

MARKET NOTE

SAS Insight 2024 Reveals Expanded SaaS Portfolio to Attract AI Application Developers

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EXECUTIVE SNAPSHOT

FIGURE 1

Executive Snapshot: SAS Insight 2024

SAS hosted the 2024 Insight Conference for Industry Analysts from February 28 to March 1 at its world headquarters in Cary, North Carolina. SAS executives provided updates on the company's corporate and technology direction and key company statistics leading up to its anticipated initial public offering (IPO) in 2025. Three overarching conference themes — productivity, performance, and trust — were echoed from 2023.

Key Takeaways

- While SAS Viya is the company's strategic enterprise platform, SAS is expanding its SaaS portfolio to attract AI application developers, with new offerings that utilize SAS' core assets, talent, and IP, aiming to unify SAS and open source AI developers and untether them from Viya underpinnings.
- SAS Viya Workbench, a SaaS on-demand analytics environment, allows users to perform analysis or build models using their preferred programming language, offering increased productivity and faster innovation.
- SAS App Factory, a SaaS rapid application development environment, automates the setup and integration of a cloud-native tech stack, enabling streamlined and collaborative AI-driven applications.
- SAS Models as Products, a new innovation, aims to deliver out-of-the-box working models for specific business use cases, accelerating the time to production for customers and turning SAS consulting assets into purchasable software.

Source: IDC, 2024

IN THIS MARKET NOTE

SAS hosted the 2024 Insight Conference for Industry Analysts from February 28 to March 1 at its world headquarters in Cary, North Carolina. The three overarching conference themes – productivity, performance, and trust – were echoed from 2023. This IDC Market Note focuses on pre-released technology offerings that may expand SAS' market reach past its traditional AI life-cycle users. Together, the three offerings utilizing SAS' core assets, talent, and intellectual property (IP) are the beginnings of a hub unifying SAS and non-SAS AI developers. The company describes the SAS Viya ecosystem as a modern-day factory for AI applications with embedded generative AI (GenAI).

While SAS Viya is the foundation of the SAS software ecosystem, the company is evolving its portfolio to meet a wider set of user needs and personas with innovative products. New SaaS capabilities announced at SAS Explore in September 2023, scheduled for general availability in 2024, provide data scientists and AI developers with increased productivity and faster innovation while untethering them from the Viya infrastructure. SAS also announced a new "Models as Products" offering that will be further unveiled at its upcoming SAS Innovate conference in April 2024. The three offerings (note that the names may change prior to release) are Viya Workbench, App Factory, and Models as Products.

SAS Viya Workbench

SAS Viya Workbench is a SaaS on-demand analytics environment designed for data scientists, developers, and programmers to quickly perform analysis or build models using their preferred programming language – SAS, Python, or R. It enables users to quickly self-provision a set of preconfigured AI environments to match their workload requirements. Users can execute highly performant code in a cloud-native, efficient, and secure manner, with the governance and security of a managed deployment.

Viya Workbench allows users to perform data analysis and build models through a code-based interface and will initially offer three clients – Jupyter Notebook/Lab, Visual Studio Code, and SAS Enterprise Guide. Viya Workbench allows users to run high-performance analytics using procedures from SAS 9 or Viya, Python, or R code, within the same environment. It provides both SAS and Python compute runtime engines. In addition, developers can take existing Python code using common tools such as Pandas, and Scikit-learn packages and switch the compute engine to execute SAS analytic functions under the hood, enabling more performant execution of open source code. Viya Workbench supports procedures for both tabular and image data and can utilize SAS generative AI capabilities to explain existing code or generate new code through the use of prompts embedded within a program.

While Viya Workbench provides each user with a dedicated analytical environment, it integrates with SAS Viya for enterprise features, such as data and model management, governance, and orchestration, and also directly to SAS App Factory.

SAS App Factory

SAS App Factory is a SaaS rapid application development (AppDev) environment for creating fit-for-purpose AI-driven applications. The offering automates the setup and integration of a cloud-native tech stack built on React, TypeScript, and Postgres that simplifies the integration of AI models into applications. With its IDE-like interface, developers can quickly assemble essential app components such as the user interface (UI), authentication provider, SAS AI-powered compute functions, third-party and open source code, and database schemas and file servers.

App Factory helps developers accelerate traditional AppDev workflows, utilizing their tools of choice, to build or modernize product-quality cloud applications quickly. The environment supports the collaboration of both data scientists and front-end developers and standardizes UI-based workflow for developing and iterating apps. The resulting containerized app provides flexibility and portability across cloud providers with no changes required. SAS developed its SAS Energy Forecasting Cloud application for load and renewable energy forecasting using App Factory and will continue to deliver additional apps as it enables clients to develop their own.

