



Informatica™



# Accelerate Digital Transformation with Faster Master Data Management

Why data quality matters

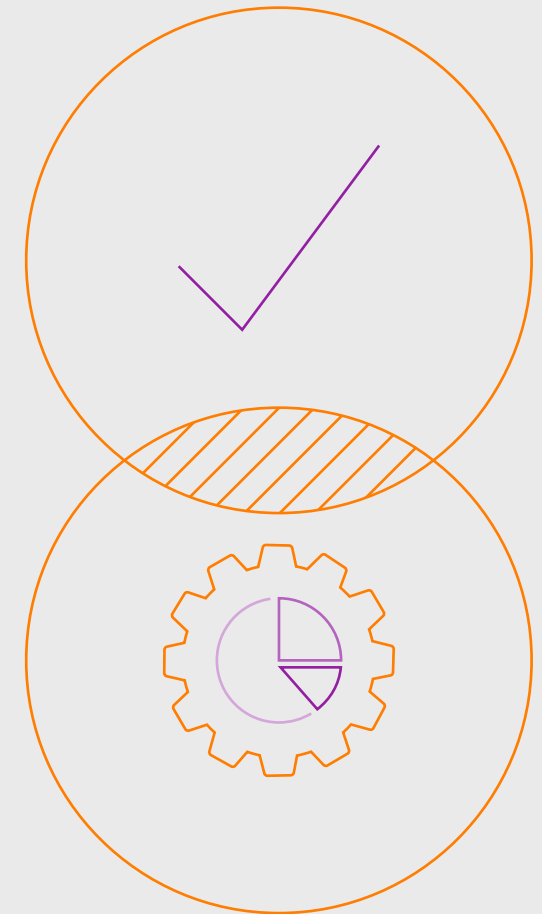
# The Relationship between Master Data Management and Data Quality

Master data management (MDM) is essential to any enterprise that wants to use its data more strategically. Used in isolation, it provides a single view of all data relating to key business entities (such as customer, partner, supplier) from across the enterprise.

But combine it with high-quality data and a lot of amazing things become possible. You can:

- Personalize customer experiences in ways that really resonate.
- Identify cross-sell and up-sell opportunities you couldn't see before.
- Create a truly omnichannel view of rich product information.
- Streamline supplier management and gain visibility into supply chain risk and aggregated spend.
- Understand the critical relationships between products, customers, locations, and suppliers.

This guide explains why this relationship between high-quality data and MDM is so important.



# Master Data Fuels Digital Transformation

**MDM has become the lynchpin of successful data-driven digital transformation initiatives. It's the best way to get a single authoritative view of business-critical data from disparate, duplicate, and conflicting information.**

And it reveals the relationships between your customers, products, suppliers, and locations so you can do important things like deliver richer omnichannel experiences, identify hidden trends, and streamline supplier management.

The results speak for themselves.

[Nissan Europe](#) increased customer conversion rates by mastering data across 24 countries.

[Sutter Health](#) better understands patient relationships to deliver outstanding care.

[AutoTrader](#) increased advertising revenue and avoided multimillion dollar costs.

[Puma](#) increased sales by ten percent in nine months with greater agility and faster time to market, while supporting up to 20 percent higher customer conversion rates.

**The thing is, if you're going to create a trusted single view of your customers, your products, or your suppliers, then the data feeding that view must be accurate.**

Every business will always have inaccurate, old, and incomplete data to deal with.

So even though MDM will match, merge, and relate data, you still need to account for data degradation and human error. Imagine how often your customers mistype their details or your suppliers forget to enter fields.

That's why data quality is such an integral part of most MDM initiatives. And it's especially important today. You're dealing with more data, it's constantly changing, and it's being stored in multiple locations using multiple formats. On top of all that, more people are using data than ever before.

To get the full value of MDM, you need an approach to data quality that's designed for the world we live in today.



