eBook

The Data Team's Guide to the Databricks Lakehouse Platform



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INTRODUCTION

The Data Team's Guide to the Databricks Lakehouse Platform

The Data Team's Guide to the Databricks Lakehouse Platform is designed for data practitioners and leaders who are embarking on their journey into the data lakehouse architecture.

In this eBook, you will learn the full capabilities of the data lakehouse architecture and how the Databricks Lakehouse Platform helps organizations of all sizes — from enterprises to startups in every industry — with all their data, analytics, Al and machine learning use cases on one platform.

You will see how the platform combines the best elements of data warehouses and data lakes to increase the reliability, performance and scalability of your data platform. Discover how the lakehouse simplifies complex workloads in data engineering, data warehousing, data streaming, data science and machine learning — and bolsters collaboration for your data teams, allowing them to maintain new levels of governance, flexibility and agility in an open and multicloud environment.





CHAPTER

The data lakehouse



The evolution of data architectures

Data has moved front and center within every organization as data-driven insights have fueled innovation, competitive advantage and better customer experiences.

However, as companies place mandates on becoming more data-driven, their data teams are left in a sprint to deliver the right data for business insights and innovation. With the widespread adoption of cloud, data teams often invest in large-scale complex data systems that have capabilities for streaming, business intelligence, analytics and machine learning to support the overall business objectives.

To support these objectives, data teams have deployed cloud data warehouses and data lakes.

Traditional data systems: The data warehouse and data lake

With the advent of big data, companies began collecting large amounts of data from many different sources, such as weblogs, sensor data and images. Data warehouses — which have a long history as the foundation for decision support and business intelligence applications — cannot handle large volumes of data.

While data warehouses are great for structured data and historical analysis, they weren't designed for unstructured data, semi-structured data, and data with high variety, velocity and volume, making them unsuitable for many types of data.

This led to the introduction of data lakes, providing a single repository of raw data in a variety of formats. While suitable for storing big data, data lakes do not support transactions, nor do they enforce data quality, and their lack of consistency/isolation makes it almost impossible to read, write or process data.

For these reasons, many of the promises of data lakes never materialized and, in many cases, reduced the benefits of data warehouses.

As companies discovered new use cases for data exploration, predictive modeling and prescriptive analytics, the need for a single, flexible, high-performance system only grew. Data teams require systems for diverse data applications including SQL analytics, real-time analytics, data science and machine learning.



To solve for new use cases and new users, a common approach is to use multiple systems — a data lake, several data warehouses and other specialized systems such as streaming, time-series, graph and image databases. But having multiple systems introduces complexity and delay, as data teams invariably need to move or copy data between different systems, effectively losing oversight and governance over data usage.

Challenges with data, analytics and AI

In a recent <u>Accenture</u> study, only 32% of companies reported tangible and measurable value from data. The challenge is that most companies continue to implement two different platforms: data warehouses for BI and data lakes for AI. These platforms are incompatible with each other, but data from both systems is generally needed to deliver game-changing outcomes, which makes success with AI extremely difficult.

Today, most of the data is landing in the data lake, and a lot of it is unstructured. In fact, according to <u>IDC</u>, about 80% of the data in any organization will be unstructured by 2025. But, this data is where much of the value from AI resides. Subsets of the data are then copied to the data warehouse into structured tables, and back again in some cases.

You also must secure and govern the data in both warehouses and offer fine-grained governance, while lakes tend to be coarser grained at the file level. Then, you stand up different stacks of tools on these platforms to do either BI or AI.

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You have now duplicated data in two different systems and the changes you make in one system are unlikely to find their way to the other. So, you are going to have data drift almost immediately, not to mention paying to store the same data multiple times.

Then, because governance is happening at two distinct levels across these platforms, you are not able to control things consistently.



Finally, the tool stacks on top of these platforms are fundamentally different, which makes it difficult to get any kind of collaboration going between the teams that support them.

This is why AI efforts fail. There is a tremendous amount of complexity and rework being introduced into the system. Time and resources are being wasted trying to get the right data to the right people, and everything is happening too slowly to get in front of the competition.

Realizing this requires two disparate, incompatible data platforms





Moving forward with a lakehouse architecture

To satisfy the need to support AI and BI directly on vast amounts of data stored in data lakes (on low-cost cloud storage), a new data management architecture emerged independently across many organizations and use cases: the data lakehouse.

The data lakehouse can store *all* and *any* type of data once in a data lake and make that data accessible directly for AI and BI. The lakehouse paradigm has specific capabilities to efficiently allow both AI and BI on all the enterprise's data at a massive scale. Namely, it has the SQL and performance capabilities such as indexing, caching and MPP processing to make BI work fast on data lakes. It also has direct file access and direct native support for Python, data science and AI frameworks without the need for a separate data warehouse.

In short, a lakehouse is a data architecture that combines the best elements of data warehouses and data lakes. Lakehouses are enabled by a new system design, which implements similar data structures and data management features found in a data warehouse directly on the low-cost storage used for data lakes.





Data lakehouse

One platform to unify all your data, analytics and Al workloads

Data warehouse





Lakehouse Platform

All machine learning, SQL, Bl, and streaming use cases

One security and governance approach for all data assets on all clouds

An open and reliable data platform to efficiently handle all data types

Delta Lake





Key features for a lakehouse

Recent innovations with the data lakehouse architecture can help simplify your data and AI workloads, ease collaboration for data teams, and maintain the kind of flexibility and openness that allows your organization to stay agile as you scale. Here are key features to consider when evaluating data lakehouse architectures:

Transaction support: In an enterprise lakehouse, many data pipelines will often be reading and writing data concurrently. Support for ACID (Atomicity, Consistency, Isolation and Durability) transactions ensures consistency as multiple parties concurrently read or write data.

Schema enforcement and governance: The lakehouse should have a way to support schema enforcement and evolution, supporting data warehouse schema paradigms such as star/snowflake. The system should be able to reason about data integrity, and it should have robust governance and auditing mechanisms.

Data governance: Capabilities including auditing, retention and lineage have become essential, particularly considering recent privacy regulations. Tools that allow data discovery have become popular, such as data catalogs and data usage metrics.

BI support: Lakehouses allow the use of BI tools directly on the source data. This reduces staleness and latency, improves recency and lowers cost by not having to operationalize two copies of the data in both a data lake and a warehouse.

Storage decoupled from compute: In practice, this means storage and compute use separate clusters, thus these systems can scale to many more concurrent users and larger data sizes. Some modern data warehouses also have this property.

Openness: The storage formats, such as Apache Parquet, are open and standardized, so a variety of tools and engines, including machine learning and Python/R libraries, can efficiently access the data directly.

Support for diverse data types (unstructured and structured):

The lakehouse can be used to store, refine, analyze and access data types needed for many new data applications, including images, video, audio, semi-structured data and text.

Support for diverse workloads: Use the same data repository for a range of workloads including data science, machine learning and SQL analytics. Multiple tools might be needed to support all these workloads.

End-to-end streaming: Real-time reports are the norm in many enterprises. Support for streaming eliminates the need for separate systems dedicated to serving real-time data applications.

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Learn more

- Lakehouse: A New Generation of Open Platforms
 That Unify Data Warehousing and Advanced Analytics
- Building the Data Lakehouse by Bill Inmon, Father of the Data Warehouse
- What Is a Data Lakehouse?



CHAPTER



The Databricks Lakehouse Platform



Lakehouse: A new generation of open platforms

Databricks is the inventor and pioneer of the data lakehouse architecture. The data lakehouse architecture was coined in the research paper, <u>Lakehouse: A New Generation of Open Platforms that</u> <u>Unify Data Warehousing and Advanced Analytics</u>, introduced by Databricks' founders, UC Berkeley and Stanford University at the 11th Conference on Innovative Data Systems Research (CIDR) in 2021.

At Databricks, we are continuously innovating on the lakehouse architecture to help customers deliver on their data and AI aspirations. The ideal data and AI platform needs to operate differently. Rather than copying and transforming data in multiple systems, you need one platform that accommodates all data types.

Ideally, the platform must be open, so that you are not locked into any walled gardens. You would also have one security and governance model. It would not only manage all data types, but it would also be cloud-agnostic to govern data wherever it is stored.

Last, it would support all major data and Al workloads, so that your teams can easily collaborate and get access to all the data they need to innovate.



This is the lakehouse paradigm



What is the Databricks Lakehouse Platform?

The Databricks Lakehouse Platform unifies your data warehousing and Al uses cases on a single platform. It combines the best elements of data lakes and data warehouses to deliver the reliability, strong governance and performance of data warehouses with the openness, flexibility and machine learning support of data lakes.

This unified approach simplifies your modern data stack by eliminating the data silos that traditionally separate and complicate data engineering, analytics, BI, data science and machine learning. It's built on open source and open standards to maximize flexibility. And, its common approach to data management, security and governance helps you operate more efficiently and innovate faster.





Benefits of the Databricks Lakehouse Platform

Simple

The unified approach simplifies your data architecture by eliminating the data silos that traditionally separate analytics, BI, data science and machine learning. With a lakehouse, you can eliminate the complexity and expense that make it hard to achieve the full potential of your analytics and AI initiatives.

