

## MDM Landscape Q2 2018

Master data management (MDM) is the software and processes to support the handling of data that crosses an organization: customer, product, supplier, location and asset are all “domains” of master data that span an enterprise. The master data management software market is now over a decade old and provides software to support the processes of improving the quality, consistency and availability of that master data. In particular, MDM software needs to help customers in resolving the inconsistencies between different versions of master data that exist between the assorted systems that a global enterprise possesses. Our research shows that a typical large organisation has 15 different systems, on average, generating competing versions of master data. This data needs to be identified, its accuracy checked and then a single, most trustworthy version of each master data record needs to be produced, whether through applying business rules (some systems are more trusted than others, some data was more recently updated than another version, etc) either automatically or through expert human review, or a combination of the two. Once this “golden copy” master record is produced then it needs to be made available to the downstream systems that may use it, such as data warehouses or analytic applications. Consequently an MDM system usually spans functions including data access, data quality, workflow, master data storage and also publishing of the data. It will often also provide a mechanism for applying business rules and supporting the human processes that surround deciding what data is deemed trustworthy i.e. support for data governance.

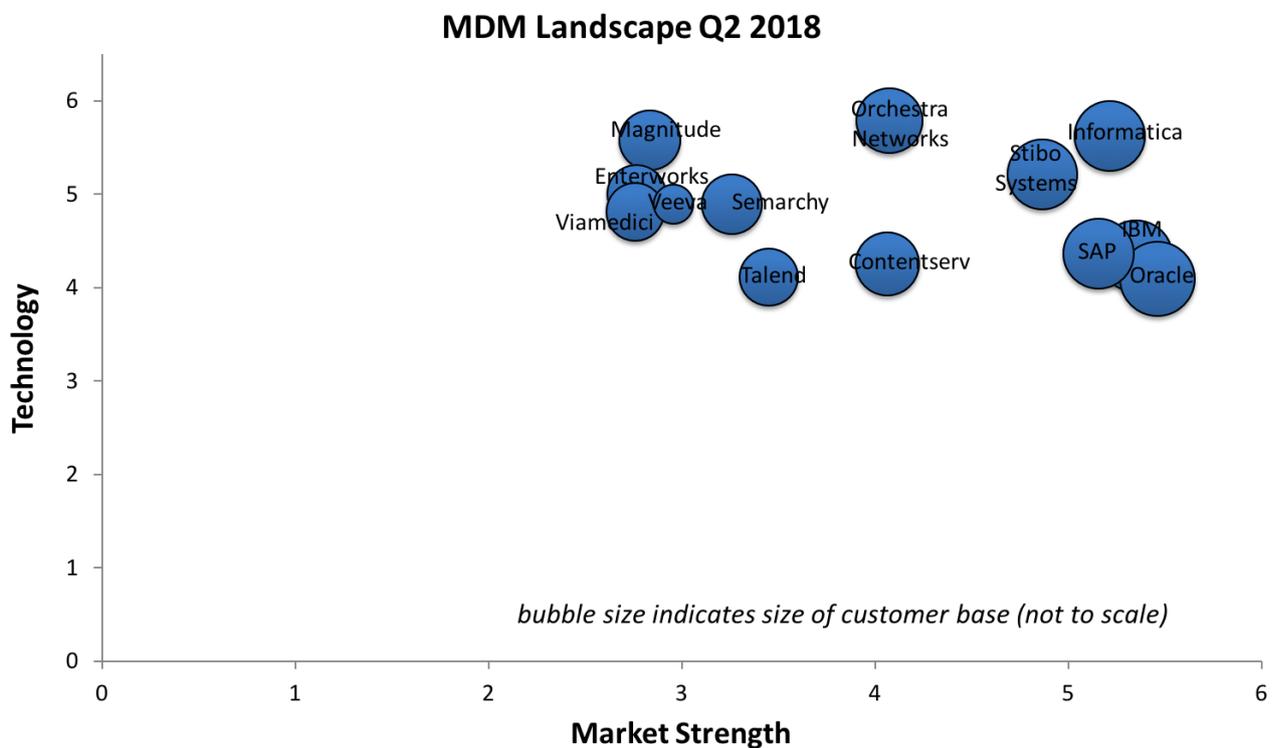
Master data is particularly crucial in heavily regulated industries such as pharmaceuticals and finance, where there are heavy penalties for inaccurate reporting to regulatory bodies. It is not surprising that many of the early MDM software vendors started off providing solutions to these industries, helping companies maintain their customer and product data. However just about every large company has the same core problem of needing to be able to get a picture of its business performance on a global basis, whether that be assessing customer, product or channel profitability, and yet struggling to do so because the data that gives context to its business transactions is stored in multiple, inconsistent copies in different applications from country to country and department to department.

These days most MDM software covers a broad range of functionality, and in principle most can handle different data domains, so vendors claim that they can handle master data like asset, employee, location, supplier and contract as well as the traditional customer and product. Nonetheless, most vendors have their roots in either customer or product data, and their particular functionality and track record of deployment is usually deeper where the software had its roots. Larger vendors have evolved broader platforms that encompass data integration and business analytics, which are complementary to core MDM. These vendors naturally argue that customers should take the path of least resistance and buy from them, whereas specialist MDM vendors argue that a best of breed approach is best.

