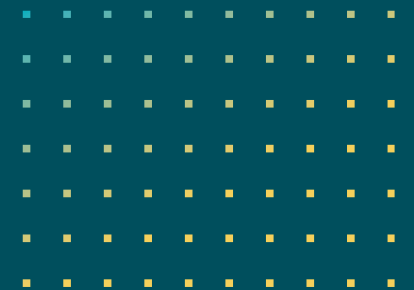




How to Create an **RFP for Master Data Management:** The Complete Guide

Find the right partner to support
your overarching data strategy





Maybe you're looking to create seamless data flows between all your systems. Or you want to eliminate the data silos that are preventing effective data management. Perhaps you want — and need — to increase operational efficiency.

You know you've got a data problem. You can't trust your data because it lives in silos, and it's inaccurate, incomplete and unreliable.

You need a solution that centralizes and cleanses your data, creating accurate data you can rely on. **Master data management (MDM)** creates a single, trustworthy view of all your data — from customer and product data to location and supplier data.

Master data management helps businesses (like yours):

- Unlock the full value of your data
- Create a unified tech stack with effortless data flow
- Build a scalable data architecture that grows with you
- Improve IT system performance with optimized data management
- Ensure AI is accurate, trustworthy and scalable

So, you're ready to start exploring MDM vendors, partners and solutions. Time to write a request for proposal (RFP). We're walking you through it, step by step.





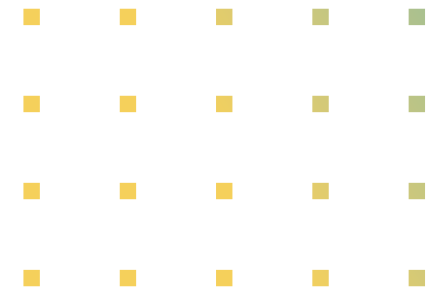
7 considerations before you write an RFP for MDM

1. Find a partner — not just a vendor

Before you start putting together your RFP, think about where you'll get the most value. While a tech solution will get the job done, it won't provide any expertise or tailored suggestions to ensure success.

An MDM *partner* will go a bit deeper to understand your business and deliver a solution to help you achieve business objectives. A partner will share innovative and creative recommendations to go along with the technology, so you have everything you need to succeed.

Technology might be a commodity, but true partnership is invaluable.



2. Consider connecting multiple data domains

If you're looking for a single solution, like product information management, you're probably not interested in multidomain MDM. But if you want a more comprehensive approach to managing your data, you'll need a solution that can work across domains.

Connecting products, places and customers can streamline master data across multiple domains so you can get more value from connected data.

Think about whether a potential partner can manage data across domains seamlessly — breaking down silos and creating a single source of truth across all domains in your data ecosystem.

3. Look for a strategic and operational perspective

You want a partner to do more than just give you a solution. Make sure the partners you plan to evaluate focus on business outcomes — not just the technical requirements of MDM.

Can they provide strategic guidance? Have they worked with senior business and IT leaders? Your partner should have the expertise to work alongside you in achieving business success with MDM.



4. Identify whether MDM is the core focus

Master data management requires constant innovation that aligns with evolving industry and customer needs. Before you create your RFP, look into the different providers to see whether they've put the necessary investment into their MDM solutions.

Did they build it themselves or acquire it? Confirm that they've consistently updated and improved their product over the years and that MDM is indeed their focus — not just an add-on product.





5. Understand their financials

Vendors planning an IPO or those potentially merging with another company might not be the best partners. Why? Because they're distracted.

Get a clear picture of a potential partner's financials before sending an RFP, so you know whether you'll be their focus or if it will be split between you and financial challenges.

6. Research capabilities beyond MDM

Master data management is a core function, but you'll also want to consider whether a partner can offer extended services that help you meet business objectives.