Open

Delta Lake forms the open foundation of the lakehouse by providing reliability and performance directly on data in the data lake. You're able to avoid proprietary walled gardens, easily share data and build your modern data stack with unrestricted access to the ecosystem of open source data projects and the broad Databricks partner network.

Multicloud

The Databricks Lakehouse Platform offers you a consistent management, security and governance experience across all clouds. You do not need to invest in reinventing processes for every cloud platform that you are using to support your data and Al efforts. Instead, your data teams can simply focus on putting all your data to work to discover new insights.





The Databricks Lakehouse Platform architecture

Data reliability and performance for lakehouse

<u>Delta Lake</u> is an open format storage layer built for the lakehouse that integrates with all major analytics tools and works with the widest variety of formats to store and process data.

<u>Photon</u> is the next-generation query engine built for the lakehouse that leverages a state-of-the-art vectorized engine for fast querying and provides the best performance for all workloads in the lakehouse.

In <u>Chapter 3</u>, we explore the details of data reliability and performance for the lakehouse.

Unified governance and security for lakehouse

The Databricks Lakehouse Platform provides unified governance with enterprise scale, security and compliance. The <u>Databricks Unity Catalog</u> (UC) provides governance for your data and AI assets in the lakehouse — files, tables, dashboards, and machine learning models — giving you much better control, management and security across clouds.

<u>Delta Sharing</u> is an open protocol that allows companies to securely share data across the organization in real time, independent of the platform on which the data resides.

In <u>Chapter 4</u>, we go into the details of unified governance for lakehouse and, in <u>Chapter 5</u>, we dive into the details of security for lakehouse.

Instant compute and serverless

Serverless compute is a fully managed service where Databricks provisions and manages the compute layer on behalf of the customer in the Databricks cloud account instead of the customer account. As of the current release, serverless compute is supported for use with Databricks SQL.

In Chapter 6, we explore the details of instant compute and serverless for lakehouse.



The Databricks Lakehouse Platform workloads

The Databricks Lakehouse Platform architecture supports different workloads such as data warehousing, data engineering, data streaming, data science and machine learning on one simple, open and multicloud data platform.

Data warehousing

Data warehousing is one of the most business-critical workloads for data teams, and the best data warehouse is a lakehouse. The Databricks Lakehouse Platform lets you run all your SQL and Bl applications at scale with up to 12x better price/ performance, a unified governance model, open formats and APIs, and your tools of choice — no lock-in. Reduce resource management overhead with serverless compute, and easily ingest, transform and query all your data in-place to deliver real-time business insights faster.

Built on open standards and APIs, the Databricks Lakehouse Platform provides the reliability, quality and performance that data lakes natively lack, plus integrations with the ecosystem for maximum flexibility.

In <u>Chapter 7</u>, we go into the details of data warehousing on the lakehouse.

Data engineering

Data engineering on the lakehouse allows data teams to unify batch and streaming operations on a simplified architecture, streamline data pipeline development and testing, build reliable data, analytics, and AI workflows on any cloud platform, and meet regulatory requirements to maintain governance. The lakehouse provides an end-to-end data engineering and ETL platform that



In <u>Chapter 8</u>, we go into the details of data engineering on the lakehouse.

Data streaming

Data streaming on the lakehouse is one of the fastest growing workloads within the Databricks Lakehouse Platform and is the future of all data processing. Data streaming allows business teams to make quicker and better decisions by delivering fresher, data-driven insights. It allows development teams to deliver real-time and differentiated experiences, such as dynamic UI to their users; and allows operations teams to detect and react to operational issues such as fraud, network congestion and security breach in real time.

The Lakehouse provides a unified platform for developing and running all streaming workloads — ingestion, ETL, event processing, event-driven applications and ML inference — so companies can easily realize the value of data streaming throughout their businesses.

In <u>Chapter 9</u>, we go into the details of data streaming on the lakehouse.

Data science and machine learning

Data science and machine learning (DSML) on the lakehouse is a powerful workload that is unique to many other data offerings. DSML on the lakehouse provides a data-native and collaborative solution for the full ML lifecycle. It can maximize data and ML team productivity, streamline collaboration, empower ML teams to prepare, process and manage data in a self-service manner, and standardize the ML lifecycle from experimentation to production.

In <u>Chapter 10</u>, we go into the details of DSML on the lakehouse.



Databricks Lakehouse Platform and your modern data stack

The Databricks Lakehouse Platform is open and provides the flexibility to continue using existing infrastructure, to easily share data, and build your modern data stack with unrestricted access to the ecosystem of open source data projects and the broad Databricks partner network with <u>Partner Connect</u>.

In <u>Chapter 11</u>, we go into the details of our technology partners and the modern data stack.

Global adoption of the Databricks Lakehouse Platform

Today, Databricks has over 7,000 <u>customers</u>, from Fortune 500 to unicorns across industries doing transformational work. Organizations around the globe are driving change and delivering a new generation of data, analytics and AI applications. We believe that the unfulfilled promise of data and AI can finally be fulfilled with one platform for data analytics, data science and machine learning with the Databricks Lakehouse Platform.



Learn more

Databricks Lakehouse Platform Databricks Lakehouse Platform Demo Hub Databricks Lakehouse Platform Customer Stories Databricks Lakehouse Platform Documentation Databricks Lakehouse Platform Training and Certification Databricks Lakehouse Platform Resources



CHAPTER

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Data reliability and performance

To bring openness, reliability and lifecycle management to data lakes, the Databricks Lakehouse Platform is built on the foundation of Delta Lake. Delta Lake solves challenges around unstructured/structured data ingestion, the application of data quality, difficulties with deleting data for compliance or issues with modifying data for data capture.

Although data lakes are great solutions for holding large quantities of raw data, they lack important attributes for data reliability and quality and often don't offer good performance when compared to data warehouses.

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Problems with today's data lakes

When it comes to data reliability and quality, examples of these missing attributes include:

- Lack of ACID transactions: Makes it impossible to mix updates, appends and reads
- Lack of schema enforcement: Creates inconsistent and low-quality data. For example, rejecting writes that don't match a table's schema
- Lack of integration with data catalog: Results in dark data and no single source of truth

Even just the absence of these three attributes can cause a lot of extra work for data engineers as they strive to ensure consistent high-quality data in the pipelines they create.

As for performance, data lakes use object storage, so data is mostly kept in immutable files leading to the following problems:

- Ineffective partitioning: In many cases, data engineers resort to "poor man's" indexing practices in the form of partitioning that leads to hundreds of dev hours spent tuning file sizes to improve read/write performance. Often, partitioning proves to be ineffective over time if the wrong field was selected for partitioning or due to high cardinality columns.
- Too many small files: With no support for transactions, appending new data takes the form of adding more and more files, leading to "small file problems," a known root cause of query performance degradation.

These challenges are solved with two key technologies that are at the foundation of the lakehouse: Delta Lake and Photon.

What is Delta Lake?

Delta Lake is a file-based, open source storage format that provides ACID transactions, scalable metadata handling, and unifies streaming and batch data processing. It runs on top of existing data lakes and is compatible with Apache Spark[™] and other processing engines.

Delta Lake uses Delta Tables which are based on Apache Parquet, a commonly used format for structured data already utilized by many organizations. Therefore, switching existing Parquet tables to Delta Tables is easy and quick. Delta Tables can also be used with semi-structured and unstructured data, providing versioning, reliability, metadata management, and time travel capabilities that make these types of data easily managed as well.



Delta Lake features

ACID guarantees

Delta Lake ensures that all data changes written to storage are committed for durability and made visible to readers atomically. In other words, no more partial or corrupted files.

Scalable data and metadata handling

Since Delta Lake is built on data lakes, all reads and writes using Spark or other distributed processing engines are inherently scalable to petabyte-scale. However, unlike most other storage formats and query engines, Delta Lake leverages Spark to scale out all the metadata processing, thus efficiently handling metadata of billions of files for petabyte-scale tables.

Audit history and time travel

The Delta Lake transaction log records details about every change made to data, providing a full audit trail of the changes. These data snapshots allow developers to access and revert to earlier versions of data for audits, rollbacks or to reproduce experiments.

Schema enforcement and schema evolution

Delta Lake automatically prevents the insertion of data with an incorrect schema, i.e., not matching the table schema. And when needed, it allows the table schema to be explicitly and safely evolved to accommodate ever-changing data.

Support for deletes, updates and merges

Most distributed processing frameworks do not support atomic data modification operations on data lakes. Delta Lake supports merge, update and delete operations to enable complex use cases including but not limited to change-datacapture (CDC), slowly-changing-dimension (SCD) operations and streaming upserts.

Streaming and batch unification

A Delta Lake table can work both in batch and as a streaming source and sink. The ability to work across a wide variety of latencies, ranging from streaming data ingestion to batch historic backfill, to interactive queries all work out of the box.



The Delta Lake transaction log

A key to understanding how Delta Lake provides all these capabilities is the transaction log. The Delta Lake transaction log is the common thread that runs through many of Delta Lake's most notable features, including ACID transactions, scalable metadata handling, time travel and more. The Delta Lake transaction log is an ordered record of every transaction that has ever been performed on a Delta Lake table since its inception.

