

MDM Landscape Q2 2019

Master data management (MDM) is the software and supporting 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 data governance, which means applying business rules and supporting the human processes that surround deciding what data is deemed trustworthy.

MDM software originally focused on customer and product data, which are common to virtually every enterprise, and originally there were two distinct markets for these data domains. Customer data tends to be high in volume especially in industries such as Telco, retail and retail banking, but relatively simple. Product data tends to be less voluminous but more elaborate, often with complex hierarchies of classification, and so these two data domains typically require somewhat different product features. A third type, multi-domain software, was designed to handle any master data types, including things like asset data and data about contracts, people and suppliers, to name a few. These days most MDM vendors claim to support any data domain, but typically have a heritage in one of these three separate strands, and these typically reflect the bulk of their customer use cases.

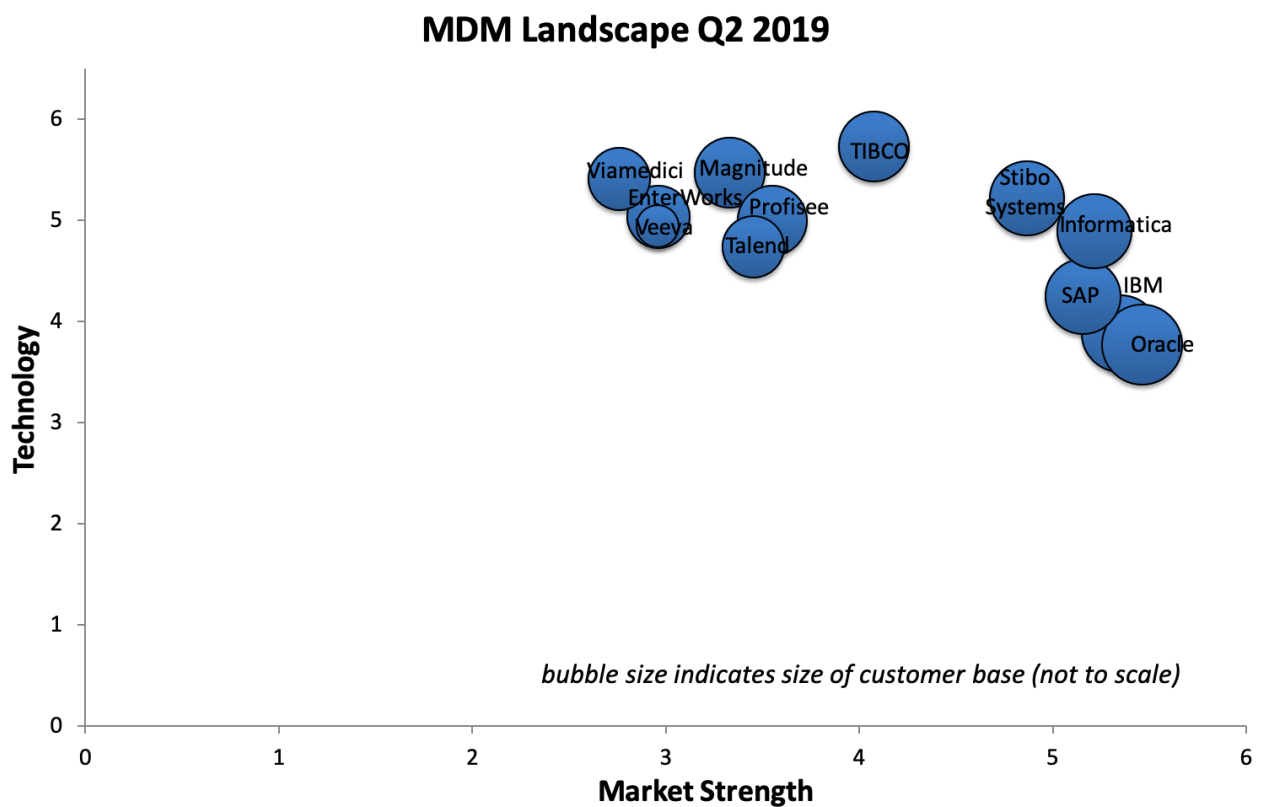
The issues of MDM are common to all industries and to any organisation that has data that doesn't fit on a computer in the corner of an office. However some industries have been pioneers, particularly those with a high degree of government regulation, such as pharmaceuticals and finance. Here there can be substantial penalties and fines for breaches, which give a strong incentive for companies to invest in software that will ensure a demonstrably high quality and consistency. However any large organisation, especially those whose business spans multiple countries, has the problem of how to measure such things as customer, product and channel profitability. These things depend on reliable and consistent classification of costs, customers and products, and so are suitable customers for MDM software.

