Delivering Data Transparency to Drive Better Business for a better world.

How consumer demand for data transparency demands
a new approach to master data management

STIBO SYSTEMS
MASTER DATA MANAGEMENT

Delivering a superior customer experience has been a retail focal point for years. Yet, the ability to anticipate and respond to constantly shifting consumer expectations can challenge even the most agile merchant.

The upside of this type of change is that it's often accompanied by opportunity, for example, increased global consumer interest in sustainability, including buying environmentally responsible products from like-minded retailers.

In fact, a recent study by Accenture shows 47% of U.S. consumers prefer environmentally conscious retailers,[1] while another by Hotwire reports the same percentage switched brands over conflicts with their personal values. This includes concerns over the environment, corporate transparency, climate change and social responsibility.[2]

What's interesting about the growing generation of environmentally conscious shoppers is they're doing more than talking; they're voting with their wallets. **This has driven change in categories like CPG, where data shows 50% of recent growth is attributed to sustainably marketed products** which grew nearly 6X faster than those that were not.[3] That's serious money.

Nearly half of U.S. consumers report:

Preference for **environmentally conscious** retailers[1]	Switching brands due to conflicts with their **personal values**[2]

Welcome to the the decade of data transparency

By the start of the past decade, the term "big data" had gone mainstream. But the hype faded, as people realized success wasn't about having a lot of data, but rather, being able to use it to drive things like insight, innovation, agility, competitive advantage and growth.

Those who *mastered* this, often leveraging data to disrupt the status quo, prospered. Many others did not.

Regardless of how you fared, the coming decade offers a new opportunity to leverage data to level the playing field again by opening it up to a new audience — the consumer — by enabling data transparency.

The ability to provide consumers with visibility into information that speaks to their evolving interests and concerns — such as the environmental impact of products and brands they buy, and the retailers who bring them together — may seem unfamiliar to some.

But the technology behind it — master data management (MDM) — has been trusted by customer-centric companies for years to ensure data accuracy and currency. As well as to provide visibility into the movement of products across the supply chain and traceability into their origins, from source to final sale. All of which makes MDM an essential enabler of compliance, governance and strategic insight across the business ecosystem.

Empowering people to make better choices

Forward-thinking companies are already using these capabilities to take customer-centricity to a new level, giving consumers access to trusted information they want in order to make informed purchase decisions. An action that will in turn, demand successful companies be more accountable, trustworthy and responsive.

By 2030, this will be so common that it may be hard to remember what it was like beforehand. Many of the companies already building transparency into their customer and brand experience are in the apparel space, where the rise of global fast fashion has fueled interest in sustainable sourcing. This has also enabled them to address growing consumer awareness of where clothing comes from and how it's made. For example, how much water went into making a pair of jeans, what human rights concerns exist in the country where they were made; or the environmental impact of having them delivered overnight.

The ability to offer this kind of visibility will require companies to look at product data in ways that will expand their data horizons well beyond the traditional attributes we use to describe them today, such as size, length, color and weight. The good thing is the platform to enable that already exists for companies using master data management.

> ❝ *The coming years offer a chance to use data to level the playing field by empowering consumers through data transparency.* ❞

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> *Environmentally conscious shoppers seek like-minded retailers for long-term relationships."*

Transparency is about building trust

Transparency encompasses a range of topics, often relating to corporate and social responsibility (CSR) or governance. The concepts of business, brand and data transparency are interrelated and encompass many of the same ideals, including respect for people (customers, employees, citizens, etc.) and the world we live in, as well as honesty, integrity and above all, trust.

Trustworthiness has always been essential to building relationships. The need to reinforce it has escalated substantially, fueled by growing concerns caused by globalization, environmental change, increasing distrust of powerful businesses and regulatory organizations, and social and economic inequality, among many factors.

The ability to leverage the power of trusted data to address these concerns gives businesses a way to connect with their constituents at a truly personal level. That's what data transparency is ultimately about: creating a platform to share who we are with those we do business and/ or coexist with and reinforce that we understand, *we're all in this together*.

Transparency does not mean loss of privacy

The biggest misconception about data transparency is that it mandates opening the door to privileged and confidential information. This is not the case. It's about having a **willingness to share**. *What you share* is entirely up to you.

The ability to control and manage access to information you consciously choose to share, and enforce governance over that process, is what makes MDM such a strong foundation for delivering data transparency.

Data transparency is about people, too

Providing consumers access to data about the products they buy is just one aspect of data transparency. Giving them a window into their own data privacy can be equally important.