Delta Lake is built on top of Spark to allow multiple readers and writers of a given table to work on a table at the same time. To always show users correct views of the data, the transaction log serves as a single source of truth: the central repository that tracks all changes that users make to the table.

When a user reads a Delta Lake table for the first time or runs a new query on an open table that has been modified since the last time it was read, Spark checks the transaction log to see what new transactions are posted to the table. Then, Spark updates the table with those recent changes. This ensures that a user's version of a table is always synchronized with the master record as of the most recent query, and that users cannot make divergent, conflicting changes to a table.

Flexibility and broad industry support

Delta Lake is an open source project, with an engaged community of contributors building and growing the Delta Lake ecosystem atop a set of open APIs. With the growing adoption of Delta Lake as an open storage standard in different environments and use cases, comes a broad set of integration with industry-leading tools, technologies and formats.

Organizations leveraging Delta Lake on the Databricks Lakehouse Platform gain flexibility in how they ingest, store and query data. They are not limited in storing data in a single cloud provider and can implement a true multicloud approach to data storage.

Connectors to tools, such as Fivetran, allow you to leverage Databricks' ecosystem of partner solutions, so organizations have full control of building the right ingestion pipelines for their use cases. Finally, consuming data via queries for exploration or business intelligence (BI) is also flexible and open.



Delta Lake integrates with all major analytics tools

Eliminates unnecessary data movement and duplication





In addition to a wide ecosystem of tools and technologies, Delta Lake supports a broad set of data formats for structured, semi-structured and unstructured data. These formats include image binary data that can be stored in Delta Tables, graph data format, geospatial data types and key-value stores.



Learn more

Delta Lake on the Databricks Lakehouse

Documentation

Delta Lake Open Source Project

eBooks: The Delta Lake Series

What is Photon?

As many organizations standardize on the lakehouse paradigm, this new architecture poses challenges with the underlying query execution engine for accessing and processing structured and unstructured data. The execution engine needs to provide the performance of a data warehouse and the scalability of data lakes.

Photon is the next-generation query engine on the Databricks Lakehouse Platform that provides dramatic infrastructure cost savings and speedups for all use cases — from data ingestion, ETL, streaming, data science and interactive queries — directly on your data lake. Photon is compatible with Spark APIs and implements a more general execution framework that allows efficient processing of data with support of the Spark API. This means getting started is as easy as turning it on — no code change and no lock-in. With Photon, typical customers are seeing up to 80% TCO savings over traditional Databricks Runtime (Spark) and up to 85% reduction in VM compute hours.





Why process queries with Photon?

Query performance on Databricks has steadily increased over the years, powered by Spark and thousands of optimizations packaged as part of the Databricks Runtime (DBR). Photon provides an additional 2x speedup per the TPC-DS 1TB benchmark compared to the latest DBR versions.



Relative speedup to DBR 2.1 by DBR version Higher is better

Release date - DBR version (TPC-DS 1TB 10 x i3xl)

Customers have observed significant speedups using Photon on workloads such as:

- SQL-based jobs: Accelerate large-scale production jobs on SQL and Spark DataFrames
- **IoT use cases:** Faster time-series analysis using Photon compared to Spark and traditional Databricks Runtime
- Data privacy and compliance: Query petabytes-scale data sets to identify and delete records without duplicating data with Delta Lake, production jobs and Photon
- Loading data into Delta and Parquet: Vectorized I/O speeds up data loads for Delta and Parquet tables, lowering overall runtime and costs of data engineering jobs





Best price/performance for analytics in the cloud

Written from the ground up in C++, Photon takes advantage of modern hardware for faster queries, providing up to 12x better price/performance compared to other cloud data warehouses all natively on your data lake.

100TB TPC-DS price/performance Lower is better



System



Works with your existing code and avoids vendor lock-in

Photon is designed to be compatible with the Apache Spark DataFrame and SQL APIs to ensure workloads run seamlessly without code changes. All you do is turn it on. Photon will seamlessly coordinate work and resources and transparently accelerate portions of your SQL and Spark queries. No tuning or user intervention required.

Photon in the Databricks Lakehouse Platform



Lifecycle of a Photon query



Optimizing for all data use cases and workloads

Photon is the first purpose-built lakehouse engine designed to accelerate all data and analytics workloads: data ingestion, ETL, streaming, data science, and interactive queries. While we started Photon primarily focused on SQL to provide customers with world-class data warehousing performance on their data lakes, we've significantly increased the scope of ingestion sources, formats, APIs and methods supported by Photon since then. As a result, customers have seen dramatic infrastructure cost savings and speedups on Photon across all their modern Spark (e.g., Spark SQL and DataFrame) workloads.



Accelerating all workloads on the lakehouse



Learn more

Announcing Photon Public Preview: The Next-Generation Query Engine on the Databricks Lakehouse Platform

Databricks Sets Official Data Warehousing Performance Record



CHAPTER

Unified governance

Today, more and more organizations recognize the importance of making high-quality data readily available to data teams to drive actionable insights and business value. At the same time, organizations also understand the risks of data breaches which negatively impact brand value and inevitably lead to erosion of customer trust. Governance is one of the most critical components of a lakehouse data platform architecture; it helps ensure that data assets are securely managed throughout the enterprise. However, many companies are using different incompatible governance models leading to complex and expensive solutions.

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Key challenges with data and Al governance

Diversity of data and Al assets

The increased use of data and the added complexity of the data landscape has left organizations with a difficult time managing and governing all types of their data-related assets. No longer is data stored in files or tables. Data assets today take many forms, including dashboards, machine learning models and unstructured data like video and images that legacy data governance solutions simply are not built to govern and manage.

Two disparate and incompatible data platforms

Organizations today use two different platforms for their data analytics and Al efforts — data warehouses for Bl and data lakes for Al. This results in data replication across two platforms, presenting a major governance challenge. With no unified view of the data landscape, it is difficult to see where data is stored, who has access to what data, and consistently define and enforce data access policies across the two platforms with different governance models.

Rising multicloud adoption

More and more organizations now leverage a multicloud strategy to optimize costs, avoid vendor lock-in, and meet compliance and privacy regulations. With nonstandard, cloud-specific governance models, data governance across clouds is complex and requires familiarity with cloud-specific security and governance concepts, such as identity and access management (IAM).

Disjointed tools for data governance on the lakehouse

Today, data teams must deal with a myriad of fragmented tools and services for their data governance requirements, such as data discovery, cataloging, auditing, sharing, access controls, etc. This inevitably leads to operational inefficiencies and poor performance due to multiple integration points and network latency between the services.



One security and governance approach

Lakehouse systems provide a uniform way to manage access control, data quality and compliance across all of an organization's data using standard interfaces similar to those in data warehouses by adding a management interface on top of data lake storage.

Modern lakehouse systems support fine-grained (row, column and view level) access control via SQL, query auditing, attribute-based access control, data versioning and data quality constraints and monitoring. These features are generally provided using standard interfaces familiar to database administrators (for example, SQL GRANT commands) to allow existing personnel to manage all the data in an organization in a uniform way. Centralizing all the data in a lakehouse system with a single management interface also reduces the administrative burden and potential for error that comes with managing multiple separate systems.

What is Unity Catalog?

Unity Catalog is a unified governance solution for all data assets including files, tables and machine learning models in your lakehouse on any cloud. Unity Catalog simplifies governance by empowering data teams with a common governance model based on ANSI-SQL to define and enforce fine-grained access controls on all data and Al assets — ranging from files, tables, dashboards and machine learning models — on any cloud. With attribute-based access controls, data stewards can enable fine-grained access controls on rows and columns using user and data attributes. Built-in data search and discovery allows data teams to quickly find and reference relevant data for any use case. Unity Catalog offers automated data lineage for all workloads in SQL, R, Scala and Python, to build a better understanding of the data and its flow in the lakehouse. Unity Catalog also allows data sharing across or within organizations and seamless integrations with your existing data governance tools.

With Unity Catalog, data teams can simplify governance for all data and Al assets with one consistent model to discover, access and share data, giving you much better native performance, management and security across clouds.



Key benefits

Centralized governance for data and AI

Unity Catalog provides centralized metadata and user management, enabling data teams to create a single source of truth for all user identities and data assets ranging from files, tables, dashboards and machine learning models in one place. The common metadata layer for cross-workspace metadata is at the account level and eases collaboration by allowing different workspaces to access Unity Catalog metadata through a common interface and breaking down data silos. Further, the data permissions in Unity Catalog are applied to account-level identities, rather than identities that are local to a workspace, allowing a consistent view of users and groups across all workspaces.







Unity Catalog offers a unified data access layer that provides a simple and streamlined way to define and connect to your data through managed tables, external tables, or files, while managing their access controls. Unity Catalog centralizes access controls for files, tables and views.

It allows fine-grained access controls for restricting access to certain rows and columns to the users and groups who are authorized to query them. With Attribute-Based Access Controls (ABAC), you can control access to multiple data items at once based on user and data attributes, further simplifying governance at scale. For example, you will be able to tag multiple columns as personally identifiable information (PII) and manage access to all columns tagged as PII in a single rule.

