

Ensure MDM Project Success From the Start With Business Value Advisory Services

Selecting and investing in the right partner to deliver a business-critical enterprise data foundation can be a complex process.

The initial focus is typically making sure the solution's capabilities meet current and expected future needs. Yet there is far more to consider than features and functionality. Equal priority must be given to ensuring the solution and company behind it can deliver value to the business quickly and efficiently, and to continue to do so for years to come.

The decision is not without risk. A recent report from Gartner® notes, *"Through 2025, more than 75% of MDM programs will fail to meet business expectations because of a failure to connect MDM value to business value."*

This means identifying an experienced, proven partner to help avoid pitfalls that may lie ahead and provide trusted advice and support to address potential challenges. Reliability and capability of the solution still weigh heavily in the decision. Combined with the right people/experience, your likelihood of success can be amplified ten-fold.

Introducing Stibo Systems Business Value Advisory Services

With over four decades of experience in consultative data management solutions, Stibo Systems is uniquely qualified to help companies across a range of industries address complex, evolving challenges, and to minimize the risk of their critical purchase decision.

Here is how our Business Value Advisory Services delivers against three critical business requirements.

1 Experience with businesses in the same industry facing similar challenges

Stibo Systems works with +500 businesses worldwide in **retail, distribution, manufacturing, CPG**, financial services and other markets to maintain their trusted sources of operational data. Our team includes both solutions and industry experts with deep insight into the issues you face.

The quality and commitment of our people are among many reasons industry analysts have long recognized Stibo Systems as a trusted leader in MDM and the broader data management space. This expert perspective is echoed by reviews we receive from leading global businesses.

Delivering against three critical needs to achieve MDM project success

1. Experience with businesses in the same industry facing similar challenges
2. The ability to help customers demonstrate a solid business case and ROI
3. The people and processes to deliver on the solution's true promise

In addition to our technical leadership, our customer feedback consistently recognizes the importance of partnering with a knowledgeable, experienced provider to ensure quick time to value.

Customers can also turn to the objective expertise of their peers in our dynamic **online customer community**, a unique forum enabling collaboration among users across a range of industries, regions and organizations. As well as to our expert **24/7/365 global customer support**.

2 The ability to demonstrate a solid business case and return on investment (ROI)

MDM can deliver tremendous value to businesses across a range of industries; the potential ROI can be astounding. Yet, achieving success depends on many variables.

Since securing business sponsorship is essential to success, the ability to identify and communicate value to executive stakeholders is critical. Especially if the project is competing for attention with multiple strategic IT initiatives. This makes clearly defining the business case and quantifying potential ROI crucial to gaining support before the journey begins.

This leads to frequent questions about demonstrating quantifiable benefits and results to be delivered. As well as how added investment in data can impact the bottom line.

The basics behind measuring ROI in MDM

The first step in determining ROI is establishing project scope. Depending on who is driving it, the initiative may be specific to a BU or department, or may involve the entire enterprise. Complexity of measurement will directly reflect that scope.

Next comes identification of measurable financial benefits, which can encompass a range of outcomes, including:

- **Increased opportunity** – enabling growth, improved experiences, conversion, etc.
- **Lower costs** – achieved through increased operational efficiency, agility, etc.
- **Reduced risk** – reducing/eliminating costs associated with business risk

Each of these improved outcomes requires different kinds of financial, strategic, process and operational metrics. For more on this, read **How to Estimate ROI on your MDM Initiative**.

Keep in mind, proving value and ROI is about more than numbers. Success will also depend on the organization's ability to put the pieces in place. That often means finding the right partner to help guide you from the start.

Along with our broader Professional Services organization, our **Business Value Advisory services** team will partner with you to understand your objectives and needs. Then they combine your input with prior experience to estimate ROI using our **ROI calculator**.

Quantify and measure the benefits of MDM with Stibo Systems' ROI Calculator

In the past, complexity and cost made analyzing ROI extremely difficult. Now, our unique ROI Calculator enables our team to make measuring MDM's business value – supporting top-line revenue growth, technical cost savings and business efficiency gains – a reality for virtually any company.



“Stibo has been an outstanding business partner. We are relatively new to the MDM space and Stibo has been very instrumental in helping us establish a viable, seemingly achievable roadmap. We recently successfully implemented our first domain, Location. Although it was a steep learning curve, Stibo, along with our implementation partner, guided us along the way to ensure we focused on the business outcome and didn't get lost along the way on trivial items.”