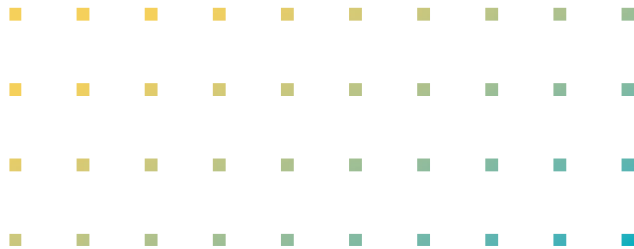
As the demand for personalization and exceptional customer experiences continues to grow, many companies have moved past the core capabilities of product information management (PIM), adding product experience management (PXM) capabilities.

Ask potential partners if they provide digital asset management, supplier data management or application data management services. Explore their offerings to see where they can provide value on top of traditional MDM.

7. Check the reviews

Because MDM isn't just a plug-and-play tool to add to your tech stack, the level of support you get from your partner is crucial. You need a team that will collaborate with you and prioritize customer success.

Look over customer and analyst reviews to preview what their service looks like, the support you can expect from your partner and whether there are red flags that give you pause.





How to write a detailed **RFP for MDM**

A lot goes into creating an RFP that will get you the answers you need to make an informed decision on which MDM partner to choose. We're breaking down the essential elements of a thorough RFP for MDM, so you've got a solid starting point to work from.

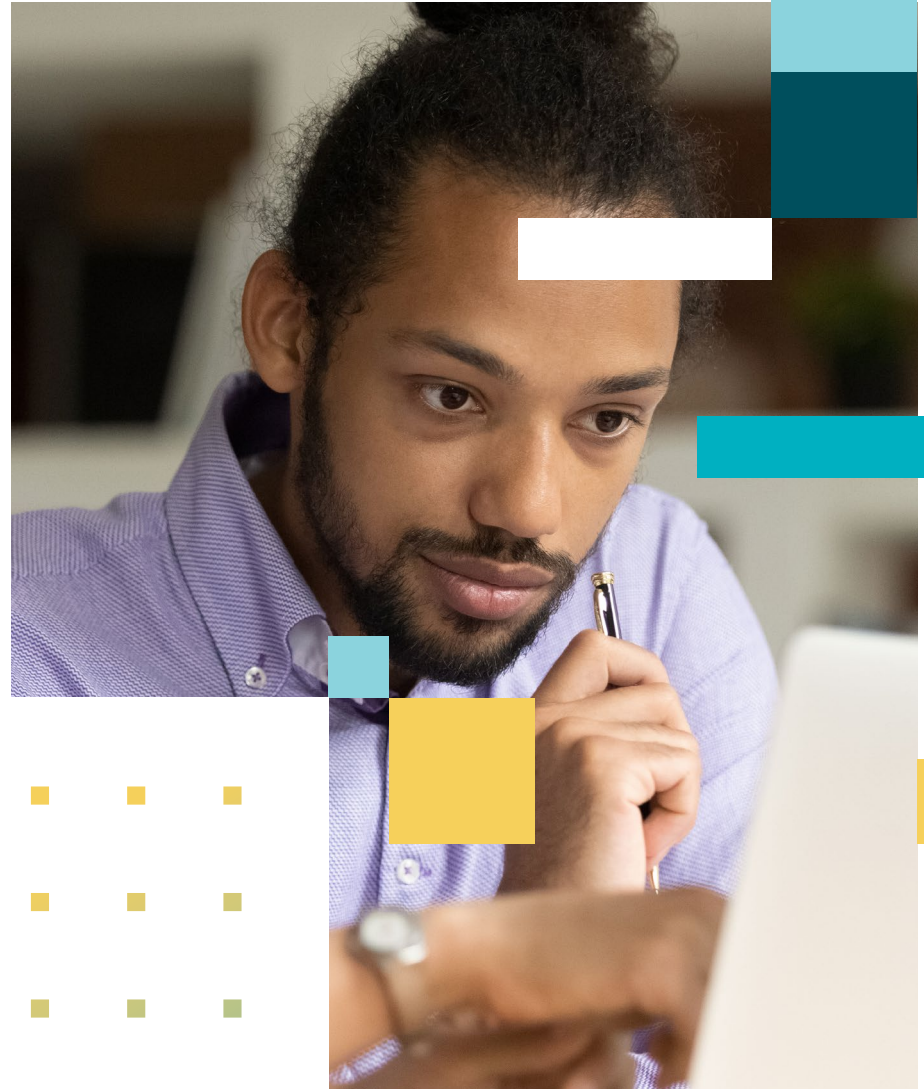
- › Introduction
- › Project scope
- › Technical requirements
- › Functional requirements
- › Evaluation criteria
- › Proposal guidelines
- › Project management
- › Issue resolution
- › Terms
- › Regulatory requirements
- › Appendices

