

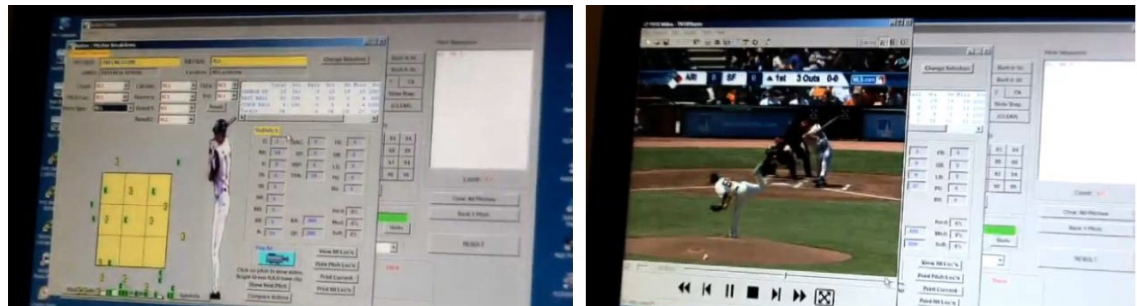


Putting Big Data to Work: Opportunities for Enterprises

By Brett Sheppard

SF Giants Senior Vice President and Chief Information Officer (CIO) Bill Schlough values the contributions made by advanced analytics for his team on the field and in the box office. In a [preview video](#) for his upcoming keynote talk at the March 25, 2011, SDForum “Analytics: The Next Wave” conference, at Stanford, Schlough highlighted the roles that advanced analytics play for two key areas for the Giants’ franchise: (1) video coaching and scouting tools and (2) dynamic pricing for game tickets.

Video Coaching System Employed by SF Giants Players and Coaches



From a player’s perspective, video coaching tools are one of the most visible and often-used big data applications. The SF Giants clubhouse, at AT&T Park, includes multiple stations where players can sit before the game or during a game and access footage from various camera angles. Hitters can compare and contrast different at bats against

the same pitcher or in a time sequence over several days or weeks. Capabilities include side-by-side views to compare successful at bats with poor ones. And pitchers can plan their strategy for each hitter.

This video coaching system uses NetApp systems for storage. It already exceeds 10 terabytes of storage; growth is planned to 100 terabytes or more to meet future requirements. The SF Giants were the first MLB team to install an all-digital video system. In previous decades, teams used VCR tapes that involved manual tape changes and slow fast-forwarding and rewinding. Now every MLB team has an all-digital video system for both hitting and pitching evaluations.¹⁸

With annual revenues in excess of \$200 million, the SF Giants staff a large organization off the field, although the team's revenues represent about half of the close to \$400 million earned annually by the New York Yankees and the Boston Red Sox. Marketing partnerships form part of the equation in the choice of technology vendors, which keeps the SF Giants' capital technology investment budget between \$5 million and \$15 million a year, depending on which new IT projects the team takes on that year.¹⁹

For box office sales and online ticket sales at the team website, the SF Giants have employed dynamic pricing, using software for Qcue, a company based in Austin, Texas. This dynamic pricing for game tickets is not unlike the variable pricing used for years in the airline industry (although thankfully without fees for bringing carry-on bags to baseball games). Dynamic pricing uses advanced analytics to adjust prices on the fly. For years, teams may have charged more for games against a division rival, based on an annual schedule.

With dynamic pricing, if a player goes on a potential record-breaking hitting streak or the weather is particularly nice outside or two teams are neck and neck in the standings, pricing for the available tickets to remaining games is adjusted accordingly.

¹⁸ Phone discussion with NetApp Office of the CTO Strategic Planning Team head and "NetApp Cloud Czar" Val Bercovici, March 9, 2011.

¹⁹ Ben Thompson, "A Whole Different Ballgame," *Business Management* magazine, July 4, 2010.

Qcue helps identify opportunities for markups for prime seating or popular games, as well as in some cases price discounts in order to fill less desirable seats in the upper reaches of the stadium or distant outfield bleacher seats. With dynamic pricing, the cost of the ticket directly reflects the value based on demand.



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