,350
Training	0	0	0	0
Other	0	0	0	0
Total per period	18,900	132,350	226,350	219,150

FINANCIAL ANALYSIS	Results	Year 1	Year 2	Year 3
All government taxes	45%			
Cost of capital	7.0%			
Net cash flow before taxes	(18,900)	447,213	13,650	260,850
Net cash flow after taxes	(10,395)	245,967	7,508	143,468
Annual ROI - direct and indirect benefits				**1273%**
Annual ROI - direct benefits only				335%
Net Present Value (NPV)				343,150
Payback period				**0.0 years**
Average Annual Cost of Ownership				198,917
3-Year IRR				2272%

All calculations are based on Nucleus Research's independent analysis of the expected costs and benefits associated with the solution.

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