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QUARK

Zoho Advances Its Value-Leading Analytics and Business Intelligence Platform

Zoho Analytics 6.0 brings AI-infused upgrades to data management, natural-language interaction, and data science capabilities—all at superlow prices



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Produced exclusively for Constellation Research clients

Zoho is not just a cost-competitive disrupter in the CRM, personal productivity, and collaboration spaces; since 2009 the company also has been steadily gaining market share in the business intelligence (BI) and analytics arena. Zoho Analytics 6.0, the latest upgrade of the vendor's BI and analytics platform, announced on September 12, ups the ante by adding advanced artificial intelligence (AI)-powered capabilities for data management, natural-language (NL) interaction, and data science. Although some of the tools are aimed at data professionals, they're integrated with a platform that brings the power of insight, prediction, and action back to ordinary business users.

There's no doubt that competitive pricing has a lot to do with Zoho Analytics' adoption by more than 17,000 organizations and three million users. What buyer would not at least consider a BI and analytics platform with all-inclusive pricing that comes in at less than \$10 per user per month (based on the annual pricing of Zoho Analytics Enterprise)? That does not mean that customers must sacrifice much when it comes to functionality. Zoho keeps pace with state-of-the-industry features, as exemplified by the three Zoho Analytics 6.0 upgrade themes detailed below.

GOING DEEPER ON DATA INTEGRATION AND DATA MANAGEMENT

To recap some of the basics of Zoho Analytics, the platform is most often purchased as a multitenant software-as-a-service (SaaS) offering that runs on Zoho Cloud, which operates 16 data centers around the globe, with redundant data centers in North America, Europe, India, China, Japan, Saudi Arabia, and Australia. Zoho Cloud has stringent transparent privacy policies and meets compliance requirements in multiple countries and jurisdictions (including the California Consumer Privacy Act in the U.S. and the General Data Protection Regulation in Europe).

Zoho Analytics is also available as a server-based offering deployable through the Amazon Web Services (AWS) and Azure marketplaces or by customers themselves on other public clouds or on private clouds.

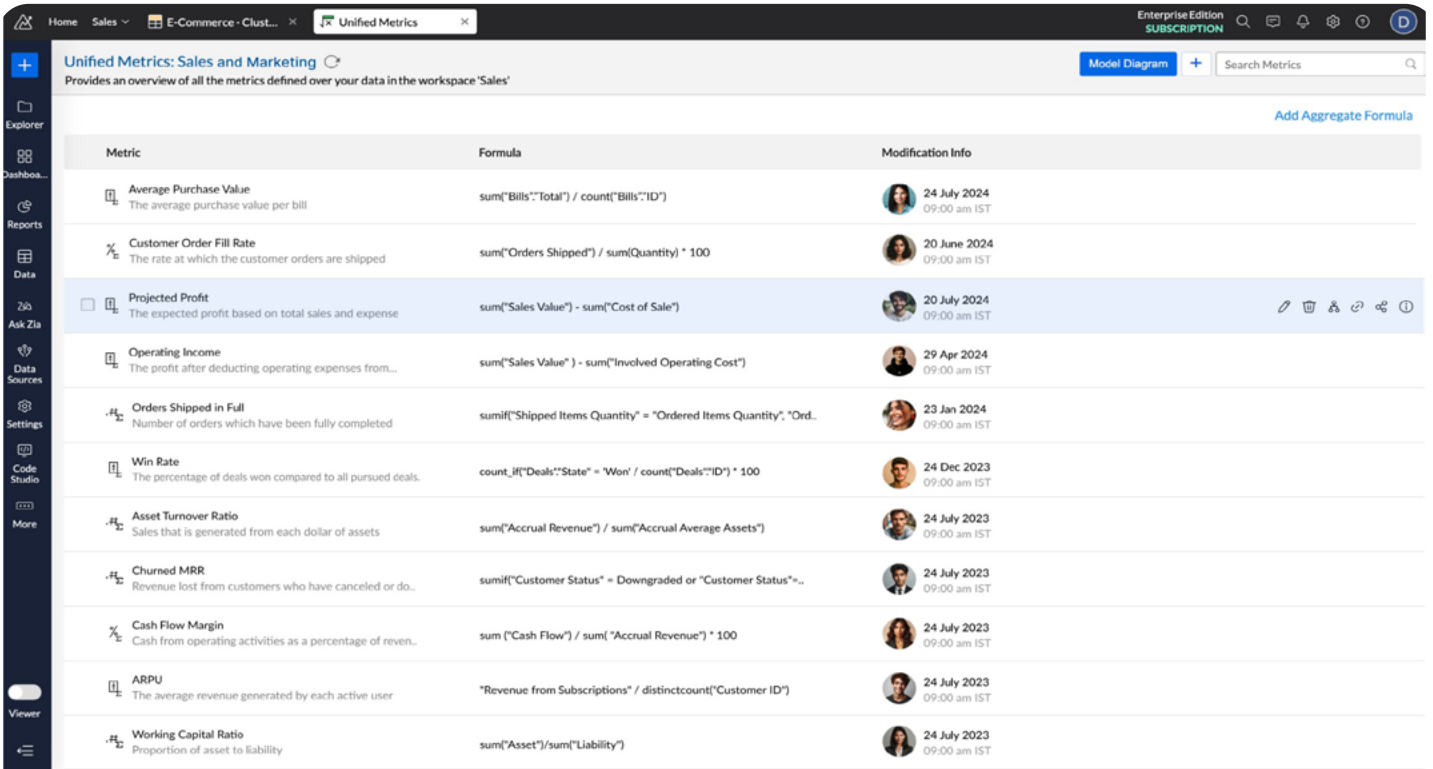
Where data integration and data management are concerned, Zoho Analytics offers out-of-the-box connections with more than 500 data sources, including cloud and on-premises databases, popular

