

MARKET NOTE

Qlik Closes the Acquisition of Talend – Expands Coverage of Client's Enterprise Intelligence Requirements

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EXECUTIVE SNAPSHOT

FIGURE 1

Executive Snapshot: The Impact of Qlik Closing Talend Acquisition

Most organizations invest in discrete data analysis technologies. A few organizations do so guided by an enterprise intelligence strategy and corresponding technology architecture. Technology enabling enterprise intelligence is conceptualized as having four planes: data, data control, data analysis, and decisioning. Qlik's acquisition of Talend on May 16, 2023, deepens and broadens Qlik's data integration and intelligence capabilities and expands the company's presence across the data control and data analysis planes of the enterprise intelligence architecture. As further integration among Qlik's products proceeds, the company is well positioned to address clients' need to derive more value from data.

Key Takeaways

- Concerns have been raised that the acquisition of Talend, another data integration and intelligence vendor, means that Qlik is losing its focus on data analytics. We believe the opposite is true because control of data and the subsequent trust in data it enables are foundational to effective analytics investments.
- Qlik demonstrated integration of Talend products into a data and analytics demo during the product keynote at QlikWorld 2023, but differences between products were evident because the acquisition had not yet closed. While demonstrating that the two product portfolios work well together, Qlik has work ahead to reconcile similarities across the combined portfolio and bring a truly integrated solution to the market.
- This acquisition gives Qlik capabilities in the data control and data analysis planes of IDC's enterprise intelligence architecture and provides more opportunities for Qlik to expand into the decisioning plane.

Source: IDC, 2023

IN THIS MARKET NOTE

This IDC Market Note provides IDC analysts' interpretation of the May 16, 2023, Qlik announcement of the close of its acquisition of Talend, which was first announced about five months ago. The vendor's announcement and its impact are assessed in the context of the latest IDC market research and IDC's conceptual enterprise intelligence architecture. Despite both companies being backed by the private equity firm, Thoma Bravo, the acquisition took longer than expected to close due to delays in receiving regulatory approvals by authorities in France, where Talend is headquartered.

Qlik had hoped to make a big splash about the announcement at its 2023 user conference, QlikWorld, held in Las Vegas in April 2023. Instead of being part of the same company during the event, Talend was referred to as a valuable partner. Strategic directions discussed by Qlik CEO Mike Capone during the keynote on day 1 of the conference referred to the value of putting data integration and quality together with analytics, noting, at the time, that the deal was still in the process of clearing regulatory approvals. Demos of Qlik technologies working with Talend technologies were shown in the product keynote on day 2 of the conference. Talend also had a very prominent presence in the show's exposition hall.

IDC'S POINT OF VIEW

Most organizations invest in discrete technologies for data processing. A few organizations do so, guided by an enterprise intelligence strategy. The enterprise intelligence strategy defines four critical organizational capabilities and the relationship among them: information synthesis, insights delivery at scale, collective learning, and data culture.

Many organizations focus on one or two of these capabilities by building discrete data lakehouses, investing in machine learning, exploring generative AI, conducting data literacy training, deploying dashboards, and implementing data governance policies. Few organizations have a comprehensive view that enables execution of the enterprise intelligence strategy with the corresponding architecture.

In the face of growing complexity across data, analytics, AI, and decision-making vectors, an enterprise intelligence architecture becomes a guide to greater utilization of data for productive purposes, including greater decision velocity that drives differentiation in the digital era. IDC's Future of Enterprise Intelligence research has found that organizations with greater intelligence have 3x-4x better business outcomes than their counterparts with nascent enterprise intelligence. Failure to embrace a unified enterprise intelligence strategy and the enabling architecture results in some of the issues highlighted in IDC's *Data Valuation Survey*. The issues are:

- **Data decay:** 75% of decision makers say that data loses its value within days.
- **Data waste:** 33% of executives say they often don't get around to using data they receive.
- **Data disconnect:** 61% of executives say data complexity has increased compared with the past year.

IDC Enterprise Intelligence Conceptual Architecture

Technology enabling enterprise intelligence is conceptualized as having four planes, as shown in Figure 2, and discussed in *Four Planes of Enterprise Intelligence Architecture: A Conceptual View into the Data Plane, Data Control Plane, Data Analysis Plane, and Decisioning Plane* (IDC #US50793023, forthcoming).

