



NUCLEUS
RESEARCH

DOMO EXTENDS THE VALUE OF MAGIC ETL WITH CLOUD AMPLIFIER

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THE BOTTOM LINE

Consumption-based pricing models have become increasingly prevalent, especially for use cases that are highly dependent on cloud processing. Although this approach has become common, organizations frequently struggle to keep costs in check and maintain processing efficiency at scale. To investigate how organizations are addressing these challenges, Nucleus analyzed the experience of multiple customers who used pushdown optimization to shift processing for ETL workloads to a cloud data warehouse and found several benefits including, processing cost savings of 15 to 20 percent, latency reductions of 51 to 75 percent, and enhanced operational flexibility with the ability to dynamically adjust processing locations to ensure optimal resource allocation.

OVERVIEW

In the current business landscape, organizations are defined by their ability to effectively harness their proprietary data. As a result, data volumes, analytics processes, and ETL workloads continue to expand, demanding flexibility and effective cloud processing to ensure cost efficiency at scale. Domo addresses these challenges by pairing Magic ETL with Cloud Amplifier, enabling customers to put Domo on top of their Amazon Redshift, Databricks, Dremio, Google BigQuery, or Snowflake environments. This combination delivered by Domo is expected to deliver tangible benefits to customers in the form of processing cost savings and reduced latency using pushdown optimization capabilities, and improved flexibility to choose where processing takes place, giving customers better control over their cloud consumption. To investigate the potential benefits available to customers, Nucleus analyzed the experience of multiple customers who used pushdown optimization to shift processing for ETL workloads to a cloud data warehouse.

DOMO

Domo is a cloud-native data experience platform offering business intelligence and analytics tooling that enable businesses to convert their data into real-time visualizations, interactive dashboards, and live data applications. By leveraging Domo's suite of data management and analysis tools, businesses can better utilize their data, gain valuable insights, and drive more informed decision-making. Domo's capabilities enable it to function as a business intelligence platform, data integration tool, and data warehouse solution all in one platform. Thus eliminating the need for businesses to invest in and maintain separate systems for each function, reducing costs and streamlining data management.

MAGIC ETL

Magic ETL simplifies the data transformation process, allowing businesses to leverage their data effectively without the need for separate system investments or technically diverse IT teams. Serving as a performant alternative to popular solutions like Fivetran and Matillion, Magic ETL is Domo's drag and drop SQL powered solution that bolsters its core analytical capabilities, delivering direct cost savings through tool consolidation, faster runtime for dataflows, and time savings for data access (Nucleus Research X143 – Domo's unified analytics and ETL – July 2023). Additionally, Magic ETL boasts reverse ETL capabilities, empowering businesses to synchronize and push data back to operational systems or external applications, facilitating bi-directional data flow for enhanced decision-making and operational agility.

CLOUD AMPLIFIER

Cloud Amplifier is Domo's compatibility tool featuring native integration with cloud data warehouses that allows businesses to leverage Domo's data management and analysis capabilities without disrupting their existing upstream workflows or infrastructure. Cloud Amplifier empowers customers to seamlessly integrate Domo atop their current data platform, offering both read and write functionalities. Moreover, it optimizes data processing through pushdown optimization techniques, enhancing efficiency and reducing latency. With Cloud Amplifier, organizations can fully utilize Domo while retaining the familiarity and functionality of their established data infrastructure, streamlining their analytical processes for greater insights and agility.

EXPECTED BENEFITS

Domo's Magic ETL and Cloud Amplifier are expected to deliver processing cost savings, reduced latency, and improved flexibility for customers using the tools in tandem.

- **Processing cost savings.** By leveraging pushdown optimization with Cloud Amplifier for Magic ETL workloads, organizations can expect 15 to 20 percent reduced data processing costs. This is achieved by intelligently pushing data processing tasks down to the data source. This approach minimizes data movement and processing overheads, resulting in reduced resource consumption.
- **Reduced Latency.** Organizations using Cloud Amplifier for Magic ETL workloads can expect 51 to 75 percent reduced latency with pushdown optimization to various cloud data warehouses. By minimizing data movement and processing overhead, pushdown optimization accelerates the processing of large volumes of data, thereby reducing the time it takes to complete ETL operations. This approach ensures faster data delivery and near real-time insights.
- **Improved Flexibility.** By leveraging pushdown optimization, organizations can dynamically adjust where processing takes place. This empowers organizations to allocate compute credits across their various usage-based platforms according to their priorities and budgets, ensuring efficient management of computing resources.

**Reduce latency by 51
to 75 percent for
Magic ETL workloads**

OUTLOOK

With the combination of Magic ETL and Domo's new Cloud Amplifier, Domo solidifies its position as a key player in the ETL market, offering cloud-agnostic tools tailored to complement customers' existing investments. By delivering ETL and analytics capabilities within a unified solution, Domo addresses the challenges of traditional application sprawl, reducing both costs and complexity for customer organizations. This consolidated approach streamlines data management processes, positioning Domo as a strong choice for businesses seeking comprehensive data solutions.