productivity tools and business applications, files, feeds, and spreadsheets. Zoho DataPrep, included with Zoho Analytics Enterprise, supports automated data modeling and blending, smart (augmented) data cleansing, no-code data transformation, data enrichment, and data cataloging.

Zoho Analytics 6.0 enhances the platform’s data integration and data management capabilities by offering the following:

- **New data connectors, including streaming options.** The pace of business is always accelerating, so Zoho has added prebuilt connectors for popular streaming sources Google Cloud Pub/Sub, Kafka, and the PubNub platform for real-time applications. Among the 25 other new connectors added in version 6.0 are app integrations with Oracle NetSuite, Expensify, and Monday.com in addition to data source integrations with Databricks, Google Cloud Storage, Neo4J, and Yellowbrick.

Figure 1. Zoho Analytics 6.0 upgrades include new data modeling capabilities and a metrics store (shown here) that help ensure consistency and promote reuse of approved metrics and measures



Metric	Formula	Modification Info
Average Purchase Value The average purchase value per bill	$\text{sum}(\text{"Bills"."Total"}) / \text{count}(\text{"Bills"."ID"})$	24 July 2024 09:00 am IST
Customer Order Fill Rate The rate at which the customer orders are shipped	$\text{sum}(\text{"Orders Shipped"}) / \text{sum}(\text{"Quantity"}) * 100$	20 June 2024 09:00 am IST
Projected Profit The expected profit based on total sales and expense	$\text{sum}(\text{"Sales Value"}) - \text{sum}(\text{"Cost of Sale"})$	20 July 2024 09:00 am IST
Operating Income The profit after deducting operating expenses from...	$\text{sum}(\text{"Sales Value"}) - \text{sum}(\text{"Involved Operating Cost"})$	29 Apr 2024 09:00 am IST
Orders Shipped in Full Number of orders which have been fully completed	$\text{sum}(\text{"Shipped Items Quantity"} = \text{"Ordered Items Quantity"}, \text{"Ord..."})$	23 Jan 2024 09:00 am IST
Win Rate The percentage of deals won compared to all pursued deals.	$\text{count_if}(\text{"Deals"."State"} = \text{"Won"} / \text{count}(\text{"Deals"."ID"}) * 100$	24 Dec 2023 09:00 am IST
Asset Turnover Ratio Sales that is generated from each dollar of assets	$\text{sum}(\text{"Accrual Revenue"}) / \text{sum}(\text{"Accrual Average Assets"})$	24 July 2023 09:00 am IST
Churned MRR Revenue lost from customers who have canceled or do...	$\text{sum}(\text{"Customer Status"} = \text{"Downgraded or "Customer Status"} = \text{"..."})$	24 July 2023 09:00 am IST
Cash Flow Margin Cash from operating activities as a percentage of reven...	$\text{sum}(\text{"Cash Flow"}) / \text{sum}(\text{"Accrual Revenue"}) * 100$	24 July 2023 09:00 am IST
ARPU The average revenue generated by each active user	$\text{"Revenue from Subscriptions"} / \text{distinctcount}(\text{"Customer ID"})$	24 July 2023 09:00 am IST
Working Capital Ratio Proportion of asset to liability	$\text{sum}(\text{"Asset"}) / \text{sum}(\text{"Liability"})$	24 July 2023 09:00 am IST