– **Retailer; Principle Program Lead, Data & Analytics; North America; July 29, 2021**

The process starts with brief interviews with key stakeholders, subject matter experts and executive leadership, enabling the collection of data needed to input the process.

Focusing on upstream and downstream benefits, the team uses modeling metrics central to a range of stakeholders. This reinforces the likelihood results are seen as accurate and credible, improving certainty of project success.

Business Case Analysis						
Key Financial Metrics						
Net Present Value (NPV) at 10%, expressed in (currency not selected)	19,546,339					
Return on Investment	0%					
Approximate Payback	0 Month(s)					
Select scenario >>>			Conservative			
Projected Benefits Expressed in (currency not selected)	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Benefit #1: Expanded Product Reach Through Data Syndication	38,400	76,800	80,640	80,640	88,320	364,800
Benefit #2: Faster Product Onboarding	16,615	33,231	34,892	34,892	38,215	157,846
Benefit #3: Improved Conversion Rate	230,400	460,800	483,840	483,840	529,920	2,188,800
Benefit #4: Improved Cross-Sell/ Upsell	11,884	23,768	24,957	24,957	27,333	112,899
Benefit #5: Improved Brand Awareness and New Customer Trials	109,440	218,880	229,824	229,824	251,712	1,039,680
Benefit #6: Increased Order Frequency Through Branding and Customer Satisfaction	184,000	368,000	386,400	386,400	423,200	1,748,000
Benefit #7: Improved Customer Retention	16,058	32,115	33,721	33,721	36,932	152,547
Benefit #8: Improved Net Promoter Score / Likelihood to Recommend	50,180	100,360	105,378	105,378	115,414	476,710
Benefit #9: Reduced Effort Managing Product Data	52,800	105,600	110,880	110,880	121,440	501,600
Benefit #10: Increased Viability of New Business Initiatives	225,000	450,000	472,500	472,500	517,500	2,137,500
Benefit #11: Reduced Cost From Product Returns	1,125	2,250	2,363	2,363	2,588	10,688
Benefit #12: Avoidance of Legacy IT Cost Associated With MDM	4,000	8,000	8,400	8,400	9,200	38,000
Benefit #13: Reduced Cost of Customer Support	96,000	192,000	201,600	201,600	220,800	912,000
Benefit #14: Reduced Cost of Creating Print Collateral	71,250	142,500	149,625	149,625	163,875	676,875
Benefit #15: Improved Negotiating Leverage With Suppliers	2,500	5,000	5,250	5,250	5,750	23,750
Benefit #16: Reduced Exposure to Fines (Regulatory / SLA)	2,700	5,400	5,670	5,670	6,210	25,650
Benefit #17: Reduced Call Handle Time	4,656	9,312	9,778	9,778	10,709	44,232
Benefit #18: Improved Territory Management	12,500	25,000	26,250	26,250	28,750	118,750
Benefit #19: Reduced TCO / Dependency on Vendors	600,000	1,200,000	1,260,000	1,260,000	1,380,000	5,700,000
Benefit #20: Improved Wallet Share / Lifetime Value	5,000	10,000	10,500	10,500	11,500	47,500
Benefit #21: Improved Analytics	800,000	1,600,000	1,680,000	1,680,000	1,840,000	7,600,000
Benefit #22: Reduced Marketing Costs	10,000	20,000	21,000	21,000	23,000	95,000
Benefit #23: Improved Store / Location Layouts	237,952	475,904	499,699	499,699	547,290	2,260,544
Benefit #24: Reduced Effort Managing Suppliers / Vendors	9,000	18,000	18,900	18,900	20,700	85,500
Other Benefits	0	0	0	0	0	0
Total Benefits Expressed in (currency not selected)	2,791,460	5,582,920	5,862,066	5,862,066	6,420,358	26,518,871

Stibo Systems' ROI Calculator: Fueling the ROI calculator with input and data provided by the customer, our team will analyze and document the quantifiable value that can be delivered to their business with a well-orchestrated investment in MDM.

The process concludes with a detailed report, underpinned by the customer's own data, prepared and calculated by the combined Stibo Systems and customer project teams.

3 People and processes to deliver on the solution's true promise

In addition to our Business Value Advisory team, our **Professional Services organization** offers services including project management and implementation, and consults on best practices to maximize value to the business. Our team has a lengthy track record of success, both as a standalone provider, and partnering with customers' preferred systems integrators. Our people share their expertise, ensuring data governance, long-term strategy for growing the platform and for structuring an audit to deliver optimal business value.