> An introduction document

Before you get into the nitty-gritty of your MDM project, give the recipients of your RFP a brief overview of the project and the purpose of the RFP. Share the critical strategic business drivers that led you to create an RFP, specifically how they relate to MDM.

Your introduction should also provide clear instructions on how to respond to the RFP. Do you want a surface-level response with a quote or a more detailed project plan that includes an explanation of the methodologies they'll use?

And if you have a template for RFP responses, include it and let potential partners know that you expect them to respond using the template.





> An overview of the project scope

Next up? The project scope. Give prospective partners a detailed outline of the project, including:

- Your business objectives
- Expected project deliverables
- Project scope
- Timeframe for completion
- A more detailed explanation of success metrics

Be upfront and honest about any potential constraints, so vendors can tailor their approach and meet you where you are.

➤ Any technical requirements

As with any tech-based project, you likely have specific technical requirements an MDM partner will need to meet to implement their solution. Provide details on required software, hardware or infrastructure, plus security requirements.

This section is also a great place to ask possible vendors where they see MDM fitting into your data architecture. Including a questionnaire with detailed questions like this gives you insights into whether a vendor is knowledgeable enough and well-equipped to work with you.

➤ Functional requirements

What key functionalities are you looking for in an MDM solution? Being crystal clear helps vendors see whether they can meet your needs.

If you want a solution that provides data quality dashboards, Amazon integrations or anything else you consider crucial, outline it here.



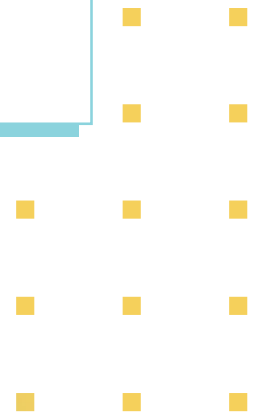


> An explanation of the evaluation criteria

Instead of leaving potential partners in the dark about what *exactly* you're looking for, share a detailed overview of how you'll evaluate proposals. It should include things like the criteria you'll use to evaluate them (and their proposal):

- Their experience
- Technical expertise
- Pricing
- Customer references and reviews

Possible vendors should be able to quickly identify what they need to emphasize in their proposal to win the contract.



> Proposal guidelines

Make it as easy as possible for possible partners to submit their response to your RFP by providing thorough instructions. The proposal guidelines sections should include guidance on:

- How to format the proposal
- What to include in the proposal
- The deadline for submission
- Any other requirements for the proposal

You can also let vendors know that you'll only accept proposals that follow these guidelines.





› Your project management expectations

Use this section of your RFP to communicate your expectations around project management — from individual roles to the communication plan.

Outline your approach to project management and how you expect a potential partner to work with you throughout the project. Who will be involved and in what capacity? How will you keep stakeholders informed about progress? Detail the answers in this section.

› Issue resolution instructions

No project reaches completion without a few bumps along the way. You expect that (and so do your partners) — but you need a solid plan for how you'll handle those challenges throughout the project.

Include thorough instructions on how to address these issues as they arise, like project delays, scope changes or technical hurdles.

> Contract terms

Most contracts include standard clauses around payment and termination, but you'll also want to include any other terms that matter to you.

If you want to include anything about warranties or service level agreements, this is the section to include additional terms or clauses for the project.

