

# 5 DIFFERENCES BETWEEN BUSINESS INTELLIGENCE AND PRODUCT ANALYTICS

When is business intelligence not enough?

## What is the difference between business intelligence (BI) and product analytics, and what are you missing if you're only using BI?

Use these resources to understand the key differences in these technologies, and how they can work together to provide you maximum insights.

**Business Intelligence**

**A longstanding discipline for businesses to understand and analyze critical metrics for all parts of the organization**



- Delivers metrics using tools like Tableau, Looker, or Power BI
- Designed for professional analysts with deep understanding of data modeling
- Derives metrics typically from your organization's data warehouse
- Reports on various departments including Revenue, Customer, Operations, Marketing, etc.
- Managed by an internal team of data engineers, data scientists, and other analytical roles

**Product Analytics**

**Business intelligence applied to digital product uses cases, which enables everyone from Product to Marketing to Growth teams to understand how users are engaging within digital products**



- Delivers metrics using a tool specific to product analytics
- Enables non-technical users to self-serve on large amounts of data, quickly
- Focuses primarily on time series data and typically resorts in cohorts or user segments based on behavior
- Collects data from your digital product, such as an app, streaming platform, website, online store, or connected devices

**See next page for 5 Differences Between Business Intelligence and Product Analytics Checklist >**

|   |                     | Business Intelligence   | Product Analytics  |
|---|---------------------|---|--|
| 1 | Types of Analysis   | Looks at data from the past   | Looks at data from the present   |
|   |                     | Counts how many users took a certain action in your product   | Shows how users got there, and what they did next  |
|   |                     | Shows sales figures from the past year  | Shows revenue impact of your product decisions   |
|   |                     | Tells you your most profitable product  | Tells you the engagement metrics, conversion, and retention rate for your product and what has impacted it                                   |
|   |                     | Reports on traffic trends to your product   | Shows how different cohorts are engaging with your product   |
| 2 | Data Models         | Prefers data to be aggregated for performance of dashboards   | Prefers more granular data, particularly timestamped events about customer activities  |
|   |                     | For most metrics, aggregated data is good enough  | Data traverses several use cases, such as "metrics over time," "metrics per user," and "metrics per session"                                 |
| 3 | Delivery of Service | Best-suited for answering questions that can wait for hours to days   | Thrives on handling questions that need immediate answers  |
|   |                     | Requires a data/BI analyst to develop a dashboard/chart to provide the answer   | Enables stakeholders to answer questions themselves, with self-service access to the data they need and a straightforward point-and-click UI |
|   |                     | Difficult for stakeholder to verify that reports are built to spec by data/BI analyst   | Guaranteed accuracy of reporting with details of how charts are constructed  |
| 4 | User Base           | Built for data and BI analysts, i.e., data specialists  | Designed for high adoption of non-technical users  |
|   |                     | Stakeholders must request insights from BI team   | Stakeholders from a wide array of teams can self-service their own insights  |
|   |                     | Data and BI teams, generally comfortable with various coding languages, receive stakeholder requests and deliver the data to answer their questions | Data and BI teams don't need to be involved with stakeholders on a daily basis, but can collaborate on troubleshooting or deeper analysis    |
| 5 | Data Activation     | Once data is analyzed, it's more or less "done," and action is taken from a different tool  | After a group of users is identified, you are able to sync that cohort to other tools automatically for personalized outreach                |
|   |                     | If the business is performing A/B tests, they can use BI to see the end results based on KPIs already defined                                       | If the business is performing A/B tests, the product teams can view product engagement and conversion on the fly                             |

# “Business intelligence vs. product analytics” is not an either/or question

**As you can see from this comparison—the question of “business intelligence vs. product analytics” is not an either/or question.**

You will always need business intelligence for traditional analytics. But if you want your teams to be fully equipped with real-time, quickly changing insights to stay competitive in today’s dynamic market...you’ll also need product analytics.



## Explore Customer Insights **with Integrity**



Kubit enables enterprises to optimize their digital products while ensuring data security, compliance, and scalability. With the Kubit analytics platform, companies never have to move their data into silos to gain valuable customer insights. This warehouse-native approach lowers the cost of ownership, frees up engineering resources, and delivers more accurate and complete self-service insights.

Learn more at: [www.kubit.ai](http://www.kubit.ai)