Today, organizations are dealing with an increased burden of regulatory compliance, and data access auditing is a critical component to ensure your organization is set up for success while meeting compliance requirements. Unity Catalog also provides centralized fine-grained auditing by capturing an audit log of operations such as create, read, update and delete (CRUD) that have been performed against the data. This allows a fine-grained audit trail showing who accessed a given data set and helps you meet your compliance and business requirements.





Built-in data search and discovery

Data discovery is a critical component to break down data silos and democratize data across your organization to make data-driven decisions. Unity Catalog provides a rich user interface for data search and discovery, enabling data teams to quickly search relevant data assets across the data landscape and reference them for all use cases — BI, analytics and machine learning — accelerating time-to-value and boosting productivity.

Performance and scalability

With Unity Catalog, data teams also benefit from enhanced query performance with low latency metadata serving and auto-tuning of the tables. Unity Catalog provides 38x faster metadata processing compared to Hive Metastore.

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Automated lineage for all workloads

Data lineage describes the transformations and refinements of data from source to insight. Lineage includes capturing all the relevant metadata and events associated with the data in its lifecycle, including the source of the data set, what other data sets were used to create it, who created it and when, what transformations were performed, which other data sets leverage it, and many other events and attributes. Unity Catalog offers automated data lineage down to table and column level, enabling data teams to get an end-to-end view of where data is coming from, what transformations were performed on the data and how data is consumed by end applications such as notebooks, workflows, dashboards, machine learning models, etc.

With automated data lineage for all workloads — SQL, R, Python and Scala, data teams can quickly identify and perform root cause analysis of any errors in the data pipelines or end applications. Second, data teams can perform impact analysis to see dependencies of any data changes on downstream consumers and notify them about the potential impact. Finally, data lineage also empowers data teams with increased understanding of their data and reduces tribal knowledge. Unity Catalog can also capture lineage associated with non-data entities, such as notebooks, workflows and dashboards. Lineage can be



Data lineage with Unity Catalog

retrieved via REST APIs to support integrations with other catalogs.

Integrated with your existing tools

Unity Catalog helps you to future-proof your data and AI governance with the flexibility to leverage your existing data catalogs and governance solutions — Collibra, Alation, Immuta, Privacera, Microsoft Purview and AWS Lakeformation.





Data sharing

Data sharing has become important in the digital economy as enterprises wish to easily and securely exchange data with their customers, partners, suppliers and internal lines of business to better collaborate and unlock value from that data. But to date, a lack of standards-based data sharing protocol has resulted in data sharing solutions tied to a single vendor or commercial product, introducing vendor lock-in risks. What the industry deserves is an open approach to data sharing.

Why data sharing is hard

Data sharing has evolved from an optional feature of a few data platforms to a business necessity and success factor for organizations. Our solution architects encounter daily the classic scenarios of a retailer looking to publish sales data to their suppliers in real time or a supplier that wants to share real-time inventory.

As a reminder, data sharing recently triggered the most impressive scientific development that humankind has ever seen. On January 5, 2021, the first sample of the genome of the coronavirus was uploaded to the internet. It wasn't a lung biopsy from a patient in Wuhan, but a shared digital



genomic data set that triggered the development of the first batch of COVID vaccines worldwide.

Since then, coronavirus experts have daily exchanged public data sets, looking for better treatments, tests and tracking mutations as they are passed down through a lineage, a branch of the coronavirus family tree. The above graphic shows such a <u>publicly shared mutation data set</u>.



Sharing data, as well as consuming data from external sources, allows you to collaborate with partners, establish new partnerships, enable research and can generate new revenue streams with data monetization.

Despite those promising examples, existing data sharing technologies come with several limitations:

- Traditional data sharing technologies, such as Secure File Transfer Protocol (SFTP), do not scale well and only serve files offloaded to a server
- Cloud object stores operate on an object level and are cloud-specific
- Commercial data sharing offerings baked into vendor products often share tables instead of files, but scaling them is expensive and they are not open and, therefore, do not permit data sharing with a different platform

The following table compares proprietary vendor solutions with SFTP, cloud object stores and Delta Sharing.




Open source data sharing and Databricks

To address the limitations of existing data sharing solutions, Databricks developed <u>Delta Sharing</u>, with various contributions from the OSS community, and donated it to the Linux Foundation.

An open source–based solution, such as Delta Sharing, eliminates the lock–in of commercial solutions and brings a number of additional benefits such as community–developed integrations with popular, open source data processing frameworks. In addition, open protocols allow the easy integration of commercial clients, such as BI tools.

What is Databricks Delta Sharing?

Databricks Delta Sharing provides an open solution to securely share live data from your lakehouse to any computing platform. Recipients don't have to be on the Databricks platform or on the same cloud or a cloud at all. Data providers can share live data, without replicating or moving it to another system. Recipients benefit from always having access to the latest version of data and can quickly query shared data using tools of their choice for BI, analytics and machine learning, reducing time-to-value. Data providers can centrally manage, govern, audit and track usage of the shared data on one platform.

Unity Catalog natively supports <u>Delta Sharing</u>, the world's first open protocol for data sharing, enabling organizations to share live, large-scale data without replication and make data easily and quickly accessible from tools of your choice, with enterprise-grade security.

Key benefits

Open cross-platform sharing

Easily share existing data in Delta Lake and Apache Parquet formats between different vendors. Consumers don't have to be on the Databricks platform, same cloud or a cloud at all. Native integration with Power BI, Tableau, Spark, pandas and Java allow recipients to consume shared data directly from the tools of their choice. Delta Sharing eliminates the need to set up a new ingestion process to consume data. Data recipients can directly access the fresh data and query it using tools of their choice. Recipients can also enrich data with data sets from popular data providers. The Delta Sharing ecosystem of open source and commercial partners is growing every day.



Sharing live data without copying it

Share live data, without replicating or moving it to another system. Most enterprise data today is stored in cloud data lakes. Any of these existing data sets on the provider's data lake can easily be shared without any data replication or physical movement of data. Data providers can update their data sets reliably in real time and provide a fresh and consistent view of their data to recipients. The Delta Sharing ecosystem of open source and commercial partners is growing every day.

Centralized administration and governance

You can centrally govern, track and audit access to the shared data from a single point of enforcement to meet compliance requirements. Detailed user-access audit logs are kept to know who is accessing the data and monitor usage of the shared data down to table, partition and version level.

Marketplace for data products

Build and package data products, including data sets, machine learning models and notebooks, once and distribute anywhere through a central marketplace. Consumers can access the curated data products in their workspaces on any cloud with just a few clicks.

Privacy-safe data clean rooms

Easily collaborate with your customers and partners via a secure hosted environment while safeguarding data privacy. Meet collaborators on their prefered cloud and provide them the flexibility to run any complex computations and workloads in any language — SQL, R, Scala and Python. Guide collaborators through common use cases using predefined templates.





How it works

Delta Sharing is designed to be simple, scalable, non-proprietary and cost-effective for organizations that are serious about getting more from their data. Delta Sharing is natively integrated with Unity Catalog, which allows customers to add fine-grained governance and security controls, making it easy and safe to share data internally or externally.

Delta Sharing is a simple REST protocol that securely shares access to part of a cloud data set. It leverages modern cloud storage systems — such as AWS S3, Azure ADLS or Google's GCS — to reliably transfer large data sets. Here's how it works for data providers and data recipients.



The data provider shares existing tables or parts thereof (such as specific table versions or partitions) stored on the cloud data lake in Delta Lake format. The provider decides what data they want to share and runs a sharing server in front of it that implements the Delta Sharing protocol and manages access for recipients. To manage shares and recipients, you can use SQL commands or the Unity Catalog CLI or the intuitive user interface.

The data recipient only needs one of the many Delta Sharing clients that supports the protocol. Databricks has released open source connectors for pandas, Apache Spark, Java and Python, and is working with partners on many more.

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The Delta Sharing data exchange follows three efficient steps:

- The recipient's client authenticates to the sharing server and asks to query a specific table. The client can also provide filters on the data (for example, "country=US") as a hint to read just a subset of the data.
- 2. The server verifies whether the client is allowed to access the data, logs the request, and then determines which data to send back. This will be a subset of the data objects in cloud storage systems that make up the table.
- 3. To transfer the data, the server generates short-lived presigned URLs that allow the client to read these Parquet files directly from the cloud provider, so that the transfer can happen in parallel at massive bandwidth, without streaming through the sharing server.



Learn more

Try Delta Sharing

Delta Sharing Demo

<u>Delta Sharing – delta.io</u>

Introducing Delta Sharing: An Open Protocol for Secure Data Sharing

Delta Sharing ODSC Webinar





CHAPTER

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Security

Organizations that operate in multicloud environments need a unified, reliable and consistent approach to secure data. We've learned from our customers that a simple and unified approach to data security for the lakehouse is one of the most critical requirements for modern data solutions. Databricks is trusted by the world's largest organizations to provide a powerful lakehouse platform with high security and scalability. In fact, thousands of customers trust Databricks with their most sensitive data to analyze and build data products using machine learning (ML). With significant investment in building a highly secure and scalable platform, Databricks delivers end-to-end platform security for data and users.