The MDM vendors are slowly responding to the systemic migration of applications from on-premise to the cloud, a trend which is somewhat gradual due to the immense number of installed applications, but is a trend that is gathering pace. As data starts to migrate from in-house servers to the cloud, MDM software needs to be able to adapt to this, and to be able to handle data from a hybrid environment, with some sources on premise and some in the cloud. Similarly the number and type of data sources continues to diversify, with the rise of “big data” storage such as HDFS files, designed to provide inexpensive storage for

extremely large data generated by web commerce applications, sensors and the like depending on the industry. There continues to be M&A activity in the market, as seen by the acquisition of Orchestra Networks by TIBCO and that of Agility Multichannel by Magnitude.

The MDM market in the past year showed continued growth. We estimate that the market for MDM software was worth \$1.6 billion. 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 \$885 million, maintenance revenue at \$273 million and MDM professional services revenue of the software vendors at \$450 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 customers¹, 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

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

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 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 Profisee, followed by Magnitude and Viamedici, then TIBCO, Veeva, then Stibo Systems and EnterWorks. Congratulations to those vendors.

Below is a list of the significant MDM vendors.

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

	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.	
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.	www.informationbuilders.com
Indus Valley Partners (IVP)	Enterprise data management vendor specializing in the buy side of the capital markets.	www.ivp.in
InterSystems	Vendor using an object database combined with an application integration platform to provide MDM.	www.intersystems.co.uk
Lansa	Vendor with PIM and eCommerce tool amongst a broader software portfolio.	www.lansa.com
Liaison	Cloud-based MDM software with an emphasis on product data.	www.liaison.com
Magnitude	Model-driven multi-domain MDM vendor with analytical and operational MDM capabilities in two products: Agility Multichannel (by Magnitude) and Kalido (by Magnitude).	www.agilitymultichannel.com www.magnitude.com/kalido-mdm
Naveego	A hybrid and multi-cloud data accuracy product using artificial intelligence.	www.naveego.com
Oracle	Database and applications giant with several MDM solutions.	www.oracle.com
Pitney Bowes Software	A large vendor that in 2012 launched an MDM product based on a graphical database.	www.pb.com
Profisee	Profisee aims to serve the 90% of organizations yet to adopt an enterprise master data management platform with a flexible deployment solution via either an on-premise, in the cloud, or via a hybrid model.	www.profisee.com
QAD	Vendor specializing in product master data.	www.qad.com
Reltio	Master data cloud solution specializing in life sciences.	www.reltio.com
Riversand	Multi-domain master data provider specializing in product data.	www.riversand.com

Rollstream	Vendor specializing in supplier master data.	www.rollstream.com
Salsify	Product content management vendor.	www.salsify.com
SAP	Applications giant with its own MDM solution.	www.sap.com
SAS	The privately held software giant has a multi-domain MDM solution.	www.sas.com
Semarchy	Hybrid, "Intelligent Data Hub" multi-domain MDM vendor focused on governance, quality, catalogue and workflows in parallel.	www.semarchy.com
Sigma Systems	Vendor with catalogue management, order management and provisioning software.	sigma-systems.com
Software AG	Vendor of multi-domain MDM, BPM, and SOA solutions.	www.softwareag.com/mdm
Smartco	Enterprise data management vendor specializing in financial services industry.	www.smartco.com
sparesfinder	Vendor specializing in the mastering of spares part data.	www.sparesfinder.com
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.	www.stibosystems.com
Talend	Open source vendor with an MDM suite.	www.talend.com
Teradata	Database giant with its own MDM solution.	www.teradata.com
TIBCO	Formerly Orchestra Networks, a model-driven, multi-domain MDM product with an emphasis on data governance.	www.orchestranetworks.com
Veeva	Provides cloud-based multi-domain MDM software to the life sciences industry.	www.veeva.com
verato	Provide identity management software and data, crossing the boundaries between MDM, data quality and data broker.	www.verato.com
Verdantis	Provides cloud-based MDM software for the material and product domains with self-service and turnkey delivery models.	www.verdantis.com
Viamedici	German MDM vendor specializing in MDM for manufacturing.	viamedici.com
VisionWare	MDM vendor based in UK and US specializing in healthcare, financial services and local government with their MultiVue product.	www.visionwareplc.com