MDM vendors are gradually responding to the slow but inexorable drift of enterprise applications from on-premise to the cloud, whether that be private, public or hybrid cloud. Many vendors now have software offerings available through public cloud platforms like Amazon’s AWS and Microsoft Azure, even if the majority of their customer deployments are still on-premise. Similarly, MDM vendors are having to come to terms with the challenge of handling “big data”, usually machine generated data such as web logs and sensor data, but which has master data embedded within it that needs to be linked back to corporate master data.

The master data management (MDM) market in the past year showed continued growth, confirming it as one of the fastest growing enterprise software markets. We estimate that the market for MDM software was worth \$1.59 billion, with year on year growth of 9%. This includes the MDM-related revenues of all the software companies operating in the market. It does not include systems integration and consulting revenue associated with MDM implementations (but does include the professional services revenue of the software vendors). We calculate the pure software license revenue for MDM software at \$873 million, maintenance revenue at \$270 million and MDM professional services revenue of the software vendors at \$445 million. Our research shows that on average the people costs of a MDM project are four times that of the software license cost, so there is clearly a large and separate consultancy market associated with MDM.

The main vendors in the market are summarised in the diagram below.



The landscape diagram represents the market in three dimensions. The size of the bubble represents the customer base of the vendor, i.e. the number of corporations it has sold MDM software to, adjusted for deal size. The larger the bubble, the broader the customer base, though this is not to scale. The technology score is made up of a weighted set of scores derived from: customer satisfaction as measured by a survey of reference customers<sup>1</sup>, analyst impression of the technology, maturity of the technology in terms of its time in the market and the breadth of the technology in terms of its coverage against our functionality model. Market strength is made up of a weighted set of scores derived from: MDM revenue, growth, financial strength, size of partner ecosystem, (revenue adjusted) customer base and geographic coverage. The Information Difference maintains profiles on each vendor that go into more detail. Customers are encouraged to carefully look at their own specific requirements rather than high-level

<sup>1</sup> In the absence of sufficient completed references, a neutral score was assigned to this factor.

assessments such as the Landscape diagram when assessing their needs. We maintain a comprehensive MDM functionality model and evaluation approach (MDM Select) that we offer to customers.

A significant part of the “technology” dimension scoring is assigned to customer satisfaction, as determined by a survey of vendor customers. In this research cycle the vendor with the happiest customers was Magnitude, followed closely by Semarchy and Orchestra Networks, then EnterWorks, Contentserv, Veeva and Informatica. Congratulations to those vendors.

Below is a list of the significant MDM vendors.

<b>Vendor</b>	<b>Brief Description</b>	<b>Website</b>
Agility Multichannel	MDM for product data vendor specializing in product management for commerce. Acquired by Magnitude in late 2017.	<a href="http://www.agilitymultichannel.com">www.agilitymultichannel.com</a>
AllSight	SaaS vendor that populates an intelligent Customer 360 through synthesis, inferences and analytics	<a href="http://www.allsight.com">www.allsight.com</a>
Ataccama	Data quality vendor who also have an MDM hub in their software portfolio.	<a href="http://www.ataccama.com">www.ataccama.com</a>
Cadis	Enterprise data management vendor specializing in financial services industry.	<a href="http://www.cadisedm.com">www.cadisedm.com</a>
Contentserv	Provides retailers and brands a “Product Experience Platform” combining MDM, PIM, DAM, and Marketing Experience Management in a single stack.	<a href="http://www.contentserv.com">www.contentserv.com</a>
D&B Purisma	Customer hub software acquired by business services giant D&B.	<a href="http://www.pursima.com">www.pursima.com</a>
Dell Boomi	Services arm of Dell now has a cloud-based MDM software product.	<a href="http://www.boomi.com/mdm">www.boomi.com/mdm</a>
EnterWorks	Multi-domain MDM vendor with its roots in product information management.	<a href="http://www.enterworks.com">www.enterworks.com</a>
Global IDs	New York-based vendor with an emphasis on data governance.	<a href="http://www.globalids.com">www.globalids.com</a>
Golden Source	UK vendor specializing in financial services industry.	<a href="http://www.thegoldensource.com">www.thegoldensource.com</a>
GXS	Vendor specializing in product master data but which can manage other data domains.	<a href="http://www.gxs.com">www.gxs.com</a> <a href="http://www.gxsproductmasterdata.com">www.gxsproductmasterdata.com</a>
hybris	Vendor specializing in product master data and eCommerce. Now part of SAP.	<a href="http://www.hybris.com">www.hybris.com</a>
IBM	Industry giant with comprehensive MDM offerings across all data domains and implementation styles.	<a href="http://www.ibm.com">www.ibm.com</a>
InRiver	Product Information Management vendor with its HQ in Sweden.	<a href="http://www.inriver.com">www.inriver.com</a>