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Platform architecture reduces risk

The Databricks Lakehouse architecture is split into two separate planes to simplify your permissions, avoid data duplication and reduce risk. The control plane is the management plane where Databricks runs the workspace application and manages notebooks, configuration and clusters. Unless you choose to use <u>serverless compute</u>, the data plane runs inside your cloud service provider account, processing your data without taking it out of your account. You can embed Databricks in your data exfiltration protection architecture using features like customer-managed VPCs/VNets and admin console options that disable export.

While certain data, such as your notebooks, configurations, logs, and user information, is present within the control plane, that information is encrypted at rest, and communication to and from the control plane is encrypted in transit.



You also have choices for where certain data lives: You can host your own store of metadata about your data tables (Hive metastore), or store query results in your cloud service provider account and decide whether to use the <u>Databricks Secrets API</u>.



Step-by-step example





Suppose you have a data engineer that signs in to Databricks and writes a notebook that transforms raw data in Kafka to a normalized data set sent to storage such as Amazon S3 or Azure Data Lake Storage. Six steps make that happen:

- The data engineer seamlessly authenticates, via your single sign-on if desired, to the Databricks web UI in the control plane, hosted in the Databricks account.
- 2. As the data engineer writes code, their web browser sends it to the control plane. JDBC/ODBC requests also follow the same path, authenticating with a token.
- 3. When ready, the control plane uses Cloud Service Provider APIs to create a Databricks cluster, made of new instances in the data plane, in your CSP account. Administrators can apply cluster policies to enforce security profiles.
- 4. Once the instances launch, the cluster manager sends the data engineer's code to the cluster.
- 5. The cluster pulls from Kafka in your account, transforms the data in your account and writes it to a storage in your account.
- 6. The cluster reports status and any outputs back to the cluster manager.

The data engineer does not need to worry about many of the details - simply write the code and Databricks runs it.

Network and server security

Here is how Databricks interacts with your cloud service provider account to manage network and server security

Networking

Regardless of where you choose to host the data plane, Databricks networking is straightforward. If you host it yourself, Databricks by default will still configure networking for you, but you can also control data plane networking with your own managed VPC or VNet.

The serverless data plane network infrastructure is managed by Databricks in a Databricks cloud service provider account and shared among customers, with additional network boundaries between workspaces and between clusters.

Databricks does not rewrite or change your data structure in your storage, nor does it change or modify any of your security and governance policies. Local firewalls complement security groups and subnet firewall policies to block unexpected inbound connections.

Customers at the enterprise tier can also use the IP access list feature on the control plane to limit which IP addresses can connect to the web UI or REST API — for example, to allow only VPN or office IPs.



Servers

In the data plane, Databricks clusters automatically run the latest hardened system image. Users cannot choose older (less secure) images or code. For AWS and Azure deployments, images are typically updated every two-to-four weeks. GCP is responsible for its system image.

Databricks runs scans for every release, including:

- System image scanning for vulnerabilities
- Container OS and library scanning
- Static and dynamic code scanning

Databricks code is peer reviewed by developers who have security training. Significant design documents go through comprehensive security reviews. Scans run fully authenticated, with all checks enabled, and issues are tracked against the timeline shown in this table.

Note that Databricks clusters are typically short-lived (often terminated after a job completes) and do not persist data after they terminate. Clusters typically share the same permission level (excluding high concurrency or Databricks SQL clusters, where more robust security controls are in place). Your code is launched in an unprivileged container to maintain system stability. This security design provides protection against persistent attackers and privilege escalation.

Severity	Remediation time
Critical	< 14 days
High	< 30 days
Medium	< 60 days
Low	When appropriate

Databricks access

Databricks access to your environment is limited to cloud service provider APIs for our automation and support access. Automated access allows the Databricks control plane to configure resources in your environment using the cloud service provider APIs. The specific APIs vary based on the cloud. For instance, an AWS cross-account IAM role, or Azure-owned automation or GKE automation do not grant access to your data sets (see the next section).

Databricks has a custom-built system that allows staff to fix issues or handle support requests — for example, when you open a support request and check the box authorizing access to your workspace. Access requires either a support ticket or engineering ticket tied expressly to your workspace and is limited to a subset of employees and for limited time periods. Additionally, if you have configured audit log delivery, the audit logs show the initial access event and the staff's actions.



Identity and access

Databricks supports robust ACLs and SCIM. AWS customers can configure SAML 2.0 and block non-SSO logins. Azure Databricks and Databricks on GCP automatically integrate with Azure Active Directory or GCP identity.

Databricks supports a variety of ways to enable users to access their data.

Examples include:

- The Table ACLs feature uses traditional SQL-based statements to manage access to data and enable fine-grained view-based access
- IAM instance profiles enable AWS clusters to assume an IAM role, so users of that cluster automatically access allowed resources without explicit credentials
- External storage can be mounted or accessed using a securely stored access key
- The Secrets API separates credentials from code when accessing
 external resources

Data security

Databricks provides encryption, isolation and auditing.

Databricks encryption capabilities are in place both at rest and in motion		
 For data-at-rest encryption: Control plane is encrypted Data plane supports local encryption Customers can use encrypted storage buckets Customers at some tiers can configure customer-managed keys for managed services 	 For data-in-motion encryption: Control plane <-> data plane is encrypted Offers optional intra-cluster encryption Customer code can be written to avoid unencrypted services (e.g., FTP) 	

Customers can isolate users at multiple levels:

- Workspace level: Each team or department can use a separate workspace
- Cluster level: Cluster ACLs can restrict the users who can attach notebooks to a given cluster
- **High concurrency clusters:** Process isolation, JVM whitelisting and limited languages (SQL, Python) allow for the safe coexistence of users of different privilege levels, and is used with Table ACLs
- Single-user cluster: Users can create a private dedicated cluster

Activities of Databricks users are logged and can be delivered automatically to a cloud storage bucket. Customers can also monitor provisioning activities by monitoring cloud audit logs.



Compliance

Databricks supports the following compliance standards on our multi-tenant platform:

- SOC 2 Type II
- ISO 27001
- ISO 27017
- ISO 27018

Certain clouds support Databricks deployment options for FedRAMP High, HITRUST, HIPAA and PCI. Databricks Inc. and the Databricks platform are also GDPR and CCPA ready.



To learn more about Databricks security, visit the <u>Security and Trust Center</u>



CHAPTER



Instant compute and serverless



What is serverless compute?

Serverless compute is a fully managed service where Databricks provisions and manages the compute layer on behalf of the customer in the Databricks cloud account instead of the customer account. As of the current release, serverless compute is supported for use with Databricks SQL. This new capability for Databricks SQL provides instant compute to users for their BI and SQL workloads, with minimal management required and capacity optimizations that can lower overall cost by 20%-40% on average. This makes it even easier for organizations to expand adoption of the lakehouse for business analysts who are looking to access the rich, real-time data sets of the lakehouse with a simple and performant solution.

Benefits of Databricks Serverless SQL

Serverless SQL is much easier to administer with Databricks taking on the responsibility of deploying, configuring and managing your cluster VMs. Databricks can transfer compute capacity to user queries typically in about 15 seconds — so you no longer need to wait for clusters to start up or scale out to run your queries.

Serverless SQL also has built-in connectors to your favorite tools such as Tableau, Power BI, Qlik, etc. These connectors use optimized JDBC/ODBC drivers for easy authentication support and high performance. And finally, you save on cost because you do not need to overprovision or pay for the idle capacity.





Inside Serverless SQL

At the core of Serverless SQL is a compute platform that operates a pool of servers located in a Databricks' account, running Kubernetes containers that can be assigned to a user within seconds.

When many users are running reports or queries at the same time, the compute platform adds more servers to the cluster (again, within seconds) to handle the concurrent load. Databricks manages the entire configuration of the server and automatically performs the patching and upgrades as needed.

Each server is running a secure configuration and all processing is secured by three layers of isolation: The Kubernetes container hosting the runtime; the virtual machine (VM) hosting the container; and the virtual network for the workspace. Each layer is isolated to one workspace with no sharing or cross-network traffic allowed. The containers use hardened configurations, VMs are shut down and not reused, and network traffic is restricted to nodes in the same cluster.

Databricks Serverless SQL





Performance of Serverless SQL

We ran a set of internal tests to compare Databricks Serverless SQL to the current Databricks SQL and several traditional cloud data warehouses. We found Serverless SQL to be the most cost-efficient and performant environment to run SQL workloads when considering cluster startup time, query execution time and overall cost.

Databricks Serverless SQL is the highest performing and most cost-effective solution





Learn more

The feature is currently in Public Preview. Sign up to request access to Serverless SQL. To learn more about Serverless SQL, visit our <u>documentation page</u>.



CHAPTER

Data warehousing

Data warehouses are not keeping up with today's world. The explosion of languages other than SQL and unstructured data, machine learning, IoT and streaming analytics are forcing organizations to adopt a bifurcated architecture of disjointed systems: Data warehouses for BI and data lakes for ML. While SQL is ubiquitous and known by millions of professionals, it has never been treated as a first-class citizen on data lakes, until the lakehouse.