# Why High-Quality Data Matters to MDM

## When it comes to MDM, small mistakes can make a big impact.

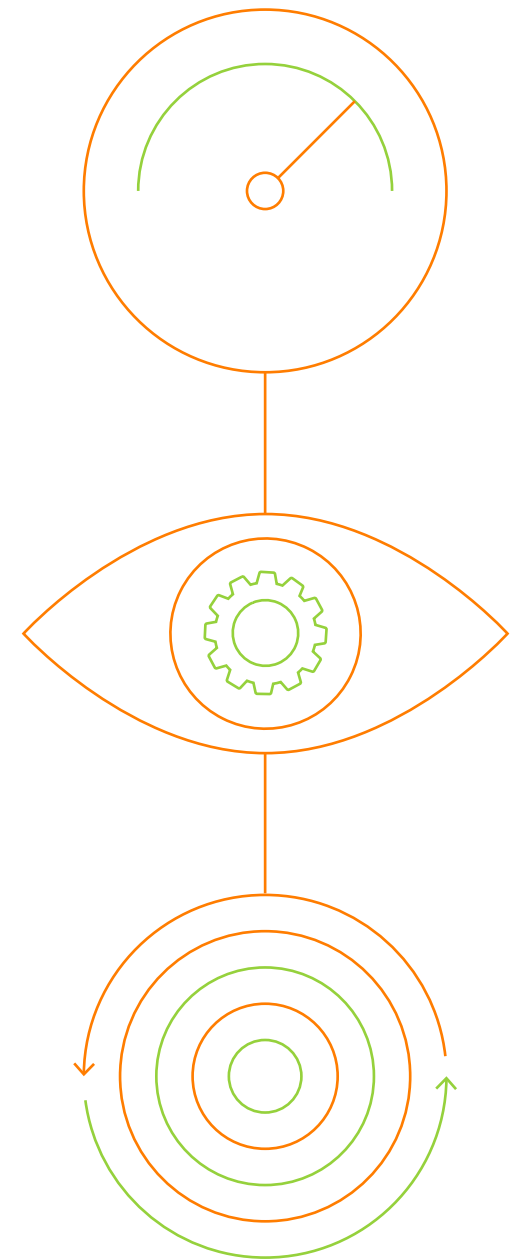
Take customer centricity, for example. If your Arizona customers are mistakenly entered into your systems with the code "AR" (which really stands for Arkansas), then your geo-targeting won't work.

Or take date formats. Your British customers might say the date they joined was 5/10/2017. But you wouldn't want your single view of the customer to render that as May 10 instead of October 5.

These kinds of issues and errors will always exist in data. Which is why enterprises that prioritize MDM also prioritize data quality.

- It speeds up your MDM deployment by ensuring you start with a foundation of trusted, reliable data. Instead of trying to clean up your data manually and manage the implementation, you tackle the biggest issue in every MDM deployment up front.

- It improves the single view of the truth by making the matching at the heart of MDM more accurate. When you have data fields that look like phone numbers but aren't phone numbers (such as bank account numbers), your matching suffers.
- It keeps the MDM infrastructure healthy by preventing data degradation within the system. Data left unmanaged will always degrade—people mistype, customers move, and partners change phone numbers. By monitoring the health of the data overtime, it becomes easier to spot and fix issues.
- It ensures that downstream systems are using trusted data. Business processes and analytics systems that run on data provided by MDM will be running on data that business users and analysts can trust. This leads to better and more accurate decisions and interactions.



### How EMC built data quality into the customer experience

For a great example of a customer experience initiative powered by the combination of data quality and MDM, check out this case study on technology company EMC. It used data management to bridge disconnected siloes and identify significant cost savings opportunities.

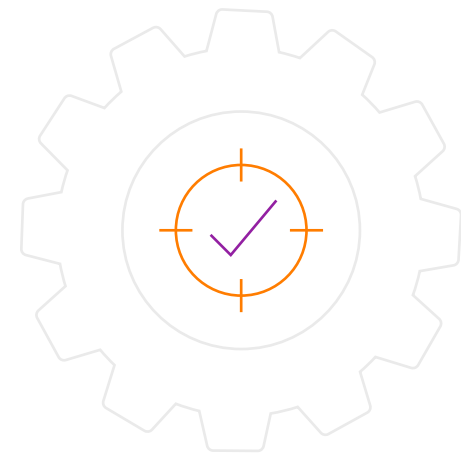
[Read all about it](#)

Data quality enhances everything you're trying to achieve with MDM—whether that's a single view of the customer for better customer experiences, a single view of products for omnichannel fulfillment, or a single view of suppliers for better operations.

At this point, you might be wondering if your MDM already has data quality. The short answer is yes, but it's likely to include just the basics. Ideally, you have MDM running on top of a platform with data quality built in. This allows you, in initial stages, to do some simple data preparation in MDM, with an ultimate goal of gaining more holistic data quality.

**“45 percent of CEOs feel their customer insight is hindered by low-quality data.”**

**KPMG 2017 Global CEO Outlook**



# The Business Case for MDM Powered by Data Quality

**When you master clean, consistent, and complete data, intelligent insights come quickly, decisions can be made with confidence, and analysis becomes more efficient.**

- You identify new cross-sell and upsell recommendations that would otherwise have been hidden in inconsistent product data.
- Your customer profiles more accurately reflect your customers, making your personalization more effective.
- You understand when customers bought because you have a standardized view of dates.
- You spot new relationships between people, places, and things. For instance, when you clean up your address data, you can infer where customers bought. (Read [The Business Case for Contact Data Verification](#) to learn more.)