Informatica	Informatica offers a modular, end-to-end, multi-domain MDM that's unified, flexible and scalable. Built on Intelligent Data Platform (IDP), MDM provides master data-fueled business apps such as Product 360, Supplier 360, Customer 360, Customer 360 for Salesforce, Relate 360 that are designed to address key business challenges every organizations face. Informatica's MDM solution combines Data as a Service (DaaS), Data Quality, and Business Process Management.	<a href="http://www.informatica.com">www.informatica.com</a>
Information Builders (IBI)	Provider of Enterprise BI, MDM, Data Quality and Integration. Offers iWay Master Data Suite, OMNI packaged solutions for healthcare, and OMNI-Gen MDM automation technology.	<a href="http://www.informationbuilders.com">www.informationbuilders.com</a>
Indus Valley Partners (IVP)	Enterprise data management vendor specializing in the buy side of the capital markets.	<a href="http://www.ivp.in">www.ivp.in</a>
InterSystems	Vendor using an object database combined with an application integration platform to provide MDM.	<a href="http://www.intersystems.co.uk">www.intersystems.co.uk</a>
Lansa	Vendor with PIM and eCommerce tool amongst a broader software portfolio.	<a href="http://www.lansa.com">www.lansa.com</a>
Liaison	Cloud-based MDM software with an emphasis on product data.	<a href="http://www.liaison.com">www.liaison.com</a>
Magnitude	Model-driven multi-domain MDM vendor (formerly called Kalido) with increasing emphasis on operational MDM use cases.	<a href="http://www.kalido.com">www.kalido.com</a>
Oracle	Database and applications giant with several MDM solutions.	<a href="http://www.oracle.com">www.oracle.com</a>
Orchestra Networks	A model-driven, multi-domain MDM vendor with an emphasis on data governance.	<a href="http://www.orchestranetworks.com">www.orchestranetworks.com</a>
Pitney Bowes Software	A large vendor that in 2012 launched an MDM product based on a graphical database.	<a href="http://www.pb.com">www.pb.com</a>
Profisee	Vendor with an offering complementary to, and based upon, the Microsoft MDS platform.	<a href="http://www.profisee.com">www.profisee.com</a>
QAD	Vendor specializing in product master data.	<a href="http://www.qad.com">www.qad.com</a>
Reltío	Master data cloud solution specializing in life sciences.	<a href="http://www.reltio.com">www.reltio.com</a>
Riversand	Multi-domain master data provider specializing in product data.	<a href="http://www.riversand.com">www.riversand.com</a>
Rollstream	Vendor specializing in supplier master data.	<a href="http://www.rollstream.com">www.rollstream.com</a>

Salsify	Product content management vendor.	<a href="http://www.salsify.com">www.salsify.com</a>
SAP	Applications giant with its own MDM solution.	<a href="http://www.sap.com">www.sap.com</a>
SAS	The privately held software giant has a multi-domain MDM solution.	<a href="http://www.sas.com">www.sas.com</a>
Semarchy	Hybrid, "Intelligent Data Hub" multi-domain MDM vendor focused on governance, quality, catalogue and workflows in parallel.	<a href="http://www.semarchy.com">www.semarchy.com</a>
Sigma Systems	Vendor with catalogue management, order management and provisioning software.	<a href="http://sigma-systems.com">sigma-systems.com</a>
Software AG	Vendor of multi-domain MDM, BPM, and SOA solutions.	<a href="http://www.softwareag.com/mdm">www.softwareag.com/mdm</a>
Smartco	Enterprise data management vendor specializing in financial services industry.	<a href="http://www.smartco.com">www.smartco.com</a>
sparesfinder	Vendor specializing in the mastering of spares part data.	<a href="http://www.sparesfinder.com">www.sparesfinder.com</a>
Stibo Systems	Stibo Systems provide a multi-domain solution that supports large data sets at scale. It has a strong presence in Manufacturing, Distribution, and Retail.	<a href="http://www.stibosystems.com">www.stibosystems.com</a>
Talend	Open source vendor with an MDM suite.	<a href="http://www.talend.com">www.talend.com</a>
Teradata	Database giant with its own MDM solution.	<a href="http://www.teradata.com">www.teradata.com</a>
Tibco	Integration vendor with product data-oriented MDM hub.	<a href="http://www.tibco.com">www.tibco.com</a>
Veeva	Provides cloud-based multi-domain MDM software to the life sciences industry.	<a href="http://www.veeva.com">www.veeva.com</a>
verato	Provide identity management software and data, crossing the boundaries between MDM, data quality and data broker.	<a href="http://www.verato.com">www.verato.com</a>
Verdantis	Provides cloud-based MDM software for the material and product domains with self-service and turnkey delivery models.	<a href="http://www.verdantis.com">www.verdantis.com</a>
Viamedici	German MDM vendor specializing in MDM for manufacturing.	<a href="http://viamedici.com">viamedici.com</a>
VisionWare	MDM vendor based in UK and US specializing in healthcare, financial services and local government with their MultiVue product.	<a href="http://www.visionwareplc.com">www.visionwareplc.com</a>