

Capitalizing on Consumer Demand For Data Transparency Using Master Data Management

Better data. Better business. Better world.

An increasing number of consumers are interested in sustainability, leading them to seek out environmentally responsible products sold by like-minded retailers. Research by Accenture reveals 47% of consumers prefer environmentally conscious retailers,¹ while another study by Hotwire reports 47% switched brands over conflicts with their own values. These include concerns over the environment, corporate transparency, climate change and social responsibility.²

This growing generation of environmentally conscious shoppers isn't just talking about values; they're voting with their wallets. This is driving change in categories like CPG, where data shows sustainably marketed products are growing nearly 6X faster than the norm.³ That's serious money.

The decade of data transparency

The past decade saw tremendous change, often led by brands leveraging data to disrupt the status quo. The current one offers an opportunity to take data further, by opening it up to a new audience, the consumer.

Empowering consumers through data transparency speaks to their evolving concerns, such as the environmental impact of the products they buy and retailers they buy from. This may sound new, but the technology that can enable it, master data management (MDM), has been used for years to ensure data is accurate and up-to-date, and to provide visibility and traceability into products, from source to final sale.

Enabling consumers to make better choices

In the decade ahead, data-driven companies will take this capability to a new level, giving consumers access to information on topics they care about so they can make more informed purchase decisions. This will demand all companies that wish to compete to be more accountable, trustworthy and responsive.

This interest in transparency has already started to impact many industries. In apparel, rapidly growing global fast-fashion brands have fueled interest in sustainable sourcing. This has helped them to address growing consumer awareness of the environmental and human impact of how and where clothing is made.

Factors driving data transparency:

- Backlash caused by globalization, environmental change, distrust of businesses, public health, food safety and privacy concerns, economic and social inequality, political instability and more
- Uncertainty caused by the spread of misinformation via digital media
- Increasing consumer interest in trustworthy, environmentally and socially conscious products and retail and consumer brands
- Consumer demand for data and insight to make better, more informed purchase decisions aligned with evolving personal values and concerns

Transparency is critical to building trust

Trust has always been essential, but the need to reinforce it has escalated due to events including the ongoing global health crisis, as well as growing concerns over issues such as globalization, environmental change, economic inequality and distrust of businesses and government/regulatory systems.

The ability to leverage 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 you are and reinforce your organization/brand's respect for people (customers, employees, citizens, etc.) and the world we live in, along with your honesty, integrity and above all, trust.

Transparency does not mean loss of privacy

Creating data transparency does not mean giving up confidential information. It's about a willingness to share. What you share or provide visibility into is still up to you.

In addition to maintaining your own privacy, enabling data transparency can also show your respect for your customers' privacy.

Using MDM, businesses can create a centralized Digital Business Hub that allows customers to see and manage what kind of data you have collected about them. The ability to control and manage access to information about both people and products is what makes MDM such a strong foundation for delivering on the promise of transparency.

Data transparency depends on great data

Enabling transparency already helps to optimize manufacturing, supply chain, customer loyalty and more, and it's just getting started. However, as with technologies like AI and machine learning, the ability to create this kind of visibility depends directly on the availability of accurate, consistent data collected from disparate systems that are often siloed across the enterprise. Without it, even the most well-intentioned data sharing initiative will fail.

Empowering transparency with MDM

Many companies are on their way to creating and leveraging data transparency, and more look into it every day. Getting started can be relatively easy, because the technology to deliver it – master data management – has been trusted by leading companies around the world for years. MDM enables them to acquire, manage, govern and share accurate, up-to-date information, and to deliver better data that drives better business.

Key facts about data transparency:

- Data transparency is all about building trust
- It doesn't mean giving up privacy; it's about a willingness to share (what you share, and who you share it with, is up to you)
- Requires expanding attributes currently used to describe products, like size, weight, color...
- Not just about products; it's about people
- Dependent on great data; without it, the effort will fail or contribute to additional distrust
- It will ultimately demand all companies be more accountable, trustworthy and responsive (those who don't risk losing their edge)
- The technology to enable it, master data management, is already trusted by companies worldwide

In a market 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 accessible to the customer, addressing their concerns over issues that impact their lives and 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.

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

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.