FIGURE 2

The Four Planes of the Enterprise Intelligence Architecture



- Enterprise intelligence architecture is a conceptual representation of attributes, technologies, and functionality that enable the organization to execute its enterprise intelligence strategy.
- Each plane is aligned with personas who must collaborate to achieve common goals rather than only optimize for peak performance within their plane. For example, DBAs and data architects operate in the data plane, data engineers and data stewards in the data control plane, data scientists and data analysts in the data analysis plane, and planners, business decision makers, and even automated decisioning systems in the decisioning plane.
- Enterprises should evaluate components of the enterprise intelligence architecture that are missing or inadequate. Neither does any single vendor have all components of the enterprise intelligence architecture nor does it mean that organizations must have a single platform for all the listed technologies.

Source: IDC, 2023

The data plane organizes the realities of modern data environments into three primary categories: highly distributed, diverse, and dynamic data. The data control plane leverages intelligence about data to take control of modern data environments through governance and engineering. The data analysis plane helps organizations explore, explain, and envision data and insights. The decisioning plane has capabilities that enable decision design, engineering, and orchestration.

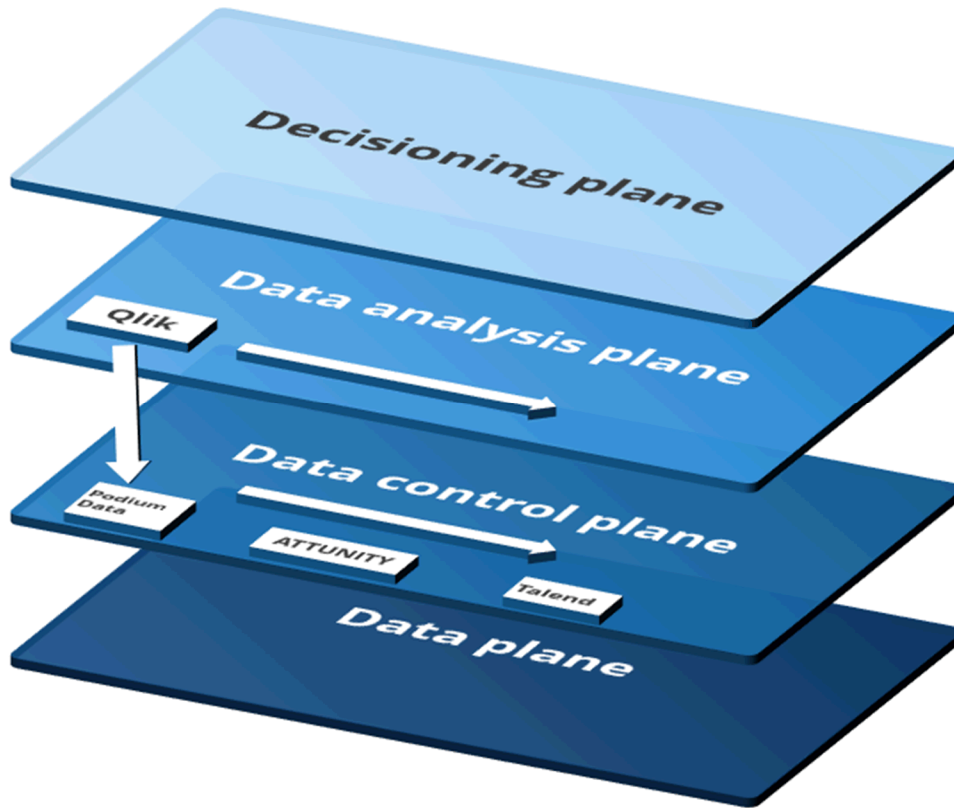
Each plane comprises technologies that are primarily used by different personas. For example, DBAs operate in the data plane, data engineers and data stewards in the data control plane, data scientists and data analysts in the data analysis plane, and the decisioning plane is used by all staff, managers, and executives.

Qlik was founded as a software company to address organizations' needs in the data analysis plane. Over the years, it has expanded its data analysis capabilities to add location analytics, machine learning, and elements of AI. The latest acquisition of Talend follows Qlik's prior acquisitions of Podium Data and Attunity in the data control plane. Thus Qlik has been expanding its presence across the enterprise intelligence architecture both within the data analysis plane and, over the years, has expanded into the data control plane (see Figure 3).