Services, available with/without a software license, include:

- **Value & capability audit, focused on how multidomain MDM creates, captures and delivers value**

Ensure your implementation starts off right by making sure potential business value is clearly articulated/understood by stakeholders. The audit is comprised of two activities:

1. **Business value canvas modeling** - Insight into how value is created, captured and delivered, helping define the value proposition to support broader strategy.
2. **MDM capability assessment** - Once a value proposition is defined, organizational readiness is assessed to deliver and realize value and benefits. Current environment is highlighted with a prioritized matrix of recommended improvements to ensure a focus on value.



“The solution is stable, robust and nevertheless scalable. The advice provided by professional services is of great quality.”

– **Energy and Utilities; IS Manager, Program and Portfolio Management; EMEA; May 18, 2021**

Stibo Systems Business Value Advisory team works with customers to provide a clear path to a successful MDM solution through clear ownership and governance in order to realize sustainable business benefits.

- **Strategy development: A strategic roadmap to support overarching business strategy**

Ensuring multidomain MDM strategy is fit for purpose against the company's business objectives and value proposition. To achieve this, the team will lead two specific collaborative activities:

1. **Opportunity mapping** - Impact assessment process to uncover opportunities to improve each domain. These are prioritized, along with support – people, process, technology, governance, etc. – to realize each one.
2. **MDM strategy support** - Collaborative exercise supporting development of a multidomain roadmap, highlighting how it's delivered, capabilities and skill sets required and how long it takes for strategy to be realized.

- **Data governance operating model (DGOM): Connect people, process and technology to create value**

Develop an operating model with a clear understanding of the current and potential value of the company's data and ownership required, in order to fuel insight and superior decision making.

Key elements for effective data governance are defined, such as scope, roles, policies, processes and metrics. This helps determine how governance will be achieved, including sponsorship, ownership and responsibilities.

Roles and activities at strategic, tactical and operational levels are defined. For example, who A) endorses data policies, B) develops and manages the business glossary and data dictionary and C) is responsible for delivering, improving and controlling data in a system environment.

Trustworthy results demand trusted partners

A carefully planned and implemented multidomain MDM program has the potential to deliver exponential value. But achieving these types of results requires equally superior people and processes.

Stibo Systems is recognized as long-time innovator and leader in the data management space, with customer partnerships lasting an almost unheard of 25 or more years. While this owes much to the quality and reliability of our platform, it's also a result of our commitment to building enduring, collaborative relationships and our dedication to empowering customer success. As well as placing a high priority on value added services from start to finish.



“ I worked with a Stibo consultant on implementing the solution at our organization, it was a real pleasure to have a real partnership with Stibo on this project. We had access to R&D, we work closely with architects and they adapt the way the product was designed to help us on several topics such as deployment and security. It was a real pleasure working with Stibo on implementing the MDM at our organization.”

– **Retailer; Infrastructure Project Manager;**
EMEA; May 19, 2021



“ We have a strong and good relationship over 15+ years. It is a great foundation to talk open minded about pros and cons. This enables both of us to work on the weaknesses. Just recently, we did a great project together and are now running in the Cloud which took us just 10 weeks, thanks to great work of both teams.”

– **Retailer; Senior Director Master Data Management;**
Digital Marketing; EMEA/APAC; May 15, 2021

While our approach is highly proactive, we are always ready to listen and learn from customers and to do whatever it takes to achieve success. **Our foundational ownership makes us a true long-term partner**, un beholden to investors, market instability or acquisition. Independence is part of our DNA and works to support ROI for our customers, too.

Following a decision to partner with Stibo Systems, customers are immediately assigned a customer success manager who will be their first point of contact for the duration of the implementation and well into the future from there.

To learn more about our unique approach to delivering maximum business value from your investment in enterprise data management, visit **stibosystems.com**.

Source:

1) Gartner, Market Guide for MDM External Service Providers, by analysts Sally Parker and Divya Radhakrishnan, July 13, 2021

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About Stibo Systems

Stibo Systems, the master data management company, is the trusted enabler of data transparency. Our solutions are the driving force behind forward-thinking companies around the world that have unlocked the strategic value of their master data. We empower them to improve the customer experience, drive innovation and growth and create an essential foundation for digital transformation. This gives them 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. More at **stibosystems.com**.