> Any legal or regulatory requirements

Use this section to define the legal and regulatory requirements possible partners must comply with to do business with you. It should at least include requirements around industry-specific standards and data privacy.

> Appendices

Appendices are where you can add any extra information you didn't include elsewhere in your RFP. For example, if you want to share a document with detailed requirements and user stories, you can do so here.

Appendices often include supporting documents or technical specifications. You can also include a sample contract if you think it'd be beneficial.



MDM RFP do's

Take a well-informed approach

Before you create an RFP, overcommunicate internally and collaborate with necessary teams to fully understand cross-functional needs. Know your goals inside out so you can explain them in a way that'll yield the most objective and accurate information from prospects.

Detail project goals

Establish project goals by first conducting a needs analysis and mapping business and functional requirements by business unit. Break these down by operational goals, data input, conventions and outputs, workflow, data policies and governance.

Be open to innovation

Part of why you're looking for an MDM partner is so they can come up with creative solutions to your problem. Give them the space to sell their vision and showcase their experience, analyze your challenges and explain how they'd address them in a new or better way.

Ask clear, specific questions

Specific questions get specific answers. Don't leave room for interpretation about what you're asking. "Can you deliver a multidomain solution that provides visibility and transparency across the enterprise?" will give you the specific details you need to make a decision.

Gauge their commitment to partnership

You want a dedicated MDM partner who will do more than set up the tech. Your RFP is the perfect place to explore the level of support you can expect from them and whether you're getting a true partner or vendor with a solution.

MDM RFP don'ts

Overcomplicate it

It should be easy for prospective partners to respond to your RFP. Give clear instructions so possible vendors know how to respond and can show you what they'd bring to the table. If it's too complicated, they may not respond, and you'll limit your success before you even get started.

Use an RFP when an RFQ will do

RFPs are comprehensive and a solid strategy for evaluating vendors. But a request for quotation (RFQ) or request for information (RFI) might be enough to get an informal response and help you narrow down possible partners *before* you send a select few the more in-depth RFP.

Hire an inexperienced consultant

Consultants can be valuable, but you need to choose the right one — with the right experience. They should understand your company and what you do, your industry and your goals. If they don't, the RFP might not provide enough detail for prospects to respond thoughtfully.

Be ambiguous

Do you require a non-standard implementation or have unique legal needs? Be upfront and transparent about your requirements or anything that deviates from the norm, so vendors have a clear understanding of what to expect and how to respond accordingly.

Discount the value of a strong partnership

Do the vendors you're reaching out to value strong relationships with their customers? Ask about the quality of their customer experiences across industries and markets, investigate how long their customers have been with the vendor and see if you can access customer references.

Creating an RFP for MDM

Master data management is a complex practice that requires deep expertise and a partner with innovative ideas and solutions. Finding the right partner is crucial to long-term success.

And the best way to find a quality MDM partner is to write a robust RFP that gets potential vendors to answer every question, so you can make a well-informed decision.

Use this guide to help you get started, and take some time to think about what matters most to you. Thoughtfully craft your RFP and consider what will make a spectacular partner before you make any decisions.

Looking for a true partner? As an established leader in MDM, Stibo Systems has been a part of countless RFP processes. We get asked often to provide objective input into the process and to help outline the RFP structure.

If you want this level of support or are looking for an MDM partner you can trust, connect with us at **stibosystems.com**.





STIBO SYSTEMS

MASTER DATA MANAGEMENT

Stibo Systems is a leading enabler of trustworthy data through AI-powered master data management. Built on a robust and flexible platform, our SaaS solutions empower enterprises around the globe to deliver superior customer and product experiences. Our trusted data foundation enhances operational efficiency, drives growth and transformation, supports sustainability initiatives and bolsters AI success. Headquartered in Aarhus, Denmark, Stibo Systems is a privately held subsidiary of Stibo Software Group, which guarantees the long-term perspective of the business through foundational ownership. More at <https://www.stibosystems.com>.