SAS Models as Products

Bryan Harris, SAS chief technology officer, highlighted SAS Models as Products as one of the most important new innovations at SAS and a strategic direction for the business. Models as Products are out-of-the-box working models (that include data pipelines and workflows, not just algorithms) for specific business use cases.

The intent of Models as Products is to accelerate the time to production for customers that may lack the expertise or bandwidth to build a more comprehensive model from scratch. The models are based on SAS' core assets, talent, and IP from its wealth of experience working with customers to solve industry problems. Models as Products turn SAS consulting assets into purchasable software. Potential Models as Products include fraud detection, document conversion, and AI intelligent assistants.

While initial model releases will be SAS language based, the vision for this offering includes the models running outside the SAS ecosystem.

IDC'S POINT OF VIEW

AI adoption has taken a giant leap forward; however, significant impediments still impact time to value across the AI/ML ecosystem. Difficulties that impede organizations' ability to leverage AI capabilities and achieve a return on investment (ROI) include infrastructure, organizational, operational, and business challenges. In IDC's June 2023 *Machine Learning Life-Cycle Ecosystem Survey* (n = 410), 60% of respondents cited infrastructure challenges, including access to data, compute infrastructure, provisioning, tools for monitoring and allocation of resources, and tool chain incompatibility, as the most important impediment.

Data scientists and AI developers want to build models with modern open source packages and cutting-edge cloud compute, but they are also under pressure to deliver fast results and manage costs. They want prebuilt, scalable infrastructures that allow them to focus their time on model development and analysis. Developers are comfortable importing data and packages, but optimizing data processing for the compute infrastructure is not a core skill.

While SAS readies for its initial public offering (IPO) in 2025, it continues to restructure and align resources on its priority industries and solutions while uncovering new opportunities to use existing assets to open new markets for direct sales and channels. While SAS is integrating generative AI into its offerings, the company is taking a cautious approach, and GenAI was not the headline of the conference. The three new aforementioned pre-released offerings took center stage from a Viya platform perspective, utilizing primarily existing SAS assets and competencies in a new format while expanding the SAS Viya ecosystem.

SAS Workbench addresses infrastructure challenges by providing easy access to preconfigured on-demand analytical environments with powerful computational resources and highly performant code. SAS App Factory and SAS Models as Products provide access to pretrained models that can accelerate the deployment of AI applications and provide quicker ROI. These offerings will further open the SAS ecosystem to native Python and R developers empowering the next generation of data scientists.

SAS has long had tools for application developers; however, SAS App Factory will modernize the AppDev process, enabling its customers to innovate more rapidly. An area that is ripe for SAS Models as Products is models built with mathematical optimization algorithms where SAS has significant IP and expertise working with its clients, filling a critical skill gap and establishing itself as a trusted partner for these types of applications.

LEARN MORE

Related Research

- *Exploring the Future of AI and Machine Learning* (IDC #US51824124, February 2024)
- *Expanding and Integrating the Machine Learning Ecosystem* (IDC #US51608824, January 2024)
- *With the Explosion of Generative AI, Is Traditional Machine Learning Dead?* (IDC #US51608524, January 2024)
- *IDC Market Glance: Generative AI Foundation Models, 4Q23* (IDC #US51419723, December 2023)
- *IDC FutureScape: Worldwide Artificial Intelligence and Automation 2024 Predictions* (IDC #AP50341323, October 2023)
- *SAS Inside Intelligence 2023 Conference* (IDC #lcUS50562723, April 2023)

Synopsis

This IDC Market Note focuses on pre-released technology offerings that may expand SAS' market reach past its traditional AI life-cycle users. SAS Insight 2024 revealed an expanded SaaS portfolio aimed at attracting AI application developers. The company is evolving its software ecosystem to meet diverse user needs with innovative products. New offerings include SAS Viya Workbench, an on-demand analytics environment; SAS App Factory, a rapid application development environment; and SAS Models as Products, out-of-the-box working models for specific business use cases. These offerings aim to increase productivity, enhance performance, and build trust among AI developers.

"SAS is evolving its portfolio to meet wider user needs and capture market share with innovative new offerings," said Kathy Lange, research director for AI Software at IDC. "SAS' efforts to unify AI across its portfolio and open source languages will help address some of the critical challenges impeding organizations' ability to gain value from AI investments."

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