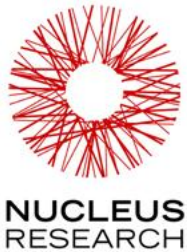**RESEARCH NOTE**

ADAPTIVE INSIGHTS VERSUS ORACLE HYPERION

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THE BOTTOM LINE

As companies consider their corporate performance management (CPM) strategies, they now have both on-premise and cloud options. To understand the decision process of customers choosing the Adaptive Suite, a cloud CPM application, over Oracle Hyperion, a long-time player in the on-premise CPM space, Nucleus interviewed Adaptive Insights customers about their experiences. We found that, in addition to the inherent benefits of a cloud application, customers also cited usability and cost as competitive differentiators.

As more and more cloud-based analytics and corporate performance management (CPM) vendors emerge, most existing on-premise vendors have rushed to jump on the cloud bandwagon as well, rebranding their on-premise applications as cloud solutions. Although some have significantly rearchitected their products to deliver clear cloud solutions and benefits, others have not. To understand how customers are navigating CPM decisions in an increasingly complex marketplace, Nucleus analyzed the experiences of customers of a leading cloud CPM vendor, Adaptive Insights, to understand how they viewed Oracle Hyperion and why they ultimately chose the Adaptive Suite over Hyperion.

THE CLOUD CPM ADVANTAGE

In speaking with Adaptive Insights' customers, Nucleus found that the advantages of cloud, including greater lower cost, flexibility, accessibility, scalability, and more seamless upgrades over time, were an important factor in their decision process.

TOTAL COST OF OWNERSHIP

Nucleus found the Adaptive Suite had lower upfront costs than its on-premise competitor. As a cloud-based solution, Adaptive Planning offers a subscription pricing model that customers reported was less expensive than Hyperion's license software because the initial costs for Hyperion are higher and the maintenance of an on-premise solution is often more costly than a cloud-based solution. Reflecting this, a customer found that Adaptive came *"in at essentially 10 percent of the total cost of on-premise solutions when you factor in hardware, IT, license, and support costs."*

FLEXIBILITY

Customers also found that Adaptive gave them more flexibility to make changes to the application as their business needs changed over time, and also enabled them to take advantage of a more rapid upgrade cycle. Customers said that, for cloud solutions such as the Adaptive Suite, upgrades usually occur every couple of months and are implemented with minimal disruption to a company's activities. Conversely, they said that on-premise solutions usually offer upgrades once a year and that they are expensive and time consuming. As a result, companies with on-premise solutions generally avoid upgrades when they can, and are often several versions behind the current generation, meaning they're not fully taking advantage of new capabilities in upgrades that may deliver greater value.

Customers also said that they are becoming more tech savvy and wanted an application that they could support themselves, rather than relying on an often-temperamental IT department. All of the Adaptive customers interviewed stated that a factor in choosing Adaptive Insights was to avoid dependence on their IT departments. One Adaptive Insights customer indicated that because it could configure the application itself and didn't need IT involvement, "*Implementation was easy. It was completed in 10 weeks and only involved one hour of training.*"

AUTOMATION

Many customers noted that Adaptive's approach automated steps in analysis that required manual manipulations or workarounds in their previous on-premise CPM applications. In fact, one customer said that "*the system makes it easier to get a good gauge on historicals and you don't have to spend much time on prep work.*" In contrast, customers felt that Hyperion, even in its most modern form, required significant manual steps to configure the application to perform automated calculations and data manipulations, slowing time to value and increasing the burden for end users.

THE IMPORTANCE OF USABILITY

There are always tradeoffs between usability and functionality; as a solution has more features and functions it is inherently more difficult to learn and use. However, customers who compared Hyperion to the Adaptive Suite said that although Hyperion had advanced functionality, its relatively low usability was a barrier to effective use and adoption. One customer said, "*Using spreadsheets to manage file links, maintain formula integrity, generate reports, and track changes became too big of a chore for our business.*"

In contrast, customers didn't perceive a tradeoff in usability with the Adaptive Suite, despite a relatively high level of functionality. The solution's data visualization helps employees to more easily analyze data so that they are able to get "*insight at the point of decision,*" as one customer said. Another customer said, "*Instead of having to hire more people to regurgitate data, our employees are able to spend time analyzing and can deliver*

a higher product internally." Customers simply found Adaptive's modern cloud interface both powerful and easier to use.

CONCLUSION

For Adaptive Insights customers, there was little perceived difference today between the functional capabilities of its cloud CPM solution and Hyperion, and perceived differences in cost and usability between the two applications were main decision factors in their selection. In fairness to Oracle, it has moved to deliver Hyperion as both a cloud and on-premise application. However, customers were not convinced that the new version of Hyperion offered comparable benefits in flexibility and freedom from IT.

As more and more cloud vendors such as Adaptive Insights challenge the position of traditional on-premise CPM vendors that are more expensive and time consuming to deploy, their growing customer bases enable them to invest in functionality advances. Because cloud solutions have lower initial and ongoing costs, greater flexibility and accessibility, and – in general – a more modern user interface, they will likely continue to win on usability as they continue to make functionality enhancements.