Source: Zoho

- **Ask Zia NL assistance within Zoho DataPrep.** In the 6.0 release, Ask Zia, Zoho's NL copilot, has been added to Zoho DataPrep. Users can now simply ask it to "remove duplicates" or "join two datasets," for example, to clean up or enrich data.
- **New metrics layer.** Semantic modeling capabilities help ensure data consistency, reliability, and reusability, so Zoho is stepping up on this front in Zoho Analytics 6.0 by adding data modeling capabilities, a metrics store, and deeper access control capabilities. The upgrade will make it easier to provide and secure consistent data and to standardize and reuse key performance measures.
- **Zoho Flow integration.** The vendor has integrated Zoho Data Prep with Zoho Flow, the vendor's lightweight workflow engine, providing an (extra-cost) option to meet more sophisticated data pipelining and data orchestration requirements.

INFUSING AI ACROSS THE PLATFORM

Generative AI (GenAI) continues to grab lots of attention, but it's not the only form of AI that's driving innovation. Zoho is infusing a variety of AI capabilities into Zoho Analytics to speed analysis and derive deeper insights:

- **Zia Insights gets diagnostic.** Zia Insights is an existing AI/machine language (ML)-powered automated insights feature that helps users spot variances, outliers, and trends; do comparative analysis; and get top insights through NL explanations. In the 6.0 release, Zia Insights gains diagnostic capabilities for root-cause analysis. This helps answer the "why" questions, explaining with short NL narratives the key drivers behind changes in any measure or key performance indicator (KPI).
- **Ask Zia adds actions, languages, and integrations.** As of the 6.0 release, Ask Zia can handle complex calculations and trigger actions. For example, you can use Ask Zia to create a new calculated field, generate a new report containing that field, and then send a PDF copy of the resulting report to specific users or groups. Ask Zia is also now multilingual, understanding and generating French and Spanish as well as English. Finally, the Ask Zia bot can now be integrated

with collaboration/messaging platforms such as Microsoft Teams, bringing NL analysis capabilities outside of the context of reports and dashboards.

- **Auto Analysis generates high-value reports and dashboards.** Now that Zoho Analytics has a metrics layer, the platform's augmented Auto Analysis feature has been enhanced to automatically generate metrics, reports, and dashboards. With the click of a button, Auto Analysis can generate dashboards focusing on, for example, sales analysis, net revenue analysis, ad spend, or sales versus net spend. In case the results don't quite fit the needs of the organization, customization features are available for tweaking the automated output.
- **OpenAI integration is enhanced.** Zoho Analytics' bring-your-own-key (BYOK) integration with OpenAI has been enhanced to provide contextual assistance for SQL query creation, metrics generation, and data enrichment using public datasets. The integration also now supports retrieval-augmented generation (RAG) against customer data without data sharing. To ensure security and privacy, only underlying metadata is shared with OpenAI.

SUPPORTING DATA SCIENCE AND MACHINE LEARNING

Many organizations want to go beyond descriptive and diagnostic analytics—rearview analysis of what happened and why. They want to graduate to predictive and prescriptive analytics—gaining insight into what will happen and what should be done about it. Given this interest, many BI and analytics vendors are moving into the predictive domain.