What is data warehousing

The Databricks Lakehouse Platform provides a simplified multicloud and serverless architecture for your data warehousing workloads. Data warehousing on the lakehouse allows SQL analytics and BI at scale with a common governance model. Now you can ingest, transform and query all your data in-place — using your SQL and BI tools of choice — to deliver real-time business insights at the best price/performance. Built on open standards and APIs, the lakehouse provides the reliability, quality and performance that data lakes natively lack, and integrations with the ecosystem for maximum flexibility — no lock-in.

With data warehousing on the lakehouse, organizations can unify all analytics and simplify their architecture to enable their business with real-time business insights at the best price/performance.

Key benefits

Best price/performance

Lower costs, get the best price/performance and eliminate resource management overhead

On-premises data warehouses have reached their limits — they physically cannot scale to handle the growing volumes of data, and don't provide the elasticity customers need to respond to ever-changing business needs. Cloud data warehouses are a great alternative to on-premises data warehouses, providing greater scale and elasticity, but cloud costs for proprietary cloud data warehouses typically yield to an exponential cost increase following the growth of data volume.

The Databricks Lakehouse Platform provides instant, elastic SQL serverless compute – decoupled from storage on cheap cloud object stores – and thousands of performance optimizations that can lower overall infrastructure costs by <u>an average of 40%</u>. Databricks automatically determines instance types and configuration for the best price/performance – <u>up to 12x better</u> <u>than traditional cloud data warehouses</u> – and scale for high concurrency use cases.



Built-in governance

One source of truth and one unified governance layer across all data teams

Underpinned by Delta Lake, the Databricks Lakehouse Platform simplifies your architecture by allowing you to establish one single copy of all your data for in-place analytics and ETL/ELT on your existing data lakes — no more data movements and copies in disjointed systems. Then, seamless integration with Databricks Unity Catalog lets you easily discover, secure and manage all your data with fine-grained governance, data lineage, and standard SQL.

Rich ecosystem

Ingest, transform and query all your data in-place with your favorite tools

Very few tools exist to conduct BI on data lakes. Generally, doing so has required data analysts to submit Spark jobs or use a developer interface. While these tools are common for data scientists, they require knowledge of languages and interfaces that are not traditionally part of a data analyst's tool set. As a result, the learning curve for an analyst to make use of a data lake is too high when well-established tools and methods already exist for data warehouses. The Databricks Lakehouse Platform works with your preferred tools like dbt, Fivetran, Power Bl or Tableau, allowing analysts and analytical engineers to easily ingest, transform and query the most recent and complete data, without having to move it into a separate data warehouse. Additionally, it empowers every analyst across your organization to quickly and collaboratively find and share new insights with a built-in SQL editor, visualizations and dashboards.

Break down silos

Accelerate time from raw to actionable data and go effortlessly from BI to ML

It is challenging for data engineering teams to enable analysts at the speed that the business requires. Data warehouses need data to be ingested and processed ahead of time before analysts can access and query it using BI tools. Because traditional data warehouses lack real-time processing and do not scale well for large ETL jobs, they create new data movements and bottlenecks for the data engineering team, and make it slow for analysts to access the latest data. And for advanced analytics (ML) applications, organizations will need to manage an entirely different system than their SQL-only data warehouse, slowing down collaboration and innovation.

The Databricks Lakehouse Platform provides the most complete end-to-end data warehousing solution for all your modern analytics needs, and more. Now you can empower data teams and business users to access the latest data faster for downstream real-time analytics and go effortlessly from BI to ML. Speed up the time from raw to actionable data at any scale — in batch and streaming. And go from descriptive to advanced analytics effortlessly to uncover new insights.





Data warehousing on Databricks





Try Databricks SQL for free

Databricks SQL Demo

Databricks SQL Data Warehousing Admin Demo <u>On-demand Webinar: Learn</u> <u>Databricks SQL From the Experts</u>

eBook: Inner Workings of the Lakehouse for Analytics and BI



CHAPTER

Data engineering

Organizations realize the value data plays as a strategic asset for growing revenues, improving the customer experience, operating efficiently or improving a product or service. Data is really the driver of all these initiatives. Nowadays, data is often streamed and ingested from hundreds of different data sources, sometimes acquired from a data exchange, cleaned in various ways with different orchestrated steps, versioned and shared for analytics and Al. And increasingly, data is being monetized.

Data teams rely on getting the right data at the right time for analytics, data science and machine learning, but often are faced with challenges meeting the needs of their initiatives for data engineering.

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Why data engineering is hard

One of the biggest challenges is accessing and managing the increasingly complex data that lives across the organization. Most of the complexity arises with the explosion of data volumes and data types, with organizations amassing an estimated <u>80% of data that is unstructured and semi-structured</u>.

With this volume, managing data pipelines to transform and process data is slow and difficult, and increasingly expensive. And to top off the complexity, most businesses are putting an increased emphasis on multicloud environments which can be even more difficult to maintain.

<u>Zhamak Dehghani</u>, a principal technology consultant at Thoughtworks, wrote that data itself has become a product, and the challenging goal of the data engineer is to build and run the machinery that creates this high-fidelity data product all the way from ingestion to monetization. Despite current technological advances data engineering remains difficult for several reasons:

Complex data ingestion methods

Data ingestion means retrieving batch and streaming data from various sources and in various formats. Ingesting data is hard and complex since you either need to use an always-running streaming platform like Apache Kafka or you need to be able to keep track of which files haven't been ingested yet. Data engineers are required to spend a lot of time hand-coding repetitive and error-prone data ingestion tasks.

Data engineering principles

These days, large operations teams are often just a memory of the past. Modern data engineering principles are based on agile software development methodologies. They apply the well-known "you build it, you run it" paradigm, use isolated development and production environments, CI/CD, and version control transformations that are pushed to production after validation. Tooling needs to support these principles.



Third-party tools

Data engineers are often required to run additional third-party tools for orchestration to automate tasks such as ELT/ETL or customer code in notebooks. Running third-party tools increases the operational overhead and decreases the reliability of the system.

Performance tuning

Finally, with all pipelines and workflows written, data engineers need to constantly focus on performance, tuning pipelines and architectures to meet SLAs. Tuning such architectures requires in-depth knowledge of the underlying architecture and constantly observing throughput parameters.

Most organizations are dealing with a complex landscape of data warehouses and data lakes these days. Each of those platforms has its own limitations, workloads, development languages and governance model.

Databricks makes modern data engineering simple

There is no industry-wide definition of modern data engineering. This should come close:

A **unified data platform** with **managed data ingestion**, schema detection, enforcement, and evolution, paired with **declarative**, **auto-scaling data flow** integrated with a lakehouse **native orchestrator** that supports all kinds of workflows.



Data engineering in the lakehouse allows data teams to unify batch and streaming operations on a simplified architecture, streamline data pipeline development and testing, build reliable data, analytics and AI workflows on any cloud platform, and meet regulatory requirements to maintain world-class governance.

The lakehouse provides an end-to-end data engineering and ETL platform that automates the complexity of building and maintaining pipelines and running ETL workloads so data engineers and analysts can focus on quality and reliability to drive valuable insights.







Benefits of data engineering on the lakehouse

By simplifying and modernizing with the lakehouse architecture, data engineers gain an enterprise-grade and enterprise-ready approach to building data pipelines. The following are eight key differentiating capabilities that a data engineering solution team can enable with the Databricks Lakehouse Platform:

- Easy data ingestion: With the ability to ingest petabytes of data, data engineers can enable fast, reliable, scalable and automatic data ingestion for analytics, data science or machine learning.
- Automated ETL pipelines: Data engineers can reduce development time and effort and focus on implementing business logic and data quality checks within the data pipeline using SQL or Python.
- Data quality checks: Improve data reliability throughout the data lakehouse so data teams can confidently trust the information for downstream initiatives with the ability to define data quality and automatically address errors.
- Batch and streaming: Allow data engineers to set tunable data latency with cost controls without having to know complex stream processing and implement recovery logic.
- Automatic recovery: Handle transient errors and use automatic recovery for most common error conditions that can occur during the operation of a pipeline with fast, scalable fault-tolerance.

- Data pipeline observability: Monitor overall data pipeline estate status from a dataflow graph dashboard and visually track end-to-end pipeline health for performance, quality, status and latency.
- Simplified operations: Ensure reliable and predictable delivery of data for analytics and machine learning use cases by enabling easy and automatic data pipeline deployments into production or roll back pipelines and minimize downtime.
- Scheduling and orchestration: Simple, clear and reliable orchestration
 of data processing tasks for data and machine learning pipelines with the
 ability to run multiple non-interactive tasks as a directed acyclic graph
 (DAG) on a Databricks compute cluster.



Data engineering is all about data quality

The goal of modern data engineering is to distill data with a quality that is fit for downstream analytics and AI. Within the Lakehouse, data quality is achieved on three different levels.