- You can track supplier performance with accuracy and pinpoint group purchasing opportunities with ease.
- You make regulatory processes a lot simpler because your compliance teams can build their reports from clean, trusted data.

Equally, high-quality data makes IT work in smarter ways.

- You reduce the amount of hard-coding needed when you automate critical data management functions such as profiling, discovery, cleansing, standardizing, matching, and merging.
- You fulfill self-service business demands with a central repository of business-critical data that's governed, trustworthy, and authoritative.
- You make it easier to identify sensitive data that needs to be secured or shared across functions, channels, and regions.



# Principles of Data Quality for MDM

If you're ready to embark on an MDM journey, or you're rethinking your existing one, a good place to start is with data quality. Here are a few core principles for your program.



- **Establish a data quality baseline and track progress**—What gets measured, gets managed. Use a data quality scorecard and dashboard—before, during, and after your MDM program goes live.



- **Start small**—To begin with, focus on the quality of data within a single system, application, or domain. Then reuse your rules and lessons for larger projects and processes.



- **Think big**—Data is all across the enterprise. Think big enough to ensure consistent quality throughout the data lifecycle—on-premises, in the cloud, in Hadoop, or in hybrid environments.

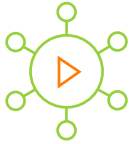


- **Standardize**—To collaborate across teams, you need to standardize your approach. Create a glossary and reusable rules so everyone stays on the same page.

“Data Quality helps transform Condé Nast from a ‘data as a nuisance’ company to a ‘data as an asset’ company.”

Director of Business Intelligence, [Condé Nast](#)





- **Automate**—Manually changing millions of records is impossible—and expensive. Use prebuilt rules and artificial intelligence to automate labor-intensive work like data profiling and discovery.



- **Monitor**—Implement a data quality dashboard to monitor data on an ongoing basis.



- **Put data quality inline**—You can prevent inaccurate data from getting your systems in the first place with inline data verification. It ensures data accuracy at the point of entry.



- [Routinely verify your contact data](#)—In the “last mile” of ensuring data quality, it helps to verify email, postal, and phone records to make sure you’re aware of when customers change addresses, jobs, and numbers.

“Data quality is the key to the success of Fannie Mae’s mission: getting the right people into the right homes. Now all our systems look at the same data—that one source of truth—which gives us great comfort.”

IT Director, [Fannie Mae](#)





# Data Quality: The Key to Better Insights

**Every data-driven digital transformation relies on a single, trusted view of business-critical data. It's why the most ambitious businesses value MDM so much. It gives them a complete view of the relationships between customers, products, suppliers, and locations.**

When you increase the quality of the data powering MDM's single view of the truth—removing errors, inconsistencies, and inaccuracies—you give everyone that uses MDM something invaluable. Trust.

The result is that every decision made based on the data becomes more effective.

- [Murdoch's Home and Ranch Supply](#) saw a 31 percent increase in online revenue with a single view of their products.<sup>5</sup>
- [Hyatt](#) saw a 19 percent increase in business from loyalty customers once it started using MDM and data quality.<sup>6</sup>

Because when you have a reliable view of all the people, places, and things that matter most to your enterprise, you empower everyone to collaborate more effectively, make better decisions, and serve customers more effectively.

At the end of the day, that's what every digital transformation is all about.

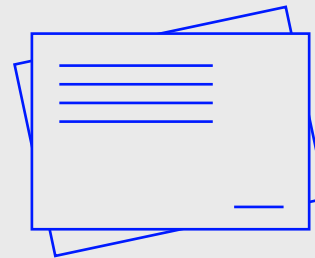


# Further Reading

## Ten Data Quality Dividends eBook

Data quality impacts every corner of every enterprise. And it's especially important in enterprises getting serious about innovation and transformation.

Read [Ten Data Quality Dividends](#) to learn about some of the big, small, and surprising ways data quality impacts your business.



[GET THE EBOOK](#)

# About Informatica®

Digital transformation changes expectations: better service, faster delivery, with less cost. Businesses must transform to stay relevant and data holds the answers.

As the world's leader in Enterprise Cloud Data Management, we're prepared to help you intelligently lead—in any sector, category or niche. Informatica provides you with the foresight to become more agile, realize new growth opportunities or create new inventions. With 100% focus on everything data, we offer the versatility needed to succeed.

We invite you to explore all that Informatica has to offer—and unleash the power of data to drive your next intelligent disruption.

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IN18-0818-3393

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