In the 6.0 release, Zoho is adding a new DSML Studio supporting—you guessed it—data science and machine learning. DSML Studio is aimed at data scientists, data engineers, and savvy data analysts, but once their data transformation and modeling work is done, the resulting predictive results can be shared with the broad base of ordinary business users through reports, dashboards, key metrics, and so on. Salespeople, for example, could be exposed to leads predicted to be most likely to convert, and service agents could see if a customer they are busy supporting is likely to churn.

- **AutoML.** DSML Studio's AutoML feature draws from an assortment of prebuilt algorithms—XGBoost, decision tree, random forest, adaptive boost, linear regression and so on—and automates

Figure 2. Zoho Analytics' new DSML Studio and its AutoML feature help customers go beyond descriptive and diagnostic analytics and move into the predictive realm

AutoML

Create ML models with No-code assistant, making machine learning more accessible.

- Automated ML model building
- Feature engineering, hyperparameter tuning, and comprehensive model analysis
- Train, Test, Compare, Deploy and Manage Models

Source: Zoho

feature selection, model selection, and hyperparameter tuning based on the selected data and type of prediction desired. The feature also supports testing, deployment, and management of resulting models.

- **Code Studio.** Aimed more squarely at data scientists, DSML Studio's Code Studio component is an integrated Python environment for custom model development.

CONSTELLATION'S ANALYSIS

There's more to the Zoho Analytics 6.0 upgrade, including analytic portal integration with Tableau and Power BI, but the overarching theme is adding more features, more AI/ML/GenAI capabilities, and more value to an already competitive platform.

As I detailed in my [in-depth analysis of Zoho Analytics](#), among Zoho Analytics' few weaknesses are that it's available as a service only on Zoho Cloud. That's not a concern for customers using other Zoho apps that also run on Zoho Cloud, but customers with data concentrated on AWS, Azure, or Google Cloud have a choice: either live with cloud data connections (and their potential latency) or self-manage Zoho Analytics on a third-party cloud. One other drawback: Zoho Analytics is a

view-only system lacking write-back capabilities, a drawback in certain embedded scenarios where interactivity with parent applications is desirable.

Again, Zoho Analytics' greatest strength is the value it offers for very little money. There are entry-level price points, but the buying option that makes sense for any organization with more than 100 employees is Zoho Analytics Enterprise, which starts at \$455 per month for 50 users for an annual subscription. Best of all, the Enterprise package includes everything, including Zoho Data Prep; Zia Insights; Ask Zia; Auto Analysis; DSML Studio; the analytic portal; and higher-level allowances for data connectors, storage, data refreshes, alerts, scheduled report delivery, and more.

One last point I'll make is about the Zoho Analytics support experience, which is "fantastic," according to [customer Kris James of Sparex](#). That's not something I'm used to hearing from a lot of BI and analytics customers.

ANALYST BIO

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Vice President and Principal Analyst

Doug Henschen is vice president and principal analyst at Constellation Research focusing on data-driven decision-making. His Data to Decisions research examines how organizations employ data analysis to reimagine their business models and gain a deeper understanding of their customers. Data insights also figure into tech optimization and innovation in human-to-machine and machine-to-machine business processes in manufacturing, retailing, and services industries.

Henschen's research acknowledges the fact that innovative applications of data analysis require a multidisciplinary approach, starting with information and orchestration technologies; continuing through business intelligence, data visualization, and analytics; and moving into NoSQL and big data analysis, third-party data enrichment, and decision management technologies. Insight-driven business models and innovations are of interest to the entire C-suite.

Previously Henschen led analytics, big data, business intelligence, optimization, and smart applications research and news coverage at InformationWeek. His experiences include leadership in analytics, business intelligence, database, data warehousing, and decision support research and analysis for Intelligent Enterprise. Further, Henschen led business process management and enterprise content management research and analysis at Transform magazine. At DM News, he led the coverage of database marketing and digital marketing trends and news.

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