- On a technical level, data quality is guaranteed by enforcing and evolving schemas for data storage and ingestion.
- 2. On an **architectural level**, data quality is often achieved by implementing the medallion architecture. A medallion architecture is a data design pattern used to logically organize data in a <u>lakehouse</u> with the goal of incrementally and progressively improving the structure and quality of data as it flows through each layer of the architecture, e.g., from Bronze to Silver to Gold layer tables.
- 3. The **Databricks Unity Catalog** comes with robust data quality management with built-in quality controls, testing, monitoring and enforcement to ensure accurate and useful data is available for downstream BI, analytics and machine learning workloads.





Data ingestion

With the Databricks Lakehouse Platform, data engineers can build robust hyper-scale ingestion pipelines in streaming and batch mode. They can incrementally process new files as they land on cloud storage — with no need to manage state information — in scheduled or continuous jobs.

Data engineers can efficiently track new files (with the ability to scale to billions of files) without having to list them in a directory. Databricks automatically infers the schema from the source data and evolves it as the data loads into the Delta Lake lakehouse. Efforts continue with enhancing and supporting Auto Loader, our powerful data ingestion tool for the Lakehouse.

What is Auto Loader?

Have you ever imagined that ingesting data could become as easy as dropping a file into a folder? Welcome to Databricks Auto Loader.

<u>Auto Loader</u> is an optimized data ingestion tool that incrementally and efficiently processes new data files as they arrive in the cloud storage built into the Databricks Lakehouse. Auto Loader can detect and enforce the schema of your data and, therefore, guarantee data quality. New files or files that have been changed since the last time new data was processed are identified automatically and ingested. Noncompliant data sets are quarantined into rescue data columns. You can use the [trigger once] option with Auto Loader to turn it into a job that turns itself off.

Ingestion for data analysts: COPY INTO

Ingestion also got much easier for data analysts and analytics engineers working with Databricks SQL. <u>COPY INTO</u> is a simple SQL command that follows the lake-first approach and loads data from a folder location into a Delta Lake table. COPY INTO can be scheduled and called by a job repeatedly. When run, only new files from the source location will be processed.

Data transformation

Turning SQL queries into production ETL pipelines typically involves a lot of tedious, complicated operational work. Even at a small scale, the majority of a data practitioner's time is spent on tooling and managing infrastructure.

Although the medallion architecture is an established and reliable pattern for improving data quality, the implementation of this pattern is challenging for many data engineering teams.

While hand-coding the medallion architecture was hard for data engineers, creating data pipelines was outright impossible for data analysts not being able to code with Spark Structured Streaming in Scala or Python.

Even at a small scale, most data engineering time is spent on tooling and managing infrastructure rather than transformation. Auto-scaling, observability and governance are difficult to implement and, as a result, often left out of the solution entirely.



What is Delta Live Tables?

Delta Live Tables (DLT) is the first ETL framework that uses a simple **declarative approach** to building reliable data pipelines. DLT automatically auto-scales your infrastructure so data analysts and engineers can spend less time on tooling and focus on getting value from data. Engineers are able to **treat their data as code** and apply modern software engineering best practices like testing, error-handling, monitoring and documentation to deploy reliable pipelines at scale. DLT fully supports both Python and SQL and is tailored to work with both streaming and batch workloads.

With DLT you write a Delta Live Table in a SQL notebook, create a pipeline under Workflows and simply click [Start].





DLT reduces the implementation time by accelerating development and automating complex operational tasks. Since DLT can use plain SQL, it also enables data analysts to create production pipelines and turns them into the often discussed "analytics engineer." At runtime, DLT speeds up pipeline execution applied with Photon.

Software engineering principles are applied for data engineering to foster the idea of treating your data as code. Your data is the sole source of truth for what is going on inside your business.

Beyond just the transformations, there are many things that should be included

in the code that define your data. Declaratively express entire data flows in SQL or Python. Natively enable modern software engineering best practices like separate development and production environments, the ability to easily test before deploying, deploy and manage environments using parameterization, unit testing and documentation.

DLT also automatically scales compute, providing the option to set the minimum and maximum number of instances and let DLT size up the cluster according to cluster utilization. In addition, tasks like orchestration, error handling and recovery, and performance optimization are all handled automatically.





Expectations in the code help prevent bad data from flowing into tables, track data quality over time, and provide tools to troubleshoot bad data with granular pipeline observability. This enables a high-fidelity lineage diagram of your pipeline to track dependencies and aggregate data quality metrics across all your pipelines.

Unlike other products that force you to deal with streaming and batch workloads separately, DLT supports any type of data workload with a single API so data engineers and analysts alike can build cloud-scale data pipelines faster without the need for advanced data engineering skills. Workflows lets you orchestrate data flow pipelines (written in DLT or dbt), as well as machine learning pipelines, or any other tasks such as notebooks or Python wheels. Since Databricks Workflows is fully managed, it eliminates operational overhead for data engineers, enabling them to focus on your workflows not on managing your infrastructure. It provides an easy point-and-click authoring experience for all your data teams, not just those with specialized skills. Deep integration with the underlying lakehouse platform ensures you will create and run reliable production workloads on any cloud while providing deep and centralized monitoring with simplicity for end users.

Data orchestration

The lakehouse makes it much easier for businesses to undertake ambitious data and machine learning (ML) initiatives. However, orchestrating and managing end-to-end production workflows remains a bottleneck for most organizations, relying on external tools or cloud-specific solutions that are not part of their lakehouse platform. Tools that decouple task orchestration from the underlying data processing platform reduce the overall reliability of their production workloads, limit observability, and increase complexity for end users.

What is Databricks Workflows?

<u>Databricks Workflows</u> is the first fully managed and integrated lakehouse <u>orchestration</u> service that allows data teams to build reliable workflows on any cloud.

Databricks Workflows



Sharing job clusters over multiple tasks reduces the time a job takes, reduces costs by eliminating overhead and increases cluster utilization with parallel tasks.



Databricks Workflows' deep integration with the lakehouse can best be seen with its monitoring and observability features. The matrix view in the following graphic shows a history of runs for a job. Failed tasks are marked in red. A failed job can be repaired and rerun with the click of a button. Rerunning a failed task detects and triggers the execution of all dependent tasks.

You can create workflows with the UI, but also through the Databricks Workflows API, or with external orchestrators such as Apache Airflow. Even if you are using an external orchestrator, Databricks Workflows' monitoring acts as a single pane of glass that includes externally triggered workflows.







Orchestrate anything

Remember that DLT is one of many task types for Databricks Workflows. This is where the managed data flow pipelines with DLT tie together with the easy point-and-click authoring experience of Databricks Workflows.

In the following example, you can see an end-to-end workflow built with customers in a workshop: Data is streamed from Twitter according to search terms, then ingested with Auto Loader using automatic schema detection and enforcement. In the next step, the data is cleaned and transformed with Delta Live table pipelines written in SQL, and finally run through a pre-trained BERT language model from Hugging Face for sentiment analysis of the tweets. Different task types for ingest, cleanse/transform and ML are combined in a single workflow.

Using Workflows, these tasks can be scheduled to provide a daily overview of social media coverage and customer sentiment for a business. After streaming tweets with filtering for keywords such as "data engineering," "lakehouse" and "Delta Lake," we curated a list of those tweets that were classified as positive with the highest probability score.





Data Engineering on the Lakehouse

Big Book of Data Engineering

Delta Live Tables

Databricks Workflows



CHAPTER

Data streaming

Most data today is streaming data. Organizations are overwhelmed by the need to access, process and analyze this high-volume and variety of data moving through their data platforms at high speed. To keep pace with innovation, they must quickly make sense of all their data — from persisted structured data to streaming data from IoT devices, smart applications, clickstream and application logs/events — decisively, consistently and in real time. This fast-flowing data can increase decision-making and operational intelligence effectiveness, agility and responsiveness.

Organizations must treat streaming as the future for all data pipelines, processing and applications to satisfy these requirements. It allows businesses to make data-driven decisions sooner and react faster, develop data-driven applications considered previously impossible, and deliver new and differentiated experiences to customers. However, many organizations have yet to realize the promise of streaming to its full potential because it requires them to completely redevelop their data pipelines and applications on new, complex, proprietary and disjointed technology stacks.

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Understanding streaming data and processing

Streaming data is continuously generated and unbounded, meaning data generated from various sources, such as IoT devices, GPS, sensors, applications and logs are unpredictable, infinite and not always sequential. These characteristics make it difficult to process and analyze data in a structured format, apply integrity checks or control the volume and velocity.

Traditional enterprise architecture is designed for structured, bounded data types with batch processing. This method formulates a two-step process: extract the data to a storage location and process data in a one-off manner.



Streaming architectures employ two layers to facilitate ingestion and processing. Streaming capture systems capture and temporarily store streaming data for processing. Sometimes these systems are also called messaging systems or messaging buses. Streaming processing systems continuously process data from streaming capturing systems and other storage systems (such as Delta Lake).