Consumers have become increasingly aware of the amount and value of data companies around the world collect about them. Despite privacy controls like GDPR, people are still distrustful. They understand the tradeoffs, including personalized experiences that help simplify their lives. But they worry just the same.

MDM addresses this challenge, offering a platform to create a centralized Digital Business Hub to engage customers and allow them to see what kind of data is being collected about them. This provides the ability to manage permissions in a secure, controlled environment.

> "
> *Data transparency does not mean giving away privileged information. It's about a willingness to share. WHAT you share is still up to you.*"

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>
> *Enabling data transparency depends heavily on the availability and control of clean, accurate, consistent, updated information.*❞

Transparency starts with great data

Data transparency already empowers businesses to optimize manufacturing, supply chain, distribution, customer loyalty, experience, marketing and more. And it's just getting started.

But there's one critical caveat. As with other game-changing innovations, like AI and machine learning, the ability to create data transparency depends directly on the availability of clean, accurate, consistent and up-to-date information. This includes data collected from a broad, disparate, frequently siloed range of systems and sources across the enterprise and value chain.

Without great data, even the most well-intentioned transparency initiative will fail. The results could even be worse than that, as a negative customer experience could create an even higher level of uncertainty and distrust.

Fortunately, the technology to deliver this kind of data quality is available and widely used today...

Transparency starts now

While it can be easy to think the digital revolution happened overnight, the truth is, every significant, disruptive innovation we now take for granted took time to go mainstream. But none would have happened without people who could see beyond the horizon and start moving carefully, yet decisively, in that direction.

Data transparency is happening like that. Many companies are well on their way and have already made this part of their offering and brand, and we speak with more every day. Retailers now routinely ask us to help them collect and manage this enhanced level of data so they can use it to give their customers what they need to make better purchase decisions.

But make no mistake; **this is not the time for a "wait and see" approach**. While the decade is just getting started, 2030 will be here before we know it. By then, data transparency will be a seamless part of the landscape. Nothing will be possible without it.

❝*Without great data, even the best intentioned transparency effort will fail, leading to an even higher level of uncertainty and distrust.*"

Empowering transparency with MDM

While the conversation around a transparency is new to some, the concept has been part of our DNA since day one. So we've always made it a priority to break down barriers that inhibit the flow of, and visibility into, accurate, trusted data and content. And then to give people access to that information, when, where and how they want it.

Our purpose and mission remain true today: to make data transparency a catalyst for better business for a better world. And to do this by creating the world's most versatile master data management solutions, enabling companies and organizations to optimize and share insight into their business, environmental and social performance.

Better data. Better business. Better world.

Today, organizations across the globe rely on Stibo Systems MDM solutions to acquire, manage and share data across the enterprise, and create centralized Digital Business Hubs to deliver better data that drives better business.

In a marketplace where consumers demand and expect more from retailers and brands than ever, the impact of this kind of information accessibility can be transformative. By making data more transparent and available to the customer, addressing their concerns over issues that impact all of our lives and our environment, **MDM isn't simply delivering better data to drive better business**. It's also **helping to create a better and more transparent world** in the process.

To learn more about harnessing the power of data transparency to accelerate your business, visit **stibosystems.com**.

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> *Retailers ask us to help them collect the kinds of data customers need to make informed choices.*"

Sources

1) Accenture, 2019 Annual Holiday Local Shopping Survey, online survey of 1,500 U.S. consumers conducted by Coleman Parkes Research, October 2019
2) Hotwire, High-Stakes Leadership in a Post-B2B World, study of 1,346 business decision makers and 6,218 consumers across eight countries, conducted by Sapio Research, 2019
3) NYU Stern Center for Sustainable Business, Sustainable Share index™, Research on IRI Purchasing Data, 2013-18, March 2019

BETTER DATA.
BETTER BUSINESS.
BETTER WORLD.

About Stibo Systems

Stibo Systems, the master data management company, is the trusted source of MDM. Our solutions are the driving force behind forward-thinking companies around the world that have unlocked the strategic value of their master data, empowering them to improve the customer experience, drive innovation and growth and create an essential foundation for digital transformation. We give companies the transparency they require and desire – a single, accurate view of their master data – so they can make informed decisions and achieve goals of scale, scope and ambition. Stibo Systems is a privately held subsidiary of the Stibo A/S group, founded in 1794, and is headquartered in Aarhus, Denmark. For more information, visit **stibosystems.com**.