While movement across planes and expansion within them are accomplished with internal R&D and acquisitions, skipping a plane (e.g., moving from the data plane to the decisioning plane or from the data analysis plane to the data plane) is difficult and rarely successful. A few successful cases do exist, but they usually take longer than expected to produce a return on investment for the vendor. Qlik's expansion strategy highlights the company's intentional approach to addressing client requirements in adjacent functionalities.

FIGURE 3

Qlik and Its Acquisitions in the Four Planes of the Enterprise Intelligence Architecture



Source: IDC, 2023

The combined company now has a more comprehensive offering across the data control and data analysis planes while being agnostic to data technologies in the data plane and opening opportunities to expand into the decisioning plane. In the short term, Qlik will need to ensure that all its portfolio products are integrated in a way that minimizes the overhead of technology silos.

During a demo in the QlikWorld 2023 product keynote, we already saw integration of Talend and Qlik technologies, as well as a preview of Qlik's investments in integrating generative AI with the company's other products – demonstrating how this emerging capability can improve data engineer and data analyst productivity and enhance the analytic workflows.

At the event, there was discussion and questions being asked of the Qlik executives about the company's commitment to analytics, considering the acquisition of Talend. We agree with Qlik management's view that the now-closed acquisition of Talend is increasing Qlik's focus on analytics.

If analytics are being used to drive decisions, by humans or machines, there needs to be a high level of trust in the data being used. The Talend acquisition deepens Qlik's capabilities in data integration, quality, and intelligence, to take control of highly distributed, diverse, and dynamic data, and adds Talend's TrustScore to the portfolio so that the best data can be selected by data engineers and

analysts. The criticality of the data control plane to the success of overall enterprise intelligence efforts can't be overstated because it sets up and enforces the organization and management of constructs that govern the data plane and delivers useful data to the data analysis plane. Without well-governed and trustworthy data, the data analysis and decisioning plane investments will unlikely produce desired returns. Qlik is now better positioned to also expand into the decisioning plane.

One of the themes at QlikWorld 2023 was "thrill of certainty," a slogan that showed up on the big screen before each main stage session. Qlik is celebrating its 30th anniversary this year, which is quite an accomplishment as many business intelligence companies have come and gone throughout that same time. Qlik is continuing to innovate, which in the immediate future will also include integration of the Talend company, culture, and technologies built on a solid foundation of experience. This is where the thrill of certainty is evident: innovations coming from a company with a trusted track record. If Qlik can execute on the vision of enterprise intelligence and overcome integration challenges, it will continue to produce value for its clients.

LEARN MORE

Related Research

- *A Case for Decision Intelligence: From "What Data Is Needed" to "What Decisions Need to Be Made"* (IDC #US50788523, forthcoming)
- *Four Planes of Enterprise Intelligence Architecture: A Conceptual View into the Data Plane, Data Control Plane, Data Analysis Plane, and Decisioning Plane* (IDC #US50793023, forthcoming)
- *Worldwide Business Intelligence and Analytics Software Market Shares, 2022: AI/ML Fuels Growth of Analytics Market Despite Economic Challenges* (IDC #US49497323, June 2023)
- *Worldwide Data Integration and Intelligence Software Market Shares, 2022: Controlling Data Amid Uncertainty* (IDC #US49493423, May 2023)
- *Worldwide IDC Global DataSphere Forecast, 2023-2027: It's a Distributed, Diverse, and Dynamic (3D) DataSphere* (IDC #US50554523, April 2023)
- *Enterprise Intelligence: Digital Differentiation with Decision Velocity* (IDC #DR2023_GS6_DV, March 2023)
- *IDC Market Glance: Data Control Plane, 1Q23* (IDC #US50088023, January 2023)

Synopsis

This IDC Market Note provides a perspective on the recent close of the Talend acquisition by Qlik. It positions the close in the context of how IDC is seeing an enterprise intelligence architecture emerging, which brings data and data control to disciplines of data analysis and decisioning.

"Our relationship with data is changing as we are entering into a new era of intelligent automation, and organizations are looking to improve information synthesis and delivery of insights at scale, enable collective learning, and improve data culture to increase enterprise intelligence," said Stewart Bond, vice president, Data Intelligence and Integration Software research at IDC. "Enterprise intelligence architecture is an approach that organizations can leverage to take control of data, from capture and collection through to analytics and decisioning, and Qlik's recent acquisition of Talend expands the company's coverage of client's enterprise intelligence requirements."

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