Streaming use cases

Data streaming can generate significant business value for organizations. Here are some of the industry use cases where streaming is helping:

- Retail: Real-time inventory updates help support business activities, such as inventory and pricing optimization and optimization of the supply chain, logistics and just-in-time delivery.
- **Smart energy:** Smart meter monitoring in real time allows for smart electricity pricing models and connection with renewable energy sources to optimize power generation and distribution.
- **Preventative maintenance:** By reducing unplanned outages and unnecessary site and maintenance visits, real-time streaming analytics can lower operational and equipment costs.
- Industrial automation: Manufacturers can use streaming and predictive analytics to improve production processes and product quality, including setting up automated alerts and shutting down production if quality standards are not met.
- Healthcare: To optimize care recommendations, real-time data allows for the integration of various smart sensors to monitor patient condition, medication levels and even recovery speed.
- Financial institutions: Firms can conduct real-time analysis of transactions to detect fraudulent transactions and send alerts. They can use fraud analytics to identify patterns and feed data into machine learning algorithms.

Streaming in the Lakehouse

The lakehouse architecture is designed to deliver streaming capabilities that enable real-time decisions and abstract the complexity of building streaming data pipelines on a single, unified platform. Built on the Databricks Lakehouse Platform, supported by Delta Lake and Unity Catalog, there are five patterns with differentiating capabilities that allow streaming in the Lakehouse:





Streaming ingestion begins with collecting raw events data from streaming sources and ingesting them into the Delta Lake or messaging hub. The Lakehouse Platform offers streaming high-performant, scalable connectors for capturing streaming data into Delta Lake. Additionally, Databricks Auto Loader makes it easy to ingest data continuously and incrementally from cloud file storage systems to Delta Lake.

Streaming ETL makes cleansed and aggregated data available sooner to downstream consumers for BI and ML. The Databricks Platform offers two layers of abstraction for streaming ETL in the Lakehouse: Structured Streaming and Delta Live Tables.

- Structured Streaming is a scalable and fault-tolerant stream processing engine built on Spark SQL. Structured Streaming is a flexible lower-level abstraction for building streaming pipelines. However, key capabilities such as data quality, infrastructure scaling, and error handling are all manually managed.
- Delta Live Tables is a higher-level abstraction for streaming pipelines that take care of the undifferentiated heavy lifting like the ones stated earlier so that you can focus on building reliable ETL pipelines.

Event processing involves collecting and processing events (streams of events) as they happen and are typically used to power downstream event-driven applications. Events are processed continuously and buffered in the stream capturing system (message buses, Apache Kafka) without persisting in storage systems to achieve lower latency. These systems are optimized for small payloads, and high frequency reads and writes, whereas storage systems are optimized for large and low frequency reads and writes. **Event-driven application** processes data directly from streaming capturing systems and triggers programmatic actions such as displaying a relevant ad, updating the price on a pricing page, stopping a fraudulent transaction, etc. There typically is no human-in-the-loop for such applications.

Streaming ML inference involves deploying ML models in a streaming mode. This deployment is supported with structured streaming for continuous inference from a live data stream.

Data streaming is one of the fastest-growing workloads for the lakehouse architecture and is the future of all data processing. It allows business teams to make quicker and better decisions by delivering fresher and data-driven insights. It allows development teams to deliver real-time and differentiated experiences such as dynamic UI to their users. And it allows operations teams to detect and react to operational issues such as fraud, network congestion, and security breach in real time.



Learn more

Structured Streaming Documentation

<u>Streaming – Getting Started With Apache Spark on Databricks</u>



CHAPTER

Data science and machine learning

While most companies are aware of the potential benefits of applying machine learning and AI, realizing these potentials can often be quite challenging for those brave enough to take the leap. Some of the largest hurdles come from siloed/ disparate data systems, complex experimentation environments, and getting models served in a production setting.

Fortunately, the Databricks Lakehouse Platform provides a helping hand and lets you use data to derive innovative insights, build powerful predictive models, and enable data scientists, ML engineers, and developers of all kinds to create within the space of machine learning and Al.

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Databricks Machine Learning





Exploratory data analysis

With all the data in one place, data is easily explored and visualized from within the notebook-style experience that provides support for various languages (R, SQL, Python and Scala) as well as built-in visualizations and dashboards. Confidently and securely share code with co-authoring, commenting, automatic versioning, Git integrations and role-based access controls. The platform provides laptop-like simplicity at production-ready scale.





Model creation and management

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From data ingestion to model training and tuning, all the way through to production model serving and versioning, the Lakehouse brings the tools needed to simplify those tasks.

Get right into experimenting with the Databricks ML runtimes, optimized and preconfigured to include most popular libraries like scikit-learn, XGBoost and more. Massively scale thanks to built-in support for distributed training and hardware acceleration with GPUs.

From within the runtimes, you can track model training sessions, package and reuse models easily with <u>MLflow</u>, an open source machine learning platform created by Databricks and included as a managed service within the Lakehouse. It provides a centralized location from which to manage models and package code in an easily reusable way.

Training these models often involves the use of features housed in a centralized feature store. Fortunately, Databricks has a built-in feature store that allows you to create new features, explore and re-use existing features, select features for training and scoring machine learning models, and publish features to low-latency online stores for real-time inference.

If you are looking to get a head start, <u>AutoML</u> allows for low to no-code experimentation by pointing to your data set and automatically training models and tuning hyperparameters to save both novice and advanced users precious time in the machine learning process. AutoML will also report back metrics related to the model training results as well as the code needed to repeat the training already custom-tailored to your data set. This glass box approach ensures that you are never trapped or suffer from vendor lock-in.

In that regard, the Lakehouse supports the industry's widest range of data tools, development environments, and a thriving ISV ecosystem so you can make your workspace your own and put out your best work.

Compute platform Any ML workload optimized and accelerated **Databricks Machine Learning Runtime** · Optimized and preconfigured ML frameworks Turnkey distribution ML • Built-in AutoML · GPU support out of the box Built-in ML frameworks Built-in support for and model explainability distributed training Shap XGBoost LightGBM Built-in support for AutoML Built-in support for and hyperparameter tuning hardware accelerators databricks **NVIDIA** CUDA AutoML

Deploy your models to production

Exploring and creating your machine learning models typically represents only part of the task. Once the models exist and perform well, they must become part of a pipeline that keeps models updated, monitored and available for use by others.

Databricks can help here by providing a world-class experience for model versioning, monitoring and serving within the same platform that you can use to generate the models themselves. This means you can make all your ML pipelines in the same place, monitor them for drift, retrain them with new data, and promote and serve them easily and at scale.

Throughout the ML lifecycle, rest assured knowing that lineage and governance are being tracked the entire way. This means regulatory compliance and security woes are significantly reduced, potentially saving costly issues down the road.



Webhooks allow registering of callbacks on events like stage transitions to integrate with CI/CD automation.

Tags allow storing deployment - specific metadata with model versions, e.g., whether the deployment was successful.

Comments allow communication and collaboration between teammates when reviewing model versions.







Learn more

Databricks Machine Learning

Databricks Data Science

Databricks ML Runtime Documentation



CHAPTER

Databricks Technology Partners and the modern data stack

Databricks Technology Partners integrate their solutions with Databricks to provide complementary capabilities for ETL, data ingestion, business intelligence, machine learning and governance. These integrations allow customers to leverage the Databricks Lakehouse Platform's reliability and scalability to innovate faster while deriving valuable data insights. Use preferred analytical tools with optimized connectors for fast performance, low latency and high user concurrency to your data lake.



With <u>Partner Connect</u>, you can bring together all your data, analytics and Al tools on one open platform. Databricks provides a fast and easy way to connect your existing tools to your lakehouse using validated integrations and helps you discover and try new solutions.





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CHAPTER

Get started with the Databricks Lakehouse Platform



Databricks Trial

Get a collaborative environment for data teams to build solutions together with interactive notebooks to use Apache Spark[™], SQL, Python, Scala, Delta Lake, MLflow, TensorFlow, Keras, scikit-learn and more.

 Available as a 14-day full trial in your own cloud or as a lightweight trial hosted by Databricks

Try Databricks for free

Databricks documentation

Get detailed documentation to get started with the Databricks Lakehouse Platform on your cloud of choice: <u>Databricks on AWS</u>, <u>Azure Databricks</u> and <u>Databricks on Google Cloud</u>.

Databricks Demo Hub

Get a firsthand look at Databricks from the practitioner's perspective with these simple on-demand videos. Each demo is paired with related materials — including notebooks, videos and eBooks — so that you can try it out for yourself on Databricks.

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Databricks Academy

Whether you are new to the data lake or building on an existing skill set, you can find a curriculum tailored to your role or interest. With training and certification through Databricks Academy, you will learn to master the Databricks Lakehouse Platform for all your big data analytics projects.

Databricks Community

Get answers, network with peers and solve the world's toughest problems, together.

Databricks Labs

Databricks Labs are projects created by the field to help customers get their use cases into production faster.

Databricks customers

Discover how innovative companies across every industry are leveraging the Databricks Lakehouse Platform.



About Databricks

Databricks is the data and AI company. More than 7,000 organizations worldwide — including Comcast, Condé Nast, H&M and over 40% of the Fortune 500 — rely on the Databricks Lakehouse Platform to unify their data, analytics and AI. Databricks is headquartered in San Francisco, with offices around the globe. Founded by the original creators of Apache Spark[™], Delta Lake and MLflow, Databricks is on a mission to help data teams solve the world's toughest problems. To learn more, follow Databricks on <u>Twitter, LinkedIn</u> and <u>Facebook</u>.



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