



Netezza Gains Momentum in Retail

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Data warehouse appliance vendor **Netezza** is earning its stripes in the retail sector against larger competitors by going public with case studies like its work with high-end retailer **Neiman Marcus**.

Neiman Marcus was having performance problems when it came to generating reports on sales and marketing trends and customer data analysis. Using Netezza's Performance Server system, the retailer sped up performance 100 to 140 times when generating reports from a half-terabyte Netezza database than it was with a traditional relational database.

Based on these results, Neiman Marcus then moved its crown jewels—merchandising analytics—to Netezza, resulting in significantly better performance and essential cost savings from turning off an existing reporting instance supported by another data warehousing vendor.

Regardless of any cost reduction story, speed and reliability from systems like Netezza's are critical for adoption; merchandisers need to know that when they hit the system on Monday morning for their weekend results, the data warehouse will deliver.

Currently, Netezza has 90 customers in multiple industries, and reports that its retail and government businesses are growing rapidly. Other clients include companies in the financial services, telecommunications, and e-business sectors. And while consumer products manufacturing is not a high-growth market for the company today, Netezza is getting traction with the data syndicators, such as **Catalina Marketing**, which deal heavily with manufacturers and retailers. The intense data processing demands of companies in these sectors will be a great opportunity for Netezza to showcase scalability and reliability in large scale operating environments.

Netezza is well positioned to take advantage of retailers' rapidly increasing interest in business intelligence and demand forecasting, and its lower costs (from the use of commodity hardware and heavily modified open source database software) appeal in an industry with tight IT budgets (see "Retail Industry IT Spending Profile, 2005-2006: Retailers Continue Technology Spending on Demand Intelligence, Store Execution, and Improved Usability").

High profile wins with companies such as Neiman Marcus raise the profile of the company, and reassure retailers waiting for success stories before testing the waters with this young but intriguing data warehousing vendor. For more information see "Netezza Builds Momentum in Retail: An Intriguing Approach to Data Warehousing").